

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

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GOLDEN GATE YACHT CLUB,	:	Index No. 602446/07
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Plaintiff,	:	IAS Part 54
	:	
v.	:	Hon. Shirley Werner Kornreich
	:	
SOCIÉTÉ NAUTIQUE DE GENÈVE,	:	
	:	
Defendant,	:	AFFIRMATION OF DR. KHATER
	:	MASSAAD IN SUPPORT OF
v.	:	AMICUS CURIAE SUBMISSION
	:	OF THE EMIRATE OF RAS AL
CLUB NÁUTICO ESPAÑOL DE VELA,	:	KHAIMAH
	:	
Intervenor/Defendant.	:	
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Dr. Khater Massaad hereby states under penalty of perjury of the laws of the United States and the State of New York:

1. I am an Advisor to H.H. Sheikh Saud Bin Saqr Al Qasimi (“Sheikh Saud”), Crown Prince and Deputy Ruler of Ras Al Khaimah (“RAK”), one of the seven emirates that form the United Arab Emirates (“UAE”). I have witnessed the business-oriented reforms of Sheikh Saud in RAK as it has become very investor friendly.

2. In addition to serving as Sheikh Saud’s Advisor since August 2005, I am Chief Executive Officer (“CEO”) of Ras Al Khaimah Investment Authority (“RAKIA”), the government agency established in 2005 that is responsible for attracting economic development and promoting the Emirate of RAK. Under my management, RAKIA has successfully attracted US\$2.5 billion in industrial investments to RAK. As CEO of RAKIA, I have been closely involved in RAK’s planning and preparation for the 33rd America’s Cup, including all investments and the installation of infrastructure for the event.

3. I am also the CEO of RAK Ceramics, a global, public joint stock ceramic manufacturing company founded in 1989, which has grown to become the largest ceramic manufacturing company in the world. In that position, I have gained extensive experience in international business. In addition to its headquarters and chief manufacturing facilities in RAK, RAK Ceramics has offices in the United States of America, France, the United Kingdom, Italy, Germany, Georgia, Belgium, Sudan, Australia, India, China, Iran, Saudi Arabia and Bangladesh. I am also the Executive Chairman of Rakeen, an RAK-based leading real estate master developer.

4. In recognition of the extraordinary achievements we have accomplished in the development of RAK during my tenure with RAKIA, I was honored by fDi Magazine as one of its six Personalities of the Year in 2007 (Henry Paulson, the United States Secretary of the Treasury, was a co-honoree). Prior winners this decade have included Mexican President Vicente Fox, Brazilian President Luis Inácio Lula da Silva, former Seoul Mayor Lee Myung-bak and Ontario Premier Dalton McGuinty.

5. RAK is surprised and offended by the statements made by plaintiff Golden Gate Yacht Club (“GGYC”), both in this litigation and publicly, which have been widely reported in the international media. Because these accusations about RAK are untrue and unfair, I submit this affirmation on behalf of RAK in order to present the Court with a full and accurate picture of the safety and security of RAK for an international sporting event, inform the Court about the infrastructure improvements and logistical planning that RAK has undertaken in preparation for the 33rd America’s Cup, and defend RAK’s international reputation from the unwarranted attacks made by GGYC.

6. RAK, within the UAE, is a sovereign territory entitled to the full privileges and immunities afforded to sovereign entities. In making this affirmation as well as its *amicus* submission, RAK reserves all of its rights, including its rights of sovereign immunity. RAK does not, by this filing, submit itself to the jurisdiction of the Court.

RAK IS A SAFE AND APPROPRIATE VENUE FOR THE 33RD AMERICA'S CUP

7. The UAE generally, and RAK specifically, is an extremely safe venue for the 33rd America's Cup. The Emirate of RAK has peaceful and friendly relations with all of its neighbors and the local and federal governments have worked hard to transform the UAE into an investor's haven, with security as a core element.

8. UAE is a relatively small nation, and the emirates are quite close to one another physically. For example, RAK is less than an hour's drive from Dubai, which is a similar distance from Abu Dhabi. In addition to the physical proximity of the emirates, they all share a federal police force and numerous other centralized governmental services. As a result of the close proximity and centralized security, it would be rather absurd to distinguish between the security of any one emirate in the UAE and another that is just a short distance away.

