



AMERICA'S CUP CHALLENGE 1980 LIMITED

17th Floor 26 St. George's Terrace PERTH. 6000 Western Australia
Telephone: (09) 325 4555 Telex: AA 92901

17th March, 1981.

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*envelope
Mrs. Bakker*

Dr. P. van Oossanen,
Maritime Research Institute Netherlands
P.O. Box 28,
6700 AA
Wageningen,
NETHERLANDS

Dear Peter,

Thank you for the opportunity of meeting with you last Friday in Sydney and I am pleased to confirm our acceptance of the detail outlined in your letter of the 17th February, 1981 and addressed to Ben Lexcen. My principle understanding is as follows:-

1. The cost of the various activities specified in your letter can vary either up or down, dependent upon whether or not any of the individual activities is either increased or decreased. If, for instance, the number of tests specified in one of the activities is reduced, your estimate will be reduced accordingly.
2. Payment of your account will be by three instalments:-

 Instalment 1 being one-third of the estimated total, i.e. approximately Aust.\$20,000 when Ben Lexcen arrives in Holland to commence the programme.

 Instalment 2 being one-third of the estimated total when all of your tests are completed.

 Instalment 3 being one-third of the estimated total when we receive from your company the final report and drawings.
3. Your company will at all times exercise maximum security of all information compiled for us. Our competitors will soon know that our tank testing is being carried out by your company and as we are at present recognized as the No. 1 challenger in the world, there will be great interest in what we are doing.

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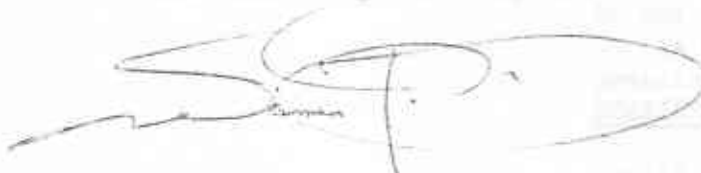


4. Your company undertakes that it will not carry out any other 12-metre testing for other syndicates or individuals who are in any way associated with the 1983 challenge.

We look forward to working in conjunction with you and trust that this programme will be of mutual benefit to both of our companies.

Kind regards,

Yours sincerely,



WARREN L. JONES.

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