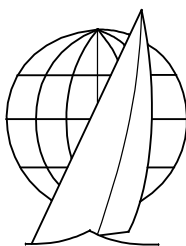


OFFSHORE RACING CONGRESS

World Leader in Rating Technology

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MINUTES of the **Management Committee Meeting** of the Offshore Racing Congress Limited held on 4th & 7th November 2011 in San Juan, Puerto Rico

Present: Bruno Finzi (Chairman)
Jose' Frers (Deputy Chairman)
Wolfgang Schaefer (Deputy Chairman)
George Andreadis
Don Genitempo (Honorary Treasurer)

Consultants: Zoran Grubisa
Vivian Rodriguez
Nicola Sironi
Dobbs Davis

1. Minutes of Previous Meeting

The Minutes of previous meeting in London was approved as circulated by the secretariat.

2. ISAF submissions and ORC Report to ISAF

ISAF submissions allocated to the Oceanic and Offshore Committee have been reviewed. In particular IRC submissions 064, 069, 077, 080, 083, 084, 089 and 092 to amend the ERS are supported by ORC.

Submission 075, coupled with submission 166, is dealing with RRS 50.4. The ERS, as they stand now, deliberately do not specify the difference between a jib and a spinnaker. The limit of mid girth (width) $\geq 75\%$ foot exists in IOR, IMS, and IRC. In IMS, sails between 55% and 75% mid-girths are treated as spinnakers, but special Code zero coefficients are used.

If these two submissions (75 and 166) are accepted, these sails (Code zero's) will be treated as Jibs, which effectively means to ban them as their associated rating penalty would become excessive. If then the ERS would be amended this way, either ORC would have to discard the scheme that was introduced in 2008 and has shown to work correctly for Code zero's, or make an exception to the ERS for the use of these sails.

Therefore ORC should be prepared to oppose this submission in the Oceanic & Offshore Committee to submissions 75 and 166. ISAF amended submission 51 to take note of new ISAF Regulation 13 that was passed and approved last year regarding ORC.

An ORC report to ISAF is under construction presenting the fleet statistics up to November 1st, 2011 and reports from the Championships held in 2011.

In accordance with ISAF regulation 13.2 (f), the Chairman will negotiate with ISAF Executive the fee due for the ORC World Championship.

3. ORC/RORC relationship

The Chairman asked Wolfgang Schaefer to resume the progress of the planned joint-venture with RORC with the administration of offshore rating rules. Not much progress has been reached since last November press release in Athens. In the original meeting in Paris in early 2010, where representatives of ISAF were also present, a letter of intent was signed by both parties. After the signature of the letter of intent some meetings were held during 2010 in London and an agreement for a Press Release to be published before the 2010 Annual Meetings in Athens was reached.

ISAF has now asked for an update of the situation for ISAF meetings and a statement of negotiation was prepared as follows.

“JOINT STATEMENT FOR ISAF ON IRC/ORC RULE NEGOTIATIONS

We remain in agreement concerning the overall strategy to bring our organizations and offshore rating rules together. Progress has been slower than we would have liked but the two organizations have remained in close communication through the five of us on the original Steering Group.

The main delay has been because of the complexity of amalgamating the structure and finances of IRC. Until now IRC has been run in cooperation but separately with offices in France and UK. Different parts of the world were dealt with by one office or the other. The aim has been to combine these two completely but there have been complications in the detail mainly relating to different tax laws between UK and France. These problems are nearly settled and we then intend to continue our negotiations as one united organization (IRC) with another (ORC).

The two rating systems have become closer than we were. The two rating systems control the majority of offshore racing around the world, undoubtedly helped by ISAF recognition. Our vision is that one joint organization will be formed encompassing both existing rules, which we will run in parallel for a time as we approach consensus.

These negotiations will be continued by the existing representatives from IRC and ORC, who will meet continuously during next year to define the structure and the operating procedures of the new company. ORC and IRC are confident that the new company will be established and fully operational prior to the next November ISAF / ORC conference in Dublin.

