

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

Golden Gate Yacht Club,

Plaintiff,

v.

Societe Nautique de Geneve,

Defendant,

Club Nautico Espanol de Vela,

Intervenor-defendant.

Index No. 602446/07

**REPLY AFFIRMATION OF
PHILIP M. BOWMAN IN
FURTHER SUPPORT OF
GGYC'S MOTION TO
ENFORCE COMPLIANCE
WITH THE ORDER AND
JUDGMENT ENTERED
APRIL 7, 2009 REGARDING
VENUE LOCATION FOR
THE 33RD AMERICA'S CUP**

PHILIP M. BOWMAN, an attorney duly admitted to practice before the Courts of the State of New York and not a party to the above-captioned action, hereby affirms the following to be true, under penalty of perjury, pursuant to CPLR § 2106:

1. I am a member of the law firm of Boies, Schiller & Flexner LLP, counsel for plaintiff Golden Gate Yacht Club ("GGYC") in the above-captioned action.
2. I respectfully submit this reply affirmation in further support of GGYC's motion to enforce compliance with the Order and Judgment entered April 7, 2009 regarding venue location for the 33rd America's Cup.
3. Attached hereto as Exhibit A is a true and correct copy of Société Nautique de Genève's ("SNG") Brief in Opposition to GGYC's Motion for Contempt dated May 11, 2009.
4. Attached hereto as Exhibit B is a true and correct copy of the Affirmation of William H. Dyer Jones.
5. Attached hereto as Exhibit C is a true and correct copy of the Supplemental Affidavit of Thomas Ehman.

6. Attached hereto as Exhibit D is a true and correct copy without exhibits of the Affidavit of Lucien Masmajan dated May 11, 2009.

7. Attached hereto as Exhibit E is a true and correct copy of a letter dated May 5, 2009 from Fred Meyer and Alec Tournier to Marcus Young.

8. Attached here as Exhibit F is a true and correct copy of a letter dated August 6, 2009 from Marcus Young to Fred Meyer.

9. Attached hereto as Exhibit G is a true and correct copy of the Supplemental Affirmation of Graeme Gibbon Brooks.

10. Attached hereto as Exhibit H is a true and correct copy of a Wall Street Journal article entitled "U.A.E. Vets Workers for Ties to Tehran," by the Wall Street Journal, dated October 15, 2009.

11. Attached hereto as Exhibit I is a true and correct copy of an article entitled "Emirates: Rakgas looks to Iran" by the Middle East North Africa Financial Network, dated June 3, 2008.

12. Attached hereto as Exhibit J is a true and correct copy of an article entitled "UAE's Ras al-Khaimah wants Iran gas, official says," by Islamic Republic News Agency, dated February 20, 2008.

13. Attached hereto as Exhibit K is a true and correct copy of the Affirmation of Stephen Barclay.

Dated: October 19, 2009
New York, New York



Philip M. Bowman

EXHIBIT A

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

-----X
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 GOLDEN GATE YACHT CLUB, :
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 Plaintiff, :
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 v. :
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 SOCIÉTÉ NAUTIQUE DE GENÈVE, :
 :
 Defendant, :
 :
 v. :
 :
 CLUB NÁUTICO ESPAÑOL DE VELA, :
 :
 Intervenor-Defendant. :
 -----X

Index No. 602446/07
 IAS Part 54
 Hon. Shirley Werner Kornreich

**SOCIÉTÉ NAUTIQUE DE GENÈVE'S MEMORANDUM OF LAW
 IN OPPOSITION TO GOLDEN GATE YACHT CLUB'S MOTION FOR CONTEMPT**

Table of Contents

	Page
Preliminary Statement.....	1
Argument	7
I. The Order, Read Together With The Deed Of Gift As It Must Be, Specifies A First Race Date Of May 3, 2010	7
II. GGYC’s Contempt Motion Is Baselsss	9
Conclusion	11

Defendant Société Nautique de Genève (“SNG”) submits this memorandum of law, the Affidavit of Barry R. Ostrager, dated May 11, 2009 (“Ostrager Aff.”), and the Affidavit of Lucien Masméjan, dated May 11, 2009 (“Masméjan Aff.”) in opposition to the Golden Gate Yacht Club’s (“GGYC”) motion to enforce order and judgment and for contempt (the “Motion”).

PRELIMINARY STATEMENT

GGYC’s Motion is at best premature and appears, on its face, to be a cheap publicity stunt. In bringing this motion, GGYC rebuffed SNG’s efforts to engage in discussions about the proper race date, and violated the desire of the Court of Appeals that “the right to act as trustee of the America’s Cup should be decided on the water and not in a courtroom”. At an April 23, 2009 meeting in Geneva, Switzerland, SNG’s representatives stated their understanding that, under the April 7, 2009 Order (the “Order”) and the Deed of Gift, the 33rd America’s Cup race needed to be held beginning May 3, 2010. None of GGYC’s multiple representatives at the meeting, including a Board member of GGYC who is also General Counsel of GGYC’s representative BMW Oracle Racing, uttered a word in protest. Nor did GGYC suggest in any way that the race should be held in February. In fact, GGYC’s representatives refused substantively to discuss the topic at all. Instead, GGYC’s representatives made clear that they preferred to discuss the issue at a later meeting, perhaps during the week of April 27. SNG took this offer to continue the discussions as an honest one.

But on April 27, rather than continuing the dialogue and notwithstanding its own continuing failure to provide the required Custom House registry for its challenging vessel,¹ GGYC filed this application. GGYC’s true intent is to continue to wage a litigation and public

¹ On May 1, this Court signed SNG’s Order to Show Cause why an order should not be entered disqualifying GGYC as Challenger of Record for failure to provide a Custom House registry of its challenge vessel as required by the Deed, with a hearing scheduled for May 14.

relations war against SNG even if it must do so by manufacturing baseless charges of wrongdoing. As reflected in the attached press clipping, GGYC is trying to make a mockery of the proceedings before this Court by planting stories in the press about its confected contempt claim. Ostrager Aff., Ex. D (April 30, 2009 *The New Zealand Herald*). GGYC's unclean hands further manifested itself in the fact that it hired a team of agents to illegally spy on and try to secure information about the defense boat being designed and constructed by SNG. Masmajan Aff. ¶ 18-19. An individual detained and questioned by Swiss authorities admitted that he was one of a team of spies hired by GGYC's racing team, BMW Oracle Racing, to illegally break into facilities to take photographs and secure information about the defense boat. *Id.* This individual had been hired by BMW Oracle Racing in December 2007 for the specific purpose of spying on their competitors, and had been paid a monthly salary of €10,000 to do so. Masmajan Aff. ¶ 19.

GGYC's Motion, while filled with rhetoric and animosity, is ultimately devoid of substance. The Motion is premised on the notion that SNG breached a clear order of this Court. SNG did no such thing. However, the Court's Order, read in conjunction with the Deed of Gift, and GGYC's own Notice of Challenge (which was upheld by the Court of Appeals) that expressly put forth a Northern Hemisphere challenge, specifies a May 3, 2010 race date. Voicing this well-founded position, compelled by the express terms of the Deed, does not disobey or disregard the Order. GGYC's motion should be denied and the start date of the next Cup confirmed as May 3, 2010.

The Motion seeks to present SNG with an option of either abdicating its unambiguous right to select the location of the next America's Cup or risk an allegation of breach of fiduciary duties by holding the Cup in the Northern Hemisphere in the middle of the

winter in contravention of the Deed of Gift. This is a false choice – this Court’s April 7, 2009 Order along with the prior orders it encompasses does not require a race before May 2010. Ostrager Aff., Ex. C (Order). The Order does reference a race date 10 months in the future. But the Order also sets Valencia, Spain as the presumptive location of the next Cup and, as does the Deed of Gift itself, grants the ultimate right to select a different location to SNG. The Deed of Gift further states that no race may be held in the Northern Hemisphere between November 1 and May 1 of any year. Read together, the Order and the Deed of Gift require that a Northern Hemisphere Cup – as contemplated by both parties – be held no earlier than May 3, 2010.² At a minimum, were this Court to order the race to begin on February 8, 2010, it should confirm that racing in Valencia or elsewhere in the Northern Hemisphere as SNG may designate in accordance with the Order will not be a breach of fiduciary duty under the Deed of Gift. To do otherwise would deprive SNG of its clear right under the Deed of Gift to select a venue of its choice.

