

THE PROTOCOL GOVERNING THE THIRTY SECOND AMERICA'S CUP

BACKGROUND

A. Société Nautique de Genève holds a silver cup known as the "America's Cup" in accordance with the terms of a Deed of Gift dated 24 October 1887.

B. Société Nautique de Genève has received and accepted a notice of challenge from The Golden Gate Yacht Club in accordance with the Deed of Gift.

C. Société Nautique de Genève and The Golden Gate Yacht Club now record in this Protocol the arrangements they have mutually agreed in accordance with the terms of the Deed of Gift.

AGREED AS FOLLOWS

1. INTERPRETATION

1.1 - In the interpretation of this Protocol:

- (a) ACC Yacht includes an Old ACC Yacht and a New ACC Yacht;
 - (b) ACC Rules means the rules governing America's Cup Class Yachts and includes any new version issued and approved by Société Nautique de Genève and the Challenger of Record pursuant to Article 12.1(d) as interpreted and amended from time to time;
 - (c) ACPI means America's Cup Properties Incorporated, a company incorporated in the State of Delaware, United States of America, the holder of America's Cup trade mark registrations and the licensor of those trade marks;
 - (d) Advertising is the name, logo, slogan, description, depiction, a variation or distortion thereof, or any other form of communication that promotes an organisation, person, product, service, brand or idea so as to call attention to it or persuade persons or organisations to buy, approve or otherwise support it, provided that the following do not constitute advertising :
 - (i) name of skipper of the yacht;
 - (ii) name of the home port of the yacht;
 - (iii) name, flag or emblem of the nation or national territory the yacht represents;
 - (iv) name and burgee of the yacht club the yacht represents;
 - (v) makers marks;
 - (vi) the name of the yacht if approved by the Jury under Article 10.13 of the Protocol; and
 - (vii) any flag(s) or other mark(s) that the Event Authority may require each yacht to display while racing, pursuant to Article 10.3;
 - (viii) the name and logo of a Competitor, provided such logo is the sole and exclusive property of the Competitor or a closely related person or entity and does not incorporate or closely resemble another trade mark that is used commercially other than a mark licensed by ACPI, and is not used for any purpose other than by the Competitor and its sponsors to support the Competitor's sailing activities.
- (e) Challenger means, except where inconsistent with the context, a Yacht Club whose challenge has been accepted by SNG under Article 3 and includes any person or entity which undertakes that Yacht Club's challenge as its representative;
 - (f) Challenger Commission means the organisation to represent all Challengers required to be established by the Challenger of Record pursuant to Article 6 of this Protocol. Where the Challenger Commission has not been established and is not required to be established by the terms of this Protocol, the Challenger Commission shall mean the Challenger of Record;
 - (g) Challenger of Record means The Golden Gate Yacht Club or such Challenger as determined by Article 6.2;
 - (h) Challenger Selection Series means the selection series referred to in Article 3.3(b)(ii), (iii) and (iv);
 - (i) Competitor means the Defender or a Challenger or any one or more of them as the case may be;
 - (j) Conditions means the Notice of Race and Conditions for the Regatta;
 - (k) Deed of Gift means a deed of gift dated 24 October 1887 between George L Schuyler and the New York Yacht Club regarding a silver cup won by the schooner yacht America at Cowes, England on the 22nd day of August 1851;
 - (l) Defender means the entity selected by SNG to defend the America's Cup in the Match on its behalf;

- (m) Designer means a person who applies substantial intellectual creativity and judgement to the determination of the shape or structure of the following: a yacht's hull, deck, cockpit, mast tube, geometry of the mast rigging, appendages or sails (excluding battens and sail hardware).

For the avoidance of doubt, designer does not mean a person who designs any component other than those listed above, or who develops, modifies, operates, analyses the results of, or provides instructions for the use of, any design tool or resource including but not limited to computer software or hardware, tow tanks or wind tunnels or any other testing facility;

- (n) Event Authority means AC Management Limited, the entity appointed by SNG to organise and manage the Regatta pursuant to Article 4.2;
- (o) Hull shall have the same meaning ascribed in the ACC Rules;
- (p) Jury means the Jury appointed pursuant to Article 21 of this Protocol;
- (q) Match means the 32nd Match between SNG and a challenger for the America's Cup pursuant to the terms of the Deed of Gift;
- (r) Measurement Committee means the Committee appointed pursuant to Article 5.2(b) of this Protocol;
- (s) Media Organisation means an organisation whose business is, in whole or in part, dissemination of information to the public or any section of it in any form by any means;
- (t) New ACC yacht means a yacht that complies with the ACC Rules, that was allocated a sail number after the last race of the 31st America's Cup Match pursuant to the ACC Rules, or is deemed to be a New ACC Yacht under the terms of this Protocol;
- (u) Officials means:
- (i) The Regatta Officials;
 - (ii) The Jury Chairman and the Jury and the Event Authority and all members and employees thereof; and
 - (iii) Any other person or entity assisting with the organisation or management of the Regatta.
- (v) Old ACC yacht means a yacht that meets any version of the ACC Rules, which was allocated a sail number under the ACC Rules prior to the last race of the 31st Match;
- (w) Protocol means this Protocol together with any amendment, or any replacement protocol that is to govern the 32nd America's Cup;

- (x) Race Management Committee means the Committee appointed pursuant to Article 5.2(a);
- (y) Regatta means the Challenger Selection Series and the Match and includes the ACC regattas referred to in Article 3.3(b)(i);
- (z) Regatta Director means the person appointed pursuant to Article 5.1;
- (aa) Regatta Officials means the Regatta Director and any persons appointed by him pursuant to Article 5.2 and the Technical Director;
- (bb) SNG means Société Nautique de Genève as holder of the America's Cup and, where the context so permits, includes the Defender;
- (cc) Technical Director means the Technical Director of the America's Cup Class appointed under the ACC Rules by SNG and the Challenger of Record;
- (dd) Terms of Challenge means the terms on which challenges must be made pursuant to Article 3 of this Protocol;
- (ee) Venue means the venue to be determined by and announced by SNG pursuant to Article 8.

1.2 - Singular/Plural:

Unless the context otherwise requires, the plural means the singular and vice versa.

1.3 - Official Dictionary:

The English language shall prevail in the interpretation of this Protocol. The meaning of any word used in this Protocol and any document governing the Regatta unless defined in Article 1.1 shall be determined by reference to the Oxford English Dictionary, Second Edition.

1.4 - Conflicting Documents:

In the event of a conflict between the provisions of this Protocol and any other document, other than the Deed of Gift, the terms of this Protocol shall prevail.

1.5 - Articles/Annexures:

A reference to an article or annexure is a reference to an article or annexure to this Protocol.

2. PURPOSE AND INTENT

The general underlying purpose and intent of this Protocol shall be to promote a competitive sporting regatta for all Competitors, to realise the sporting and commercial potential of the America's Cup and to encourage world-wide growth and interest in the America's Cup as the premier event in the sport of sailing, consistent with the provisions of the Deed of Gift.

3. ACCEPTANCE OF CHALLENGES

3.1 - First challenge accepted:

The challenge received by SNG from the Challenger of Record was the first challenge received by SNG and met the requirements of the Deed of Gift.

