

# The 1997 Concorde Agreement

## Bringing Transparency to Formula 1

It is Formula 1's holy of holies, the secret kept by scores of people for a quarter of a century. It is the contract which binds the F1 teams, the FIA, and the entity, run by Bernie Ecclestone, which holds the sport's commercial rights through 2007. It is the fabled Concorde Agreement, and now, it is secret no longer.

In truth, we never expected to see the Concorde, even after, as seems likely now, it might pass into history at the end of 2007, to be replaced by a very different contract. But then, on an otherwise unremarkable day nearly eight years ago, a heavy, nondescript package arrived in the post. No return address. No hint at the contents. To our considerable surprise, opening the packaged produced three thick, bound documents: the 1992 Concorde Agreement, the 1994 Variation Agreement to the 1992 Concorde Agreement, and the 1997 Concorde Agreement, then the most recent signed by the teams, the FIA and Ecclestone.

Another, more recent version, presumably, a 1998 Variation Agreement, was then being debated (see "How the Game Is Played," the second part of an article, "Following Formula 1's Money Trail," published on November 3rd, 2005, and resident in our archives), but after that was finally agreed, whoever F1's Deep Throat is, he or she either chose not to provide it to us, or was unable to do so. It matters not, for FIA president Max Mosley and various team owners subsequently made public most, if not all of the changes later agreed to the '97 version, and we have been keeping track of them.

While we are not bound by the Concorde's confidentiality agreement, we chose for many years to respect it. We simply used it to guide us in understanding why many of the events in the sport took place, and how they took place. It informed our writing, but we remained reluctant even to quote from it.

Increasingly, we found the principals releasing portions of the Concorde. When it suited the purpose of Mosley or a team owner, the Concorde was quoted or paraphrased, but very selectively. When it did not suit, they conveniently wrapped themselves in the confidentiality agreement.

In reaction, we began to quote from the Concorde, to validate the information we were providing in our articles, and as the 'leaks' increased, so, too, did our quoting from the document, frequently to clarify the public statements of the signatories, or place them in context.

Ultimately, we have tired of the self-serving abuse of the Concorde's secrecy by those bound to keep its content confidential.

In two years, the Concorde will be replaced by a very different contract. As an historical document intrinsic to the sport, and as a reference tool, we believe it should be available.

Further, most of the protagonists in Formula 1 say they want 'transparency,' which we have defined as 'you show me yours, but I won't show you mine.' It seems now high time to help them achieve some greater measure of that transparency, by publishing the Concorde.

When we originally received our Deep Throat package, we read the '97 Concorde as though it were a novel, cover to cover. Much of it is tedious, in the way that only

contracts written by lawyers can be. Much of it — like the driver recognition board agreement, which occupies 25 of 103 pages — has little utility for those seeking a deeper understanding of the machinations of Formula 1.

A much smaller portion — the sections on the Formula One Commission and the Formula One Technical Working Group, for example — is essential to understanding such things as how Mosley brought forth the 2005 regulation changes under the guise of safety. These and other sections are also essential to understanding the dispute between the FIA and the Grand Prix Manufacturers Assn.

A very small portion is fascinating. But on balance, we suspect that, when the reader has finished plowing through it, the reaction will be the same as ours: why did the players feel it necessary to keep this secret? Perhaps it was simply to make them feel important, and to separate them from us; not much else suggests itself as a logical reason. It is interesting, but hardly revelatory.

As an example, the Concorde spells out the incredibly complex way prize money for a Grand Prix is distributed, based largely on positions at various milestone laps during a race. That's interesting. What would make it revelatory is if the amount of the prize money were included, but it is not. So we now know how the gold is divided, but not how much gold.

(From the 1992 Concorde, however, we do know the prize fund for 1987 — \$915,000 per race — and that through 1991, it increased annually as a function of the U.S. "Main Economic Indicators," as published by the Organization for Economic Cooperation and Development. One can only guess what it is today.)

We have no idea what the results of publishing the Concorde will be, though we expect they will be few, and lacking any real impact. We do know that a number of people are going to be very upset. So be it.

Others may be relieved, because their commitment to confidentiality will be meaningless, but in the end, release of the Concorde is going to change nothing. There will, for example, be no impact on the struggle pitting the manufacturers against Mosley and Ecclestone. It will, however, allow F1 mechanics to understand how it affects their lives, and allow our readers to better understand some of what is going to take place as we approach the crisis point at the end of 2007. That, along with the selective leaks, seems to provide sufficient justification for finally publishing it.

Every effort has been made to preserve the look and content of the pages of the original which was in our possession, including the British spellings. We have taken the liberty of adding some minor punctuation, but what follows is, as closely and accurately as we can reproduce it, what was distributed to the teams in late 1996. The significant exception is what amount to footnotes, in italic, added to explain the differences between the '97 Concorde and what has been made public about the 1998 variations. Taken together, we believe they accurately reflect the Concorde Agreement which now governs the parties, and will until 2008.

*Forrest Bond, editor  
December 13, 2005*

**THE 1997 CONCORDE AGREEMENT**

## 1997 CONCORDE AGREEMENT

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*\*: "Pages" represent page numbers in the original Concorde, which when used are shown in the upper right corner of each page, keeping this reproduction faithful to and consistent with the original. The cover and two index pages are not numbered in the original. As a result, all the page numbers for this PDF version, which appear at the bottom of each page, are four greater than those used in the Concorde page numbering system, as shown in parentheses above.*

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THIS AGREEMENT is made the        day of        199

BETWEEN

(1) The Federation Internationale de l'Automobile Association declared in conformity with the French law of 1st July 1901 and enjoying consultative status at the Council of Europe and at the United Nations, having its office at 8, place de la Concorde, Paris 75008 France (the "FIA"), represented by its President who has been granted full powers in this respect.

(2) The persons whose names and addresses are set out in Schedule 1 hereto and who have signed this Agreement pursuant to Clause 19 (together "FOCA")

(3) The persons whose names and addresses are set out in Schedule 2 hereto and who have signed this Agreement pursuant to Clause 19 (together the "Manufacturers")

WHEREAS

(A) The FIA is the sole international body governing motor sport. As such it governs the organisation of the FIA Formula One World Championship (the "FIA F1 Championship") which is its exclusive property.

(B) At the date hereof, FOCA and the Manufacturers have constructed racing cars and are participating in the FIA F1 Championship.

(C) The FIA has entered into an agreement with FOCA Administration Limited (the "Commercial Rights Holder") with respect to the FIA F1 Championship.

How Ecclestone Gained Control of the Commercial Rights

*Paragraph (C) is the critical portion of this section, representing a shifting of the commercial rights lease, for want of a better term, from the teams to Bernie Ecclestone.*

*With the signing of the first Concorde Agreement, management and control of the commercial rights related to Formula 1 were granted to the Formula One Constructors Association (FOCA), which was merely administered by Ecclestone. FOCA, in turn, had a separate commercial agreement with the Manufacturer teams. (The distinction between FOCA and Manufacturer teams dates back to the FISA-FOCA War, and the original Concorde. Manufacturer teams were those, including chiefly Ferrari, which sided with the FIA's FISA arm against the mostly British teams, which constituted FOCA.)*

*Beginning with the 1992 Concorde, FOCA entered into a commercial agreement (the "Commercial Annex" to the Concorde) with an Ecclestone company, Motor Racing Developments (later Formula One Promotions and Administration Ltd.), which then administered the rights, i.e., MRD collected and/or distributed the race sanction fees, the prize fund for each Grand Prix (then \$915,000), the television revenue, the travel fund for flyaway races, bonus payments for races beyond a total of 16 (then roughly \$1.5 million), and any other proceeds from the commercial rights.*

*With the 1997 Concorde, the commercial rights, which had always belonged to the FIA, were granted by FIA president Max Mosley to FOCA Administration, an Ecclestone company, rather than the company owned by the FOCA teams. That change was agreed by the various team owners when they signed the 1997 Concorde, and ultimately led to the current dispute between Ecclestone and the manufacturers and other team owners over the distribution of the rights revenue, a dispute which threatens to split the sport.*

(D) The parties hereto have entered into the present Agreement with a view to replacing and updating The 1992 Concorde Agreement for the period from 1 January 1997 until 31 December 2001, and continuing through the established co-operation between them the success and prestige of the FIA F1 Championship, and to permitting FOCA and the Manufacturers to enter and participate during such period in the FIA F1 Championship, which will continue to be governed by the rules of the FIA International Sporting Code (the "Sporting Code") and all regulations relating to the FIA F1 Championship, as all are from time to time laid down by the FIA in accordance with the terms of this Agreement.

NOW IT IS HEREBY AGREED AS FOLLOWS:

### **CHAMPIONSHIP RIGHTS**

1.1 FOCA and the Manufacturers expressly recognise that the FIA alone has the exclusive property in the FIA F1 Championship and is responsible for the organisation thereof, including in particular the right to the title thereof (and without limitation the expression "Formula One"), the copyright in the rules and regulations thereof, the right to supervise the sporting organisation of all events therein, and generally all rights relating thereto without limitation in time. Accordingly neither FOCA nor the Manufacturers shall do anything at any time which may in any way prejudice or diminish such rights.

1.2 Nothing in this Clause 1 shall prevent competitors (as defined in Clause 2.1) (or their respective sponsors and/or suppliers) who participate in the FIA F1 Championship from using the expression "Formula One" in relation to such participation. The title of the FIA F1 Championship shall never include or be used in conjunction with any words, letters or symbols (including trade marks) indicating a connection with (including a sponsorship by) any person or body without prejudice to the use of the letters "FIA".

### **DEFINITIONS**

2.1 For the purposes of this Agreement, "competitor" shall mean a corporation, association, partnership or other entity whose entry to the FIA F1 Championship has been accepted for the relevant year.

2.2 For the purposes of this Agreement “Event” shall mean any event entered into the FIA FI Championship Calendar for any year, commencing at the scheduled time for scrutineering and sporting checks, and including all practice and the race itself, and ending at the later of the time for the lodging of a protest under the terms of the Sporting Code and the time when a technical or sporting verification has been carried out under the terms of that Code.

### COMMERCIAL AGREEMENT

3. The FIA will procure that the Commercial Rights Holder shall enter into an agreement with each competitor, if called upon to do so by such competitor, in the form of the agreement attached to this Agreement as Schedule 10.

### GRANT OF RIGHTS

4.1 For the purposes of this Agreement, “Rights” shall mean all rights whatsoever, whether now known or hereafter invented or developed, including but not limited to all rights of exploitation worldwide in, and all sound, visual, audio visual, interactive media, electronic media, multimedia, telephonic media, computer (or similar devices) hardware and software, advertising, merchandising and other rights in any and all media, sound recordings, information or anything else, originated, recorded or otherwise held or retained by any means whatsoever, whether now known or hereafter invented or developed, and stored in any retrieval system, transmitted, broadcast, exhibited and/or exploited by any means whatsoever, whether now known or hereafter invented or developed, in so far as such rights are capable of being lawfully vested in and held by the FIA, subject to and in accordance with the terms of this Agreement and agreements entered into by the FIA, including those entered into pursuant to this Agreement with Promoters and Organisers of Events.