BACKGROUND

The text of the Deed of Gift vests the Defender with the express and absolute right to select the venue for the Cup regatta: “All such races shall be on ocean courses, free from headlands . . . [t]hese ocean courses shall be practicable in all parts for vessels of twenty-two feet draught of water, and shall be selected by the Club holding the Cup”. Ostrager Aff., Ex. A (Deed of Gift). All past defenders have respectively selected the venue for each of the prior 32 America’s Cups, and there is nothing in the text or history of the Deed of Gift to suggest that the Defender can be deprived of its right to choose the location of its defense of the Cup.

² May 1, 2010 is a holiday in most of Europe and May 2, 2010 is a Sunday, which is not a race day under the Deed of Gift.

GGYC issued its Notice of Challenge for the 33rd America's Cup on July 11, 2007. Ostrager Aff., Ex. B (GGYC Notice of Challenge). In its Challenge, GGYC explicitly acknowledged the period permitted by the Deed of Gift for a match in the Northern Hemisphere. *Id.* at 4. ("To comply with the requirements of the Deed of Gift that ten months' notice be given, and recognizing the period permitted by the Deed of Gift for a match in the Northern Hemisphere, we name [dates]").

Prior to 1985, the Deed barred *any* races from being held between November 1st and May 1st. This rule was to prevent sailing in conditions generally less conducive to racing. Upon the motion of The Royal Perth Yacht Club of Western Australia, which was then Cup holder and defender following its victory in the 25th America's Cup, the Deed was amended in 1985 by order of this Court to allow races to be held in the Southern Hemisphere between November 1 and May 1. The amendment left completely unchanged the prohibition of Northern Hemisphere races during this time period and the right of the defender to select the venue. This amendment permitted The Royal Perth Yacht Club to host the 26th America's Cup at its chosen site in Australia during the summer season there. This express prohibition on certain race dates in the Northern Hemisphere has been observed throughout the history of the Deed. Only since 1985, and only when a match occurred in the Southern Hemisphere because the defending club was situated there, has a race taken place during these prohibited months.

While the question of how the Order's date requirements interact with the Deed had been briefed by both parties earlier, no court had ever addressed the question. The Order does not answer this question. The Appellate Division did not need to reach it, because it held CNEV, and not GGYC, to be the proper challenge. And the Court of Appeals was not called

upon to answer the question because of the procedural posture in which the appeal was presented to it.

In an effort to work through any issue associated with the date of the race, SNG asked GGYC to discuss the race date issue during an April 23 meeting in Geneva, Switzerland. Masmajan Aff., Ex. A (May 5, 2009 letter from SNG to GGYC). At the meeting, SNG explained to GGYC its view that as the Defender of the Cup, it had to comply with the express provision of the Deed of Gift. *Id.* This meant the race would be held on the first permissible date under the Deed of Gift – May 3, 2010. *Id.*

At no time during this meeting did any of GGYC's representatives express that the next America's Cup must be held in February, 2010, or even protest SNG's statement that the race needed to be held in May, 2010. *Id.* GGYC's representatives certainly did not mention that unless the races were held in February, 2010, GGYC would seek to hold SNG in contempt. At the conclusion of the meeting, Lucien Masmajan, a member of SNG, tried again to reach resolution on the race date with Melinda Erkelens, General Counsel of GGYC's racing team BMW Oracle Racing and a member of the Board of GGYC. Mr. Masmajan specifically asked Ms. Erkelens whether she wanted to discuss the race date. *Id.* Ms. Erkelens responded that she preferred to do it in another meeting. *Id.* On behalf of GGYC, she proposed a meeting for the following week (the week of April 27). *Id.* GGYC, however, never followed up in response to SNG's repeated requests to discuss the date. Instead, on April 27 it filed the instant Motion.

On May 5, 2009, SNG reached out to GGYC to continue the dialogue begun at the April 23 meeting. *Id.* SNG invited GGYC to continue to discuss the details of the next America's Cup, including the date of the race and the participation of other yacht club's in the multi-hull regatta concept that GGYC proposed.

So far, at least one other yacht club wants to participate in an 33rd America's Cup multi-challenger regatta and has submitted a notice of challenge for the race. On May 6, 2009, Circolo di Vela Gargnano ("CVG"), which sponsored the +39 Challenge for the 32nd America's Cup, wrote to GGYC in support of its multi-challenger regatta idea. Masmajan Aff., Ex. B (May 6, 2009 letter from CVG to GGYC). CVG stated its intent to compete in multi-hulled boats, "provided enough time is given to the challengers to prepare". GGYC stonewalled CVG's proposition, using this litigation they initiated as an excuse for their refusal to even engage in discussions about a multi-challenger regatta. Masmajan Aff., Ex. C (May 6, 2009 letter from GGYC to CVG). It did so even though it has previously repeatedly expressed an affirmative and strong desire to open the 33rd America's Cup to multiple challengers. And instead of continuing discussions with SNG to avoid the need for continued and protracted litigation, GGYC wrote back to SNG on May 6 and essentially refused to meet or continue discussions with us at all. Masmajan Aff., Ex. D (May 6, 2009 letter from GGYC to SNG). On May 11, 2009 CVG submitted a notice of challenge for the 33rd America's Cup using its own multi-hulled vessel. Masmajan Aff., Ex. E (May 11, 2009 CVG Notice of Challenge).

Rather than acknowledge interest in the multi-hull regatta concept they put forward, and rather than accept an invitation to work together with SNG regarding the details of the 33rd America's Cup, GGYC insists on pursuing further court litigation. In addition to waging a war on the litigation front, GGYC has been conducting other improper activities. Masmajan Aff., ¶ 18-19. An agent of GGYC's racing team, BMW Oracle Racing, was detained in Montpellier, France at the request of a Swiss criminal judge less than a month ago while trespassing to attempt to photograph the site where SNG has been working on constructing its boats. While this criminal case has not been resolved, this employee admitted during

interrogation by the judge in the case that he was part of a larger scheme to take pictures of SNG's boats. This is in contravention of the spirit of the America's Cup, and possibly Swiss criminal law.

ARGUMENT

I. **The Order, Read Together With The Deed Of Gift, Specifies A First Race Date Of May 3, 2010**

In ruling in favor of GGYC on the issue of the identity of the Challenger, the Court of Appeals at GGYC's urging held that the Deed of Gift must be strictly interpreted. *Golden Gate Yacht Club v. Société Nautique de Genève*, 2009 WL 856301 (N.Y. Apr. 2, 2009) (agreeing with this Court's opinion which the Court of Appeals described as "strictly interpreting the Deed of Gift"). GGYC has now abandoned this position. Instead, it flip flops and asks this Court to disregard the Deed and to interpret the Order in a manner expressly contrary to both the Deed and GGYC's own Notice of Challenge.

The Deed of Gift unambiguously prohibits sailing a match between November 1 and May 1 in the Northern Hemisphere: "no race shall be sailed in the days intervening between November 1st and May 1st if the races are to be conducted in the Northern Hemisphere". Ostrager Aff., Ex. A. The Order specifies a default race location of Valencia, Spain or at another location of SNG's choosing. Ostrager Aff., Ex. C at 5 ("[I]t is hereby ... ordered that the location of the match shall be in Valencia, Spain or any other location selected by SNG ..."). SNG reiterated to GGYC on April 23 that it will select a Northern Hemisphere location consistent with the location of both Clubs in the Northern Hemisphere, its Notice of Challenge and the default location specified by the Order. Masmajan Aff., Ex. B (April 23, 2009 letter from SNG to GGYC). There is nothing in the Order that suggests that a race should be held in

contravention of the terms of the Deed of Gift. Thus, the first permissible race date under the Order and Deed of Gift is the first non-Sunday, non-holiday in May— May 3, 2010.³

GGYC reads into the Deed of Gift's ten-month notice requirement an intent to "limit the defender's preparation time for the match as a counter-balance to the many advantages the Deed grants the defender". Mot. at 4. While the Deed does require that the challenging club provide *at least* ten months notice to the defending club of its chosen race dates, GGYC's suggestion that the notice provision erases the longstanding prohibition on winter America's Cup races in the Northern Hemisphere collapses of its own weight.⁴

The 1887 Deed of Gift prohibited *any* match between November 1 and May 1 to prevent a challenge being made that would force the Defender to race during the winter months when the weather was less conducive to racing. While the Deed of Gift was amended in 1985 to facilitate races in the Southern Hemisphere, where the seasons are reverse of the Northern Hemisphere, there is nothing at all in such amendment suggesting any intention to permit winter America's Cup races in the Northern Hemisphere or to alter the right of the defender to select the venue.