3.2 - Notice of withdrawal of initial challenge:

Unless SNG has previously accepted at least one other challenge pursuant to this Protocol and such other challenge has not been withdrawn, the Challenger of Record must give 90 days notice of an intention to withdraw its challenge.

The Challenger of Record's challenge shall remain valid until expiry of the 90 day notice period. Withdrawal of the challenge without giving notice of an intention to withdraw the challenge in accordance with this Article shall be deemed to be a notice of intention to withdraw the challenge in compliance with this Article. SNG may by written notice to the Challenger of Record waive or shorten the notice period.

3.3 - Challenger Selection Series:

- (a) SNG and Challenger of Record have agreed to hold a selection series to determine the challenger for the Match. The winning Challenger shall become the challenger under the Deed of Gift in the Match. If the winning Challenger is for any reason ineligible to be the challenger in the Match, then the Challenger which placed second in the Challenger Selection Series, or failing the eligibility of that Challenger, the Challenger which gained the next highest place in the Challenger Selection Series and which is eligible, shall become the challenger in the Match. If no Challenger is eligible, SNG will be declared the winner of the Match.
- (b) The Challenger Selection Series and pre-regattas shall, unless otherwise agreed by the Event Authority and the Challenger of Record, have the following format:
 - (i) Possible ACC fleet race and/or match race regattas to be announced in the Terms of Challenge to be held in the years prior to the Match in which Competitors may use any ACC Yachts without regard to its country of construction and the provisions of Article 7(f)(i) shall not apply;
 - (ii) An ACC fleet race regatta held in the year of, but immediately prior to, the races referred to in paragraph (iii) below, at the Venue, in which each Competitor

is required to participate in one of the yachts they have declared pursuant to Article 13.3;

- (iii) A seeded group round robin with Competitors placed in groups, the number of groups and the numbers in each group to depend on the number of Challengers, seeded based on their placing in the regattas referred to in paragraphs (i) and (ii) above but weighted heavily in favour of later regattas as determined by the Challenger Commission and approved by the Event Authority;
 - (iv) At least the top eight Challengers from the results of the seeded group round robins shall compete in a knock out series to select a Challenger for the Match, the winner of each match of the knock out round to be the first to win four races, except for the final of the Challenger Selection Series which shall be the first to win five races.
- (c) The further details of the format described in paragraph (b) above shall be agreed between the Event Authority and the Challenger Commission. Precise timing and scheduling of the Regatta, however, shall be determined by the Event Authority in consultation with the Challenger Commission.
 - (d) The racing areas for the Challenger Selection Series shall be the same racing areas for the Match.
 - (e) Unless otherwise agreed by the Challenger Commission and the Defender, the period between the conclusion of the Challenger Selection Series and the Match shall be not less than 10 days.

3.4 - Acceptance of further challenges:

The terms and conditions on which all challenges (other than the challenge of the Challenger of Record) must and will be accepted to compete in the Challenger Selection Series will be announced by the Event Authority by 15 December 2003.

The Event Authority may amend the Terms of Challenge, provided that in doing so it complies with the provisions of Article 5.9.

The Terms of Challenge shall also apply to SNG and to the Challenger of Record unless specifically stated otherwise in the Terms of Challenge. SNG will not accept any further challenges before such an announcement but will accept bona fide registrations of interest for the purpose of receiving communications.

The Terms of Challenge shall include a requirement to comply with the terms of this Protocol, and shall also include :

- (a) an obligation to conduct shore operations at a base within an America's Cup Village established by the Event Authority, to be provided to the Competitor at a reasonable land rental with the choice of allocation of bases for the Challengers to be determined by their results in the 31st America's Cup Match and preceding Challenger Selection Series, and their results in the regattas referred to in Article 3.3(b)(i) to the extent that they have been held;
- (b) participation in pre-Regatta events including preliminary regattas and associated onshore events; and
- (c) participation in all Regatta events and functions as advised by the Event Authority.

3.5 - Entry Fee and Bond:

There shall be a non refundable entry fee for all Challengers of

- 450,000, but
- 650,000 for late entries, to be paid to the Event Authority, such amount to be applied towards the costs of the Regatta and as provided in this Article, and a performance bond for all Challengers of
- 1 million, to be held by the Event Authority or its designate in trust and shall be required in such form and on such terms, possibly in stages, as may be reasonably required by the Terms of Challenge to assure a Challenger's participation in the Regatta, and compliance with this Protocol and the Terms of Challenge as determined by the Jury.
- 50,000 of each entry fee or late entry fee paid by a Challenger, shall be paid to the Challenger Commission to meet its expenses, any surplus or shortfall shall be divided equally amongst the Challengers.

The Challenger of Record shall be entitled to reimbursement from such fund of reasonable costs incurred prior to the establishment of the Challenger Commission.

4. REGATTA FUNDING AND MANAGEMENT

4.1 - Management and Funding :

- (a) SNG shall have sole responsibility to organise and manage the Regatta, as provided in this Protocol. SNG shall raise all necessary funds

to meet all costs and expenses of the Regatta. SNG's responsibility shall include:

- (i) selecting a venue and concluding an agreement with the relevant authorities at a venue;
 - (ii) establishing the format and the timing of the Regatta consistent with Article 3.3;
 - (iii) appointing, with the Challenger Commission, the Regatta Director pursuant to Article 5.1;
 - (iv) endeavouring to make available space at the Venue for the Competitors at reasonable cost to establish an operational base;
 - (v) raising funds to meet the costs of the Regatta by developing the rights referred to in Article 4.1(c) to best advantage;
 - (vi) promoting the Regatta;
 - (vii) meeting its obligations under the Deed and this Protocol;
- (b) All losses, expenses and costs incurred in organising and managing the Regatta shall be the sole responsibility of SNG.
- (c) To assist SNG to raise all necessary funds to organise and manage the Regatta, all commercial rights of the Regatta shall vest in SNG. Such commercial rights of the Regatta shall include (without limitation):
- (i) funds (if any) provided by authorities to SNG or the Event Authority related to the Venue;
 - (ii) sponsorship of the Regatta and official supplier agreements;
 - (iii) global media rights including but not limited to mobile telephone rights;
 - (iv) event merchandising;
 - (v) ticketing and entry fees;
 - (vi) entertainment;
 - (vii) concessions; and
 - (viii) such other commercial rights and fundraising opportunities as SNG may identify.
- (d) Nothing in this clause shall affect the rights and obligations conferred or imposed by the constitution of ACPI.

4.2 - Event Authority:

- (a) To meet its obligations set out in Article 4.1 and to meet the purpose and intent of Article 2 of this Protocol, SNG will enter into a contract with AC Management Limited to provide professional commercial management expertise and financial resources to minimise the risk of losses.

Such entity shall be the Event Authority. Such contract shall be governed by Swiss law or such other jurisdiction as agreed by SNG and such entity.

- (b) To facilitate funding of the Regatta, SNG shall provide for the management of the commercial rights referred to in Article 4.1(c) to be vested in the Event Authority who shall be entitled to receive and manage all revenue derived from such commercial rights.
- (c) The Event Authority shall be paid a management fee of 10% of the net surplus revenue, available for distribution pursuant to Article 4.3(b).