9. The UAE has an international reputation as one of the safest travel destinations and for maintaining one of the lowest crime rates in the world. More than 10 million tourists visit the UAE every year, with a substantial number of those visiting RAK. We have open and friendly relations with many countries and, as a result, many foreign nationals – including Americans, Canadians, Australians and citizens of most European nations – do not need a visa to visit RAK. There are approximately 180,000 Americans currently living in UAE, and over 500,000 other Western expatriates reside in the UAE.

10. The UAE is also home to numerous foreign companies, including nearly 400 from North America and more than 1,600 from Europe. Among the approximately 400 North American companies, over 220 are headquartered in the United States, and 28% of those have operations specifically in RAK. To my knowledge, not one of the more than 2,000 Western companies with business establishments here has ever been targeted by terrorists or faced any threat of terrorism in the UAE.

11. Indeed, notwithstanding its unfounded attacks on our nation, it is noteworthy that Oracle – whose co-founder and CEO, Larry Ellison, is plaintiff GGYC’s principal sponsor – has its own Middle East headquarters located in Dubai. Lead counsel for plaintiff, Latham & Watkins, also has offices in the UAE.

12. Several foreign educational institutions have also established a presence in RAK and conduct classes peacefully there without fear of terrorist attacks, including Middlesex University (United Kingdom), Dublin Business School (Ireland), Heriot-Watt University (Scotland), and the University of Wollongong (Australia). American educational institutions that have established branches in the UAE include Harvard Medical School and The American University, which has campuses in Dubai, Sharjah and RAK. Both Michigan State University and Rochester Institute of Technology likewise offer classes in Dubai without safety problems. Sheikh Saud himself received his college education at the University of Michigan.

13. Perhaps most important for the present matter, the UAE annually welcomes numerous international events of all sorts (academic, diplomatic, sporting, entertainment and business) and has never experienced security problems or concerns any different than those commonly experienced elsewhere in the world. Some examples of such recent events include the RAK Half Marathon, the Abu Dhabi Golf Championship, the Dubai

Tennis Championships, the Red Bull Flugtag Dubai flying competition, the biannual Dubai International Jazz Festival, the annual Abu Dhabi Music and Arts Festival Concert, the Cityscape-International Real Estate Exhibit in Dubai, and multiple business conferences. The Dubai World Cup, hosted annually for more than a decade, is the world's richest horse race (its purse was US\$6 million this year) and brings to the UAE many of the world's top thoroughbreds, owners and trainers each year.

14. This year, the UAE was honored to host the Rugby Sevens World Cup, having been selected from among seven bidders, including Russia and the United States. The World Cup is held every four years and is contested by 24 nations (including the United States this year). Not only was the men's event an enormous success, but the UAE simultaneously hosted the first Women's Rugby Sevens World Cup.

15. Moreover, internationally recognized athletes – including perhaps the world's most famous American athlete – compete safely and securely in high profile events in the UAE. These include golfer Tiger Woods, who regularly competes at the Dubai World Championship and has designed a golf course that is being constructed in Dubai; the world's most accomplished tennis player, Roger Federer, who competes in the World Tennis Championship in Abu Dhabi; and soccer star David Beckham, whose soccer club AC Milan trains in Dubai in the winter. Mr. Beckham also owns property in Dubai.

16. In fact, BMW Oracle Racing (“BMW Oracle”) – plaintiff GGYC's representative team for the 2010 America's Cup – is itself scheduled to race next month in the Dubai RC44 Gold Cup 2009. I am unaware of any concerns ever expressed by BMW Oracle that would cast doubt on its participation in the RC44 Gold Cup 2009 event.

17. Numerous internationally renowned entertainers likewise perform safely and securely in the UAE before large crowds, none of which has ever been targeted by terrorist attacks. This year alone, these included Justin Timberlake, George Michael, Coldplay, Robbie Williams, Phil Collins, Andrea Bocelli at the Abu Dhabi Music and Arts Festival Concert, Luciano Pavarotti, and James Blunt at the International Jazz Festival, all of whom drew crowds well in excess of 10,000 each (some several times that amount). Upcoming concerts include the Backstreet Boys in December in Dubai, and Beyoncé and Aerosmith, who are both scheduled to perform at the Abu Dhabi Formula One in November.