The Deed of Gift's Northern Hemisphere time restrictions should be followed here for several additional reasons:

³ There remains the possibility that, due to sea and wind conditions, the race may not start on the originally scheduled day, but will have to be re-scheduled from day to day under the sailing rules and regulations applicable under the Deed of Gift.

⁴ GGYC suggests that SNG has been focused on "building a giant multi-hull to meet [GGYC's] challenge" (Mot. at 4) but the fact is that SNG laid off approximately over a dozen boat-builders after the Appellate Division's decision. From then until the Court of Appeals' decision last month, SNG has directed its efforts towards preparing a multi-challenger event and working with the numerous other entrants towards that end. During that time, GGYC continued actively to sail and train on its challenge vessel.

First, GGYC specifically requested a race date “recognizing the period permitted by the Deed of Gift for a match in the Northern Hemisphere” in its Notice of Challenge.

Ostrager Aff., Ex. B, at 4.

Second, GGYC’s recognition that it needed to honor the Deed of Gift’s restrictions on Northern Hemisphere race dates flows naturally from the fact that SNG and GGYC are both located in the Northern Hemisphere (in Geneva, Switzerland and California, respectively).

Third, this Court contemplated a Northern Hemisphere race in designating Valencia, Spain as the default location for the race. Ostrager Aff., Ex. C, at 5.

Fourth, SNG, in exercise of its right of selection in the Deed and confirmed in the Order, has advised it will select a Northern Hemisphere venue to be disclosed within the period required by the Order. The Deed of Gift expressly entitled SNG as defender to select the location of the race. The original Donor’s intent from the original 1887 Deed is clear and unambiguous in vesting the Defender with the right to select the venue: “These ocean courses shall be practicable in all parts for vessels of twenty-two feet draught of water and shall be selected by the Club holding the Cup” Ostrager Aff., Ex. A.

Finally, GGYC’s suggestion that SNG’s current arguments were previously raised with this Court and “soundly rejected” in the Order (Mot. at 6) is irreconcilable with the Order itself. The Order does not consider much less decide whether, if the ten-month period ends in the winter, a race could or would have to be held in Valencia in the winter notwithstanding it would violate the Deed of Gift’s express terms.

II. GGYC’s Contempt Motion Is Baseless

To establish civil contempt, a movant must demonstrate that the party violated a clear and unequivocal mandate of the court, thereby prejudicing the rights of another party to the

litigation. *Wheels Am. New York, Ltd. v. Montalvo*, 856 N.Y.S.2d 247, 248 (2d Dep't 2008). As GGYC acknowledges, contempt rests fundamentally upon a showing that "a lawful judicial order expressing an unequivocal mandate must have been in effect and disobeyed". Mot. at 4 (citing *McCain v. Dinkins*, 84 N.Y.2d 216, 226 (1994)). That did not happen here.

SNG has *not* disobeyed the Order in any respect. The race is, even under GGYC's own contentions, over nine months away. GGYC is apparently trying to invent a concept of "anticipatory contempt" premised on the suggestion that SNG will disobey the Order. That will not happen. SNG will hold the race on whatever date the Court states is the date it intended for the race. Indeed, in raising the issue of the date at the April 23 meeting and asking for further meetings to discuss the issue, SNG has shown utmost good faith regarding this matter. SNG intention is clearly stated in its referred letter April 23, 2009, which is self-explanatory: "*At this stage, we wish to confirm arrangement for the 33rd America's Cup, if no further mutual agreement can be reached and it had to be conducted under the default terms of the Deed of Gift*". Masmajan Aff., Ex. B, at 2. It is GGYC that disregarded its obligation to attempt to resolve disputes where possible without the intervention of the Court.

CONCLUSION

For the foregoing reasons, Defendant SNG respectfully requests that the Court enter an Order (i) denying GGYC's Motion and (ii) confirming that (a) the 33rd America's Cup race is to be held, absent mutual consent, beginning May 3, 2010, the earliest date permitted by the Deed of Gift and (b) that SNG shall select a Northern Hemisphere venue and need not announce the location for the Cup earlier than six months prior to May 3, 2010.

Dated: New York, New York
May 11, 2009

Respectfully submitted,
SIMPSON THACHER & BARTLETT LLP

By: 

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SOCIÉTÉ NAUTIQUE DE GENÈVE

EXHIBIT B

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

Golden Gate Yacht Club
Plaintiff,
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Societe Nautique de Geneve
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Index No. 602446/07

**AFFIDAVIT OF
Wm. H. DYER JONES**

WILLIAM H. DYER JONES hereby deposes and says:

1. I am over 18 years of age and am a citizen of the United States. For over forty years, I have been involved with the America's Cup in various capacities, beginning in 1967 when I was on the shore team for *Columbia*, one of the New York Yacht Club's ("NYYC") defense candidate boats. Starting in 1977, I was a member of the NYYC Race Committee, which organized and operated the America's Cup event, as well as the defender selection trials, and I was Chairman of the NYYC Race Committee for the 1983 Cup. Thereafter, I was a Rules Advisor and Yacht Club Representative to the Challenger of Record for the NYYC's "America II" challenge syndicate in Fremantle, Australia.

2. From 1989 to 1995, I was appointed by NYYC to serve on the Trustee's Committee, a body consisting of one representative from each of the Cup's current and former trustees, which acted as the dispute resolution forum for the America's Cup. From late-1995 to 2000, I was the President of the America's Cup Challenge Association, Ltd., which organized and operated the Louis Vuitton Challenger Selection Series to determine the Cup match finalist for the 30th Match. From 2001-2003, I served as the Regatta Director for Challenger of Record Management, Ltd., which company organized the Challenger Selection Series for the 31st Match

W.H.D.

for the America's Cup. Both the 30th and 31st Matches took place in Auckland, New Zealand. Finally, I served as Regatta Director for the 2007 America's Cup in Valencia, Spain, and administered both the Challenger Selection Series and the 32nd America's Cup. This involved organizing twelve regional regattas for the twelve participating teams throughout Europe beginning in 2004; and culminated in the final selection series and America's Cup Match in 2007.

3. As compared with the multiple challengers America's Cup events, a two-boat match, as the 33rd America's Cup will be, is relatively easy to organize and run. In previous America's Cup events, up to a dozen challengers competed in dozens of races over the course of several months for the right to race the defending yacht in the final match. In contrast, the Cup match between Societe Nautique de Geneve ("SNG") and Golden Gate Yacht Club ("GGYC") in February, 2010 will be a single event pitting two yachts against each other in a best two-out-of-three race series. Set-up for this race, including the establishment of physical infrastructure, organization of race vessels, and recruitment of local volunteers, among other things, will be relatively straightforward and can be accomplished readily within a couple of months, especially in Valencia where both Alinghi and BMW Oracle, the respective representatives of SNG and GGYC, still maintain base camps, assuming of course that the parties are willing to contest the event there.

4. The organization for previous Cup events demonstrates why Valencia, with its existing infrastructure, is perfectly capable of hosting the race in February. In advance of the 32rd America's Cup in 2007, operating from Valencia, I organized a series of regattas, which consisted of periodic races all over Europe among the eleven challengers and the defender. We demonstrated the ability in as little as two weeks time to transfer all of the equipment and

USA

personnel necessary for the next regatta, complete the training of local volunteers, and to then conduct eight or nine days of racing with twelve competitors.

5. Based on my experience, I have no doubt that the 33rd America's Cup can be organized and run in Valencia, Spain, with as little as two months notice, given the existing infrastructure, assuming the parties involved are willing to contest the event there.