4.3 - Net Surplus Revenue:

- (a) The net surplus revenue shall be determined by the total of all revenue received, less the reasonable costs of:
 - (i) Salaries and bonuses of staff and management engaged by the Event Authority for the purposes of the Regatta;
 - (ii) The Officials;
 - (iii) TV and other media production;
 - (iv) Sponsor fulfilment obligations;
 - (v) Administration;
 - (vi) Insurance;
 - (vii) Interest, finance and banking charges;
 - (viii) All taxes, duties, levies and social services charges payable;
 - (ix) any cost or expense incurred by SNG or the Event Authority in discharging their duties as holder of the America's Cup,
- (b) but shall not include the costs of any Competitor to compete in the Regatta.
- (b) The net surplus revenue shall be paid in the following priority:
 - (i) the payment of the management fee referred to in Article 4.2(c) to the Event Authority;
 - (ii) the pro rata payment of -450,000 to each Challenger. If the bond payable by a Challenger pursuant to Article 3.5 has not been given or has been forfeited in whole or in part, such Challenger shall not be entitled to receive any such payment of the said sum;
 - (iii) the balance shall be paid to Competitors as follows:
 - (A) one half to be distributed to the entity that undertakes the defence of the America's Cup on behalf of SNG in the Regatta;

(B) the remaining one half to be distributed to the Challenger Commission for payment of its costs in excess of the amounts received by the Challenger Commission pursuant to Article 3.5, and distribution of the remainder to Challengers as the Challenger Commission shall determine after the time period for acceptance of challenges has been closed, but at least before three months prior to the commencement of the Challenger Selection Series. Unless otherwise unanimously agreed, the determination of the Challenger Commission shall be substantially similar to the distribution of surplus to Challengers made by Challenger of Record Management in the 31st America's Cup Challenger Selection Series. Failing determination by the Challenger Commission, the Jury shall on application of any Challenger determine the terms of distribution taking into account an amount for each Competitor and an amount based on the results of the Challenger Selection Series.

- (c) The amount payable to Competitors in paragraph (b)(iii) above shall be paid as a contribution to the gross expenses of each Competitor. Any amount in excess of a Competitor's gross expenses shall only be paid to such Competitor if SNG is satisfied on reasonable grounds that payment would not breach any duty or obligation to which it is subject.

4.4 - Reporting:

The Event Authority shall, from 31 December 2003, prepare and submit six-monthly reports regarding Regatta revenue and expenditure and including forecasts of future revenue and expenditure for approval by SNG. SNG shall provide copies of such reports to the Competitors following its approval.

The final accounts for the Regatta shall be audited and submitted to SNG for approval and following SNG's approval distributed to all Competitors.

4.5 - Insurance:

The Event Authority and the Challenger Commission shall co-operate and mutually agree in the obtaining of appropriate third party liability insurance cover for the Regatta and all Officials on reasonable commercial terms.

The cost of insurance cover agreed shall form part of the expenses of the Event Authority as provided in Article 4.3(a)(vi).

5 - NEUTRAL REGATTA MANAGEMENT

5.1 - Regatta Director:

Société Nautique de Genève and the Challenger Commission shall appoint, and shall be entitled to remove and re-appoint, a Regatta Director who shall be responsible for ensuring fair races are conducted at the Venue in the format and at the times specified by the Event Authority and in accordance with the terms of this Protocol.

5.2 - Appointment of Regatta Officials:

The Regatta Director shall appoint::

- (a) a Race Management Committee to conduct the races of the Regatta comprising the Regatta Director who shall be Chairman, a Principal Race Officer and such other officers as may be reasonably required;
- (b) a Measurement Committee to ensure compliance with the ACC Rules and other measurement requirements, comprising the Technical Director as its Chairman, and not less than 2 additional persons who shall be first approved by the Technical Director;
- (c) a Chief Umpire, who shall be approved by the Defender and the Challenger Commission, and such other umpires as may be reasonably required to umpire races of the Regatta, approved by the Chief Umpire; the Chief Umpire and other Umpires may be the Chairman of the Jury or members of the Jury;
- (d) subject to the approval of the Event Authority, such other persons as are reasonably necessary in meeting the purpose and intent set out in Article 2.

5.3 - Management of Regatta Officials:

The Regatta Director shall be responsible for the management and co-ordination of the activities of the Regatta Officials to run the races of the Regatta in a manner that is consistent with the provisions of Article 2 and with the obligations and commercial requirements of the Event Authority.

The Event Authority shall agree a budget with the Regatta Director and the Regatta Director shall manage the expenditure of the Regatta Officials within the budget agreed.

5.4 - Jury to appoint if no agreement:

If SNG and the Challenger Commission fail to agree on the appointment of the Regatta Director within 30 days of either party requiring an appointment, the Jury shall appoint the person it believes is best qualified from persons nominated by either party.

5.5 - Terms of Engagement:

The terms of engagement of the Regatta Officials shall be approved by the Event Authority;

5.6 - Selection criteria:

Criteria for selection of all Regatta Officials includes:

- (a) they may be a resident or citizen of any country, including a country of a yacht club participating in the Regatta;
- (b) they may be a member of a club participating in the Regatta;
- (c) they shall be known to be fair minded and possess good judgement; and
- (d) they shall be able to reside at the venue for the duration of the Regatta or such lesser time as may be required by the Regatta Director.

5.7 - Race Conditions:

The Regatta Director shall, as soon as practicable, in consultation with the Event Authority, the Defender and Challenger Commission, prepare and publish the Notice of Race as well as Sailing Instructions governing the races for the Regatta, consistent with the provisions of this Protocol and meeting the commercial requirements of the Event Authority.

5.8 - Meteorological Data Service:

The Race Management Committee shall at the request of the Event Authority establish and manage a comprehensive meteorological and oceanographic data collection service at the Venue and make the data available to Competitors electronically on a cost recovery basis.

5.9 - Neutral Management:

SNG, the Event Authority, the Regatta Director, the Challenger Commission, the Challenger of Record and all Officials shall:

- (a) each act in the best interests of all of the Competitors, consistent with Article 2, in organising and managing the Regatta and in developing the rights referred to in Article 4.1(c); and

- (b) not favour the interests of the Defender over those of the Challengers nor the interests of the Challengers over the Defender.

6. CHALLENGER OF RECORD AND CHALLENGER COMMISSION

6.1 - Appointment of Challenger of Record:

The Golden Gate Yacht Club, having submitted the first valid notice of challenge to SNG, is appointed by SNG as the Challenger of Record.

6.2 - Replacement Challenger of Record:

If at any time the Challenger of Record or any subsequent Challenger of Record ceases to be a Challenger, the next Challenger of Record shall be the Challenger whose challenge was accepted first in time after the challenge of the Challenger of Record, who shall then become the Challenger of Record under the terms of this Protocol.

The successful Challenger in the Challenger Selection Series shall become the Challenger of Record.