4.2 In relation to all FIA FI Championships and all Events (and any aspect thereof), FOCA and the Manufacturers hereby irrevocably grant to the FIA on an exclusive basis the Rights:

- (a) in and ancillary to their performance, the performance of all persons connected to them and the performance of all machines and equipment both on and off the track at Events or otherwise (including testing); and

- (b) in, of or pertaining to each Event and/or the FIA F1 Championship (or any aspect thereof).

In this Clause 4 and elsewhere in this Agreement, “television rights” means, with respect to each Event, the right to originate, record and/or broadcast (or procure the same) on free-over-air terrestrial, satellite, satellite to cable and/or cable television (including pay television and pay-per-view television) anywhere in the world, either live or delayed, the whole or any part of the Event, including but not limited to moving picture images of all persons and all moving or static Formula One cars, using images and footage which has been originated or recorded by persons and organisations authorised by the FIA or by its grantee, nominee or assignee for this purpose.

## UNDERTAKINGS

- 5. FOCA and the Manufacturers each undertake that:
  - (a) they will do nothing which may be prejudicial to the image and dignity of Formula One racing as a high class sport; and
  - (b) they will not, without the prior written approval of the FIA, participate directly or indirectly in any form of racing which is or purports to be Formula One, and/or in any way exploits or uses the name and fame of the FIA F1 Championship.

## F1 COMMISSION

6.1 The parties hereto agree that the FIA Formula One Commission, called the “F1 Commission”, shall continue in existence and shall continue to resolve all matters concerning the FIA F1 Championship (other than matters referred to in Clause 6.2) and any changes to the regulations relating to such Championship, subject always to Clause 6.3.

6.2 The F1 Commission shall continue not to resolve the following matters:

- (a) matters not presently within the competence of the FIA World Motor Sport Council (herein referred to as the "World Motor Sport Council") such as proceedings under the Code and regulations referred to in Recital D hereof;
- (b) matters within the competence of the FIA Circuits and Safety Commission (that is safety measures regarding circuits);
- (c) the nomination and/or appointment of the FIA Inspectors, Observers, Delegates and Stewards of the Meeting, and
- (d) the matters referred to in Clauses 6.2(b) and 6.2(c) shall remain under the final and exclusive authority of the World Motor Sport Council or its Secretariat,

6.3 Save as provided in this Clause 6, each of the FIA commissions concerned with Formula One shall continue to report only on Formula One matters to the F1 Commission, which shall then submit its resolutions on matters so referred and other matters within Clause 6.1 to the World Motor Sport Council for decision. The World Motor Sport Council shall continue not to resolve matters referred to in Clause 6.1: it may only approve or disapprove resolutions proposed by the F1 Commission. If the World Motor Sport Council do not approve a resolution proposed by the F1 Commission, it shall not modify such resolution, but shall remit it to the F1 Commission for reconsideration with its recommendation. The World Motor Sport Council can itself continue to submit matters within Clause 6.1 to the F1 Commission for consideration by the F1 Commission, which shall then notify its opinion and its eventual proposal to the World Motor Sport Council for decision.

6.4 Nothing in this Clause 6 shall prevent the World Motor Sport Council from continuing to consult other FIA Commissions regarding Formula One matters.

- (a) The F1 Commission shall appoint a delegate to the World Motor Sport Council who shall be a senior member of the management (who is responsible for Formula One matters and who shall be the sole delegate during his employment) of the member of the F1 Commission who is a signatory to this Agreement, and who has competed in the FIA F1 Championship as a competitor for the greatest number of seasons since 13 May 1950, and such appointment shall be for the period from 1 January to 31 December in the following year (the "F1 Commission's Delegate").
- (b) The F1 Commission's Delegate shall report to the World Motor Sport Council on all decisions taken by the F1 Commission and shall vote in accordance with the decisions of the F1 Commission,
- (c) If the F1 Commission's Delegate is unable to attend any of the meetings of the World Motor Sport Council, a deputy may attend in his place who shall be a senior member of the management (who is responsible for Formula One matters and who shall be the sole delegate during his employment) of the member of the F1 Commission who is a signatory to this Agreement and who is the most successful competitor over the previous ten years.
- (d) A representative of the Commercial Rights Holder (the "Representative") shall sit by right on the World Motor Sport Council with full voting rights on all matters, and on matters concerning Formula One shall vote in accordance with the decisions of the F1 Commission.
- (e) The FIA shall procure that such amendments to its Statutes shall be made as may be necessary (if any) to give effect to this Clause 6.5 throughout the term of this Agreement.

- 6.6 (a) The F1 Commission shall have the members set out in sub-clauses (i) to (vii) below, all of whom (save as herein provided) shall be appointed for a period of one year and shall, subject to Clauses 6.6(c) and 6.6(d), have one vote each. Such members shall be natural persons and shall only be replaced as a member in exceptional circumstances such as death, illness, retirement or resignation. With the exception of the President of the FIA, (and save as provided in Clause 6.6(g)) members may not appoint an alternate, nor be represented by any other person, except that the two (2) members appointed by the Promoters of Events outside Europe may, prior to the commencement of the season, nominate one representative between them to attend on either or both their behalf, such representative to have two votes when representing both members, and one vote when representing one member:
- (i) three (3) members appointed by FOCA (“FOCA’s Representatives on the F1 Commission”) (each of such members must be a senior employee of one of the three most successful competitors listed in Schedule 1 which is a signatory to this Agreement, which has competed in each Event of the previous three FIA F1 Championships and which is participating in the FIA F1 Championship for the year in which the member is appointed);
  - (ii) three (3) members appointed by the Manufacturers (“the Manufacturers’ Representatives on the F1 Commission”) (each of such members must be a senior employee of one of the three most successful competitors listed in Schedule 2 which is a signatory to this Agreement, which has competed in each Event of the previous three FIA F1 Championships and which is participating in the FIA F1 Championship for the year in which they are appointed);
  - (iii) two (2) members appointed by the Promoters of Events in Europe (being senior employees or officers of one or more of such Promoters);

*Article 6.6 The distinction between FOCA and Manufacturers teams is carried over from the days of the FISA-FOCA War, when Ferrari and other teams (the Manufacturers) sided with the FIA against the mostly British teams (FOCA). The distinction was largely lost to later changes in the make-up of the Formula One Commission, and an agreement that Formula 1 would become a closed shop, with a maximum of 12 teams participating. The latter decision effectively locked-in the teams then entered, assuring the continuing value of their businesses.*

*The post-'97 Concorde changes to the F1 Commission's makeup mean that, instead of three members each from the FOCA and Manufacturer teams, all teams in at least their second year of competition were given seats, and votes, with a total of 12 votes. With less than 12 teams, the majority in a split vote would carry the extra votes, so if the teams voted six to four in favor of a motion, the motion would have eight votes in favor and four against. Race promoter seats/votes were increased from four to eight (in both cases, half from outside Europe). Sponsors continue to have two seats/votes, and engine and tire manufacturers one each. Mosley and Ecclestone retained their individual votes. The total number of votes is thus 26, and motions must be carried by at least 18 votes.*

- (iv) two (2) members being appointed by the Promoters of Events outside Europe (being senior employees or officers of one or more of such Promoters);
  - (v) two (2) members, one such member being appointed by FOCA and the other by the Manufacturers, being persons of some eminence and long standing in the category of the sponsors of competitors (excluding companies which are associated with the technical aspects, except those nominated technical sponsors existing at the date of this agreement) being senior employees or officers of such sponsors and who shall represent the general interests of the sponsors;
  - (vi) the President of the FIA or the alternate appointed by him (the President of the FIA may, if he so elects from time to time, give his vote to the President of the F1 Commission); and
  - (vii) the Representative who shall be President of the F1 Commission,
- (b) If at any time there are less than three (3) competitors who qualify to have senior employees as members of the F1 Commission pursuant to Clauses 6.6(a), (i) or (ii) above as a result of there not being three competitors appearing on the respective Schedule who have competed in each Event of the three previous seasons, then the competitor listed in the relevant Schedule who is the next most successful competitor shall be entitled to appoint a senior employee to be a member of the F1 Commission (provided that such competitor is currently competing and is a signatory to this Agreement).
- (c) If at any time there are less than three (3) competitors in Schedule 1, then the FOCA Representatives on the F1 Commission remaining in that Schedule shall together still have three votes when attending meetings of the F1 Commission and the F1 Technical Working Group.

- (d) If at any time there are less than three (3) competitors in Schedule 2, then the Manufacturers' Representatives on the F1 Commission remaining in that Schedule shall together still have three votes when attending meetings of the F1 Commission and the F1 Technical Working Group.
  - (e) No member appointed by the Promoters of Events within or outside Europe may be a competitor or a sponsor (or an officer or employee of a competitor or sponsor).
  - (f) Each meeting of the F1 Commission shall be chaired by its President and in his absence by the President of the FIA.
  - (g) If a member of the F1 Commission is unable to attend a meeting of the F1 Commission, then such member shall be entitled (on one occasion per year only) to transfer his vote to another member of the F1 Commission appearing on the same Schedule.
- 6.7 (a) The F1 Commission shall have a Permanent Bureau consisting of the following natural persons:
- (i) the President of the FIA;
  - (ii) a representative of the Manufacturers being the F1 Commission's Delegate;
  - (iii) a representative of FOCA being a senior member of the management (who is responsible for Formula One matters and who shall be the sole delegate during his employment) of the member of the F1 Commission who is a signatory to this Agreement and who is the most successful competitor over the previous ten years;
  - (iv) the Representative.

- (b) The Permanent Bureau shall in particular deal with urgent matters which cannot wait the following F1 Commission meeting, provided always that the Permanent Bureau shall have no power to modify any of the terms of this Agreement (including its Schedules).
- (c) Each meeting of the Permanent Bureau shall be chaired in rotation by each member. A quorum for a meeting of the Permanent Bureau to be convened shall be three (3) members.
- (d) Each member of the Permanent Bureau shall have one vote, save that if the president of the FIA is unable to attend a meeting held at an Event and he is not able to be contacted, his vote shall be automatically transferred to a Vice President of the World Motor Sport Council attending such Event, provided that such person is not acting as a steward or official observer at the Event concerned.
- (e) Decisions of the permanent Bureau shall be carried by a unanimous vote by all the members of the Permanent Bureau attending a meeting, without prejudice to Clause 6.7(d).
- (f) In exceptional circumstances only, a member of the Permanent Bureau may nominate another member of the F1 Commission (who is listed in the same Schedule) to attend a meeting and vote on his behalf, provided that such substitute is nominated at the beginning of the year concerned, prior to the commencement of the season.

