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BY HAND

January 18, 2008

Re: Golden Gate Yacht Club v. Société
Nautique de Genève, Index No. 602446/07

The Honorable Herman J. Cahn
The Supreme Court of the State of New York
County of New York
60 Centre Street, Room 615
New York, New York 10007

Dear Justice Cahn:

We refer to Golden Gate Yacht Club's ("GGYC") prior filings in which GGYC has contended that the Racing Rules of Sailing of the International Sailing Federation ("ISAF") should apply to the match GGYC has proposed. We enclose herewith a true and copy of ISAF's Racing Rules of Sailing, available on ISAF's official web site at <http://www.sailing.org/20348.php>, as Exhibit A. A true and correct copy of the Affidavit of Thomas F. Ehman, Jr., sworn to on September 16, 2007 (without exhibits), in which GGYC contends that the ISAF Racing Rules "***must apply*** to the Default Match under the Deed," is attached hereto as Exhibit B. Ex. B, ¶ 17.¹

Appendix N2.2(a) of the ISAF Racing Rules expressly provides that, unless the organizing authority (here, SNG) directs otherwise, an "international jury" of experienced sailors appointed by the organizing authority in accordance with the ISAF Racing Rules "***shall decide questions of eligibility, measurement or boat certificates.***" Ex. A, App. N.2.2(a), at 148. Thus, the ISAF Racing Rules that GGYC has contended must apply put the question of the propriety of GGYC's certificate squarely in the hands of an international jury or other protest committee as directed by the organizing authority.

In this connection, the New York Court of Appeals has given clear and specific instruction that disputes over the eligibility of vessels and sufficiency of boat certificates are to be determined not by the courts, but rather in accordance with the rules and regulations of the Cup holder. *Mercury Bay Boating Club Inc. v. San Diego Yacht Club*, 76 N.Y.2d 256, 265-66 & n.1 (1990) ("In this case, the dispute over the eligibility of the chosen vessels should have been governed and determined by the rules of yacht racing promulgated by the International Yacht Racing Union (IYRU) and followed by the defending San Diego Yacht Club. Pursuant to these rules, an international jury referees the match and decides all protests jointly submitted to it by the parties."). The reason for this is clear, as explained by the New York Court of Appeals. Courts are less equipped to resolve technical sailing questions such as whether a catamaran is a

¹ All bold italics emphasis in this letter is added.

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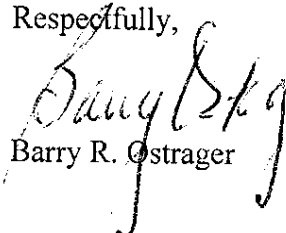
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keel yacht than an international jury that must be composed of “*experienced sailors with excellent knowledge of the racing rules* and extensive protest committee experiences.” Ex. A, App. N1.1, at 147. Thus, here, as in *Mercury Bay*, the question of whether GGYC’s certificate is valid and sufficient must be “submitted to the international jury” or other appropriate extra-judicial adjudicatory body. *Id.* at 266.

As the Court noted during the January 14 conference, the sufficiency of GGYC’s certificate is separate and distinct from the question of whether CNEV qualified as having an annual regatta as that term is used in the Deed. As I stated at the January 14 conference, SNG does *not* dispute this Court’s jurisdiction to resolve whether CNEV was a valid challenger. However, on the separate question of GGYC’s boat certificate, in light of the express language of the Court of Appeals’ decision in *Mercury Bay* concerning the appropriateness of an international jury of sailing experts determining issues relating to conduct of the America’s Cup race, GGYC’s efforts to have this Court summarily declare its challenge and certificate to be valid and sufficient is an improper effort to preempt the internationally accepted ISAF Racing Rules of Sailing, which GGYC itself has contended are the applicable rules under the Deed of Gift.

Consequently, for this reason and the reasons set forth in the papers submitted with the Order to Show Cause the Court signed on January 15, 2008, SNG believes that the only appropriate order that the Court can enter on January 23, is the proposed order submitted by CNEV on January 9.

Respectfully,


Barry R. Ostrager

Encls.

The Honorable Herman J. Cahn

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