6.3 - Challenger Commission:

- (a) Upon the acceptance of a second challenge by SNG, the Challenger of Record shall immediately establish and maintain, until after the last race of the Match, a Challenger Commission to represent all Challengers.
- (b) Each Challenger shall have the right to appoint one representative to the Challenger Commission, have equal power, and have an equal vote on all issues before the Challenger Commission. All issues shall be determined by majority vote.
- (c) Upon a Challenger (including the Challenger of Record) being excused, eliminated or disqualified by the Jury from further participation in the Regatta or its Bond paid pursuant to Article 3.5 being forfeited, such Challenger shall, unless otherwise agreed by the Jury, cease to be a member of the Challenger Commission and have no further entitlement to vote on any matter before the Commission other than the determination as to distribution of surplus revenues referred to in Article 4.3(b)(ii)(B).
- (d) The Challenger Commission shall have no power to amend this Protocol or any of the documents referred to in Article 12.1, or to alter any right or obligation of any Competitor under those documents.

6.4 - Represent all Challengers :

The Challenger Commission shall appoint one (1) representative approved by the Challenger of Record, who shall be authorised to represent all Challengers in accordance with the resolutions of the Challenger Commission with SNG, the Event Authority, the Race Director and Regatta Officials, in exercising any discretion or obligation set out in this Protocol.

6.5 - Funding of Challenger Commission:

The costs of the Challenger Commission in excess of the amount provided in Article 3.5 for the expenses of the Challenger Commission shall be met exclusively by the Challengers in such manner and amounts as they shall equitably determine.

7. DEED OF GIFT

SNG and the Challenger of Record have mutually agreed, in accordance with the terms of the Deed of Gift as follows:

- (a) all racing in the Regatta shall be undertaken in yachts that comply with the ACC Rules and this Protocol;
- (b) centre-board or sliding keel vessels are permitted provided they meet the requirements of the ACC Rules;
- (c) the Regatta shall be held at the Venue on the dates to be announced by SNG pursuant to Article 8 of this Protocol except some of the races referred to in Article 3.3(b)(i) may be held at other venues;
- (d) unless otherwise agreed by the Competitors involved in the Match, the winner of each race in the Match scores one point, the loser scores no points, and the winner of the Match will be decided by the first yacht to score five points;
- (e) unless otherwise agreed by the Event Authority and the Challenger Commission, the match racing courses for the Regatta shall be a windward-leeward configuration, of two or three laps with such length as the Race Management Committee shall determine targeted to last approximately one to two hours in duration; and
- (f) (i) the requirement that the yacht of a challenging yacht club be constructed in the country of the challenging yacht club, and the yacht of the yacht club holding the America's Cup be constructed in the country of such yacht club, shall be deemed to be satisfied by the lamination or another form of construction of the entire Hull in such country without any other requirement. Materials, moulds

and other components and hardware used in or during the lamination or other form of construction of the hull may be obtained from any source;

- (ii) At the request of the owner, a member of the Measurement Committee shall inspect and certify that the Hull of that owner's New ACC Yacht has been constructed in accordance with Article 7(f)(i), in the respective country.

The certificate of the Measurement Committee shall be final and conclusive evidence of compliance with this Article by a Competitor;

- (iii) An Old ACC Yacht is deemed to have been constructed in the country in which its hull was originally laminated immediately prior to the issue of its first sail number.

- (iv) Other than the construction of the Hull which is governed by Article 7(f)(i), the fabrication, acquisition or use of any component, materials or resources used to complete an ACC yacht may be sourced without any restrictions (except to comply with the restrictions of Article 13 and Article 14 of this Protocol) as to their country of origin or design, place of fabrication, assembly, construction or development; nor shall there be any restrictions or requirements as to the nationality or residency of a designer of an ACC Yacht.

- (v) There is no restriction on the substitution or modification of any part or component of a yacht at any time, in any locality except that any modifications of a Hull must comply with the provisions of Article 14.

- (g) In accordance with past practice in America's Cup competition prior to 1980, there shall be no requirement regarding the nationality or residency of any crew member of a competing yacht.

8. SITE AND TIMING OF THE REGATTA

The Challenger Selection Series and the Match will be in European waters.

The venue and timing of the Regatta will be announced by 15 December 2003. The Regatta is likely to be held in 2006 or 2007 but an earlier date may be announced. All such decisions are to be made by SNG.

9. INTERPRETIVE RESOLUTIONS

The Trustee Interpretive Resolutions require updating to take into account contemporary circumstances. The content of such Resolutions have been considered and, where appropriate, addressed by mutual consent in this Protocol. All Trustee Interpretive Resolutions including those in effect as at the end of the last race of the 31st Match have no further effect for any purpose whatsoever.

10. ADVERTISING AND NAMES OF YACHTS

10.1 - Advertising restrictions:

There will be constraints on advertising in any form on the hulls, cockpits, appendages, sails, rigs, crew clothing or associated equipment of a yacht as set out in this Article 10. Competitors shall also comply with the appropriate laws of the Venue in respect of their advertising.

10.2 - Tobacco advertising prohibited:

Advertising of, or other reference to, tobacco products by a Competitor is prohibited.

10.3 - Event Sponsor advertising:

The Event Authority shall be entitled to place, as shown in the Annexure to this Protocol, on all competing yachts advertising of the Regatta sponsors. Failure of a yacht to display advertising required by the Event Authority shall disqualify the yacht from any race in which the advertising was not displayed unless the Jury is satisfied there were good grounds beyond the reasonable control of the yacht to do so. Conflicting contractual obligations shall not be grounds to justify or excuse failure to display required advertising.

10.4 - Anti-ambush Advertising:

A Competitor shall not place on its competing yacht or any of its support vessels the name of or any advertising of any Media Organisation unless approved by the Event Authority.

10.5 - Name of Yacht:

A Competitor shall not name its competing yacht with a name that constitutes Advertising.

10.6 - Offensive advertising prohibited:

A Competitor shall not use any offensive, obscene, abusive or illegal image or name for its yacht. The decision of the Jury shall be final, conclusive and binding on all Competitors as to what constitutes offensive, obscene, abusive or illegal.

10.7 - Restriction on advertising:

A yacht shall display advertising only as specifically permitted by this Article 10 of the Protocol and any other applicable law or rules.

10.8 - Hull advertising

- (a) Advertising on the hull is permitted in an area not to exceed ten (10) square metres on each side (a "side" is the area from the centreline of the hull to the sheerline).

The area is measured by constructing the smallest possible rectangle around each advertisement and then adding the areas of the rectangles together.

- (b) Article 10.8(a) notwithstanding, the hull may be of any colour or combination of colours, and such colour schemes (as opposed to logos or lettering) shall not constitute advertising.
- (c) Each yacht shall display on or near the transom any one or combination of the name, burgee, or initials of the yacht club it represents.

10.9 - Deck and Cockpit advertising

- (a) Advertising on the surfaces of the deck, including hatches, troughs, recesses and cockpit(s) is permitted in an area not to exceed twenty (20) square metres.

The deck is bounded by the sheerline and the transom, and the area is measured by constructing the smallest possible rectangle around each advertisement and adding the area of the rectangles together.