6. I declare under penalty of perjury under the laws of the State of New York that the foregoing is true and correct.

A handwritten signature in black ink, appearing to read 'W.H. Dyer Jones', is written over a horizontal line. The signature is stylized and cursive.

William H. Dyer Jones

EXHIBIT C



Thomas F. Ehman, Jr.

Sworn to me this 19 day of October, 2009.



Notary Public



EXHIBIT D

Committee Vice-Chairman; and Ana Gil-Robles, SNG's ad-hoc secretary. In attendance from GGYC was Melinda Erkelens, a GGYC board member and general counsel of BMW Oracle Racing; Manuel Ruiz de Elvira, of the BMW Oracle Racing design team; and Richard Slatter, the BMW Oracle racing rules advisor.

5. The meeting was intended to continue the mutual consent negotiations between SNG and GGYC, following a first meeting that was held at SNG on March 26, 2008. At this first meeting, SNG and GGYC representatives failed to agree the dates for the Deed of Gift Match as GGYC had proposed race dates for October 2008 in the Northern Hemisphere, which would have left SNG with less than ten months notice to be ready. The reason for GGYC to propose such an early date in October was that GGYC acknowledged that no race could be sailed in the Northern Hemisphere from November to April.

6. In the second meeting (April 23, 2009) it was intended to discuss again the appropriate dates for the 33rd America's Cup.

7. At the beginning of the meeting, SNG stated its position regarding the necessary characteristics of the vessel of for the match, making clear that such vessel was to comply with GGYC vessel certificate dated 11 July 2007. SNG confirmed its disposition to discuss and to mutually agree the terms of the match. If no other mutual agreement, SNG advised that it intended to select a venue for the match in the Northern Hemisphere, as both SNG and GGYC are located in that hemisphere. GGYC's notice of challenge further specified a Northern Hemisphere match.

8. SNG explained that it believed it was constrained from hosting the 33rd America's Cup in the Northern Hemisphere between November 1st and May 1st under the express terms of the Deed of Gift. The Deed of Gift does not permit races for the Cup to be sailed in that hemisphere during those months.

9. SNG expressed to GGYC its conclusion that the appropriate resolution of these two premises would be to hold the 33rd America's Cup races in the Northern Hemisphere but on the soonest dated permitted by the Deed of Gift – May 3, May 5, and May 7, 2010.

10. At no time during this meeting did any of GGYC's representatives disagree with these statements from SNG. None of GGYC's representatives said this was contrary to the Order of this Court, or that the races must be held in February, 2010.

11. At the end of this meeting, I approached Ms. Erkelens to specifically ask whether she wanted to discuss the race date issue. She replied that she preferred to do it in another meeting, and asked if I was available for a meeting in New York the week of April 27. Unfortunately, I was not available in New York for those dates, and said we would have to find another time.

12. On April 23, 2009, SNG confirmed in writing to GGYC the content of the meeting. Such letter made clear that the terms set for the match were subject of the parties not reaching mutual consent: *"At this stage, we wish to confirm arrangement for the 33rd America's Cup, if no further mutual agreement can be reached and it had to be conducted under the default terms of the Deed of Gift"*. Attached hereto as Exhibit B is a true and correct copy of a letter from Fred Meyer of SNG to Marcus Young of GGYC, dated April 23, 2009.

13. Prior to GGYC's surprising court filing, I and SNG believed in the utmost good faith that the parties were still negotiating the terms of the next America's Cup match.

14. Attached hereto as Exhibit C is a true and correct copy of a letter from Lorenzo Rizzardi of Circolo di Vela Gargnano to Marcus Young of GGYC, dated May 6, 2009.

15. Attached hereto as Exhibit D is a true and correct copy of a letter from Marcus Young of GGYC to Lorenzo Rizzardi of Circolo di Vela Gargnano, dated May 6, 2009.

16. Attached hereto as Exhibit E is a true and correct copy of a letter from Marcus Young of GGYC to Fred Meyer of SNG, dated May 6, 2009.

17. Attached hereto as Exhibit F is a true and correct copy of the Notice of Challenge from Lorenzo Rizzardi of Circolo di Vela Gargnano to Fred Meyer of SNG, dated May 11, 2009.

18. On April 29, Team Alinghi SA a criminal complaint against Antoine Jean Bonnaveau, a French resident who is an employee of GGYC's racing team, BMW Oracle Racing, in Lausanne, Switzerland, for violation of secrecy or privacy with the use of a photo camera device.

19. Attached hereto as Exhibit G is a true and correct copy of the April 29, 2009 minutes of Mr. Bonnaveau's hearing before the police in Montpellier, France, and a certified translation of the same.

20. On April 28, 2009, Mr. Bonnaveau drove to Villeneuve, Switzerland to take pictures of the facilities operated there by Alinghi, SNG's racing team, in order to gain information about boats Alinghi might use in its defense of the America's Cup. He returned for the same purpose the next day.

21. On April 29, 2009, Mr. Bonnaveau went back to the Alinghi tents and took measurements of various tents and structures at the site for the same purpose. He used GPS and a rangefinder to have a more precise idea of the proportions from the photographs he took.

22. After he was detained by French authorities, Mr. Bonnaveau stated that he had been hired by BMW Oracle Racing in December 2007 to carry out these scoping activities on rival teams, and was paid a salary of €10,000 a month to do so. He further stated that he was part of an entire staff employed for this purpose, in what is referred to as a "recon cell."

23. This criminal case has yet to be resolved, and it is not yet known when the investigating magistrate will render a verdict as to whether any laws were broken in connection with this incident.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct to the best of my knowledge. This Affidavit was executed on May 11, 2009 in Lausanne, Switzerland.

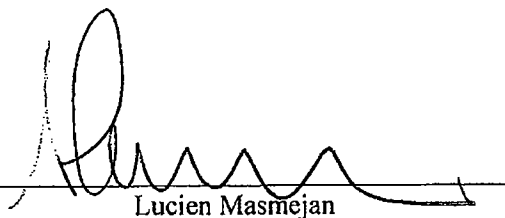
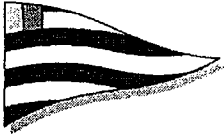
By: 
Lucien Masmajan

EXHIBIT E



SOCIÉTÉ NAUTIQUE DE GENÈVE

5 May 2009

Marcus Young
Commodore
Golden Gate Yacht Club
#1 Yacht Road
San Francisco, California 94123

Dear Commodore,

We write to invite you to resume the meeting of April 23, 2009 between SNG and GGYC and to continue our discussions about the details of the next America's Cup, including the race date, the submission of GGYC's Custom House registry, and the potential involvement of other yacht clubs in the multi-hull match that GGYC has proposed.

As you know on April 23, 2009, representatives of SNG met with representatives of GGYC in Geneva, Switzerland. SNG's representatives were Fred Meyer, SNG Vice-Commodore and America's Cup Committee Chairman; Brad Butterworth, SNG member and America's Cup Committee Vice-Chairman; Lucien Masméjan, SNG member and America's Cup Committee Secretary; and Ana Gil-Robles, SNG ad-hoc secretary. GGYC's representatives were Melinda Erkelens, GGYC board member and BMW ORACLE Racing General Counsel; Manuel Ruiz de Elvira, BMW ORACLE Racing Design Team; and Richard Slatter, BMW ORACLE Racing Rules Advisor.

At this meeting SNG asked GGYC to discuss the dates for the race. SNG explained its view that it had to comply with the express terms of the Deed of Gift. This meant the race would be held on the first permissible date under the Deed of Gift, May 3, 2010. None of GGYC's multiple representatives said anything in protest to SNG's statement that it believed the first race date set forth under the New York Court's Order read together with the Deed of Gift was May 3, 2010. No one said that this date was contrary to the Order. No one said that it was inconsistent with the Deed of Gift. No one said the race needed to be held in February, 2010. GGYC's representatives instead chose to remain entirely silent on the race date.

At the conclusion of the meeting, Mr. Masméjan tried again to raise the race date issue with Ms. Erkelens. This was part of an effort to see if the parties could reach mutual agreement on the date of the race. The New York Court's Order expressly allows that:





SOCIÉTÉ NAUTIQUE DE GENÈVE

“Notwithstanding the above, the parties may mutually agree in writing to other dates.” Mr. Masméjan specifically asked Ms. Erkelens whether she wanted to discuss the race date. Ms. Erkelens responded that she preferred to do it in another meeting. Ms. Erkelens asked if Mr. Masméjan would be available for a meeting for the week of April 27 in New York. Mr. Masméjan said he was not so they would need to find another mutually convenient time.

