
SETTLEMENT MEMORANDUM

5 February 2020

IN THE MATTER of the Protocol Governing the 36th America's Cup ("**Protocol**") and

IN THE MATTER of a mediation under Article 19.1 of the Protocol conducted by the Chairman of the America's Cup Panel for the 36th America's Cup ("**ACAP**")

BETWEEN

Emirates Team New Zealand ("**ENTZ**"),
representing Royal New Zealand Yacht Squadron as the Defender.

and

Challenger of Record 36 S.R.L. ("**COR 36**"),
representing Circolo Della Vella Sicilia as the Challenger of Record.

SETTLEMENT MEMORANDUM

Introduction

1. Following a mediation conducted under Article 19.1 of the Protocol by the Chairman of the Arbitration Panel, David Tillett, the Defender and the Challenger of Record hereinafter referred to as the Parties, have agreed to settle their differences in relation to the proposed Notice of Race and Conditions governing the 36th America's Cup Match (**Match Conditions**) on the terms contained in this Memorandum.

Wind Limits

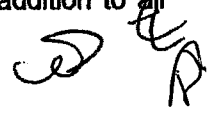
2. The Wind Limit provisions as detailed in Attachment 1 shall be included in the Match Conditions and the Challenger Selection Series (Prada Cup) Conditions (**CSS Conditions**).

Finalised Match Conditions

3. A final version of the Match Conditions as detailed in Attachment 2 is agreed between the Parties and approved for publication by COR/D as soon as practicable.

Course Location Guidelines

4. It is agreed that the Auckland Course Location Guidelines, as detailed in Attachment 3, shall be provided to the Regatta Director and issued as a COR/D Notice to Competitors as soon as possible after the publication of the Match Conditions. The Parties agree that these Guidelines shall apply to the Match and in addition to all other AC 36 racing conducted in Auckland.



Challenger Selection Series Schedule

5. On behalf of the Defender, ETNZ agrees to approve the Challenger Selection Series (Prada Cup 2021) Schedule as detailed in Attachment 4.

Final Settlement


6. The Parties acknowledge that this Memorandum constitutes a full and final settlement of all outstanding issues requiring agreement between the Parties to enable finalisation of the Match Conditions under Article 17.1 of the Protocol.

Dated this 5 day of February 2020

Signed for and on behalf of
Emirates Team New Zealand
(acting on behalf of the Royal
New Zealand Yacht Squadron):


Grant Dalton – CEO

Signed for and on behalf of
Challenger of Record 36 S.R.L.
(acting on behalf of Circolo
della Vela Sicilia):


Laurent Esquier - CEO

Endorsed by the Mediator


David Tillet

ATTACHMENT 1

Wind Limit Clause for the Match Conditions

9.1 Unless the Regatta Director considers conditions too rough, the warning signal for the Match shall only be made when the approximate average TWS is between 6.5 and 23 knots (the range) for the whole period between 9 mins and 4 mins before the start. The TWS shall be measured as a rolling average of one hertz samples over 30 seconds at approximately 5.5 meters above the water on the race committee signal boat. This TWS shall be corrected to represent the TWS relative to the water, based on the forecasted tidal currents in the area where the race committee signal boat is located, using a procedure and tidal current forecast published by the Regatta Director on or before 1 December 2020.

Wind Limit Clause for the CSS Conditions

Unless the Regatta Director considers conditions too rough, the warning signal for racing shall only be made when the approximate average TWS is within the range specified below for the whole period between 9 mins and 4 mins before the start. The TWS shall be measured as a rolling average of one hertz samples over 30 seconds at approximately 5.5 meters above the water on the race committee signal boat. This TWS shall be corrected to represent the TWS relative to the water, based on the forecasted tidal currents in the area where the race committee signal boat is located, using a procedure and tidal current forecast published by the Regatta Director on or before 1 December 2020.

The applicable range shall be as follows:

- (a) during the Round Robins and Repechage stages - between 6.5 and 21 knots;
- (b) during the Final – between 6.5 and 23 knots.

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ATTACHMENT 2

NOTICE OF RACE AND CONDITIONS

36TH AMERICA'S CUP MATCH

Auckland, New Zealand

This Notice of Race and Conditions ("**Match Conditions**") have been agreed and finalised under Article 17 of the Protocol Governing the 36th America's Cup ("**Protocol**") by the Royal New Zealand Yacht Squadron as the Trustee and Defender of the America's Cup ("**RNZYS**") and Circolo della Vela Sicilia as the Challenger of Record ("**COR**").