Andrew McIrvine	RORC
Marc de Saint Denis	UNCL
Chris Little	RORC
Bruno Finzi	ORC
Wolfgang Schaefer	ORC

November 2011”

ORC is drafting an Agenda of items to be discussed with RORC during 2012 in order to finalize the agreement before next AGM in Dublin. The timetable agreed with RORC is the following:

- Before end of March 2012 begin discussion about the structure of NEWCO
- Before end of May 2012 begin discussions about operating procedures of NEWCO
- Before end of July 2012 get approval from ORC Congress and RORC Main Committee for NEWCO structure and operating procedures
- Before end of September 2012 prepare final documents for signatures
- Press release about NEWCO at November 2012 ORC and ISAF meetings
- Before end of November 2012 set timetable for a new rule.

4. ORC/US Sailing relationship

There has been no official contact between ORC and US Sailing regarding reentry into the US market; however president Gary Jobson has indicated through the US ORC Congressman that the two entities will continue to communicate on this issue.

On an unrelated item, the ORC has been contacted by representatives of the NYYC in regards to its development of a new High Performance Rule HPR. Steve Benjamin, who chairs this initiative, has travelled to the ORC meetings to discuss international rating rules issues with the Management Committee.

5. ORC/IMA (SuperMaxi and Wally)

The Super Maxi Class in Porto Cervo had a good week of racing where IRC and ORC scoring was “merged”, and results were averaged using the two systems. The unanimous decision of this year’s fleet was to maintain the double certificate (ORC/IRC) also in 2012.

Edoardo Recchi announced that three Super Yacht regattas, the Caribbean Super Yacht Regatta in March in Virgin Gorda, the Loro Piana Super Yacht Regatta in Porto Cervo in June and the Super Yacht Division of the Maxis in Porto Cervo in September, will all use ORC ratings in 2012.

The ORC measurement methodology has been used by all Wally Yachts to obtain a better assessment of their rating-sensitive IRC measurement parameters, and Paolo Massarini announced that more work will be done by the Wally Class with ORC in 2012 exploring also double scoring IRC/ORC.

The ORC measurement platform could expand and be extended to all other IMA Classes, such as has been done for the Wally’s in 2011 by measuring all boats individually, with the Perini Navi’s where data was obtained from the design offices and amended to respect the actual boat’s polars as observed, and for the Super Maxis where data was obtained from a combination of sources. These could even include the Classics, whose large fleets are often crowded by ancient schooners, and along with their replicas who are now reconsidering the long-forgotten Universal Rule.

With the adjustments of the requirements of the inclining test in the Submission prepared by the ManCom for sailing ships (LOA>24m, it will be possible to issue full ORC International certificates, and not only Club for these boats.

6. AGM and EGM Preparation

The Agendas of the AGM and EGM were confirmed without any changes.

7. Financial Report

Don Genitempo reported on his meeting with Ms Alison Morton of Lloyds Bank, continuing to sort out the accounts that have been in a confused state for some time. The arrangement that should be in place within the next weeks will have two accounts at Lloyds - a sterling account, and a euro account. Both accounts will have the same address with the secretariat, giving direct contact and control over the accounts, rather than thru the ORC „Registered" office that Philip Tolhurst has kindly provided for ORC in the last several years.

With this new arrangement, the Secretariat under direction from the Treasurer will have the ability to transfer ORC PayPal funds into the Lloyds euro account and then straight to the Italian Bank account, saving significant bank fees.

The Financial Reports for 2010 were circulated among the Congress Members for email vote. The levy income may not reach the budgeted amount but the general sales are exceeding the budget so we should reach total income expected.

It has been confirmed that the U.K. no longer requires audited statements for small companies, and that in 2006 our Articles were amended removing that requirement. The committee feels, however, that we should continue to use an outside accountant to audit the company accounts.

ORC will continue to use Jeremy Tolhurst, as he is now a registered auditor /accountant.

8. Fleet Statistics & Update on Levy payments

Fleet Statistics

Fleet statistics are showing overall numbers as expected on the level of previous years. Some rating offices are still waited to submit their numbers, but nevertheless, it may be expected that final number at the end of the year will be over the 2010 numbers. Decrease in number of certificates can be noted in Chile, Japan, Norway, Russia and Switzerland, but it has to be noted that number currently presented are for the first 10 months only and some more certificates may come by the end of the year. Increase in number of certificates is already shown in Greece, Netherlands, Peru, Poland and Sweden.

Update on Levy Payments

The secretariat circulated an excel file with the information on levy invoices and relative payments. Third quarter invoices were issued at the end of September. Regarding the 2010 Year End levies, payment from Russia is still to be received.