- (b) Article 10.9(a) notwithstanding, the deck and cockpit(s) may be of any colour or combination of colours, and such colour schemes (as opposed to logos or lettering) shall not constitute advertising.

10.10 - Sails and Boom advertising

Advertising is permitted on:

- (a) Mainsails in rectangular areas not exceeding forty two (42) square metres on each side within the area bounded by the foot, the luff, the leech and a line connecting a point on the luff seven (7) metres above the tack and a point on the leech seven (7) meters above the clew; and
- (b) Spinnakers; and
- (c) Both sides of the main boom.

10.11 - Appendages advertising:

Advertising is permitted on any surface of the appendages.

10.12 - Crew clothing advertising:

Advertising on crew clothing is permitted.

10.13 - Prior approval

- (a) Details of intended advertising or an intended competing yacht's name may be submitted to the Jury for approval as to compliance with this Article 10.
- (b) When the Jury's approval is granted under Article 10.13, thereafter protests alleging non-compliance with this Article 10 shall be refused unless the protest alleges the display was materially altered after the Jury's approval.
- (c) The Jury shall distribute to all Competitors the approvals and disapprovals under this Article 10 of the Protocol when issued.

11. RECONNAISSANCE

11.1 - Worldwide:

This Article 11 applies throughout the world to all Competitors from the last race of the 31st America's Cup Match until the completion of the last race of the Match.

11.2 Prohibited activities

The Competitors are prohibited from engaging in any of the following activities:

- (a) any intentional illegal act related to the gaining of information about a Competitor;
- (b) the use of listening devices for eavesdropping;
- (c) the unauthorised entry into any computer system used by a Competitor including the capture, recording or analysis of any data emanating from telemetry, instruments, computers etc, from another Competitor;
- (d) the use of satellites, aircraft (fixed or rotary winged), and/or other means to observe or record from above other Competitors' yacht;
- (e) the use of divers, submarines or other means to observe or record another Competitor's yacht below or from below the surface of the water;
- (f) observing with the principal intent and purpose of gaining design or performance information, photography, filming or capture of images by any means, of another Competitor's yacht, from another vessel that is outside the racing area designated by the Race Management Committee, or within 200m of that yacht inside the said racing area without the prior consent of that yacht except as provided in the notice of race of any regatta;

- (g) the acceptance of any information from a third party that, under this Article, would have been improper for the Competitor to obtain directly.

11.3 - Proximity:

The proximity of another Competitor's vessel to a Competitor's yacht, in compliance with applicable local laws and requirements, shall not be, in itself, a breach of Article 11.2.

11.4 - Media activities protected:

Article 11.2(d) and (f) shall not restrict the lawful and permitted activities of any media representative accredited by the Event Authority, provided they shall not, other than by way of public dissemination by a Media Organisation, provide to any Competitor any material that a Competitor could not itself collect without breach of Article 11.

12. RULES

12.1 - Applicable documents:

The conduct of the Challenger Selection Series and the Match shall be governed by:

- (a) the Deed of Gift;
- (b) this Protocol including the Terms of Challenge;
- (c) the Conditions and Sailing Instructions;
- (d) a new version of the America's Cup Class Rule issued by the Technical Director and approved by SNG and the Challenger of Record by 15 December 2003; and
- (e) racing rules, as agreed and adopted by the Defender, the Race Management Committee and the Challenger Commission including any calls, cases and interpretations, except so far as any of (d) and (e) are altered by the Conditions.

12.2 - Precedence of Rules:

Unless expressly provided otherwise, the documents referred to in Article 12.1 of this Protocol shall have precedence in the order the documents are listed with the intent that any express conflict between the provisions of such documents shall be resolved in favour of the document first listed in Article 12.1.

13. ELIGIBILITY OF YACHTS

13.1 - Eligible yachts:

Only a New ACC yacht which is built, acquired or otherwise deemed to have been acquired pursuant to Article 13, or an Old ACC Yacht that complies

with this Protocol and the ACC Rules, shall be eligible to compete in the Regatta.

The Challenger and the Defender may choose which of their eligible ACC Yachts to sail in the Match.

13.2 - New Yacht rule:

Each Competitor may only build, acquire or otherwise obtain a maximum of two New ACC yachts.

13.3 - Declared Yachts:

All Competitors shall declare, by notice in writing to the Race Management Committee, two (2) yachts they intend to use in the Regatta from the start of the fleet race regatta referred to in Article 3.3(b)(ii). All Competitors shall use one of those declared yachts in the said fleet race regatta. Competitors shall not be entitled to use any ACC Yacht in the Regatta unless it is one of the two yachts declared to the said Committee. A Competitor may declare a yacht in the course of construction or modification subject to compliance with Article 14.2.

13.4 - Restrictions to reinforce New Yacht rule: In order to give full effect to the intent of this Article 13, which is to limit Competitors to building, acquiring, or otherwise obtaining the specified number of New ACC yachts, the following provisions shall apply:

- (a) The acquiring or obtaining of a new yacht (construction of which commenced after completion of the final race of the 31st Match) capable of being measured as an ACC yacht without significant modification shall be deemed to be the acquisition of a New ACC yacht.
- (b) Once a Competitor has been allocated, or should have been allocated under the ACC Rules two sail numbers, no further sail numbers may be allocated to that Competitor. A Competitor shall only be entitled to be allocated a new sail number under the ACC Rules where they have not built or have been deemed to have built, acquired or obtained (in each case through alteration or otherwise) two New ACC yachts.

13.5 - Designers restricted to work for one Competitor:

Subject to the other provisions of this Article 13, each Competitor shall engage separate and independent Designers, who have had no involvement with any other Competitor's program for this Regatta, to develop an ACC yacht's hull, deck, cockpit, mast tube, geometry of the mast rigging, appendages or sails (excluding battens and

sail hardware), or those same components of any other yacht capable of being measured as an ACC yacht without significant modification. Working for the same Competitor as in the 31st America's Cup Regatta for a period of up to 90 days after the last race of the 31st Match for the America's Cup shall not constitute working for a Competitor.

13.6 - Design information and equipment not to be shared:

Subject to the other provisions of this Article 13, Competitors, including through the assistance of third parties, shall not share or exchange ACC Yacht design or performance information or equipment except hardware (not being hulls, decks, cockpits, mast tubes, appendages or sails which is available for purchase by all Competitors on similar terms).

This restriction shall not apply to design and performance information which may be gleaned without assistance from the other person or entity in formal or informal or head-to-head competition or otherwise as permitted in this Protocol.

Nothing in this Article shall prevent a supplier to two or more Competitors disclosing improved construction methods or technology developed solely by the supplier, provided the designs, methods or technology developed by the Competitors are not disclosed or exchanged.

13.7 - Use of past acquired skills, knowledge and information:

Nothing in this Protocol shall prevent any person, subject to any legal obligations relating to confidentiality, intellectual property or otherwise owed to any third party, from using the benefit of their experience, knowledge and skills gained in the design and construction of ACC yachts built prior to the last race of the 31st Match in 2003. Any information developed prior to the last race of the 31st Match in 2003 lawfully available to any person may be used in the design, construction and assembly of an ACC yacht.