These Match Conditions shall govern the 36th America's Cup Match ("**Match**").

The words defined in Article 59 of the Protocol and AC75 Class Rule 35 shall have the same meaning in these Match Conditions.

A reference to time means New Zealand Daylight Saving Time.

1. ORGANIZING AUTHORITY

- 1.1 The Event Organizing Authority is America's Cup Event Limited, acting on behalf of the RNZYS, including any affiliate or subsidiary entity which is authorized to undertake activity on its behalf ("**OA**").

2. RULES

- 2.1 The conduct of the Match will be governed by the documents listed in Article 16.1 of the Protocol having the precedence stipulated Article 16.2, including the World Sailing Racing Rules of Sailing America's Cup Edition referred to in Article 16.1 e) of the Protocol ("**RRSAC**").
- 2.2 The Sailing Instructions for the Match will be issued in accordance with the requirements of Article 17.2 of the Protocol.

3. ELIGIBILITY

- 3.1 The Protocol and AC75 Class Rule define the eligibility of Competitors, Yachts and Crew.

4. RACE AREA

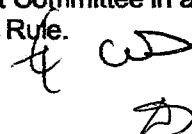
- 4.1 The Racing Area and Course Areas for the Match are detailed in COR/D Notice to Competitors No 7 dated the 30th of August 2018.

5. SCHEDULE

- 5.1 The schedule for the Match is shown in Attachment 1 (the "**Schedule**") This Schedule may from time to time be revised or modified by COR/D in consultation with the Regatta Director.

6. MEASUREMENT AND INSPECTION

- 6.1 Measurement will be undertaken by the Measurement Committee in accordance with the requirements of the Protocol and the AC 75 Class Rule.

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7. **YACHT CONFIGURATION** (as published in COR/D Notice # 9)
- 7.1 **Competitors** are required to declare confidentially to the **Measurement Committee** the **yacht** configuration to be sailed in the **Match** at least 120 hours before the scheduled start of the first race of the **Match**.
- 7.2 The declared **yacht** configuration must include the identity and version of the:
- (a) **hull**;
 - (b) **foils**, including **foil arm stocks**, **foil arm fairings**, **foil wings**, and **foil flaps**;
 - (c) **rudder**, including the **rudder upper** and **rudder lower**;
 - (d) **mast tube**.
- 7.3 For those components listed above whose modifications are controlled by an IGES file according to **AC75 Class Rule 5**, the declaration shall record:
- (e) an ID (or **Hull** sail number), being the unique identity of a specific component that remains with that component throughout its lifetime, regardless of any modifications to that component;
 - (f) a Version number of each component, being a number that changes each time a component is modified with respect to its IGES file and installed on an **AC75 Class Yacht** with that **yacht** afloat. A new Version number is not required if a component is modified, but does not change shape with respect to its IGES file; and
 - (g) an IGES file checksum, which is a code generated from an IGES file corresponding to a specific Version of a component, or assembly of components, and uniquely identifies that IGES file from any others. The **Measurement Committee** shall issue a procedure for generating an IGES file checksum from an IGES file.
- 7.4 When declaring their **yacht** configuration, **Competitors** are required to supply IGES files of the following:
- (a) the **hull**, as described in Rules 3.10, 5.9 and 11.1, which shall also include the port and starboard **foil cant reference points**;
 - (b) the port and starboard **linear components** that each combine a **foil arm** and a **foil wing**;
 - (c) the port and starboard, inboard and outboard **foil flaps**;
 - (d) the **linear component** that combines a **rudder upper** and a **rudder lower**; and
 - (e) the **mast tube** as described in Rule 35.77.
- 7.5 When declaring their **yacht** configuration, **Competitors** must also submit a scheduled order of replacement components to be substituted in the event of loss or damage to a component listed on the declaration. A **Competitor's** schedule shall remain confidential between that **Competitor** and the **Measurement Committee**.
- 7.6 After a **yacht** configuration for the **Match** has been declared, and prior to racing, **Competitors** must obtain a Measurement Certificate for the **Match** that reflects all the details of the declared configuration. Once a Measurement Certificate has been issued to a **Competitor** for the **Match**, it shall not be amended or replaced at any time before or during the **Match**, unless a component listed on the certificate is damaged or lost.