6.8 The secretary of the F1 Commission shall be a permanent member of the staff of the Secretariat of the FIA. Such secretary shall have no voting rights.

6.9 Meetings of the F1 Commission shall be called in such manner as it shall determine, provided always that the notice shall be not less than 14 clear days.

6.10 Notwithstanding any other provision of this Clause 6, if a member of the F1 Commission has control, whether directly or indirectly, and whether by virtue of common directorships, shareholdings (whether held through trusts, nominees or otherwise) or otherwise, over another member or other members of the F1 Commission (each such member being an “Affected Member” and such members together referred to as the “Affected Group”) then unless and to the extent that the unanimous agreement of the F1 Commission is obtained, each Affected Group shall together only be entitled to have one vote at all meetings of the F1 Commission and/or Permanent Bureau.

6.11 The quorum for meetings shall be ten members entitled to vote thereat, save that if it is not possible to obtain such quorum due to the operation of Clause 6.10, the number of members constituting a quorum shall be reduced by the total number of votes to which all Affected Members would have been entitled, but for the operation of Clause 6.14, plus the aggregate number of votes to which the Affected Groups are entitled.

6.12 All resolutions shall be carried by at least ten votes in favour thereof, save that if Clause 6.10 applies, the number of votes by which resolutions shall be carried shall be reduced by the total number of votes to which all Affected Members would have been entitled, but for the operation of Clause 6.14, plus the aggregate number of votes to which the Affected Groups are entitled.

#### **F1 TECHNICAL WORKING GROUP**

7.1 The FIA shall continue to have a Formula One Technical Working Group (the “F1 Technical Working Group”) which shall alone (to the exclusion of any other FIA Commission other than the F1 Commission, subject always to Clauses 6.2, 6.3, 6.4 and 10.4) draft all new and amended technical regulations concerning FIA Formula One racing, and shall make recommendations thereon to the F1 Commission only.

- 7.2 (a) The F1 Technical Working Group shall be composed of seven members appointed for a term of one calendar year as follows:
- (i) a technical representative of each of FOCA's Representatives on the F1 Commission, or his alternate being a suitably qualified officer or employee appointed by such representative;
  - (ii) a technical representative of each of the Manufacturers' Representatives on the F1 Commission, or his alternate being a suitably qualified officer or employee appointed by such representative; and
  - (iii) the Technical Delegate of the FIA.
- (b) Only members of the F1 Technical Working Group who are Eligible Voting Competitors (as defined in Clause 8.3) shall be entitled to vote at meetings of the F1 Technical Working Group, and such votes shall (subject always to Clause 7.3(e)) be allocated to members of the F1 Technical Working Group who are eligible to vote in the same manner as for meetings of the F1 Commission.
- 7.3 The internal rules governing the F1 Technical Working Group shall be laid down by the F1 Commission, provided always that:
- (a) its Chairman shall be the FIA Technical Delegate;
  - (b) its Secretary (who shall not have voting rights) shall be appointed from time to time by the F1 Technical Working Group;
  - (c) the quorum for meetings shall be six members;
  - (d) it shall have the right to invite any person it deems appropriate to take part in any of its meetings or activities, without any voting rights;

- (e) for any decision to be made as a recommendation to the F1 Commission it must be passed by an 80% majority;
- (f) it will meet six (6) times per year, and a schedule of meetings will be agreed at the beginning of each year;
- (g) items for inclusion on the agenda shall be distributed by a member to all competitors if possible seven (7) days prior to the scheduled meeting;
- (h) extraordinary meetings will be arranged on an ad hoc basis in exceptional circumstances; and
- (i) minutes will be sent to all members and circulated to the engineering representatives of all competitors within four (4) working days of each meeting by the secretary.

7.4 The F1 Commission shall continue to have, to the exclusion of any other body, the power to approve or reject technical regulations (which shall always and necessarily be recommended by the F1 Technical Group) but it shall have no right to amend or alter the wording of such technical regulations proposed by the F1 Technical Working Group. Notwithstanding this limitation, the F1 Commission may remit to the F1 Technical Working Group regulations which it has rejected with proposals for their amendment, and may also suggest to the F1 Technical Working Group new regulations for their consideration, which in both cases shall be referred back to the F1 Commission for decision.

7.5 (a) It is hereby agreed that one of the principal tasks of the F1 Technical Working Group is constantly to review and modify the FIA Formula One Technical Regulations in the light of technical developments, so as to keep the performance of the cars within reasonable limits taking safety into consideration.

- (b) If, notwithstanding the work of the F1 Technical Working Group, the average performance of the leading ten cars in the FIA F1 Championship should show an unacceptable increase over the previous season, or a trend of increased performance over several seasons which, in the opinion of the FIA, is such as to endanger the public, trackside workers or drivers, the FIA shall give notice to the F1 Technical Working Group to propose measures to reduce the performance of the cars.
- (c) If within two (2) months of the notice referred to in Clause 7.5(b) above, adequate measures, together with dates on which they are to take effect, are not ready for presentation to the World Motor Sport Council (having been proposed by the F1 Technical Working Group and adopted by the F1 Commission) the FIA shall give notice to the F1 Technical Working Group, proposing three alternative Measures or packages of Measures (the "FIA Measures) and the F1 Technical Working Group shall propose one of the FIA Measures to the F1 Commission for adoption. If within a total of forty-five (45) days from the date of the notice given by the FIA, the F1 Technical Working Group fails to decide on which FIA Measure to propose, and/or the F1 Commission fails to adopt the proposed FIA Measure, then the World Motor Sport Council shall, notwithstanding anything to the contrary contained in this Agreement or elsewhere, have the right itself to decide what Measures to take (as it thinks appropriate) and such Measures shall come into force on dates specified by the World Motor Sport Council, but never sooner than three (3) months from the date of their publication.

For the purposes of this Clause 7.5(c) "Measures" means measures which:

- (i) are designed to reduce the performance of the cars; and
- (ii) cause the least prejudice to the competitors in the circumstances; and

(iii) make changes to the aerodynamics in priority to changes to other parts of the cars.

- (d) The World Motor Sport Council shall consult the F1 Technical Working Group before forming an opinion as to the performance of the cars or introducing any measures under this Clause 7.5.

## TECHNICAL AND SPORTING REGULATIONS

8.1 The FIA, FOCA and the Manufacturers agree to continue to accept unequivocally the technical regulations laid down by the FIA as at the date hereof, as all are set out in Schedule 7 hereto (the "Stable Regulations").

8.2 Save as provided in this Clause 8 and in Clause 10.4, the Stable Regulations shall not be changed in any manner whatsoever prior to 31st December 2001, save changes made prior to the coming into force of this Agreement in compliance with the 1992 Concorde Agreement, and the parties hereto undertake to abide by them until such date.

8.3 The FIA may (subject to Clauses 6 and 7) make changes relating to the engine, the transmission and all associated components and devices, or anything influencing the performances of any of these (such as the total fuel storage capacity of the cars of the race distance provisions) and the minimum weight of the cars, provided that such changes do not come into force before the 1st of January, or if later, the Entry Closing Date following the date of their official publication, and subject to Clause 8.5, provided that the unanimous agreement is obtained of such of those competitors who at the time the changes in question are proposed:

- (a) are signatories to this Agreement, and
- (b) are currently competing and have been in the top ten (10) competitors in two out of the previous three FIA F1 Championship seasons,

(such competitors collectively referred to as the “Eligible Voting Competitors”. For the purposes of this Clause 8, “Entry Closing Date” shall mean the date on which all entries for the next FIA FI Championship have been received and accepted by the FIA.

8.4 Notwithstanding Clause 8.3, if an Eligible Voting Competitor has control, whether directly or indirectly and whether by virtue of common directorship, shareholding (whether held through trusts, nominees or otherwise) or otherwise, over another Eligible Voting Competitor or other Eligible Voting Competitors, then such constructors shall together be counted as one Eligible Voting Competitor.

8.5 If, as a result of the operation of Clause 8.4 or otherwise, there are at any time three or less Eligible Voting Competitors, then the second proviso in Clause 8.3 shall not apply.

8.6 In addition, changes relating to the coachwork and/or chassis of the car may be made by the FIA at any time (subject to Clauses 6 and 7), provided that such changes do not come into force before the second 1st of January following the date of their official publication, or if the unanimous agreement of all Eligible Voting Competitors for the year in which such changes are proposed is obtained, the 1st of January or if later, the Entry Closing Date following the date of their official publication.

8.7 Notwithstanding Clauses 8.3 and 8.6 and for the avoidance of doubt, any changes relating to the engine, the transmission and all associated components and devices or anything influencing the performances of any of these (such as the total fuel storage capacity of the cars or the race distance provisions) and the minimum weight of the cars or changes to the coachwork and/or chassis which are proposed to come in to force earlier than the 1st of January, or if later, the Entry Closing Date following the date of their official publication may only be made with the unanimous agreement of the FIA and all of the competitors participating in the FIA FI Championship for the year in which such changes are proposed.

8.8 The F1 Technical Working Group may at any time make recommendations as to changes to be made to the Stable Regulations, provided that in cases where such recommendations relate to matters of passive safety as defined in Clause 8.9, the recommendations are considered as acceptable amendments to the Stable Regulations with immediate effect (unless otherwise stipulated) by the F1 Commission, subject only to the approval of the World Motor Sport Council. Subject to Clause 8.9, the F1 Technical Working Group shall be the sole arbiter in determining whether any measure shall be considered to be a matter of passive safety.

8.9 It is agreed that for the purposes of Clause 8.8 the meaning of passive safety measures shall be exclusively limited to changes which affect aspects of the design of the car, the nature of which can be objectively determined to be likely to reduce the risk or severity of injury to the driver in the event of a particular accident at a given speed and circumstance. Such changes are not those whose effect would be to place a constraint on aspects of design (or of any other component of the car such as engine) which influence the performance of the car. For example the construction and location of the fuel tank could be modified in consideration of safety matters, but not its capacity.

8.10 Subject always to Clauses 6, 8.2 and 8.3, the parties hereto continue to agree that any modifications made to the Stable Regulations and which enter into force after the expiry of this Agreement shall be published and notified in writing by the FIA to FOCA and the Manufacturers with at least the period of notice referred to in Article 2 of Chapter XV of the 1994 Sporting Code.

8.11 The parties hereto agree to continue to accept unequivocally the Sporting Regulations of the FIA F1 Championship laid down by the FIA which are set out in Schedule 8 hereto, and further continue to agree that the Sporting Regulations shall not be changed by the FIA save changes made:

- (a) prior to the coming into force of this Agreement in compliance with The 1992 Concorde Agreement); or
- (b) at any time with the written agreement of all Eligible Voting Competitors and the F1 Commission; or

- (c) annually with effect from the 1st January, changes to be made only in accordance with Clause 6 and announced no later than the previous 31st October.