18. Among the noteworthy upcoming events scheduled to take place in the UAE are the Leaders In Dubai Conference (to be attended by former Vice-President of the United States, Al Gore; United States President Barack Obama's campaign manager David Plouffe; Archbishop Desmond Tutu; and business leader Gary Hamel), the Dubai World Championships, one of the world's richest golf events and part of the European tour, the Abu Dhabi Formula One auto race, the International Boat Show in Dubai, the International Medical Congress in Abu Dhabi, the Gitex-International Technology Show in Dubai, and the International Security National Resilience Exhibition and Conference in Abu Dhabi.

19. Notably, in April 2009, Oracle helped organize and participated in a business conference in Dubai featuring eighteen white paper sessions led by top industry speakers from the United States, Europe and the Middle East. Oracle's Senior Vice President of Applications Technology, Cliff Godwin, served as the event's keynote speaker.

20. The UAE is committed to the development of the sport of sailing and has hosted a number of sailing events. Such events include the annual International Moth World Championships in Dubai, the Dubai RC44 Gold Cup 2009, the annual UIM Class One-World

Powerboat Championship in Dubai and Abu Dhabi, the 2006-2007 Victory Challenge training session and the 2008 BMW Sailing Cup World Final. The UAE also plans to host the International Open Winter Series in Dubai in February 2010. RAK's hosting of the America's Cup, the world's premiere yachting event, will strengthen UAE's proven commitment to the sport of sailing.

21. While we would expect that the 33rd America's Cup would receive significant security regardless of where it is held, the UAE is particularly well suited to ensure a safe event. Having hosted other high profile sporting events in recent years, including tennis and golf tournaments and the world's richest horse race in 2009, all attended by their sports' leading stars, we have gained vast security experience. The 33rd America's Cup will benefit from this security experience and can be assured of receiving the same level of protection that would be afforded in any other developed nation. As with any other event held in the UAE, the security for the 33rd America's Cup will be under the responsibility of UAE's Ministry of Interior, which will receive full cooperation from the Navy, Coast Guard and federal and local police to ensure the safety and well being of all visitors to RAK.

22. Specifically, the Ministry of Interior will increase the amount of police and guards patrolling RAK during the event, and provisions have been made for additional troops, police, and coast guards to be transferred temporarily from nearby Abu Dhabi for the days leading up to and during the event. Our troops are well equipped and well experienced in handling such events. The Coast Guard also intends to send out extra patrols to monitor the territorial waters of Iran and will be on high alert to inform the competing boats of any unexpected activity. There will also be boats installed by the America's Cup Management to

oversee the limits of the race. RAK is also willing to employ private security companies if such additional comfort measures are necessary to reassure the competitors.

23. In fact, shortly after the public announcement of the selection of RAK as the host of the 33rd America's Cup, plaintiff's representative team BMW Oracle met with one of the Heads of Police and Heads of the Coast Guards to discuss relevant security issues. Following that meeting, the representative expressed satisfaction with the planned measures. Attached hereto as Exhibit A is an email I received last month from BMW Oracle's Security Advisor, Brent Ivil, informing me that his risk assessment report of RAK would be "POSITIVE." Mr. Ivil stated that he was "impressed by the harmony peacefulness and cooperation experienced by you and your peoples" and that he "look[ed] forward to working closely and in partnership with your security personal [sic] in making this major event a huge success demonstrating what a safe and beautiful emirate Ras al-Khaimah is" RAK and BMW Oracle had no further conversations regarding safety, nor were any concerns or questions voiced to RAK following this email. Thus, in light of BMW Oracle's security advisor's own favorable report, we were quite surprised to learn of GGYC's present allegations regarding the safety of RAK.