- 7.7 In the event of damage or loss to a component listed on the Measurement Certificate, a new Measurement Certificate shall only be issued subject to the following conditions:
- (a) The **Measurement Committee** must be completely satisfied that the damage or loss was unintentional, and that a repair in accordance with **AC75 Class Rule 5.12, 5.13 or 5.14** is not possible in time for the **Competitor's** next race. The **Measurement Committee** may request sailing data, video, inspection of components, interviews with or affidavits from team members to confirm this.
 - (b) If the **Measurement Committee** permits a component to be replaced, it shall only be replaced with the next component identified on the scheduled order of replacement components. The schedule may specify that damage to some sub-components of a **foil or rudder** may necessitate replacement of the complete **foil or rudder**, but damage to one **foil** shall not correspond to replacement of the other **foil**.
 - (c) If a damaged component is replaced, and that component can be repaired, but not in time for the next race, the **Competitor** shall submit to the **Measurement Committee** an estimated repair schedule and must repair the component as quickly as possible. As soon as the component is repaired, it must be reinstated, and the original Measurement Certificate shall be reinstated.
 - (d) If the **Measurement Committee** permits a damaged component to be replaced and a new Measurement Certificate issued, the 'Undamaged' **Competitor** competing in the **Match** shall also be entitled, if it chooses, to change the corresponding component to the next component identified on its scheduled order of replacement components, and a new Measurement Certificate shall be issued. In this event, when the 'Damaged' **Competitor** reinstates that repaired Component, the Undamaged **Competitor** can choose whether to reinstate its original component. This choice to reinstate a component shall only be available at that time, or within the time required to reinstate that component.
 - (e) Clause (d) shall not apply if the Undamaged **Competitor** is ruled to have caused the damage to the Damaged **Competitor's** component.
- 7.8 When racing, the configuration of a **Competitor's yacht** must match the configuration recorded in her Measurement Certificate, except as provided by **AC75 Class Rule 31.13 (a) (i)**.
- 7.9 The configuration of a **Competitor's yacht**, in respect to aspects not recorded on her Measurement Certificate, may be changed prior to any race providing the **Measurement Committee** is able to verify compliance of those changes with respect to the **AC75 Class Rule** prior to racing.
- 7.10 The **Measurement Committee** shall issue procedures and time scales for verifying, prior to each race, that a **yacht** remains in compliance with her Measurement Certificate and the **AC75 Class Rule**. Those procedures and time scales shall vary according to the part of the **yacht** being changed and checked, but will include provisions such as:
- (a) Verification of a **yacht assembly mass and longitudinal centre of mass**, which is likely to be checked the morning of a race. In accordance with **AC75 Class Rule 31.13 (a) (i)**, the **yacht assembly longitudinal centre of mass** may vary by up to 25 mm from the value recorded on the **yacht's Measurement Certificate**, providing it still lies within the constraints of the **AC75 Class Rule**.

Handwritten initials and marks:
A stylized signature or set of initials, possibly "AC" or "AD", followed by a large, loopy flourish. Below it, a smaller, more compact signature or mark.

- (b) A deadline prior to a race for the measurement of any sails, or any permitted modifications of sails, to be determined by the **Measurement Committee** in consultation with **Competitors**, with a permission that a **Competitor** may select which pre-measured sail configurations to use for a race at any time up to the warning signal of that race, providing that ballast to correct different sail weights is applied according to **AC75 Class Rule 10**.

8. COURSE

- 8.1 The Course Configuration for the Match is detailed in COR/D Notice to Competitors No 7 dated the 30th of August 2018 and further Course details will be provided in the Sailing Instructions for the Match.

9. WIND LIMITS

- 9.1 Unless the Regatta Director considers conditions too rough, the warning signal for the Match shall only be made when the approximate average TWS is between 6.5 and 23 knots (the range) for the whole period between 9 mins and 4 mins before the start. The TWS shall be measured as a rolling average of one hertz samples over 30 seconds at approximately 5.5 meters above the water on the race committee signal boat. This TWS shall be corrected to represent the TWS relative to the water, based on the forecasted tidal currents in the area where the race committee signal boat is located, using a procedure and tidal current forecast published by the Regatta Director on or before 1 December 2020.