13.8 - Acquiring Old ACC Yachts:

A Competitor may acquire at any time an Old ACC yacht, or any of its components constructed prior to the last race of the 31st America's Cup Match in 2003, including its plans and specifications and the design and performance information, relating to that Yacht, in existence prior to the last race of the 31st America's Cup Match in 2003.

13.9 - Trading old design and performance information:

A Competitor may acquire, until 1 October 2004, any design or performance information regarding any ACC Yacht from a lawful owner of such design or performance information provided that design or performance information existed prior to the end of the last race of the 31st Match for the America's Cup whether or not the ACC Yacht to which it relates has been acquired.

13.10 - Size limitation for models:

Any scale model or scaled down version of an ACC yacht (or other yacht, other than an ACC yacht, which could be measured as an ACC yacht without significant modification) which is greater than one-third of the size of an actual ACC yacht (or such other yacht) is deemed to be a New ACC yacht for the purposes of this Article and shall be deemed to have been allocated a sail number under the ACC Rules.

13.11 - Anti-avoidance:

Any agreement, arrangement or understanding, whether legally enforceable or not, by one person or entity (in this paragraph "the first person"), whether then a Competitor or not, with any other person or entity (in this paragraph "the second person") that the second person will directly or indirectly build, acquire or otherwise obtain one or more yachts of whatever type (in this paragraph "other yachts") so that the first person can directly or indirectly obtain, in any manner whatever, design or performance information regarding the other yacht or yachts for use in the program of design, development or challenge of the first person, is prohibited.

13.12 - Crew restricted to work for only one Competitor:

A Competitor shall not engage a person in any capacity who has sailed on another Competitor's yacht as a race or training crewmember within a period commencing eighteen months prior to the first race of the Match, except with the consent of all Competitors still competing in the Regatta. A 17th person referred to in the ACC Rules shall not constitute a crew member for the purposes of this Article 13.12.

14. MODIFICATIONS TO YACHTS

14.1 - Purpose and intent:

The purpose of this Article 14 is to maximize the use of all ACC yachts, and to enable yachts to be reshaped in a cost effective manner.

14.2 - Changes to Old ACC Yachts:

Up to two (2) Old ACC Yachts may be altered without that yacht counting as a New ACC Yacht provided the total of all alterations (whether sequential or not) made after the completion of the final race of the 31st Match do not change more than a total area equivalent to 50% of the surface area of the hull, deck and cockpit surfaces from the state they were at the end of the final race of the 31st Match for the America's Cup.

A Competitor may not alter the shape of the hull, deck or cockpit surfaces of an Old ACC Yacht other than allowed in this Article 14.2 except a repair in accordance with Article 14.8(a). If the total of all alterations exceed this limit then the yacht shall be deemed to be a New ACC yacht within the terms of Article 13 and shall be deemed to have been allocated a new sail number under the ACC Rules.

14.3 - No change limits before launch:

An ACC yacht is deemed to be completed on its launching date, being the date it is first floated in the water for any reason. There is no limitation on changes that may be made to the original laminate area of the hull of a yacht before it is completed.

14.4 - Changes to New ACC Yachts:

A New ACC yacht may be altered after it is completed, without that yacht counting as a further New ACC yacht provided the total of all alterations (whether sequential or not) do not change more than 50% of the original laminate area of the hull as defined in the ACC Rules.

If the total of all alterations exceed this limit then the yacht shall be deemed to be a New ACC yacht within the terms of Article 13 and shall be deemed to have been allocated a new sail number under the ACC Rules.

14.5 - No limits for decks:

There is no limitation on alterations that may be made to a New ACC Yacht's deck or cockpit surfaces.

14.6 - Technical Director to approve alterations:

No alterations may be made to an ACC yacht after it is completed, without the written approval of the Technical Director. The Technical Director is empowered to give retrospective approval where the terms of this Protocol have otherwise been complied with and the Technical Director is satisfied failure to do so was through inadvertence. In order that the Technical Director may determine whether such approval should be given he shall be

provided with any information he requests that he believes is necessary to determine whether the alteration is permitted.

14.7 - Access to information:

Without limiting the power of the Technical Director to request any information he considers necessary to determine whether or not any alterations are permitted under the above rules, the following procedure shall apply:

- (a) The Technical Director shall be provided with a copy of the lines plans for the hull and plans of the yacht on the date the yacht is deemed to be completed, or if the yacht was completed before the date of the Final Race of the 31st Match in 2003 the lines plans for the hull and plans for the deck of the yacht at the date of that race, redrawn, if necessary, to represent the lines plans of the hull of that yacht and plans of the deck as at the date of that race, and those plans shall be the base from which the percentage changes are determined.
- (b) A plan of the proposed alterations and new plans showing the cut lines and physical reference points (such as bulkheads) shall be provided to the Technical Director in respect of each proposed alteration. The Technical Director shall calculate both the change in the original area of the hull or deck resulting from the particular proposed alteration and the aggregate of all changes (including the particular proposed alteration) to the original laminate area of the hull or deck from the lines plans which are the base under Article 14.7(a) and advise his approval or otherwise. The Technical Director may require a check measurement.
- (c) The Technical Director shall hold all plans provided under Articles 14.7 in strictest confidence and they shall normally be stored for safe keeping in a recognised safety deposit facility or filed in an electronic form protected by an appropriate security encryption.

14.8 - Repairs and Minor Alterations

In order further to give effect to the intent of this Article 14:

- (a) a repair which is approved by the Technical Director as such, shall not be considered an alteration;
- (b) the Measurement Committee shall consult with the Defender and the Challenger Commission and issue an interpretation of Article 14 setting out clear technical guidelines on what alterations or repairs do not require approval. This interpretation when issued shall be deemed to constitute part of this Article 14.

15. NUMBER OF SAILS

15.1 60 sails:

The maximum number of measured sails permitted for each Competitor shall be 60 as from the races referred to Article 3.3(b)(iii), provided that in the races referred to in Article 3.3(b)(iii) and (iv) each Challenger shall be limited to a sail inventory of no more than 45 measured sails, and in the Match each Competitor shall be limited to a sail inventory of no more than 30 measured sails, from the maximum permitted number of 60 measured sails.

15.2 - Sails to be registered:

To be eligible for use as set out in Article 15.1, a sail must be measured and registered with the Measurement Committee as part of the Competitor's sail inventory.

15.3 - 30 sails registered at any time:

Sails may be measured and/or registered in the sail inventory at any time during the races referred to in Article 3.3(b)(iii) and (iv).

16. UNVEILING

16.1 - Shrouding of Underbodies:

Underbodies of all ACC Yachts declared pursuant to Article 13.3 may be shrouded until unveiled at an unveiling ceremony immediately prior to the commencement of the Challenger Selection Series. Thereafter, all declared ACC Yachts may not be shrouded until the conclusion of the Regatta.

Placing an ACC Yacht in a building with a solid floor to carry out maintenance or modifications shall not constitute shrouding. Any yacht constructed and declared pursuant to Article 13.3 after the unveiling ceremony shall, following completion, be immediately moved to the Venue and not be shrouded after its arrival at the Venue.

