

Agreement

relating to America's Cup XXXII

between

INTERNATIONAL SAILING FEDERATION

"ISAF"

and

AC MANAGEMENT LIMITED

"ACM"

Date

6th November 2003

This Agreement is made the 6th day of NOVEMBER 2003 by and between

1. International Sailing Federation ("ISAF") of the one part;
2. AC Management Limited ("ACM") of the other part


Both parties agree as follows:

1. Background

- 1.1 The America's Cup is a challenge based yachting event established in 1857 and is governed by a Deed of Gift dated 24 October 1887. The Deed of Gift authorises rules and conditions consistent with the Deed of Gift and the duties and obligations of the holder of the America's Cup to be agreed by mutual consent between Challenger and Defender. Société Nautique de Genève and The Golden Gate Yacht Club have recorded The Golden Gate Yacht Club's challenge, Société Nautique de Genève's acceptance of that challenge, and the terms of their mutual consent are set out in the Protocol Governing the Thirty Second America's Cup dated 2 March 2003.
- 1.2 Pursuant to the terms of the Protocol, the organisation and management of America's Cup XXXII has been delegated to AC Management Limited and all commercial rights including but not limited to all sponsorship, advertising, media rights, sports betting, merchandising and concessions, in America's Cup XXXII and the Supplementary Regattas are exclusively vested in ACM as agent for the Trustee of the America's Cup, Société Nautique de Genève, for the ultimate benefit of all competitors in America's Cup XXXII.
- 1.3 ISAF, the international authority of the sport of sailing, has requested that racing in America's Cup XXXII and the Supplementary Regattas be governed by the ISAF Racing Rules of Sailing.

2. Interpretation

- 2.1 In the interpretation of this Agreement:
 - (a) **ACM** means AC Management Limited and includes any wholly owned subsidiary of ACM;
 - (b) **America's Cup XXXII** means the Challenger Selection Series and the Match referred to in the Protocol;
 - (c) **Deed of Gift** means a deed dated 24 October 1887 governing competition for the America's Cup;
 - (d) **ISAF Sanctioning Fee** means a fee of
 - (e) **Protocol** means a document dated 2 March 2003 made under the provisions of the Deed of Gift before Société Nautique de Genève as the holder of the



America's Cup and The Golden Gate Yacht Club as the Challenger as may be amended from time to time;

- (f) **Supplementary Regattas** means all regattas and exhibition regattas organised for America's Cup Class yachts by ACM or the parties to the Protocol or any of their respective agents up until completion of the last race of America's Cup XXXII.

3. **Scope**

This Agreement governs all competition in America's Cup XXXII and the Supplementary Regattas and shall come to the end of its term after the last race of America's Cup XXXII.

4. **Services – ISAF Sanctioning Fee**

4.1 **ISAF to provide services**

ISAF agrees to provide ACM:

- (a) the right to use the ISAF Racing Rules of Sailing and the match racing rules; and
- (b) the right to engage ISAF qualified umpires and judges.

4.2 **Consideration for services**

In consideration for the services to be provided by ISAF as set out in clause 4.1 of this Agreement, ACM shall:

- (a) pay the ISAF Sanctioning Fee on behalf of all competitors in America's Cup XXXII and all Supplementary Regattas;
- (b) display, if required by ISAF, of the ISAF Logo, in such size and position as may be reasonably determined by ACM, on:
 - (i) Umpire uniforms;
 - (ii) Umpire boats; and
 - (iii) outside the Jury and Umpire Offices at the Venue for America's Cup XXXII; and
- (c) if required by ISAF, invitations to the President of ISAF and four (4) additional guests to attend:
 - (i) the opening ceremonies for America's Cup XXXII;
 - (ii) the closing ceremonies for America's Cup XXXII; and
 - (iii) the Official prize giving for America's Cup XXXII.

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4.3 **Inclusive fee**

Payment of the ISAF Sanctioning Fee is deemed to include any and all costs, fees and charges of any description that ISAF, any Member National Authority or any other authority connected or related to ISAF may now or in the future be entitled to arising from America's Cup XXXII, any Supplementary Regatta, any other regatta or race for competitors in America's Cup XXXII approved by ACM.

4.4 **Payment schedule**

4.5 **Further events**

Neither ISAF nor any of its Member National Authorities will authorise, permit or sanction any event for America's Cup Class Yachts or any event using the words "America's Cup" in its name or using images of the America's Cup Trophy without the prior written approval of ACM.

5. **Officials**

5.1 **Umpires**

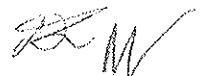
ISAF qualified Umpires will adjudicate in the Challenger Selection Series and the America's Cup XXXII Match. The Regatta Director appointed under the terms of the Protocol will consult ISAF on the selection of Umpires. After consultation, ISAF shall write a letter of appointment to each Umpire selected. Any Umpire appointed shall be approved by the Regatta Director. ACM will advise ISAF of the remuneration paid to Umpires.