24. Finally, RAK's proximity to Iran is not and will not be an issue for the 33rd America's Cup. RAK has good relations with Iran as it does with all its neighbors in the Persian Gulf region, and Iranian interests have never threatened foreigners visiting RAK. In fact, there is a small Iranian population currently living in RAK, as well as in all of the other emirates. Additionally, the 33rd America's Cup racecourse will take place entirely in RAK territorial waters and the immediately adjacent contiguous zone of the UAE many miles away from Iranian territory. These same waters serve as a major waterway for commercial shipping boats as well

as military boats, and U.S. flagged carriers pass through these waters off RAK on a daily basis. There has never been a single incident involving Iran and these boats.

25. Attached hereto as Exhibit B are maps of the proposed racecourse for the 33rd America's Cup. As can be seen from these maps, the course is not in the northern waters closest to the Iranian border (which would still be many dozens of miles from Iran), but will largely be just off RAK's western coast, making it highly unlikely that the competing boats will venture anywhere remotely near Iranian territorial waters.

26. While terrorism is regrettably a part of the world we all live in, it is also absolutely incorrect for plaintiff to suggest that a terrorist attack in RAK is any more likely than in any other developed country. Unlike many Western nations, there has never been a single terrorist attack in RAK territory. Nor has any terrorist attack against civilians taken place anywhere else on UAE soil in the past several decades. No Al Qaida terrorist cells are believed to exist in the UAE, nor is the UAE viewed by the international community as particularly vulnerable to terrorist attacks.

RAK HAS THE NECESSARY INFRASTRUCTURE TO HOST THE 33RD AMERICA'S CUP

27. RAK has committed more than US\$120 million to develop the infrastructure to host the 33rd America's Cup, with the vast majority of such development already completed. The chosen venue to host both teams is the Al Hamra Village ("Al Hamra"), a 5 million square meter new luxury residential and leisure resort island, located at the southern end of the city of Ras Al Khaimah, set around lagoons and containing thousands of residences, a championship golf course and its own marina. RAK specifically constructed a 22-hectare purpose-built island ("Island A") inside the Al Hamra lagoon to host the team bases and all of the necessary facilities for the media, the sponsors and the public. Attached hereto as Exhibit C

are photos of Al Hamra. We are very proud of the beautiful venue we have constructed, which we believe will provide unrivaled comfort and luxury to the competitors and other attendees.

28. Following the installation of a crane platform and a 250 ton crane to implement the necessary construction, RAK made significant developments to its marine infrastructure at Al Hamra, costing over US\$30 million, which includes the installation of pontoons for the participating boats and chase boats, the dredging of the area surrounding the lagoon, and the deepening and widening of the channel and all other waterways to accommodate the boats. Attached hereto as Exhibit D are photos of the construction at the Al Hamra marina. We have also secured the gates and all security fences surrounding the marina. Additionally, RAK has spent US\$1 million on improving and beautifying the general infrastructure of Al Hamra.

29. RAK is fully equipped to accommodate the number of spectators that accompany events like the America's Cup. RAK already offers close to 3,000 hotel rooms, including the Hilton Ras Al Khaimah, and is also situated less than one hour north of Dubai, which has in excess of 58,000 hotel rooms available to visitors and fans of the event. RAK has undergone additional development to host the event, such as making substantial modifications to the Al Hamra Palace Residence to transform it into a 240-room luxury hotel equipped with a restaurant, swimming pool, tennis court and several other amenities at a cost of US\$50 million (attached hereto as Exhibit E are photos of the Al Hamra Palace Residence), the building by Banyan Tree of a desert resort consisting of 101 tented villas, the building of another Banyan Tree resort on the beach close to Island A scheduled to be operational by December 2009, and the furnishing of 150 apartments in Acacia Hotel, located 2 kilometers from Island A, in order to provide additional hotel rooms for the event.

30. RAK also has the power utilities necessary to host the 33rd America's Cup and all of the accompanying spectators. To supplement its existing capabilities, RAK recently began operation of two new power generation plants that contain more than enough wattage to support the America's Cup events. RAK also has an excellent communications network that will permit worldwide broadcast of the event. Most recently, RAK also built a convention center, which will be transformed into a press centre for the event.

31. Finally, RAK has a vibrant transport network including three highways connecting RAK with Abu Dhabi, Dubai, Sharjah, Ajman and the other emirates. RAK is a 45-minute drive from Dubai, 30 minutes from Sharjah and 20 minutes from Ajman. Furthermore, RAK's roadways are constantly being improved to accommodate the increased tourist traffic. For example, most recently, the government spent US\$20 million to widen the local roads between the Al Hamra and the Emirates Highway to Dubai.