16.2 - Unveiling Procedures:

The Event Authority, after consultation with the Defender and the Challenger Commission shall issue procedures for the unveiling required by Article 16.

17. TELEVISION AND TECHNICAL EQUIPMENT

17.1 - Must carry broadcast equipment:

During racing in the Regatta, television, audio and other electronic equipment shall be carried on yachts and/or crew of competing yachts as determined by the Event Authority.

The amount and manner of placement of such television, audio and other electronic equipment on yachts and crew shall be consistent for all Competitors.

17.2 Copyright:

All copyright and all other intellectual property in all film, video, photographs, data and information of whatever nature, and for whatever purpose, produced by the television, audio and other electronic equipment carried on yachts and/or crew participating in the Challenger Selection Series, or in the Match, shall be held by SNG and form part of the property of the America's Cup, or ACPI upon SNG completing the reforms referred to in Article 19.3.

17.3 - Protection of performance data:

The Event Authority and Challenger Commission shall ensure that adequate measures are put in place so that performance information of individual yachts is not available to any other Competitor, other than a broadcast through a Media Organisation authorised by the Event Authority.

17.4 - Media Ambush:

In no event shall a Competitor, or any of its employees, contractors, or agents grant access to the races of the Regatta to any Media Organisation without the prior written consent of the Event Authority.

Such prohibited access shall include, but not be limited to, any official interview times and area and, after the Attention Signal for each match race, to the yachts of the participants in the race, their tenders and chase boats, and the receipt by any third party of the telemetry information from the yacht.

17.5 - Media Releases:

Competitors and crew members on the competing yachts and support vessels shall acknowledge the Event Authority and its authorised agents including its broadcast rights holder(s) shall be entitled, without payment of fees to the crew members, to reproduce, print, publish or disseminate world wide in any medium the name of the Event and the names, likeness and voices of its participants and its crews for purposes of advertising and promotion of the Event, broadcasting networks and the distribution, exploitation, advertising and promotion of programmes, but not as a direct or indirect endorsement of any product or service.

18. AMENDMENTS

18.1 - Amendments:

SNG and the Challenger of Record may, from time to time, by mutual agreement, amend this Protocol

and mutually determine such other terms as they agree are necessary or desirable for the Regatta.

18.2 - Amendments required by authority:

SNG may, after providing notice to the Challenger Commission, modify this Protocol to meet the requirements of any authority having jurisdiction over the Deed of Gift as to the manner in which SNG is to administer the Deed of Gift.

19. AMERICA'S CUP TRADE MARKS

19.1 - ACPI Contribution:

Each Competitor shall pay the sum of US\$25,000 or an equivalent sum in Euro to be held by SNG for defraying costs associated with the maintenance of ACPI and the creation and maintenance of America's Cup trade marks and other intellectual property held or to be held by ACPI.

SNG shall ensure ACPI makes an annual report to all Competitors regarding disposal of funds.

Such contribution does not create any rights in ACPI or constitute a licence or right to use any trade mark or other intellectual property except as provided in Article 19.2.

19.2 - Use of America's Cup trade marks:

Each Competitor may, within 6 months of acceptance by SNG of its challenge, or prior to any use of any of the America's Cup trade marks owned by ACPI, whichever is the earlier, execute a license agreement with ACPI relating to the America's Cup trade marks in such form as ACPI may reasonably require.

Any dispute as to the terms of that agreement shall be determined by the Jury. No Competitor may use any trade mark or other intellectual property of ACPI until it has executed a licence agreement with ACPI.

19.3 - Reform of ACPI:

SNG will, prior to the end of the Regatta, in consultation with the Challenger Commission and with the consent of all parties required to approve any alterations to ACPI, review and, where considered appropriate, amend the role and structure of ACPI with the intention of expanding its present role from holding and protecting America's Cup related trade marks to holding and protecting all America's Cup intellectual property for the benefit of all current and future competitors.

20. MEASUREMENT COMMITTEE

20.1 - Jurisdiction:

All matters relating to the measurement of the ACC yachts, the interpretation of the ACC Rules, or the determination as to whether a yacht meets the ACC Rules, or the racing rules referred to in Article 12.1(e) insofar as they relate to a yacht's equipment, shall be determined by the Measurement Committee. The Measurement Committee shall have no power or authority to amend, alter, cancel or add to the ACC Rules or the racing rules but shall be entitled to interpret the words used in such documents.

20.2 - Decisions final and binding:

Decisions of the Measurement Committee within its jurisdiction shall be final and shall not be subject to appeal or be referred to any court or other tribunal for review in any manner except that any matter relating to the jurisdiction of the Measurement Committee or compliance by the Measurement Committee with this Protocol shall be solely determined by the Jury.

20.3 - Delegation:

The Measurement Committee Chairman may delegate one or more measurers to carry out measurement or inspection on behalf of the Measurement Committee and the Measurement Committee shall be entitled, in the absence of manifest error, to act on a report of any such delegated member(s).

20.4 - Payment of Measurement Committee fees and expenses:

Competitors shall pay reasonable fees as determined by the Event Authority and expenses incurred for the services of the Measurement Committee.

21. DISPUTE RESOLUTION AND JURY

21.1 - Selection:

A Jury shall be established whereby SNG and the Challenger Commission shall by agreement appoint five members of the Jury including one of those five to be the chairman by 15 December 2003 or such earlier date as may be reasonably required by SNG or the Challenger Commission. In the event of deadlock or non selection, the Chairman of the International Jury for the 31st America's Cup Match shall appoint the Jury and the Chairman, who may select himself to be Chairman or a member of the Jury.

21.2 - Selection criteria:

Criteria for selection of all members of the Jury includes:

- (a) they may be a resident or citizen of any country, including a country of a yacht club participating in the Regatta;
- (b) they may be a member of a club participating in the Regatta;
- (c) they shall possess knowledge of America's Cup history and the Deed of Gift;
- (d) they shall possess good general knowledge of yacht racing and yacht clubs; and
- (e) they shall be known to be fair minded and possess good judgement.

21.3- Costs and expenses:

Members of the Jury shall be paid a fair and reasonable remuneration and expenses by the Event Authority. All application fees, costs and other income generated by the Jury shall be paid to the Event Authority. The Event Authority may establish a schedule of fees payable for applications, which shall be approved by the Jury, and the Jury shall award costs to be paid by one or more parties to any application or any other Competitor the Jury considers just and equitable.

21.4 - Jurisdiction:

The Jury shall be empowered as follows:

- (a) to resolve all matters of interpretation of any of the documents and rules referred to in Article 12, except those expressly under the jurisdiction of the Measurement Committee unless any matter relates to the jurisdiction of the Measurement Committee or compliance by the Measurement Committee with the terms of this Protocol;
- (b) to resolve disputes between any Competitors relating to their participation in the Regatta;
- (c) to impose any penalty on the Competitor the Jury believes to be just and equitable, having regard to the nature and manner and effect of the breach, including but not limited to:
 - (i) censure;
 - (ii) fine;
 - (iii) partial or full forfeiture of a Competitor's performance bond;
 - (iv) loss of existing or future points or races;
 - (v) award of points or races to another Competitor;
 - (vi) disqualification from any race, series, or the Regatta;
 - (vii) the reduction in the number of sails permitted by Article 15 to be used by a Competitor; or

(viii) the suspension or expulsion of any individual at fault as being a member of a crew of a competing yacht, or as part of a competing team.