## **PROMOTERS AND ORGANISERS**

9.1 The Organiser of an Event shall be nominated by the Promoters of such Event and the Promoters shall request that the national ASN and/or its representative obtain the approval of the FIA to such nomination (such approval not to be unreasonably withheld), and if such approval is not given, then the ASN shall request that the Promoters nominate an alternative Organiser for approval.

9.2 An Organiser proposed by the Promoters shall be the national ASN or a club under the auspices of the national ASN or any other sporting body which is capable of competently carrying out the duties required by the Organisation Agreement (attached as Schedule 6 to this Agreement) and in the Sporting Code, and which shall have entered into an Organisation Agreement in the form of Schedule 6 to this Agreement.

9.3 The Organiser shall have general responsibility for the organisation of the Event (including but not limited to technical and sporting matters under the authority of the ASN and the FIA) and the sole right of intervention during the Event in respect of matters covered by the Sporting Code and regulations referred to in Recital D hereof.

9.4 The Promoters of an Event shall be a person or body having control of strictly financial and commercial matters only. The Promoters shall not in any circumstances whatsoever intervene during the Event in respect of matters covered by the Code and regulations referred to in Recital D hereof.

9.5 No Organiser or person connected with an Organiser can be bound by any contractual obligations granting to the promoters or any third party such as a sponsor any right of intervention during the Event in relation to sporting, technical, organisational or safety matters.

9.6 No competitor constructor or association of constructors may organise or promote directly or indirectly, be the Organiser or the Promoters directly or indirectly of, or be associated with an ASN or club affiliated to such ASN for the organisation of an Event.

## ENTRIES

10.1 Only a constructor (as defined in Schedule 3 hereto) may enter a car in the FIA F1 Championship (unless Clause 10.4 applies) and each entrant must enter two cars or such higher number as may be fixed from time to time by the FIA in accordance with the terms of this Agreement.

10.2 All entries for the FIA F1 Championship shall continue to be lodged with the FIA by means of individual entry forms (as set out in Annex II to the Sporting Regulations of the FIA F1 Championship as amended or substituted from time to time) for each car in compliance with such Sporting Regulations. Such entry form shall contain an express undertaking by each competitor to be bound by and respect all the terms of this agreement (and in particular Clause 10.3).

10.3 Each competitor shall participate in each Event with the number of cars entered by it for the FIA F1 Championship, of which such Event forms part. In default, the competitor concerned shall subject as herein provided be liable to make a payment (a "Payment") to such Promoters in accordance with Schedule 9 hereto unless the F1 Commission decide to cancel the requirement for such competitor to make the Payment or to reduce the amount of the Payment to be made.

10.4 The parties agree to use their best endeavours to ensure that at least sixteen cars compete in the FIA F1 Championship, and if less than sixteen cars have entered or are available to compete it is agreed that the FIA can, notwithstanding any other provision in this Agreement, make such changes as are necessary to the FIA Formula One Sporting and Technical Regulations to enable enough F3000 cars (or cars eligible for the principal qualifying championship for drivers superlicences if different) to compete in the relevant F1 FIA Championship to ensure that at least sixteen cars take part in each Event.

*Article 10.4 Changed to allow the Commercial Rights Holder to guarantee 16 cars to the race promoters. If less than 16 cars are entered in the championship, then one or more teams will have to field third cars to make up the shortage. The FIA, in its sole discretion, selects the team(s). Such third entries would not be eligible for championship points, prize money, podiums or any other benefits which normally accrue to race finishers.*

10.5 Each competitor in the FIA F1 Championship shall pay to the FIA a superlicence fee for each car entered, the total of which fees is destined inter alia to cover the FIA management expenses in connection with such Championship. For 1997 and for each year thereafter for which this Agreement is valid, the amount of such fee shall be the amount for 1996 increased annually in accordance with the positive variation of the "Consumer prices - All items" index for France published by the Organisation for Economic Co-Operation and Development (OECD) in "Main Economic indicators". The base index shall be the index so published in the October 1996 edition of "Main Economic Indicators". The annual increase shall be in accordance with the variation between such base index and the index published in the October edition of "Main Economic Indicators" for the year preceding that to which the increase applies. Payment shall be made no later than 31st January in the relevant year.

## CALENDAR

11.1 The parties agree that the Commercial Rights Holder shall draw up the calendar of the Events constituting the FIA F1 Championship for any season (the "Calendar") subject to the approval of the F1 Commission (such approval not to be unreasonably withheld) and the FIA shall then advise the Calendar Commission of its contents.

11.2 The FIA undertakes to ensure that it will only approve the entry of an Event on the Calendar for the FIA F1 Championship where the Promoters for such Event have entered into:

- (a) a Grand Prix Contract with the Commercial Rights Holder substantially in the form of Schedule 4 to this Agreement; and
- (b) an agreement with the FIA in the form of Schedule A to the Grand Prix Contract.

11.3 The maximum number of Events in any Calendar for the FIA F1 Championship shall continue to be sixteen.

11.4 Unless and to the extent otherwise required by applicable laws, the promotional or advertising material displayed on the cars, drivers and competitors participating in any FIA F1 Championship shall not be limited or made obligatory in any manner whatsoever, save as otherwise agreed by the competitor concerned.

11.5 FOCA and the Manufacturers agree and the FIA undertakes to ensure that all other competitors agree that all the cars (including any spare or reserve car) participating in an Event shall carry on board during both practice and race no more than two sets of television equipment belonging to one of the following categories:

- (a) a television camera with live transmission unit which (including but not limited to any wiring, power supply and cleaning liquid tank thereof) shall be materially equivalent in weight and size to the ballast box referred to in (b) below; or
- (b) a ballast box measuring 38mm x 72mm x 160mm and weighing 5 kilograms; or
- (c) such other television or ancillary equipment as the F1 Commission shall reasonably specify from time to time,

11.6 Each competitor shall be entitled to position on the cockpit steering wheel area only one identification having a maximum dimension of 6cm x 4cm. Such identification shall refer to one of the major sponsors of the competitor (other than the name of a tobacco company) or shall be the full commercial name under which such competitor is entered in the FIA F1 Championship.

## **PASSES**

12.1 Only passes and tabards issued by the Commercial Rights Holder on behalf of the FIA (the "Passes") will authorise access to parts of the Circuit not open to the paying public.

12.2 Passes shall incorporate the words "FIA Formula One World Championship" and the emblem of the FIA to the exclusion of any other emblem, and shall be issued for use subject to such conditions as the Commercial Rights Holder may stipulate from time to time in agreement with the FIA (such agreement not to be unreasonably withheld).

12.3 Passes will be in a form approved by the FIA and divided into categories in a manner to be determined by the Representative in the interests of the efficient conduct of each Event.

12.4 The FIA will procure that the Commercial Rights Holder will supply quantities of Passes to each competitor (valid for the entire FIA F1 Championship) and to all persons connected with the organisation of Event (valid for each Event), as are appropriate to their needs.

12.5 All Passes and tabards shall be issued free of charge.

#### **DRIVER CONTRACT RECOGNITION AGREEMENT**

13. The parties agree to be bound by the provisions of Schedule 11 as if such provisions were set out in full herein.

#### **CONSTRUCTORS**

14. If any one of the parties whose names appear in Schedules 1 or 2 hereto shall cease to be a constructor within the meaning of Schedule 3 hereto and/or to participate in the FIA F1 World Championship, its rights and obligations hereunder (including those of its employees or officers to be a member of any commission committee or working group referred to herein) shall terminate for the duration of such cessation.

#### **INTERPRETATION**

15.1 Words and expressions used herein shall have the meaning given thereto in the 1994 International Sporting Code published by the FIA and in the regulations of the 1994 FIA F1 Championship.

15.2 All clauses of a regulatory nature contained in this Agreement (save Clauses 17.3 and 17.4) shall be deemed to be incorporated into the Sporting Code and as a result thereof such clauses shall prevail over any other regulations. In the case of any conflict concerning such meaning or any other conflict between such Code and regulations (or such other code and regulations as may modify or replace them from time to time) and this Agreement, the latter shall prevail.

15.3 It is hereby agreed that the English language text of the Sporting and Technical Regulations (attached as Schedules 7 and 8) and the French language text of the Sporting Code shall in case of conflict continue to prevail over any other.

15.4 The cover page, recitals and Schedules shall form an integral part of this Agreement.

15.5 For the sake of convenience this Agreement shall be referred to as “The 1997 Concorde Agreement”.

15.6 Headings and the table of contents are for ease of reference only.

#### **CONFIDENTIALITY**

16.1 The parties hereto agree to keep the commercial aspects of this Agreement entirely confidential and no party hereto shall disclose any such commercial aspects to any third party without the prior written consent of each of the other parties, save as required by law or as necessary for the proper exercise of any rights or the performance of any obligations hereunder.

16.2 Notwithstanding Clause 16.1 above the parties agree that the Commercial Rights Holder and the FIA are permitted to provide such extracts from this Agreement and the Schedules as may be pertinent to the Promoters and Organisers who have entered into Grand Prix Contracts and Organisation Agreements substantially in the forms of Schedules 4 and 6 (respectively).

## **GOVERNING LAW, INVALIDITY, ARBITRATION**

17.1 This Agreement is governed by, and shall be interpreted and construed in accordance with, the laws of England.

17.2 If any of the provisions of this Agreement becomes invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions shall not in anyway be affected or impaired.

17.3 All disputes arising in connection with this present agreement (other than a dispute falling within the provisions for the settlement of disputes in the Sporting Code) shall be finally settled under the Rules of Conciliation and Arbitration of the International Chamber of Commerce in force at the date hereof by one or more arbitrators appointed in accordance with the said Rules. It is agreed that if such arbitrator(s) shall consider that his (their) award may depend upon a decision to be given in accordance with the Sporting Code, the making of such award shall be suspended until after the notification of such decision (which must be final and conclusive) to such arbitrator(s). An award of the arbitrator(s) shall not be inconsistent with such decision aforesaid.

17.4 Arbitration shall take place in Lausanne (Switzerland).

## **NOTICES**

18. All notices in connection with this Agreement shall be sent to the addresses of the parties set out herein unless a new address is notified to the other parties in writing.

## **TERM**

19.1 This Agreement shall apply to the period commencing on 1st January 1997 and expiring on 31st December 2001.

19.2 Subject to Clause 19.1, this Agreement shall come into force immediately upon signature in three originals on the day and year first above written by the FIA, any person whose name appears in Schedule 1 hereto and any person whose name appears in Schedule 2 hereto.