Instead of arranging the follow-up meeting discussed at the conclusion of the April 23 meeting, GGYC decided last Monday to renew its legal proceedings. While we are disappointed with GGYC’s decision to turn again to litigation, we remain willing to continue our mutual consent negotiations on the race date and other issues regarding the next America’s Cup. To this end, we propose a meeting of representatives from GGYC and SNG on May 11, 2009 at 10.30 local time.

Finally, at our previous meeting we once again insisted on our Deed of Gift right to be timely informed about the Challenging Vessel and to that effect to receive as soon as possible a custom-house registry of such vessel. The Deed of Gift requires deliver of the registry “as soon as possible”. We would encourage GGYC to obviate the need for additional Court intervention by simply complying with its obligations under the Deed of Gift and providing the Custom House registry of its challenge vessel to SNG.

We look forward to meeting with you to continue our negotiations regarding a successful 33rd America’s Cup.

Yours sincerely,



Fred Meyer,

America’s Cup Committee Chairman



Alec Tournier

General secretary



EXHIBIT F



GOLDEN GATE YACHT CLUB
#1 Yacht Road, San Francisco, California USA 94123

August 6, 2009

Mr. Fred Meyer
Vice-Commodore
Chairman, SNG America's Cup Committee
Société Nautique de Genève
Port Noir
CH-1223 Cologny
Switzerland

Dear Vice Commodore Meyer:

We are in receipt of your letter of August 5, 2009 concerning SNG's selection of the waters off Ras al-Khaimah, UAE as the location of the races for the 33rd America's Cup.

We once again advise you that it is our firm view that the selection of a Northern Hemisphere venue, other than Valencia, without our mutual consent contravenes the Deed and the Order and Judgment of the Court of Appeals. We have consistently maintained we would be more than happy to hold the event in Valencia and would be prepared to discuss other options.

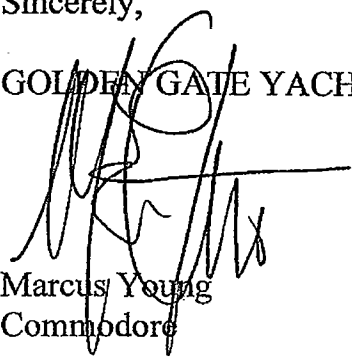
Moreover, we believe your proposed venue is not Deed-compliant because it does not provide "ocean courses, free from headlands."

We therefore call upon you to suspend your venue announcement and either enter into discussions with us as to a mutually acceptable venue, or choose Valencia or a Southern Hemisphere venue which is Deed-

compliant. For our part, we again agree to enter immediately into mutual consent discussions in good faith.

Furthermore, no matter which of us wins the match in February, this defect in venue selection would permit court challenges by any number of parties and further uncertainty respecting future America's Cup events. We should work together to resolve this and avoid future disputes over the bona fides of the eventual winner.

Sincerely,


GOLDEN GATE YACHT CLUB

Marcus Young
Commodore

cc: Ernesto Bertarelli, Team Alinghi
Brad Butterworth, Team Alinghi
Russell Coutts, BMW ORACLE Racing
Tom Ehman, BMW ORACLE Racing
Larry Ellison, BMW ORACLE Racing

EXHIBIT G

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

Golden Gate Yacht Club

Plaintiff,

v.

Societe Nautique de Geneve

Defendant,

Club Nautico Espanol de Vela,

Intervenor-Defendant.

Index No. 602440/07

**SUPPLEMENTAL
AFFIDAVIT OF
GRAEME GIBBON
BROOKS**

GRAEME GIBBON BROOKS hereby deposes and says:

1. I am over 18 years of age and am a citizen of Great Britain. I am the Managing Director of Dryad Maritime Intelligence Service, a world-wide commercial intelligence company that specializes in providing systematic analysis and threat assessments concerning maritime terrorism, piracy, and human trafficking. Previously, I served in the British Royal Navy for 16 years as a Mine Clearance Diver and Above Water Warfare Officer. I also conducted research for the Royal Navy into the nature of the threats posed by water-based terrorism, piracy, and human trafficking. Frequently in the last 2 years I have provided specialized subject matter expertise in these areas to international media organizations, including CNN, The BBC, Sky News, Al Jazeera and CBS as well as providing routing and counter piracy and terrorism advice to the Volvo Ocean Race in 2008.

2. I have extensive experience in the Middle East and East Africa, having been involved in maritime security in those regions for over 6 years. Dryad Maritime Intelligence Service has extensive experience with providing threat assessments for the Middle East/United Arab Emirates region. Dryad Maritime has numerous contacts, expert in the region, and I have conferred with those individuals on this matter.

Risk Presented By Decentralized Non-State Actors

3. I have reviewed the affidavit of Fred Meyer, dated October 13, 2009; the declaration of Vice Admiral Kevin J. Cosgriff USN (Ret.), dated October 12, 2009; the declaration of Jack Devine, dated October 12, 2009; and the declaration of Noah Feldman, dated October 12, 2009.

4. Each of Societe Nautique de Geneve's ("SNG") affiants confirms the risk presented by decentralized non-state actors that I described in my affidavit of October 1, 2009. Vice Admiral Cosgriff confirms that "Al Qaeda and associated groups have demonstrated a capacity to conduct maritime attacks," and characterizes the "risk of a speedboat attack" as "plausible." (Cosgriff Aff. at ¶¶ 7, 11.) I agree. The reason this risk is salient to a match in Ras al-Khaimah is that, given the closed-in geography of the race area, the relative speed of fast speedboats, and their difficulty to detect on radar (due to their small size), a rapid response time by security forces is essential. There is no open source evidence to suggest that the U.A.E. navy has the recent operational experience for such a fast response. Further, the risk of longer-range stand-off attacks (such as firing a weapon into the race course area from outside the race course area), or air-borne attacks from light aircraft, is also tangible, and there is no open source evidence that the U.A.E. navy has the operational ability to address such risks.

5. Vice Admiral Cosgriff downplays this risk by concluding that the U.A.E. is capable of unilaterally securing the sea-space, citing the 15th Asian Games in December 2006, where he acknowledges that U.A.E. security was augmented by Coalition forces and the U.S. Fifth Fleet. (Cosgriff Aff. at ¶ 14.) The very need for such heavy military protection highlights the security risk that exists in the region, and the immense resources required to lessen that risk. It also proceeds on the unsupported assumption that Coalition or American forces would be

willing and capable of diverting their resources from protecting the sea lines of communication in the Strait of Hormuz and protecting against piracy in the Indian Ocean. Within the U.A.E. Territorial Waters, foreign militaries do not have legal jurisdiction and so would require special diplomatic arrangements to allow them to have legal jurisdiction. Such an arrangement is a very significant precedent for a sovereign state to undertake. It also points out the different risk profile presented for Valencia, Spain, which during the last America's Cup in 2007 had no need for the race venue to be protected by a naval force akin to Coalition forces and the U.S. Fifth Fleet.

6. Mr. Devine's declaration asserts that "there are no known Al Qaida affiliates currently operating in the U.A.E." (Devine Decl. at ¶ 5.) Yet, SNG's affiant Noah Feldman, states that "[i]n the fall of 2008, several alleged terrorists were arrested by Emirati security services," with trials taking place this past September. (Feldman Decl. at ¶ 4; *see also* Adel Arafah, "Eight on Trial for Abetting Terror," *The Khaleej Times*, available at http://www.khaleejtimes.com/DisplayArticleNew.asp?section=theuae&xfile=data/theuae/2009/september/thuae_september285.xml (last accessed October 15, 2009).) As recently as last year, the U.S. Department of State released a warning regarding the U.A.E. after the British government raised the UAE threat level to "high." (Dylan Bowman, "US Puts Citizens in UAE On Terrorism 'High Alert,'" *ArabianBusiness.com*, available at <http://www.arabianbusiness.com/522293-us-puts-citizens-in-uae-on-terrorism-high-alert#> (last accessed October 15, 2009).)