9. Report about ORC Rating Offices and relationship with MNAs

Relationships with Rating Offices and ORC Nominating Bodies are generally on good level. However, a situation with Portugal and Brazil has to be separately discussed by Management Committee members during the ISAF/ORC AGM week.

10. Sailor Services Report

Since it's launching at the beginning of the year ORC Sailors Services are showing great results and acceptance from the sailors with number of users increasing every day. Result of this project started couple of years ago is great promotional tool which makes ORC real World leader in Rating Technology. ORC Sailors Services are offering possibility to get certificate copies, to make test runs changing any measurement data recording in certificate, Stability Data sheet and Speed Guide. At the beginning services were limited to the data form certificates from 2009 and later only. Later during the year, services have been expanded to the complete legacy ORC database making available currently more than 55.000 records of ORC certificates.

11. Measurement Report

See Measurement Committee Minutes

12. ITC and ORC Club report.

See ITC Minutes

13. Promotion & Marketing Report

See P&D Minutes

14. ORC Publications, ORC Website in 2012

ORC Publications

ORC page in Seahorse Magazine: Bi-monthly full-page features continue, which are dedicated to technical matters of interest to ORC. The latest column in the December issue is a review made by Jim Donovan of his latest GP26 design being built now in Turkey.

Other publication articles: A feature article review of handicapping systems will be written soon for Sailing World magazine in the US.

New ORC news template: Zoran and Dobbs are still working on a new template that is in color, with photos and graphics and will still be compatible on all PC platforms. We are currently considering use of the Constant Contact product. Also, ongoing efforts are made to improve the accuracy and quality of the contacts in the ORC subscriber and press lists.

ORC Directory: As was discussed in London, the old Yearbook as a resource for ORC contacts and organizational information has become the Directory, and a new copy of this has been created for your review in both hard copy and digital form.

Yacht Scoring program: Luiz Kahl is arriving to the AGM to work with Zoran, Nicola, and Panayotis to refine the remaining algorithms in the PCS scoring elements of his web-based regatta management software Yacht Scoring, with plans to review its features at the Race Management and possibly also PDC meetings.

Regatta management guide: We hope to help develop this as an agenda item in the Race Management Committee meeting, with PDC input regarding media services

ORC Website

Besides continuing to provide content for the ORC home page News section, a new website design has been revealed by Zoran, which we will review at the PDC meeting. The reason for the new design is to help refresh the look of the homepage, as well as to introduce new and more innovative methods of navigation for the user. With the new web design, in addition to the official publications, explanatory articles can now be added for the user (for eg. how to get your boat measured, where to go for certificates, etc), as well as archiving past news stories, and creating a 'Hall of Fame' of the names and photos (when available) of past ORC Championship winners.

15. ORC Marketing, ORC Yearbook in 2012

ORC Marketing

All ORC Championship events this year have been supported with composition and distribution of regatta press releases and other announcements. This includes the ORC Europeans in Hanko and ORC Worlds in Cres.

Presentations of the new ORC Sailor Services have been made in several locations: at the YC Rio de Janeiro in Brazil; in Germany at the Go For Speed seminar in Flensburg; and in Hanko at the ORC Europeans. This is in addition to several private tutorials shown to influential owners and industry members in the US and elsewhere.

Future presentations will be also be made in Sydney, Melbourne and Perth at the invitation of Yachting Australia after the AGM, as well as at Royal Hong Kong YC. Discussions are also underway for a tour of Brazil and Chile to help support the recent problems encountered with ORC use in those countries.

ORC Yearbook

A new 2012 Yearbook has been created for review, both digitally and in hard copy. Now that there is access to Ken Weller's yearbook archives, ORC can also proceed to put past Yearbooks on the website in archival form.

16. Review of Committees and Congress Members and plans for 2012 MNAs relationship

Committee Members

No changes in Committee Membership.

Congress Members

The list of Congress Members was reviewed and modified according to the number of levies approved last year.

Elections

The election of a new President and two vice Presidents will take place during next AGM.

MNAs relationships

Management Committee will address specifically the problems of two MNAs: Brazil and Portugal. Special meetings are also planned during this week with Spain and USA.

17. Submissions 2011

GER 1 - CERTIFICATES COPIES ON THE WEB

This is a National Authority policy. ORC does not want to oblige in one way to another each MNA. The revenues from Sailor Services are shared with the relevant MNA

NED 2 – IRC OVERHANGS

Management Committee agrees with the ITC response on this submission. See ITC Minutes.