

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

Statement Tom Ehman, GGYC spokesperson

New York City (January 27, 2010) – Tonight GGYC filed its response to Société Nautique de Genève's (SNG) submissions to the New York Supreme Court of last week.

There are two important questions before the Court:

- In an America's Cup "Deed of Gift match," must the sails of competitors' yachts be constructed in the country they represent?
- Were Alinghi's sails constructed in Switzerland?

GGYC believes the answers are clear: yes, sails must be constructed-in-country; and, no, Alinghi's sails were constructed in the USA, not Switzerland.

Last week SNG let go an avalanche of papers to obscure these simple questions. The Swiss defender has long appeared to be suffering from snowblindness over the fact that the 33rd Match is not a normal regatta. It is not even a normal America's Cup. It is a "Deed of Gift match" in which the clear wording of the Cup's ruling document must be adhered to by *both* teams.

Highlights of GGYC's briefs filed tonight (and available in full at <u>www.ggyc.com</u>):

- The Deed of Gift does not say that only the hull of the defender's vessel must be constructed in the defender's country. Neither does it carve out an exemption for the vessel's sails – the component that propels the boat and one of the major determinants of a vessel's competitiveness. Nor does it say that yachts may be constructed in pieces abroad so long as they are "assembled" or "finished" in country. This fundamental part of the Deed of Gift has shaped the character of this great sailing competition for nearly 130 years.
- GGYC went to extraordinary efforts to comply with the Deed of Gift's constructed-in-country provision.

- This is not a complex issue to resolve. It rests on three simple propositions: (1) the Deed of Gift requires that the defender's "yacht or vessel" be constructed in the defender's country, (2) sails are part of a yacht or vessel, and (3) SNG has admitted that its sails were custommade in pieces in Nevada. All that is required is an application of a plain and unambiguous provision of the Deed of Gift to admitted facts.
- In a transparent attempt to distract the Court from its own blatant violation of the Deed of Gift's constructed-in-country requirement, SNG has brought a baseless cross-motion against GGYC seeking – once again – to disqualify GGYC's challenge vessel.
- GGYC is not seeking to delay the race; it is ready and eager to begin the match on February 8. It is not trying to disqualify SNG's yacht; that is why it is seeking to have this issue resolved now, before the race.

SNG has rejected every attempt by GGYC to reach mutual consent on constructed-in-country and other issues, most recently at a meeting in Singapore on 12 January. An agreement was negotiated between SNG and GGYC representatives. It was signed by GGYC and the International Sailing Federation (the world governing body), only to be rejected by SNG/Alinghi.

Alinghi's constructed-in-country violation is yet another example of SNG's reckless disregard for the Deed of Gift, and of their repeated attempts to gain an advantage by shamelessly breaking the rules.

GGYC hopes the Court will resolve this issue next week, before racing for the 33rd Match starts in Valencia on 8 February.

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