10. WARNING SIGNAL

- 10.1 Unless otherwise agreed by COR/D in consultation with the Regatta Director, the scheduled time of the Warning Signal for the first race on each Race Day shall not be before 1600 hours.
- 10.2 Unless otherwise prescribed, the intention of the Regatta Director will be to sail two races per Race Day.

11. TIME LIMITS

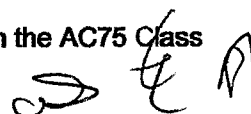
- 11.1 The intended Time Limits, but to be confirmed in the Sailing Instructions for the Match, are as follows:
- | | |
|-----------------|---|
| (a) For leg 1 | 12 minutes (based on 6 knots VMG for 1.2 miles) |
| (b) For a race: | 45 minutes |

12. INTERNATIONAL JURY

- 12.1 An International Jury will be appointed in accordance with the requirements of the Protocol and the RRSAC.

13. COMMUNICATIONS

- 13.1 The following supplied equipment shall be carried aboard whilst racing:
- (a) on each yacht (and it's rescue boat), a two-way Safety Radio issued by the Race Committee.
- (b) A Media System and Crew Information System as detailed in the AC75 Class Rule.



14. LIABILITY & INSURANCE

- 14.1 Attention is drawn to the RRSAC Fundamental Rule regarding the Decision to Race (RRSAC 3 in the current draft):
"The responsibility for a yacht's decision to participate in a race or to continue racing is hers alone".
- 14.2 All Competitors and their personnel taking part in the Match do so at their own risk.

15. ANTI-DOPING

- 15.1 Competitors shall comply with the Anti-Doping Code for the 36th America's Cup to be incorporated in the RRSAC.

16. SPORTS BETTING

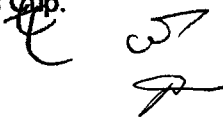
- 16.1 Attention is drawn to Article 35 of the Protocol prohibiting sports betting on the part of Competitors, their team members and all Officials.

21. AMENDMENTS

- 21.1 These Match Conditions may only be amended with the agreement of COR and RNZYS.

Dated this 7th day of February 2020

Agreed by Royal New Zealand Yacht Squadron and Circolo della Vela Sicilia
under Article 17.1 of the Protocol Governing the 36th America's Cup.



ATTACHMENT 3

AC 36 Match

Auckland Course Location Guidelines for the Regatta Director

Introduction

On 30 August 2018 COR/D issued Notice No 7 to Competitors announcing the Racing Areas, Course Areas and intended course configurations for the Match under Article 4.2 of the Protocol.

The Notice specified two Course Areas - Course Area 1 and Course Area 2 (Protected Race Course Area) as shown on Appendix 2 to the Notice. The Appendix also shows potential race course locations within each Course Area, also publicly identified as A (Milford/Takapuna), B (Rangitoto Channel) C (North Head), D (Motukorea Channel) and E (Race Course Area 2). These depicted locations are indicative only and the Regatta Director may select a location anywhere within the two Course Areas based on what he considers to be the best location for racing in the prevailing conditions and taking it to account all other relevant factors both sporting and commercial.

These Guidelines outlining the principles governing the selection of course locations have been prepared to assist the Regatta Director and to provide information to Competitors. They constitute recommendations only for the Regatta Director who under the Protocol is solely responsible for the conduct of all racing in AC 36.

General Principles

The general principles governing such course location selection are as follows:

- Proximity of the location to onshore spectator viewing;
- Availability of course area for racing as confirmed by local authorities;
- Safety of competing yachts and spectator vessels in the location;
- Weather forecast including the general weather pattern, predicted wind strength and direction, predicted sea state.

Suitability of the Indicative Locations for the Match within Course Area 1 (in order of priority):

Priority 1 - North Head

- Preferred course location due to proximity to onshore spectator viewing, ideal for TV broadcast and the generation of public interest;
- Suitable for WSW, SW, NE wind directions;
- No sea state issues.

Priority 2 - Milford/Takapuna

- Suitable for all wind directions;
- Sea state can be problematic in stronger E, NE or N wind directions.

Priority 3 - Rangitoto Channel

- Suitable for S, SE, N and NW wind directions.