MANY OF RAK'S EXPENDITURES PREPARING FOR THE 33RD AMERICA'S CUP WERE MADE BETWEEN THE PUBLIC ANNOUNCEMENT OF RAK'S SELECTION AND GGYC'S COURT CHALLENGE TWO MONTHS LATER

32. As noted above, particularly after receiving the email from BMW Oracle's security advisor praising RAK as an America's Cup venue, GGYC's October 1 objection came as a great surprise to RAK. For two months following the August 5, 2009 announcement that RAK had been selected as the venue for the 33rd America's Cup, RAK expended significant sums of money and resources toward preparing for the event, including engaging third party contractors such as Van Oord from Holland, hired by RAK to assist in the deepening of the waterways and the widening of the canals for millions of dollars, and Halcrow International from the United Kingdom. During that entire time from August 5 to October 1, we received no

indication from GGYC that it would undertake any effort to prevent the America's Cup from being staged in RAK next February.

33. In fact, not only did BMW Oracle's security advisor tell me that he was "more than impressed" with our arrangements and that he left RAK "with sadness and look forward to my return," Exhibit A, but BMW Oracle sent its equipment and an advance team to RAK, further leading us to believe that it had no objection to our selection. Given the preparations necessary to host such a significant event in just six months, there is no doubt that GGYC was aware that RAK would spend many millions of dollars during the two months following the announcement.

34. In the past two months, as described above, RAK has spent millions of dollars dredging and preparing the event base and marina, made significant developments to Island A to accommodate the team bases including leveling of the island, asphaltting the roads and installing domestic water, drainage, irrigation, electricity, street lighting, sewage treatment for both bases, and installing fibre optic telecommunication for the bases with high definition internet and telephone.

35. Following the receipt of the necessary specifications, the base for Alinghi, the representative team for defendant SNG, was fully completed. Upon learning that BMW Oracle had sent its equipment and team to RAK, RAK continued to expend additional resources toward hosting the team. RAK is currently awaiting receipt of BMW Oracle's final specifications necessary to complete their base. We expect to be able to complete the base within two weeks of receiving these requirements.

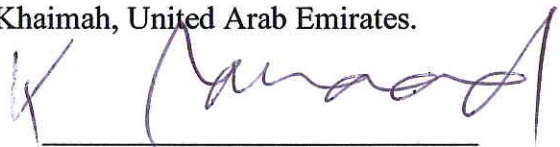
36. All of these expenditures, as well as the additional funds earmarked for the America's Cup, and the third-party contracts entered into by RAK, not only demonstrate RAK's desire and preparedness to host this event but evidence RAK's reliance on the public announcement of its selection as host. This is an important opportunity for RAK, as the hosting of the 33rd America's Cup will assist RAK and the UAE in our ongoing goal of continued advancement toward achieving a position as a world-class international destination for tourists, business and other international events. RAK's success in this regard will help bring money to the region and improve the stature of the Emirate. If we perceived even the slightest threat to the security and success of the 33rd America's Cup, we would not have pursued this opportunity, as RAK stands to lose the most were there to be any disruption to the event.

37. For all of these reasons, the Court should deny plaintiff GGYC's request that the 33rd America's Cup be held in a venue other than RAK. The plaintiff's attacks on the safety and security of RAK as the site for the race have no legitimate basis.

38. Annexed hereto are true and correct copies of the following documents:

- EXHIBIT A:** Email dated September 12, 2009 between BMW Oracle Security Adviser Brent Iivil and Dr. Khater Massaad
- EXHIBIT B:** Maps depicting the proposed racecourse for the 33rd America's Cup in RAK
- EXHIBIT C:** Photographs of Al Hamra Village and Marina
- EXHIBIT D:** Photographs of construction work undergone at Al Hamra Village and Marina
- EXHIBIT E:** Photographs of the Al Hamra Palace Hotel

Executed on October 13, 2009 in Ras Al Khaimah, United Arab Emirates.



Dr. Khater Massaad