Risk Presented By Proximity To Iran

7. SNG's affiants also do not dispute my October 1, 2009 affidavit regarding the risk borne out of the proximity to Iran. Vice Admiral Cosgriff confirms that "the risk by a rogue element within Iran (mostly originating within the Iranian Revolutionary Guard and its 'Navy')

exists.” (Cosgriff Aff. at ¶ 12.) I agree. Mr. Devine’s discussion of the low probability of Iranian-sanctioned action to kidnap an America’s Cup vessel, (Devine Decl. at ¶¶ 11-13), is not inconsistent with my affidavit of October 1. I only addressed *unsanctioned* Iranian Navy or Revolutionary Guard action, a risk which Vice Admiral Cosgriff acknowledges. Even Mr. Devine admits that “Iran is currently faced with continuing civil unrest and discord, even amongst the ruling religious leadership,” and he further admits that Iran will detain vessels and crew for “domestic political gain.” (Devine Decl. at ¶ 12.) He acknowledges that Iranian “rogue operations” do occur. (*Id.* at ¶ 8.)

8. Mr. Devine cites an example from 2007, in which British navy vessels were boarded by Iran and fifteen sailors were detained for twelve days. (Devine Decl. at ¶ 8.) The United States Department of State, however, does not share Mr. Devine’s view regarding the frequency of Iranian’s detainment of vessels in the waters near Ras al-Khaimah, warning that “[o]n several occasions in recent years, small groups of expatriate recreational boaters were detained by the Iranian Coast Guard for alleged violation of Iranian territorial waters . . . near the island of Abu Musa. . . [S]ailing in these waters may result in seizure of vessels and detention of passengers and crew in Iran.” (U.S. Department of State, “Country Specific Information” for United Arab Emirates, *available at* http://travel.state.gov/travel/cis_pa_tw/cis/cis_1050.html (last accessed October 15, 2009).)

Valencia Does Not Present As Great A Risk Profile

9. The conclusion that Valencia presents an equal or greater risk than Ras al-Khaimah ignores an indisputable and critically important risk factor. It is apparent that sailing a vessel named “USA,” flying an American flag, in an event called the America’s Cup in close

proximity to Iran in a time of international tension is far more likely to be marked as a high-profile marine-based target that is symbolic of the United States than would be the case in Spain.

10. Mr. Devine asserts that holding the America's Cup in Valencia "might welcome the opportunity for a high-profile marine-based attack," (Devine Decl. at ¶ 10), but does not mention that the America's Cup was held in Valencia in 2007 without the need of protection from Coalition forces and the U.S. Fifth Fleet. He also fails to take into account that Algeria (a country from which he claims a threat to a Valencia match may originate) is over 190 nautical miles away from Valencia, making the risk of water or air-borne attack low in comparison to the waters off Ras al-Khaimah. Iranian territorial waters are a mere three miles away from SNG's chosen course, and Iran's contiguous waters actually form the boundary of SNG's course.

Attached as Exhibit A is a true and correct copy of a map showing the proximity of SNG's race course area to the Iranian Territorial and Contiguous Waters.

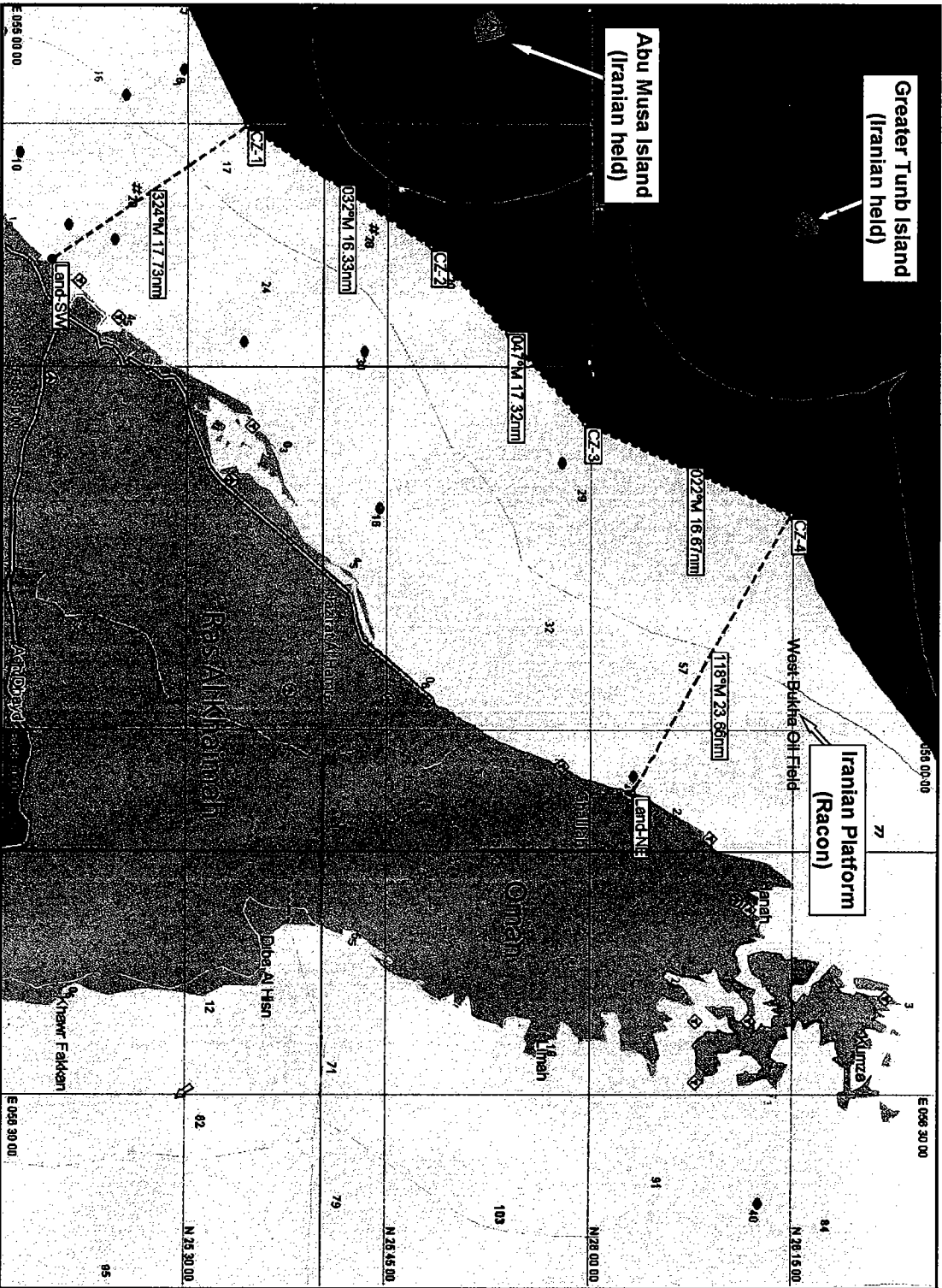
11. SNG's affiant Mr. Feldman confirms the imbalance of risk, admitting that risk assessment is based upon the "presence . . . of persons with the motive and capacity" to plan attacks and "the capacity of the relevant government" to protect against those attacks. (Feldman Decl. at ¶ 11.) All of these factors plainly point towards an enhanced risk of a Ras al-Khaimah venue as compared with Valencia, a venue with a proven record of safety and no significant territorial or governmental-capacity based risks. This is not a criticism of the UAE or Ras al-Khaimah's formidable internal security apparatus; rather, there is a level of risk from external actors that cannot be adequately mitigated.

12. I declare under penalty of perjury under the laws of the State of New York that the foregoing is true and correct.

Graeme Gibbon Brooks

Graeme Gibbon Brooks

EXHIBIT A



----- SNG Designated Race Course ■ Iranian Territorial Waters ■ Iranian Contiguous Waters

EXHIBIT H

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THE WALL STREET JOURNAL

WSJ.com

MIDDLE EAST NEWS | OCTOBER 15, 2009

U.A.E. Vets Workers for Ties to Tehran

By MARGARET COKER

ABU DHABI -- The United Arab Emirates, a staunch U.S. ally and a neighbor to Iran, is tightening oversight of government workers and foreign residents because of concerns about the threat of infiltration by Iranian agents.