19.3 The other persons whose names appear in Schedule 1 and Schedule 2 hereto shall become parties hereto from the date of signing the first of the three originals referred to in Clause 19.2 (one of which shall be held available by each of the three initial signatories referred to in Clause 19.2) provided always that such other persons sign each original as aforesaid no later than the date which is 30 days after the date on which this Agreement comes into force in accordance with this Clause 19, failing which they shall no longer be eligible to become a party hereto and any reference to them in Schedule 1 or Schedule 2 hereto shall be deemed to be deleted.

19.4 The parties agree that if after the date of this Agreement constructors who are not listed in Schedules 1 or 2 hereto enter any FIA F1 Championship, the FIA may, exercising its absolute discretion, give such constructors the opportunity to sign and become a party to this Agreement provided that they do so within 30 days of their entry to the FIA F1 Championship being accepted.

#### **AUTHORITY OF SIGNATORIES**

20. Each of the signatories to this Agreement undertakes to each of the other signatories to this Agreement that they have all necessary power and authority to enter into this Agreement on the terms contained herein.

**SCHEDULE 1**  
**TO THE 1997 CONCORDE AGREEMENT**

LIGIER SPORTS S.A. (formerly shown on the 1992 Concorde Agreement as LIGIER SPORTS CPVS SARL), a company incorporated under French Law whose registered office is at 95, Rue de la Boetie, 75008 Paris, France.

McLAREN INTERNATIONAL LIMITED, a company incorporated under English Law whose registered office is at Woking Business Park, Albert Drive, Woking Surrey GU21 5JY, England.

TEAM LOTUS INTERNATIONAL LIMITED, a company incorporated under English Law whose registered office is at Ketteringham Hall, Wymondham, Norfolk NR18 9RS, England.

TYRRELL RACING ORGANISATION LIMITED, a company incorporated under English Law whose registered office is at Long Reach, Ockam, Woking, Surrey GU23 6PE, England.

WILLIAMS GRAND PRIX ENGINEERING LIMITED, a company incorporated under English Law whose registered office is at 27/31, Blandford Street, London W1H 3AD, England.

LARROUSSE S.A., a company incorporated under French law whose registered office is at Z.E. de Signes, B.P. 702, 83030 Toulon, Cedex 9, France.

JORDAN GRAND PRIX LIMITED a company incorporated under English Law whose registered office is at 11 St Saviour's Wharf, Mill Street, London SE1 2BA, England

PACIFIC GRAND PRIX LIMITED a company incorporated under English Law whose registered office is at Equity Court, Millbrook Road East, Southampton S01 0XP, England.

SIMTEK GRAND PRIX LIMITED a company incorporated under English Law whose registered office is at 8 Wates Way, Acre Estate, Wildmere Road, Banbury, Oxfordshire OX16 7TS, England.

ARROWS GRAND PRIX INTERNATIONAL LIMITED a company incorporated under English Law whose registered office is at 14-16 Great Portland Street, London W1N 6BL, England.

FORTI CORSE SRL a company incorporated under Italian Law whose registered office is at Via Salvini 10, 20122 Milano, Italy.

RaceFax  
DotCom

**SCHEDULE 2**  
**TO THE 1997 CONCORDE AGREEMENT**

FERRARI SpA, a company incorporated under Italian Law whose registered office is at Via Emilia Est 1163, 41100 Modena Italy.

BENETTON FORMULA LIMITED, a company incorporated under English Law whose registered office is at 2nd Floor, 76 Shoe Lane, EC4A 3BO England

MINARDI TEAM SpA, a company incorporated under Italian Law whose registered office is at Via Spallanzani 21, Z.I. 48018 Faenza (RA), Italy.

PP SAUBER AG a company incorporated under Swiss Law whose registered office is at Wildbachstrasse 9, CH-8340 Hinwil, Switzerland.

**SCHEDULE 3**  
**TO THE 1997 CONCORDE AGREEMENT**

A constructor is a person (including any corporate or unincorporated body) who owns the intellectual property rights to the rolling chassis it currently races and does not incorporate in such chassis any part designed or manufactured by any other constructor of Formula One racing cars except for standard items of safety equipment. Provided always that nothing in this Schedule 3 shall prevent the use of an engine or gear box manufactured by a person other than the constructor of the chassis.

RaceFax.com

**SCHEDULE 4**  
**TO THE 1997 CONCORDE AGREEMENT**  
**FORM OF GRAND PRIX CONTRACT**

THIS AGREEMENT made the ..... day of .....19..

**BETWEEN**

(1) [The Commercial Rights Holder] (the “Commercial Rights Holder”)

**AND**

(2) [ ] (the “Promoters”)

**WHEREAS:**

(A) Under the terms of an agreement between the Commercial Rights Holder and the FIA dated [ ] and known as the “FIA Commercial Agreement”, the Commercial Rights Holder was granted the right to negotiate and enter into contracts with the Promoters of FIA F1 Championship Events.

(B) The Promoters intend to apply for, or have been granted permission to host an Event of the FIA F1 Championship.

**IT IS HEREBY AGREED AS FOLLOWS:**

1. The Promoters will promote, subject to Clause 2 below, and the Commercial Rights Holder will procure that the competitors (as defined in Clause 1.2 of The 1997 Concorde Agreement) who have entered into the FIA F1 World Championship will take part in the ..... Grand Prix in accordance with this Agreement on dates nominated by the FIA in the year(s) [Insert here the year in which the first Grand Prix concerned by this agreement takes place and each following year] (such period being the “Term”) in accordance with The 1997 Concorde Agreement and the FIA International Sporting Code (the “Sporting Code”).

2. In consideration of the foregoing the Promoters warrant as follows:

- (a) that they have or will have the sole and exclusive right subject only to any conditions that have been notified in writing to the Commercial Rights Holder to promote the ..... Grand Prix for the duration of this Agreement.

For the purposes of this Agreement “Event” shall mean the ..... Grand Prix commencing at the scheduled time for scrutineering and sporting checks and including all practice and the race itself and ending at the later of the time for the lodging of a protest under the terms of the Sporting Code and the time when a technical or sporting verification has been carried under the terms of the Sporting Code;

- (b) that they are or will be in sole and exclusive possession of such rights as are necessary for the purposes of holding the Event at ..... (the “Circuit” which expression shall include all areas adjacent to and surrounding the race track which are available for use by the Promoters during the Event or any part thereof) and otherwise complying with the terms of this Agreement;
- (c) that they have applied for and obtained or will apply for and obtain all licenses and consents (including if necessary any Governmental consents) which are necessary for the Event to take place, and that all such licenses and consents are unconditional or subject only to such conditions as have been notified in writing to the Commercial Rights Holder and are not subject to revocation;
- (d) that the Event being a qualifying event for the Formula One World Championship organised by the FIA will be run in conformity with the Sporting Regulations and with all regulations laid down by the FIA including the Organisation Agreement referred to in Article 27 (or such other relevant Article) of the Sporting Regulations, subject always to The 1997 Concorde Agreement;

- (e) they have entered into an agreement with the FIA in the form attached a Schedule A (the "Assignment").

3. The Promoters undertake to:

- (a) nominate an Organiser for each Event and notify such nomination to the national ASN who shall then obtain the approval of the FIA to such nomination;
- (b) enter into an agreement with the Organiser of the Event for each year in which the Event is held during the term of this Agreement conditional upon the approval of the FIA being given to such Organiser organising the Event;
- (c) make all the facilities required to be provided pursuant to this Agreement or otherwise, available to the competitors free of charge;
- (d) ensure that any agreements entered into with third parties in connection with the staging of the Event at the Circuit include an undertaking from such third party in the same terms as that given by the Promoters in Clause 2 of the Assignment;
- (e) immediately inform the Commercial Rights Holder in writing if:
  - (i) any event or series of events whether related or not occurs which would be likely materially and adversely to affect the financial condition of the Promoters or the ability of the Promoters to perform their obligations under this Agreement; or
  - (ii) any single person or group of persons acting in concert acquire control of the Promoters; or
  - (iii) any single person or group of persons acting in concert acquire any interest in the relevant share capital of the Promoters as a result of which that person or group of persons has the right to veto or restrict the decisions of the existing shareholders.

- 4.1 The Promoters agree not to attempt to restrict in any way the advertising displayed on the competitors' cars drivers and competitors unless such restriction is required by Government regulation.
- 4.2 The Promoters shall not require the competitors' cars drivers and competitors to carry any advertising or promotional material.
5. The Promoters will allocate the pits, pit area, pit area parking, garages, transporter park and the promotional area in such manner as the representative of the Commercial Rights Holder on the Permanent Bureau of the F1 Commission shall specify in accordance with criteria laid down by the F1 Commission.
6. The Promoters will employ properly trained, competent and experienced people (who are not members of the police or armed services) in the role of pit marshals,
7. The Promoters will allocate Free Practice time on each day during the ten days preceding the Race (except Monaco where the first practice day shall be three days preceding the Race) from 0930 hours to 1015 hours and from 1030 hours to 1115 hours, or at such other times as designated under The 1997 Concorde Agreement and the Sporting Code.
8. The Promoters will allocate Qualifying Practice time on each day during the two days preceding the Race (except Monaco where the first practice day shall be three days preceding the Race) from 1300 hours to 1400 hours or at such other times as designated under The 1997 Concorde Agreement and the Sporting Code.
9. The Promoters undertake to ensure that on the day of the Race there will be an untimed Warm-up (free practice) session of 30 minutes duration commencing four and a half hours prior to the scheduled start of the Race or such time as designated in compliance with The 1997 Concorde Agreement and such other practices as may be required under the Sporting Regulations. All cars which have qualified to take part in the Race shall be admitted to this session.

10. The Promoters will take whatever action is required to ensure that the Race and all Practice sessions start and finish punctually. In particular the Promoters will not arrange for nor allow any other form of motor racing to take place on the Circuit during the one and a half hours preceding the starting time of the Race or such other period as determined in compliance with The 1997 Concorde Agreement.

11. If any of the competitors' cars are abandoned by the driver on or adjacent to the track during the Event the Promoters undertake to take whatever action is necessary to protect it from damage and will ensure that all spectators are kept at a safe and proper distance from it and that they are not in a position to interfere with it in any way.

12. The layout of the Circuit and its equipment and the safety measures employed by the Promoters will comply in all aspects with the requirements of the FIA as such may be amended from time to time in accordance with The 1997 Concorde Agreement,

13.1 The Promoters will provide at their expense unlimited third party liability insurance insuring the Commercial Rights Holder, the FIA, the competitors all directors (or other officers) employees agents contractors drivers and guests of the Commercial Rights Holder, the FIA and any competitors against all risks (including but not limited to death of or injury to any person) for the whole period of the Event. If such unlimited insurance is not permitted under the law of the country in which the Event takes place or is not commercially viable then the insurance shall be the maximum permitted by that law or the market conditions. The insurers must be a company approved by the Commercial Rights Holder. A copy of the relevant policy will be given to the Commercial Rights Holder by the Promoters at least 14 days before the start of Practice.