5.2 **America's Cup Jury**

America's Cup Jury Members will be appointed in accordance with the terms of the Protocol but ISAF will be consulted before making any appointments. Given the extended jurisdiction of the America's Cup Jury beyond the Racing Rules of Sailing, it is acknowledged and agreed that some jurors may not be ISAF qualified judges but who may have other qualifications necessary for the America's Cup Jury discharge its duties under the Protocol.

5.3 **Remuneration**

Remuneration and conditions for Umpires and Jurors and all other Officials will be negotiated directly between ACM, the Regatta Director and individual Umpires and



Jurors, but shall not, when measured on an overall basis, be less favourable to the Umpires and Jurors than was provided to Umpires and Judges for America's Cup XXXI.

5.4 Race Officers

Appointment of Race Officers will be made in accordance with the terms of the Protocol but the Principal Race Officer shall be an ISAF qualified Race Officer.

6. ISAF Rules

6.1 Application of ISAF Rules and Regulations

- (a) The current applicable ISAF Racing Rules of Sailing, including the relevant Match Racing Rules as adopted by ISAF and all ISAF Regulations including ISAF's Code of Ethics (Regulation 50 of ISAF's Regulations) in force as at the date of this Agreement, will apply to America's Cup XXXII and all Supplementary Regattas unless excluded by modifications made by the relevant organising authority for America's Cup XXXII or for any Supplementary Regatta, or where they are inconsistent with the terms of the Protocol or any document or determination made under the authority of the Protocol.
- (b) ISAF agrees that the relevant organising authorities for America's Cup XXXII or any Supplementary Regatta may in its Notices of Race or Sailing Instructions make such modifications to the ISAF Racing Rules of Sailing or the Match Racing Rules or any of their interpretations, or the ISAF Regulations which the relevant organising authority considers necessary or desirable for racing in ACC yachts and for America's Cup XXXII.
- (c) In the event such Racing Rules of Sailing, the Match Racing Rules or ISAF Regulations alter, Société Nautique de Genève and The Golden Gate Yacht Club may at their discretion adopt such new Racing Rules of Sailing, the new Match Racing Rules or ISAF Regulations in whole or in part.

6.2 Rule interpretations and calls

The Umpires and Jury appointed for America's Cup XXXII or any of the Supplementary Regattas are empowered to make rule interpretations and umpire calls which may conflict with the Racing Rules of Sailing or existing match racing interpretations and calls, but unless otherwise expressly adopted by ISAF those calls and interpretations will apply only to America's Cup XXXII or the Supplementary Regattas.

6.3 Conflict of Rules

In the event of any conflict between the provisions of the ISAF Regulations and the Racing Rules of Sailing and the other rules of America's Cup XXXII as specified in Article 12 of the Protocol, the other rules specified in Article 12 of the Protocol shall prevail.

7. World Championships

ACM may organise and hold an annual World Championships for ACC yachts between the date of this Agreement and the end of 2007 in such manner as may be determined by ACM which may comprise either a single regatta or awarded based on results over a series of regattas in that calendar year.



8. **Protocol**

Nothing in this Agreement shall modify as between SNG and GGYC, the terms of the Protocol, which shall prevail over any conflicting term of this Agreement.

9. **Media**

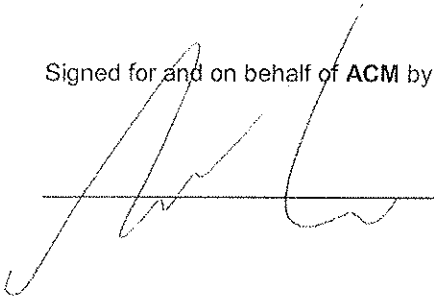
The parties will mutually agree a joint press release regarding the terms of this Agreement.

10. **Arbitration**

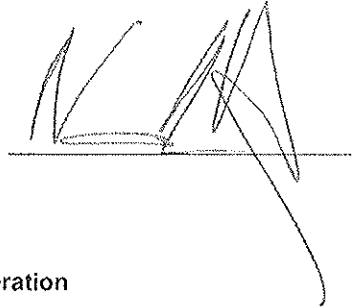
All disputes under this Agreement that cannot be resolved by the parties shall be resolved by arbitration before the Court of Arbitration for Sport in Lausanne, Switzerland applying Swiss law in the interpretation and implementation of this Agreement.

Execution

Signed for and on behalf of **ACM** by:



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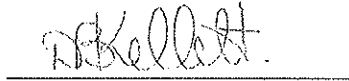


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For and on behalf of **International Sailing Federation**



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A handwritten signature in black ink, appearing to read 'R. Kellert', positioned above a solid horizontal line.