- (d) to resolve any dispute, deadlock or impasse between SNG, Challenger of Record, Event Authority, Race Management Committee, Challenger Commission or any Official that cannot be resolved by the terms of the Protocol;
- (e) to determine the limits of the jurisdiction of the Measurement Committee or compliance by the Measurement Committee with the terms of this Protocol;
- (f) to act as a Jury under the racing rules applicable for the Regatta;
- (g) to resolve any other matters which it is given jurisdiction to determine by SNG and the Challenger Commission.

Unless agreed by all parties to a dispute, SNG and the Event Authority, the Jury shall not have jurisdiction over any matter arising from Article 4.1, Article 4.2, Article 4.3 (except Articles 4.3(b)(iii)(B)) or Article 4.4, notwithstanding any other provision to the contrary.

21.5 - Replacement of Jury Members:

The Challenger Commission and SNG may by agreement replace at any time Jury members including the Chairman.

21.6 - Meetings:

Meetings of the Jury may be held in person, by telephone, audio visual linkup or email. A quorum for meetings of the Jury shall at all times be five.

Each member shall be entitled to one vote. Decisions shall be made by a majority of votes.

21.7 - Procedure:

The Jury, in consultation with the Event Authority and the Challenger Commission, shall establish its rules of procedure consistent with the rules of natural justice and due process which shall apply to all proceedings of the Jury unless an alternative procedure is specified in an applicable document.

21.8 - Counsel:

The Jury may, if it believes it requires expert assistance, engage independent counsel approved by both SNG and the Challenger Commission to assist the Jury and provide legal advice from time to time.

Terms of engagement shall be agreed with the proposed counsel and approved by SNG, the Challenger Commission and the Jury.

21.9 - Previous decisions and purpose and intent:

- (a) The Jury shall not be bound by previous decisions of the America's Cup Arbitration Panel or the International Jury in America's Cup XXX or America's Cup XXXI, but may take into account such decisions when making any determination.
- (b) The Jury, in making its decisions, shall always give effect to the purpose and intent of this Protocol set out in Article 2 and Article 5.9.

21.10 - Protest time limits:

Unless a shorter time limit is otherwise specified in a relevant document, there shall be a time limit of seven (7) days from when the protestor was or could reasonably have been aware of the circumstances justifying the protest, to lodge any protest alleging non compliance with any of the documents and rules set out in Article 12 of this Protocol.

The Jury may extend the time limit if there is good and substantial reason for failure to meet the time limit.

21.11 - Mischievous Applications:

Where the Jury finds that proceedings are principally motivated by a mischievous intent, are filed, being prosecuted without reasonable grounds, or grounds that lack sportsmanship, it shall penalise the Competitor.

21.12 - Proceedings in English:

All proceedings of the Jury shall be conducted in the English language.

22. ACCEPTANCE OF PROTOCOL AND PROHIBITION ON PROCEEDINGS

22.1 - Resort to Courts prohibited:

Any Competitor who resorts to any court or tribunal, other than the Jury, the Measurement Committee or any other dispute resolution body agreed by SNG and the Challenger Commission will, except as permitted by Article 22.3, be in breach of this Protocol.

The penalty for this breach will be, in the case of a Challenger, ineligibility to be a challenger for the Challenger Selection Series or the Match and in the case of a Candidate for the Defence, such penalty as the Jury may impose pursuant to Article 21.4.

22.2 - Waiver of claim against Officials:

Without in any way limiting Article 22.1, each Competitor, by agreeing to be bound by this Protocol, is deemed to have undertaken on its own behalf and on behalf of each of its officers, members, employees, agents and contractors, that they will not, at any time, in relation to any matter governed by this Protocol, or in relation to any other matter concerning the Thirty Second America's Cup, issue proceedings or suit in any court or other tribunal against all or any of the following:

- (a) SNG or any of its officers, members, employees, agents or contractors;
- (b) ACPI or any of its officers, employees, agents or contractors; or
- (c) any Competitor, the Challenger Commission or the Challenger of Record or any of their respective officers, members, employees, agents or contractors; or
- (d) any Officials; or
- (e) any other dispute resolution body agreed by SNG and the Challenger of Record or any members of such entities; or
- (f) any Officers, employees, agents or contractors of the Event Authority.

22.3 - Proceedings permitted:

The preceding provisions of this Article 22 do not limit the right to issue proceedings or suit in relation to:

- (a) any proceedings against a third party not referred to in Article 22.2;
- (b) any loss or damage to any property used in connection with a Challenge or the Defence;
- (c) any injury, loss or damage to a person, boats or other property as a result of wilful or negligent acts; or
- (d) any person who is allegedly in breach of any confidentiality undertaking or restrictive covenant entered into with any Competitor.
- (e) SNG seeking any Court or any lawful authority to exercise its inherent jurisdiction to oversee and guide the administration of the Deed of Gift.
- (f) the enforcement of contractual or property or other rights arising independently from and which are not derived from the Deed of Gift, this Protocol, the Conditions, the ACC Rules, or any determination made under any of those documents by SNG, Challenger Commission, the Jury, or any other Official;

(g) Any claim or proceeding relating to obligations created in or pursuant to Articles 4.1 through 4.4 where the Jury has not been given jurisdiction, and in such circumstances shall be resolved by arbitration in Geneva. The arbitration shall be before 3 arbitrators, each party to select an arbitrator and the two arbitrators selected shall select a President. All proceedings shall be in English and shall be governed by the provisions of Chapter 12 of the Swiss Federal Act on International Private Law of December 18, 1987 relating to international arbitration and the rules of arbitration.

22.4 - Contractor defined:

Reference to "contractors" in Article 22.2 shall be limited to persons whose contractual relationships

are analogous to employment relationships and do not extend to contracts for the supply of goods or property.

22.5 - Deed of Waiver and Indemnity required:

SNG and each Challenger shall, upon their challenge being accepted, enter into a Deed of Waiver and Indemnity waiving any and all claims they may have against any Official in such form as SNG may reasonably require to meet SNG's obligations under a Deed of Disclaimer and Indemnity and a Supplementary Deed of Covenant, Disclaimer and Indemnity entered into in 2002 in respect of protecting members of the then constituted Arbitration Panel from proceedings by Competitors and related parties.

DATED this 2nd day of March 2003 at Auckland, New Zealand

Société Nautique de Genève,
by:

Pierre-Yves Firmenich
Commodore

Fred Meyer
Vice Commodore

In the presence of:
Graham Andrew McKenzie
Notary Public
Auckland
New Zealand

The Golden Gate Yacht Club
by:

William J. Erkelens
As Attorney in Fact by Special Power of Attorney
dated February 20, 2003 and attached hereto
on behalf of Edward J. Barrett
Commodore, The Golden Gate Yacht Club

In the presence of:
Graham Andrew McKenzie
Notary Public
Auckland
New Zealand