13.2 The Promoters will not make any claim whatsoever nor assist nor procure assistance for any third party making a claim against the Commercial Rights Holder, the FIA or any competitor or any director (or other officer) employee driver agent or guest of the Commercial Rights Holder, the FIA or any competitor in respect of death of or injury to any person or loss or damage to any person suffered as a result of the driving or using of a racing car whether the same be caused or contributed to by the negligence of any person or by any breach of contract or by any other act or omission on the part of the Commercial Rights Holder, the FIA or any competitor or any of their directors (or other officers) employees agents drivers or guests.

13.3 The Promoters further agree to indemnify the Commercial Rights Holder, the FIA and all competitors and their directors (or other officers) employees agents drivers or guests against any action brought against them or any of them by any third party or the personal representatives of such third party or any relation or dependent of such third party as a result of the death to such third party or any injury loss or damage suffered by such third party as a result of the driving or using of a car belonging to the FIA or any competitor.

13.4 It is hereby mutually agreed that failure of the Promoters to comply with the terms of Clause 13.1 shall entitle the Commercial Rights Holder either to arrange the insurance referred to themselves at the Promoters' expense or to determine this Agreement forthwith without prejudice to their rights to seek damages against the Promoters for any loss the Commercial Rights Holder, the FIA and/or the competitors may have sustained as the result of such determination of this Agreement.

13.5 The Promoters accept that in so far as this Clause 13 is concerned the Commercial Rights Holder contract for and on behalf of the FIA and each competitor and their directors (or other officers) employees agents drivers and guests and that this Clause 13 shall inure for their benefit.

[N.B. In the case of events taking place in the United States of America or in Canada, Clause 13 shall read as follows:-

“13.1 The Promoters must satisfy themselves that they are sufficiently insured to meet all liabilities in connection with the staging of the Event at the Circuit and in any event the Promoters will provide at their expense first and third party liability insurance insuring the Commercial Rights Holder, the FIA and the competitors all directors (or other officers) employees agents contractors drivers and guests of any competitors against all risks (including but not limited to death or injury to any person) for the whole period of the Event in an amount of not less than a basic policy for US \$20 million per occurrence plus US \$ [to be negotiated] per occurrence excess. The insurers must be a company approved by the Commercial Rights Holder. A copy of the relevant policy will be given to the Commercial Rights Holder by the Promoters at least 14 days before the start of the practice.

13.2 All participants (which expression shall include but not be limited to: drivers mechanics competitor members officials corksers journalists photographers and shall include all other persons who may be granted permission by the Promoters, by the FIA or by the Commercial Rights Holder to enter the Restricted Area or might otherwise be considered first parties under Clause 13.1 above) shall execute a “waiver and release from liability” document in the form set out in Schedule B hereto or as otherwise determined or approved by the Commercial Rights Holder’s insurance advisers. The Promoters undertake to secure that all persons to whom it is permitted to enter the Restricted Area will have executed such a waiver and release as a condition precedent to such entrance. The words “Restricted Area” in this Clause shall have the same meaning as in the waiver and release. The Promoters will ensure that only persons who have been granted permission by the Promoters, the FIA or by the Commercial Rights Holder can enter the Restricted Area

13.3 The Promoters will secure accident insurance coverage for the participants with limits of not less than US \$50,000.00 hospital/medical insurance and US \$50,000.00 accidental death and dismemberment (including a "loss of use of" dismemberment benefit). Such insurance shall be payable on a non-allocated basis and as primary insurance coverage payable in addition to existing insurance benefits to which the participant may be entitled. Such insurance shall be provided at the Promoters' expense. The Promoters will produce evidence of this insurance at least 14 days prior to the Event at the Commercial Rights Holder's office.

13.4 The Promoters will not make any claim whatsoever against the Commercial Rights Holder, the FIA or any competitor or any director (or other Officer) employee driver agent or guest of the Commercial Rights Holder, the FIA or any competitors in respect of death or injury to any person or loss or damage to any person suffered as a result of the driving or using of a racing car whether the same be caused or contributed to by the negligence of any person or by any breach of contract or by any other act or omission on the part of the Commercial Rights Holder, the FIA or any competitors or any of their directors or other officers employees agents drivers or guests.

13.5 The Promoters further agree to indemnify the Commercial Rights Holder, the FIA and all competitors and their directors (or other officers) employees agents drivers or guests against any action brought against them or any part of them by any first or third party or the personal representatives of such first or third party or any relation or dependent of such first or third party as a result of the death of such first or third party or any injury loss or damage suffered by such first or third party as a result of the driving or using of a car belonging to the FIA, the Commercial Rights Holder or any competitors.

13.6 It is hereby mutually agreed that failure of the Promoters to comply with the terms of Clauses 13.1, 13.2 or 13.3 shall entitle the Commercial Rights Holder either to arrange this insurance themselves at the Promoters' expense or to determine this Agreement forthwith without prejudice to their rights to seek damages against the Promoters for any loss the competitors may have sustained as the result of such determination of this Agreement.

13.7 The Promoters accept that in so far as this Clause 13 is concerned the Commercial Rights Holder contracts for and on behalf of the FIA and each competitor and their directors (or other officers) employees agents drivers and guests and that this Clause 13 shall inure for their benefit.”

14. The Promoters undertake to ensure that:

(a) only Passes and tabards issued by the Commercial Rights Holder on behalf of the FIA will authorise access to parts of the Circuit not open to the paying public;

(b) notwithstanding Clause 14(a) above, the public do not have access to the cars in any of the places where the competitors' mechanics may be called upon to work on them and without prejudice to the generality of the foregoing will ensure that there is at no time any obstruction to the free passage of the cars and competitor personnel in the paddock or pit area;

(c) the validity of any Passes and tabards issued under the provisions of Clause 12 of The 1997 Concorde Agreement is upheld; and

(d) the necessary steps are taken to ensure that all police and circuit officials are familiar with the Passes and tabards and uphold their validity.

15. The Promoters will take whatever action is necessary to ensure that the Circuit is open to receive the competitors and their equipment at all times during the five days preceding the day of the Race and that the security of the paddock and garage area is properly safeguarded at all times from five days before the Race until one day after the Race.

16. The Promoters will provide whatever assistance is necessary to enable customs clearance to take place without delay.

17. It will however be the responsibility of the competitors to ensure that they are in possession of the proper customs documents.

18. The Promoters will in so far as the same is practicable provide an entrance for the competitor personnel of all competitors and for officials separate from the public entrance to the Circuit.

19.1 The Promoters will provide free of charge a zone measuring whichever is the greater of that which has last been provided in respect of a round of the FIA F1 Championship at that circuit and 140 metres by 100 metres or 15,000 square metres within or adjoining the paddock for the promotional facilities of the competitors and/or their sponsors.

19.2 The Promoters undertake to set up a media compound and telephones and facsimile equipment Press Room plus the installations and premises necessary for national and international television commentators and journalists (such premises and installations to meet the prestige of a World Championship) and to grant professional accredited journalists all facilities for the exercise of their profession as well as the organisation of a Press conference with the winner of the Race immediately after the Prize Giving.

19.3 The Prize Giving on the Rostrum must respect precise regulations drawn up in conformity with The 1997 Concorde Agreement and sent by the FIA to all the Promoters making provision in particular for three poles for the national flags playing of anthems timing of the ceremony dimensions of the podium advertising signs places for the representatives of the media (journalists, television and radio reporters, camera men and photographers) public order punctuality etc. The Promoters shall be obliged to play shortened versions of the national anthems of both the winning driver and competitor.

20.1 In consideration of the Commercial Rights Holder performing their obligations as agreed herein the Promoters hereby undertake to pay (net of all taxes) to the Commercial Rights Holder the following amount in US Dollars (plus VAT if applicable) [TO BE NEGOTIATED] Such sums to be received as follows:

[to be negotiated]

in such bank account as shall be designated by the Commercial Rights Holder from time to time. This sum shall be allocated and distributed in accordance with The 1997 Concorde Agreement. The Commercial Rights Holder shall give to the Promoters such reasonable assistance as may be necessary to enable the Promoters to recover any taxes paid in respect of the payments made hereunder.

20.2 Subject to Clause 20.3, upon the arrival of the Formula One Cars and their spares and ancillary equipment at ..... (the "Landing") the Promoters will transport them free of charge from the Landing to the Circuit and from the Circuit back to the Landing. All ancillary costs including but not limited to airport taxes customs clearance handling loading and unloading both at the Landing and at the Circuit will be paid by the Promoters.

20.3 Clause 20.2 shall only apply to Races outside Europe.

21. The Commercial Rights Holder shall use its reasonable endeavours to ensure either that at least sixteen cars participate in the Event or that the provisions of Clause 10.4 of The 1997 Concorde Agreement are observed by the parties thereto.

22. During the Term the Promoters will not assign, charge or part with any of their rights or obligations hereunder without the prior written consent of the Commercial Rights Holder.

23.1 On or at any time after the occurrence of any of the events set out below the Commercial Rights Holder shall have the rights set out in Clause 23.2:

- (a) Non-payment: the Promoters fail to pay any amount due under this Agreement on the due date;
- (b) Breach of obligations: the Promoters fail to observe or perform any of their obligations under this Agreement, the Assignment or under any undertaking or arrangement entered into in connection herewith, other than an obligation or the type referred to in Clause 23.1 (a);

- (c) **Misrepresentation:** any representation, warranty or statement which is made (or deemed or acknowledged to have been made) by the Promoters in this Agreement, the Assignment or which is contained in any certificate, statement, or notice provided under or in connection with this Agreement or the Assignment proves to be incorrect in any material respect, or if repeated at any time with reference to the facts and circumstances subsisting at such time would not be accurate in all material respects;
- (d) **Cessation of business:** the Promoters change or threaten to change the nature or scope of their business, suspend or threaten to suspend a substantial part of the present business operations which they now conduct directly or indirectly, or any governmental authority expropriates or threatens to expropriate all or part of their assets and the result of any of the foregoing is, in the determination of the Commercial Rights Holder, materially and adversely to affect the financial condition of the Promoters or their ability to observe or perform their obligations under this Agreement;
- (e) **Appointment of receiver, legal process:** an encumbrancer takes possession of, or a trustee or administrative or other receiver or similar officer is appointed in respect of, all or any part of the business or assets of the Promoters, or distress or any form of execution is levied or enforced upon or sued out against any such assets and is not discharged within seven days of being levied, enforced or sued out, or any security interest which may for the time being affect any of their assets becomes enforceable;
- (f) **Insolvency:** the Promoters are unable to pay their debts or become unable to pay their debts as they fall due or suspend or threaten to suspend making payments (whether of principal or interest) with respect to all or any class of their debts;
- (g) **Composition:** the Promoters convene a meeting of their creditors or propose or make any arrangement or composition with, or any assignment for the benefit of their creditors;

- (h) Administration, winding up: a petition is presented or a meeting is convened for the purpose of considering a resolution or other steps are taken for making an administration order against of for the winding up of the Promoters or an administration order or a winding up order is made against the Promoters (other than for the purpose of and followed by a reconstruction previously approved in writing by the Commercial Rights Holder, unless during or following such reconstruction the Promoters become or are declared to be insolvent);
- (i) Analogous proceedings: anything analogous to any of the events specified in paragraphs (e), (f), (g) or (h) occurs under the laws of any applicable jurisdiction;
- (j) Material adverse change: any event or series of events whether related or not occurs which would be likely materially and adversely to affect the financial condition of the Promoters or the ability of the Promoters to perform their obligations under this Agreement;
- (k) Change of control: if any single person or group of persons acting in concert acquire control of the Promoters or any interest in the relevant share capital of the Promoters as a result of which that person or group of persons have the right to veto or restrict the decisions of the existing shareholders.