Some Emirati citizens and expatriates in the civil service have been reassigned or stripped of responsibilities, according to people familiar with the matter. Other private-sector workers suspected of ties to Iranian-linked groups have also lost their jobs, these people said.

The policy has triggered concern that the U.A.E. government is targeting Shiites as potential threats because of the religious affiliation they share with Iranians, rather than because of any hard evidence linking them to the Iranian government.

Lebanese Parliamentary Speaker Nabih Berri visited the U.A.E. capital, Abu Dhabi, on Tuesday in part to discuss the deportation of 44 Lebanese and their families, all Shiites, from the U.A.E. this summer.

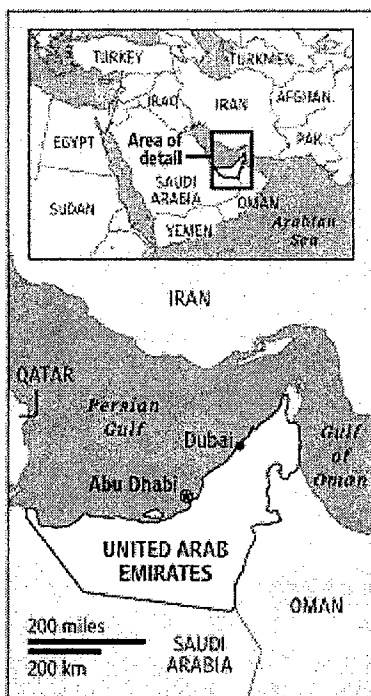
The U.A.E. president, Sheikh Khalifa bin Zayed, denied the government was discriminating against Shiites and reiterated his nation's sovereign right to defend itself. "The country does not target any nationality, religious sect or faction," he told Mr. Berri, the state news service reported.

The U.A.E. and other small, Western-aligned Arab Gulf states have worried in recent years that they could be the targets of retaliation by Tehran for any military action by the U.S. or Israel against Iran's nuclear program. They have acquired missile-defense and surveillance systems to protect their borders.

Now, the U.A.E., a federation of seven sheikdoms, is turning inward to address what a government official calls a "significant" security worry: the possibility that Iranian-linked sleeper cells could sabotage critical sectors such as energy, banking and transportation.

Since May, the U.A.E.'s internal-security service has been empowered to approve or reject all new appointments, promotions and assignments in all government ministries and agencies -- not only the sensitive posts that have long required security clearances -- according to a directive that was reviewed by The Wall Street Journal.

Tens of thousands of Emiratis and expatriates work in government jobs. More than 80% of U.A.E. residents are expatriate workers, and foreigners often fill high-level government advisory and ministry positions here. It is unclear how many people have been affected by the directive.



A government spokesman said the May directive, which was issued by the presidential-affairs ministry, was part of continuing efforts to improve national security, and wasn't a response to a specific Iranian threat.

But another government official and another person familiar with the situation said worry over Iran was the trigger for the program. "Tehran is where the focus is," the official said.

The ruling Sunni Muslim families here have generally pursued a cooperative relationship with Tehran, despite viewing its Shiite government with suspicion. Iran and the U.A.E. are big trading partners. But the U.A.E. has also cooperated with international efforts to enforce United Nations sanctions against Iran.

Political tensions have long existed between the two neighbors. Iran's support of Shiite causes in the Mideast, including its funding of militant Shiite groups such as Hezbollah in Lebanon, has fueled security concerns and sectarian tensions across the region. Many officials from Sunni Arab states question the loyalty of Arab Shiites, saying that their religious beliefs could make them susceptible to Iranian influence, despite the deep cultural and linguistic differences between Arabs and Persians.

Over the summer, the U.A.E. deported 44 Lebanese men and their families for suspected ties to Hezbollah, according to the U.A.E. government spokesman.

The men, who had been working in both the private and public sector, were funneling small amounts of cash to Hezbollah-affiliated groups back home, the spokesman said.

Two Lebanese citizens interviewed by the Journal say their U.A.E. residence permits weren't renewed because they refused demands by the U.A.E. security agency to spy against Hezbollah. "They told us that we weren't welcome" anymore in the country, said Hassan Olayan, a Lebanese Shiite who lost his work permit in July after working in the U.A.E. for 22 years. He said he never gave money to Hezbollah.

The U.A.E. government spokesman said those accusations are baseless. Another government official said people with ties to any suspect Islamic group are being denied government jobs, including individuals with past ties to ideologically strident Sunni organizations such as the Muslim Brotherhood.

Some Emirati Shiites say the once-tolerant domestic atmosphere toward their community is changing. "There is a feeling that the government is now questioning the loyalty of its Shiite citizens," said a prominent Emirati Shiite.

—Nada Raad in Beirut contributed to this article.

Write to Margaret Coker at margaret.coker@wsj.com

Printed in The Wall Street Journal, page A10

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EXHIBIT I

Emirates: Rakgas looks to Iran**Oxford Business Group - 06/03/2008**

(MENAFN - Oxford Business Group) The Ras Al Khaimah Gas Commission (Rakgas) announced recently its intention to continue negotiations with Iran to secure future concessions, despite strong political pressure against dealing with the state.

The new negotiations concern the West Bukha field, which is shared between Iran and Oman. According to Rakgas CEO Ruurd Abma, "It would be the easiest thing to drill on the Iranian side and pipe the gas through to Ras Al Khaimah".

Abma, speaking at the sidelines of an energy conference, said talks were still at an early stage. "There are political considerations and the terms of oil and gas deals with Iran are not so attractive," he said.

Iran, Ras Al Khaimah's northern neighbour, sits atop 15.5% of the world's proven reserves of natural gas - a phenomenal 993trn cubic feet. From Ras Al Khaimah's perspective, the recently attempted deal between Sharjah's Dana Gas and Iran to supply 600m cubic feet per day (cfpd) could have provided an ideal source. Unfortunately, the Dana project seems now to be on the back burner. The Iranian officials responsible for signing the agreement have recently been placed on trial, and price is also proving to be a stalling point: Iran is reported to want as much as \$5 per million British thermal unit (pmbtu), while Dana is offering little over a dollar.

Another alternative could involve exploring Iran's Hinjam field, only a few hundred feet from the current platform above the West Bukha field.

There is currently strong political pressure against dealing with Iran. The US has been ratcheting up pressure against the government of President Ahmadinejad, in what many commentators see as a last-gasp effort to halt Iran's nuclear programme before the Bush administration leaves office. The United Arab Emirates (UAE) follows an independent foreign policy, and Prime Minister Sheikh Mohammed bin Rashid Al Maktoum recently visited Tehran on official business. Nevertheless, the UAE remains a major US ally in the region and will not want to provoke Washington unnecessarily.

In the meantime, an interim deal with neighbouring Umm Al Qaiwain will see the emirate receive 80m cfpd beginning in April. According to Abma, the government is spending \$100m on the gas from Umm Al Qaiwain - "which is a lot of money for the emirate". Abma reported that a further 40m cfpd would come from Oman's west Bukha field at an additional cost, though it is unclear if this would be dependent on an upcoming deal with Iran.

Ras Al Khaimah is currently facing a chronic natural gas shortage following the expiration last year of its concession with Dolphin Energy of Qatar. The end of the two-year contract has resulted in the loss of around 40m cu ft of gas per day, and Ras Al Khaimah is now limited to its remaining contract with the Bukha field in Oman, which brings in as little as 25m cfpd. Demand in the emirate is estimated to be between 300m and 350m cfpd.

The shortfall has led to rationing in recent months. Major Ras Al Khaimah industries such as cement manufacturing require large quantities of gas and some industrialists have claimed growth in the emirate is being restricted due to short gas supply.

Some relief has been gained from a concession signed between RAK Cement, RAK Gas and RAK Petroleum, which has seen sour natural gas (high sulphur content) from the Bukha and west Bukha fields piped to RAK Cement without processing for a lower price. This deal goes some way toward mitigating the additional pressure created by electricity demand, which enjoys a 30% subsidy on market gas prices.

However, the emirate has been forced to seek alternatives to gas, with diesel and even coal being used. US-based financial advisor Taylor-DeJongh recently recommended that Ras Al Khaimah construct a coal-fired power station, which would rely on imports from South Africa. Continued difficulties in securing long-term gas supplies mean coal is another viable and economical alternative.