Priority 4 - Motukorea Channel

- Suitable for W or E wind directions.

Protected Course Area 2

- Alternative back up if other courses are unsuitable due to inclement conditions;
- Suitable for all wind directions.

END



36TH AMERICA'S CUP MATCH SCHEDULE

ELIGIBILITY and MEASUREMENT

1 March 2021 1600 hours Competitors Declaration of it's
Yacht Configuration

A final schedule for the weighing of crew shall be published by the Rules Committee under Class Rule 34.1 on or before 6 September 2020.

RACING

Race Days (all 2021)	Indicative Race No	Fist Warning	Signal
Saturday 6 March	Race # 1 Race # 2	1600 hours	*
Sunday 7 March	Race # 3 Race # 4	1600 hours	*
Wednesday 10 March	Race # 5 Race # 6	1600 hours	*
Friday 12 March **	Race # 7 Race # 8	1600 hours	*
Saturday 13 March	Race # 9 Race # 10	1600 hours	*
Sunday 14 March	Race # 11 Race # 12	1600 hours	*
Monday 15 March (if required)	Race # 13	1600 hours	*

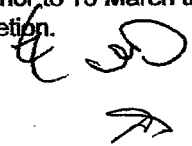
* second race of the day (if any) will be started as soon as possible after completion of the first.

** Friday 12 March will not be used as a Race Day if the Regatta Director (after consultation with the Competitors) considers racing is not required that day to meet the intended objective of completing the Match over the weekend of 13/14 March 2021. He may also elect to only conduct one race that day.

Reserve Days

Tuesday 9 March May be used as a Race Day if the Regatta Director so decides
(after consultation with the Competitors) due to the Match being
behind schedule after the first two Race Days on 6 and 7 March.

Monday 15 March to If the Match is not completed prior to 15 March then racing will
Sunday 21 March (incl) continue every day until completion.



ATTACHMENT 4

Attachment to COR Notice Nbr 12

PRADA CUP 2021 Schedule

ELIGIBILITY and MEASUREMENT

Wednesday 13 January	Challengers Declaration of Yacht Configuration during Prada Cup Round Robins 1 and 2
Wednesday 20 January	Challengers Declaration of Yacht Configuration during Prada Cup Round Robins 3 and 4
Wednesday 27 January	Challengers Declaration of Yacht Configuration during Prada Cup Repechage
Monday 8 February	Challengers Declaration of Yacht Configuration during Prada Cup Final

RACING

Dates (all 2021)	Races
Friday 15 January	Round Robin 1, Race # 1 Round Robin 1, Race # 2
Saturday 16 January	Round Robin 1, Race # 3 Round Robin 2, Race # 1
Sunday 17 January	Round Robin 2, Race # 2 Round Robin 2, Race # 3
Friday 22 January	Round Robin 3, Race # 1 Round Robin 3, Race # 2
Saturday 23 January	Round Robin 3, Race # 3 Round Robin 4, Race # 1
Sunday 24 January	Round Robin 4, Race # 2 Round Robin 4, Race # 3
Friday 29 January	Repechage, Race # 1 Repechage, Race # 2
Saturday 30 January	Repechage, Race # 3 Repechage, Race # 4
Sunday 31 January	Repechage, Race # 5 Repechage, Race # 6
Tuesday 2 February	Repechage, Race # 7



Saturday 13 February	Prada Cup final, Race # 1 Prada Cup final, Race # 2
Sunday 14 February	Prada Cup final, Race # 3 Prada Cup final, Race # 4
Wednesday 17 February	Prada Cup final, Race # 5 Prada Cup final, Race # 6
Friday 19 February	Prada Cup final, Race # 7 Prada Cup final, Race # 8
Saturday 20 February	Prada Cup final, Race # 9 Prada Cup final, Race # 10
Sunday 21 February	Prada Cup final, Race # 11 Prada Cup final, Race # 12
Monday 22 February	Prada Cup final, Race # 13

RESERVE DAYS

Monday 18 January
Tuesday 19 January
Monday 25 January
Tuesday 26 January
Wednesday 3 February
Thursday 4 February
Tuesday 16 February
Thursday 18 February
Tuesday 23 February
Wednesday 24 February

Details of the Times for Warning Signal of all the Races and of the Reserve Days will be included in the Prada Cup Conditions