23.2 At any time after the occurrence of any of the events referred to in Clause 23.1 the Commercial Rights Holder may, in its sole discretion, by notice in writing to the Promoters declare that an event of default hereunder has occurred whereupon the Commercial Rights Holder shall have the right exercisable in its sole discretion to:

- (a) terminate this Agreement forthwith and without prejudice to the generality of the foregoing, cancel all rights granted hereunder; and

(b) declare the amount payable pursuant to Clause 20.1 for the year in which the event of default occurred (and for any subsequent years) less any amount received by the Commercial Rights Holder for such year(s), to be immediately due and payable together with all interest, fees and other amounts payable hereunder and, upon such declaration, such sums shall become immediately due without further demand or other notice of any kind.

23.3 Without prejudice to the foregoing provisions of this Clause 23, the Promoters shall fully indemnify and keep indemnified the Commercial Rights Holder from and against any loss, expense, damage, or liability which the Commercial Rights Holder may sustain or incur as a consequence of the occurrence of any such event of default including but not limited to interest, fees and expenses or other sums whatsoever paid or payable.

24.1 Except with the prior written consent of the Commercial Rights Holder, during the Term the Promoters will neither make, record nor transmit nor permit the making or recording or transmitting of any form of sound broadcast television or moving picture whatsoever of or at or pertaining to the Event of cars or drivers or competitors upon the Circuit or any part of it or its surroundings over which the Promoters have control or allow any sound recording to take place in any of the said places.

24.2 The Promoters will take whatever steps are necessary to ensure that it is a condition of public admission to the Event that the copyright in any film or other form of moving picture shall be the property of the Commercial Rights Holder and shall not be used for any form of public advertisement or display or for any other purposes except the private enjoyment of the person making the film without the written consent of the Commercial Rights Holder.

25. The Commercial Rights Holder shall be entitled to give permission to such persons as they see fit to enter upon the Circuit and use its facilities on the day of the Race and during the four days preceding the Race in order to make sound, television or other recordings or transmissions or to make films or other moving pictures and the Promoters shall accord such persons all the help and facilities that they or the Commercial Rights Holder may reasonably require for such purposes.

26. The Promoters will not cause or permit the display of any advertising (other than the advertising normally displayed on the competitors' cars drivers or competitors) or other displays on, near or which can be seen from the Circuit which might (in the opinion of the Commercial Rights Holder which shall be final and binding upon the parties) cause the annulment of the transmission or showing of film, television or other pictures of the Race or practice or any part of the Event in any country.

27.1 If during the Term the Event is not included in the FIA Formula One World Championship Calendar for any year, or if the Event is prevented from taking place or the competitors are prevented from attending by force majeure (as hereinafter defined) and the event determined to be force majeure occurred prior to the time scheduled for the start of scrutineering and sporting checks both parties shall be deemed to be released from any obligations relating to the staging of that Event for that year as contained in Clauses 1, 3 to 21 (inclusive), 23, 25 and 26 but without prejudice to the continuing liability of both parties under those clauses in respect of any other year to which this Agreement applies.

27.2 For the purposes of this Agreement, force majeure shall mean any event or circumstance (whether arising from natural causes human agency or otherwise) beyond the control of the parties including but without prejudice to the generality of the foregoing:

- (a) civil strife aircraft flood or fire damage and acts of God;
- (b) transportation delay or breakdown which prevent four or more competitors who are due to participate in the Event from attending.

28. The Promoters undertake to ensure that during the Term no race for open wheels - single seat cars equipped with engines with a capacity in excess of 2,000 cubic centimetres normally aspirated or 1,000 cubic centimetres super-charged (including Formula One cars) other than the Event or a race in the FIA Formula 3000 Championship will take place on the ..... Circuit whether promoted by the Promoters or otherwise without the prior written consent of the Permanent Bureau of the FI Commission whose consent shall not be unreasonably withheld.

29. This Agreement contains the whole agreement between the parties relating to the subject matter hereof and shall only be capable of variation or amendment by an agreement or memorandum in writing signed by or on behalf of the parties and annexed hereto.

30. No delay or omission or failure to exercise any right or remedy provided for herein shall be deemed to be a waiver or relinquishment thereof but every such right or remedy may be exercised when deemed expedient by the party exercising such right or remedy and each party may continue to demand strict and complete performance by the other of the entire agreement.

31.1 This agreement shall be governed and interpreted in all respects in accordance with the laws of England.

31.2 If any of the provisions of this Agreement becomes invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired.

32. The Promoters undertake to respect The 1997 Concorde Agreement to the extent that they are advised of the provisions thereof and in any event accept Clause 10.3 and Schedule 9 thereof copies of which are attached hereto.

33. The parties hereto agree to keep the commercial aspects of this Agreement and any extracts from The 1997 Concorde Agreement supplied by the Commercial Rights Holder pursuant to Clause 32, entirely confidential at all times and no party hereto shall disclose any such commercial aspects to any third party without the prior written consent of each of the other parties save as required by law or as necessary for the proper exercise of any rights or the performance of any obligations hereunder.

IN WITNESS WHEREOF the parties have set their hands hereto the day and year first above written.

Signed for and on behalf of  
[THE PROMOTERS]

.....

Witness .....

Signed for and on behalf of  
FOCA ADMINISTRATION LIMITED

.....

Witness .....

**SCHEDULE A**  
**TO GRAND PRIX CONTRACT**

**DEED OF ASSIGNMENT**  
**(TO BE ENTERED INTO BY THE PROMOTERS WITH THE FIA)**

THIS DEED IS made the ..... day of .....19..

**BETWEEN**

(1) [ ] (the “Promoters”)

**AND**

(2) The Federation Internationale de l'Automobile Association declared in conformity with the French law of 1st July 1901 and enjoying consultative status at the Council of Europe and at the United Nations having its office at 8, place de la Concorde Paris 75008 France, (the “FIA”) represented by its President who has been granted full powers in this respect.

**WHEREAS:**

(A) Under the terms of an agreement between [the Commercial Rights Holder] and the Promoters dated [ ] (the “Grand Prix Contract”) the Commercial Rights Holder has granted permission to the Promoters to host an Event of the FIA F1 Championship subject to and in accordance with the terms of the Grand Prix Contract.

(B) The 1997 Concorde Agreement imposes a condition on the FIA that an Event can only be entered in the FIA F1 Championship Calendar if an assignment has been executed by the Promoters for that Event in the form of this Agreement.

**IT IS HEREBY AGREED AS FOLLOWS:**

1. Except where the context otherwise requires, Terms and expressions used in this Agreement shall bear the same meaning as such terms and expressions are defined in the Grand Prix Contract,
2. In consideration of the FIA listing the Event in the FIA F1 Championship Calendar the Promoters hereby irrevocably and exclusively assign to the FIA all copyright, all intellectual property rights and all other rights of any kind which they may now or in the future have in all rights whatsoever whether now known or hereafter invented or developed in and ancillary to the performance of the competitors, the performance of all persons connected to them and the performance of all machines and equipment both on and off the track at the Event or otherwise (including testing) and in, of or pertaining to the Event and/or the FIA F1 Championship (or any aspect thereof) (together the "Rights").
3. The Promoters give their consent, if such consent should be required, for the FIA to deal in the Rights in any way it may see fit.
4. The FIA shall be entitled if it so wishes to assign the Rights or any of them to any third party and the consent of the Promoters to such assignment is hereby deemed to be given and the Promoters will at the request of the FIA do all such actions and things as the FIA may require to transfer the benefit of the Rights or any of them to a third party.
5. The Promoters acknowledge that the FIA has granted the power to manage and exploit the Rights (excluding rights in respect of photographs taken and reports written by authorised members of the Press, such rights having been reserved to the FIA) to the Commercial Rights Holder exclusively.
6. This Agreement shall be governed and interpreted in all respects in accordance with the laws of England.

IN WITNESS WHEREOF this Agreement was executed as a deed on the day and year first above written.

Executed as a deed by

for and on behalf of  
[THE PROMOTERS]

Witness .....  
.....

Executed as a deed by

.....  
for and on behalf of  
THE FEDERATION INTERNATIONALE DE L'AUTOMOBILE

Witness .....  
.....

**SCHEDULE B**  
**TO GRAND PRIX CONTRACT**

*(Insurance liability waiver for US/Canadian events)*

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SCHEDULE 5  
TO THE 1997 CONCORDE AGREEMENT

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DotCom

**SCHEDULE 6**  
**TO THE 1997 CONCORDE AGREEMENT**

**ORGANISATION AGREEMENT**

THIS AGREEMENT is made the ..... day of .....19..

**BETWEEN**

(1) The Federation Internationale de l'Automobile Association declared in conformity with the French law of 1st July 1901 and enjoying consultative status at the Council of Europe and at the United Nations having its office at 8, place de la Concorde Paris 75008 France, (the "FIA") represented by its President who has been granted full powers in this respect.

(2) [The Organiser] (the "Organiser")

(3) [The ASN] (the "ASN")

**WHEREAS:**

(A) Under the terms of The 1997 Concorde Agreement the FIA agrees to enter into contracts with the Organisers of FIA Fl Championship Events.

(B) The Promoters have entered into an agreement with the Commercial Rights Holder to promote the [details of Grand Prix event] (the "Event") and have proposed to the ASN that the Organiser should organise the Event. The FIA has approved the proposal of the ASN that the Organiser should organise the Event subject to it being entered on the Calendar of FIA Fl Championship Events.

**IT IS HEREBY AGREED AS FOLLOWS:**

1. The Organiser undertakes to organise the Event in consideration for and subject to such Event being duly listed by the FIA in the Calendar of The FIA Fl Championship following an application by its ASN prior to the date hereof.

2. The Organiser undertakes to apply in their entirety all the provisions of “The 1997 Concorde Agreement” to the extent that the Organiser has knowledge of the pertinent contents of such Agreement.