Rakgas's regional difficulties in securing supply have forced it to look further afield. Exploration is continuing within Ras Al Khaimah itself, but hopes are high for projects in Tanzania, while the company is contemplating building a liquid natural gas (LNG) plant to enable it to receive gas supplies from tankers.

With an anticipated \$15bn of investment planned by 2009, including major projects in real estate and tourism,

energy supply has the potential to be a major limiting factor, with supply unable to meet surging demand. Despite its location in a region renowned for its energy wealth, Ras Al Khaimah will need to secure long-term energy sources to meet its growth targets.

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EXHIBIT J



4 of 4 DOCUMENTS

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IRNA

February 20, 2008 Wednesday 10:03 PM EST

LENGTH: 497 words

HEADLINE: UAE's Ras al-Khaimah wants Iran gas, official says

BODY:

Tehran, Feb 20, IRNA

Iran-UAE-Gas

The UAE's Ras al-Khaimah emirate is still hoping for gas supplies from Iran despite political pressure not to deal with its northern neighbour, said Ruurd Abma, chief operating officer for the government-owned Ras al-Khaimah Gas Company (Rakgas) The United States has put pressure on companies to stay away from deals with Iran.

Talks between the emirate of Ras al-Khaimah and Iran and Oman have been ongoing for years over gas from the West Bukha/Hengam offshore gas field.

Iran and Oman share the field, but Ras al-Khaimah has a pipeline from Oman's nearby Bukha field to import gas.

It hopes to extend the pipeline to receive gas from any deal between Oman and Iran to carve up West Bukha/Hengam.

"It would be the easiest thing to drill on the Iranian side and pipe the gas through to Ras al-Khaimah," said Abma.

"Talks are still at a preliminary stage. There are political considerations and the terms of oil and gas deals with Iran aren't so attractive," he told reporters on the sidelines of an energy conference.

Government-owned RAK Petroleum is heading the talks with Iran and Oman, in which Rakgas is also participating, Abma said.

Ras al-Khaimah receives 30 million cubic feet per day (cfd) of natural gas from the Bukha field, which it hopes to boost to 40 million cfd soon through wells drilled by RAK Petroleum on Oman's side of the West Bukha field, Abma said.

RAK Petroleum will start building a pipeline to link West Bukha and Bukha in May, he added.

Gas demand in the emirate is over 300 million cfd and supply meets just over a tenth of that.

Buyers such as cement manufacturers have had to use diesel and other oil products to substitute for gas, Abma said.

Ras al-Khaimah is analysing other ways to meet its energy demand, and considering options such as an import facility for liquefied natural gas or coal-fired power plants.

UAE's Ras al-Khaimah wants Iran gas, official says IRNA February 20, 2008 Wednesday 10:03 PM EST

Rakgas is also exploring for gas in eastern Tanzania.

Gas supply will improve in April, when the emirate will receive another 80 million cfd from the offshore fields of neighbouring emirate Umm al-Quwain, Abma said.

That was a few months later than the previously planned Jan. 1 start date.

China's Sinochem subsidiary Atlantis is developing the offshore fields and laying a 75 km pipeline into Ras al-Khaimah to deliver the gas.

Rakgas also has a contract to take delivery of around 100 million cfd from Dana Gas in the neighbouring emirate of Sharjah.

That deal is for a share of gas to be distributed by Dana under an import contract with Crescent Petroleum from an offshore Iranian oilfield.

The imports have been delayed by over a year and a half as Iran has yet to complete building the facilities to pump the gas to the UAE.

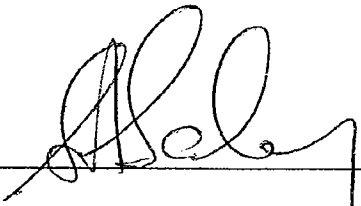
Iran and Crescent have also been involved in a long dispute over the gas price of the deal.

The United Arab Emirates holds the world's fifth largest gas reserves but has failed to exploit them quickly enough to meet spiralling demand as record oil revenues fuel economic expansion.

14201771

LOAD-DATE: February 21, 2008

EXHIBIT K



Stephen Barclay

Sworn to me this 11 day of October, 2009.



Notary Public

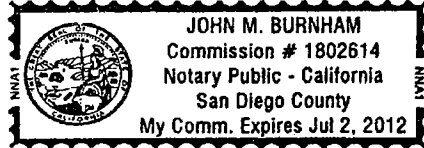


EXHIBIT A

Security report from Rak recon Visit.

Our information gathered from a number of sources is that the UAE is a relatively safe country even though it is rated "high risk" from various embassies due to it being in the Middle East.

The UAE is used by other Arab counterparts to discuss strategy and plan illegal activities. Most would not wish for an incident to occur because the climate would change from a safe house (it is like the Switzerland of the middle east) to a watch house.

There is a lot of smuggling in and out of the UAE including banned/sanctioned goods to and from Iran. There is also an efficient mafia organisation.

The seven emirates within the UAE are not as integrated as some would assume, in fact there is a degree of rivalry between them with different agendas and politics - so they can be dissipated, not united, on some issues. Each Emirate has different rules and regulations.

There is huge contention between the UAE and Iran as to who owns the three occupied islands close to RAK.

The Agu Musa Island is 25 degrees 51 seconds north 55 degrees 02 seconds east. Inhabitant numbers are unreliable but are believed to be from a few dozen to a few hundred. It is approx. 12 km in size.

The Greater Tunds is 26 deg. 15 sec. nth 55 deg 16 seconds east. It is ten km in size with approx 500 inhabitants.

The Lessor Tunds is 26 deg. 14 sec. nth. 55 deg. 08 sec. east with no known inhabitants.

There is an Iranian Garrison and a Naval Station on Greater Tund and possibly Agu Musa.

They will be running Naval radar and interceptor boats with military personal.

If any team boat (weather boat, training catamaran or race boat) came close to Iran's territorial waters or islands they would likely try to seize the boat and personnel for political advantage before handing them back after protracted negotiations.

The UAE and Israel enjoy a covert cooperative relationship (that neither would want to admit). Both share a common enemy - Iran.

Because the UAE encourage business & tourism they do not have armed guards nor a large police armed presence. They understand this kind of presence would be a deterrent - giving the impression this is not a safe country.

This is of significance -as saving face and not being embarrassed in this way is of considerable importance.

The government is determined to promote the country as very safe and will assure everyone and anyone that nothing is a problem nor has there been.

Three of the 9/11 terrorists were from the UAE, one from RAK called Marwan al Shehhi who was the youngest terrorist born 1978 and was one of the pilots. The other two were Ali al Masa and Fayez Ahmed Banihammad.

The police, just a few days ago, flatly denied a plot by Iran to blow up an area in Buji Dubai. Major-General Al Mazeina also denied the police arrested 45 suspects, mainly Palestinians and Lebanese. It appears to be a bit like mainland China where " denials" are cover ups, standard procedure and done well.

Very few hotels have security guards or CCTV so are a soft target (eg bring in and leave the bag behind plus of course other possibilities if parties are determined).

Dr. Massaad and Captain Al Awadi are now aware that we appreciate that RAK or the UAE may not be as clean or as pure as has been promoted, and naturally comes with some risk.

They are tasked and keen to provide what ever is required to ensure the event is a big success in terms of public perception eg, T.V. world coverage, future tourism etc. and are therefore aware the event must be resourced with proficient security - in particular for BMW Oracle Racing.

To this end it has been requested the team make an official request on what we believe is required.

I have also been assured that once approved we can add or change detail as required. This official request, once approved (in whole or part), should assure the team that what is "promised is delivered."

The manager of police is a Sheik and the younger brother of his highness of RAK.

RECOMMENDED SECURITY PROPOSAL

1/ The waters be patrolled by the coastguard during training and racing (this will require military approval). Ten vessels be tasked with holding the territorial line, also forming a wide circle and keeping track of all team race, weather & support boats.

2/ Police Officers on weather boats from 01/10/09 until management & crew feel comfortable with emergency contact procedures in place.

3/ Entrance way onto the island (roadway bridge) be secured 24/7 by police with only