3.1 The Event shall be deemed to commence at the scheduled time for scrutineering and sporting checks and shall include all practice and the race itself and shall end at the later of the time for the lodging of a protest under the terms of the Sporting Code and the time when a technical or sporting verification has been carried out under the terms of that Code.

3.2 The Event will be run in accordance with “The 1997 Concorde Agreement” and in particular the Sporting Regulations of which the Organiser declares his full knowledge having received a copy thereof and any other rules issued by the FIA for the FIA F1 Championship.

3.3 The Organiser undertakes to allow all the cars of the competitors appearing on the Official Formula One World Championship list published by the FIA to take part in the Event and to refuse all other cars unless the FIA gives its agreement.

4.1 The Organiser has obtained all the exclusive required rights from its ASN to organise the Event on the circuit of ..... (the “Circuit”) approved by the FIA and has also obtained all the national and sporting authorisations required for the Event to be run including government municipal and police authorisation which he undertakes to give proof of to the FIA.

5. The Organiser is responsible for the competence of the persons designated to fulfill positions of responsibility in the sporting control of the Event and must guarantee that they have received the appropriate training.

6. The Organiser warrants that the Circuit its equipment its personnel and the safety measures put into effect (and in particular a special medical team and equipment) shall comply in all respects and for the whole duration of the Event with the regulations and requirements of the competent FIA bodies and commissions and national laws in force on the day of the Event. The Organiser undertakes to respect scrupulously the timetable of the Event.

7. The Organiser agrees not to seek to limit or modify advertising or decoration on the competitors' vehicles drivers or personnel unless obliged to by the laws of the country in question and provided that it has informed the FIA of this upon the filing of its candidature. Likewise no advertising and/or decoration on competitors' vehicles drivers or personnel shall be imposed by the Organiser.

8.1 The Organiser shall ensure that no person can, whether on payment or otherwise gain access to any part of the Circuit which is not protected in the event of an accident to at least the degree required by local laws and by the FIA for the general public and without prejudice to the generality of the foregoing, to the paddock, pits, pit lane and track, unless such person is in possession of a pass or tabard issued by or on behalf of the FIA (a "Pass").

8.2 The Organiser will supply to the FIA no later than 60 days before the Event, a list of all persons concerned with the organisation of the Event who will need passes or tabards in order to carry out their duties, together with the function of each such person and the Organiser undertakes that such Passes will only be used by such persons as the Organiser has thus listed or described.

8.3 The Organiser will ensure that access to all parts of the Circuit not open to the paying public will be denied save to persons in possession of a Pass worn in the prescribed manner.

8.4 The Organiser will ensure that ingress and egress is afforded to Pass holders at all times during the Event to and from all areas for which the relevant Pass is valid.

9. The Organiser shall provide for a flat metal surface at least 3 metres by 6 metres to be installed (in accordance with Article 2, paragraph 5 of the Formula One Technical Regulations) as well as accurate scales capable of weighing a Formula One car.

10. The ASN and the Organiser must enter into a contract which they will send to the FIA for approval establishing the fact that they have absolute authority over the Event for all the technical sporting organisational and safety problems on the territory of the Circuit in accordance with "The 1997 Concorde Agreement".

11. All documents regulations programmes etc. must conform to the criteria issued by the FIA.

12.1 The information referred to in Clause 28 of the Sporting Regulations must be sent to the FIA by the Organiser at least 90 days before the Event under penalty of a fine of thirty thousand United States Dollars (US \$30,000).

12.2 The Organiser must satisfy the ASN that its medical and fire fighting equipment and facilities complies with the FIA standards applicable for all Events. If an ASN has not objected within 14 days of being notified by the Organisers of the details of its medical and fire fighting equipment and facilities, the ASN will be deemed to be satisfied.

13.1 The Organiser must make available for the exclusive use of the FIA on the Circuit such offices and facilities as are necessary for the FIA to fulfill its duties in relation to the Event.

13.2 A clearly marked sign with the FIA emblem must be placed outside the building.

13.3 Likewise a pole will be reserved beside the national flagpole on which the FIA flag will fly throughout the Event.

14. The Organiser confirms that the Circuit has been or will be eligible for the grant of a FIA Track Licence and undertakes that all the safety work demanded by the FIA Circuits and Safety Commission will be carried out and that the advice of the FIA Inspector will be respected. Any modification to the track is prohibited notwithstanding who may have requested it without the prior written approval of the FIA or its Inspector.

15. The Organiser will take all measures to see that the Event maintains its World Championship prestige in particular by:

- (a) a complete ban on anybody crossing the track during practice or the race; and
- (b) the immediate elimination of any action prejudicial to the moral interests and dignity of the World Championship.

16. Any organisation fault committed by the Organiser which is harmful to the Championship especially delays in the timetable lack of medical or safety equipment etc. will be punished by fines of between one thousand (US \$1,000) to fifty thousand (US \$50,000) United States Dollars and punishments which may go as far as exclusion from the International Calendar and from the World Championship.

17. The present Organisation Agreement is drawn up uniquely for the organisation and running of a Formula One World Championship Event the Organiser of which acknowledges the FIA to be the owner as the only recognised World Wide Organisation governing motor racing including Formula One races.

18. Words and expressions defined in The 1997 Concorde Agreement shall, except where the context otherwise requires, have the same meanings when used herein.

19. This agreement shall be governed by and construed in accordance with the laws of France.

IN WITNESS WHEREOF this Agreement has been signed on the date first above written:

Signed for and on behalf of  
[THE ORGANISER]

.....  
by a person duly authorised so to do

Signed for and on behalf of  
THE FEDERATION INTERNATIONALE DE L'AUTOMOBILE

.....  
by a person duly authorised so to do

Signed for and on behalf of  
[the ASN]

.....  
by a person duly authorised so to do

**SCHEDULE 7**  
**TO THE 1997 CONCORDE AGREEMENT**

**STABLE REGULATIONS**

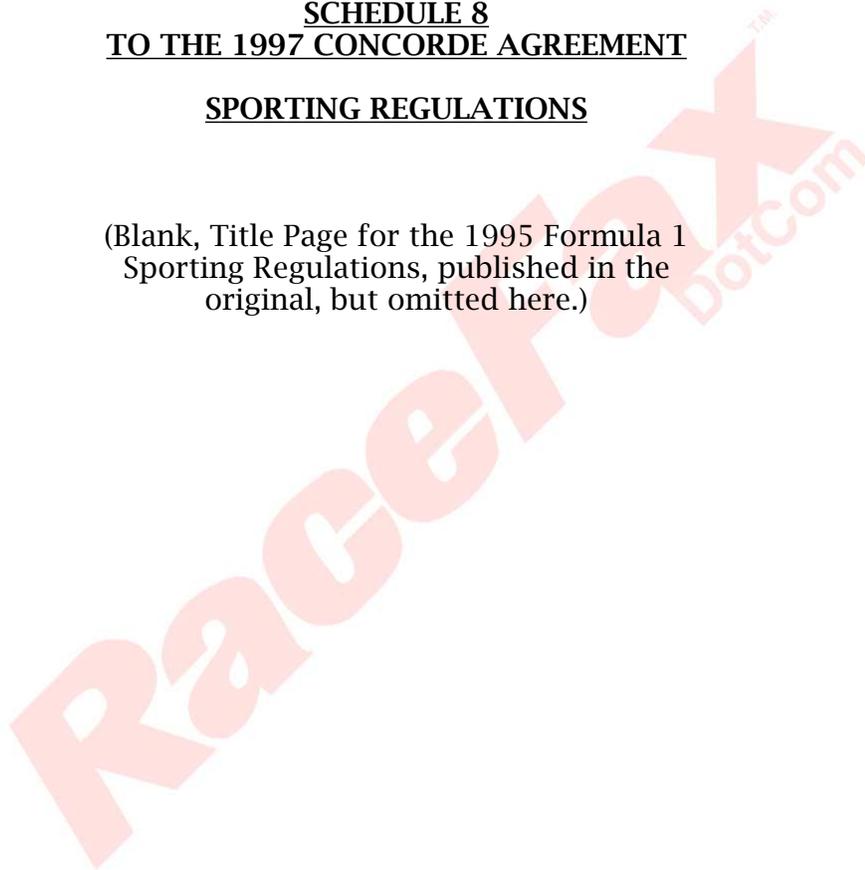
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Technical Regulations, published in the  
original, but omitted here.)

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**SCHEDULE 8**  
**TO THE 1997 CONCORDE AGREEMENT**

**SPORTING REGULATIONS**

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Sporting Regulations, published in the  
original, but omitted here.)



**SCHEDULE 9**  
**TO THE 1997 CONCORDE AGREEMENT**

1. The amount of the Payment (the "Amount") shall (subject as herein provided) be three hundred and fifty thousand (US \$350,000) United States Dollars plus ten thousand (US \$10,000) United States Dollars per car per Event for each half point scored by the competitor concerned in the previous two half seasons subject to a maximum of five hundred thousand (US \$500,000) United States Dollars per car per Event and, notwithstanding paragraphs 2 and 3 below, subject always to a maximum of two million five hundred thousand United States Dollars (US \$2,500,000) per competitor per season.
2. The Amount shall be increased by ten per cent for each breach of Clause 10.3 of The 1997 Concorde Agreement committed by the competitor concerned in the twenty four months preceding the breach in question.
3. If immediately prior to the event in respect of which a breach of Clause 103 of The 1997 Concorde Agreement occurs the competitor committing such breach was among the top ten competitors in the FIA F1 Championship concerned the Amount increased as the case may be by virtue of paragraph 2 of this Schedule 9 shall be further increased by fifty per cent.
4. No Payment shall be due if the breach of Clause 103 of The 1997 Concorde Agreement was directly caused by bona fide serious difficulties beyond the reasonable control of the competitor concerned preventing it from complying with such clause.
5. Within fifteen days of the relevant event the competitor concerned shall notify the FIA in writing if it considers that paragraph 4 of this Schedule 9 should apply. In default of such notification, the Amount shall be payable.

6. As soon as practicable but no later than 60 days after such indication, the F1 Commission shall meet and having heard the competitor concerned (or his representatives) together with such other evidence as it may think appropriate, determine whether paragraph 4 of this Schedule 9 shall apply, taking into consideration any non-participation in an Event by that competitor which was solely due to exceptional circumstances (whether arising from natural causes human agency or otherwise) beyond the control of the competitor concerned including but without prejudice to the generality of the foregoing:

- (a) civil strife aircraft flood or fire damage and acts of God which cause or lead to the destruction of such competitor's race cars and spare components or parts; or
- (b) strikes, lock outs or other labour disputes, transportation delay or breakdown which affect at least three other competitors and which are not able to be remedied by reasonable financial means.

The decision of the FIA shall be final and binding upon the parties.

7. The F1 Commission may, in its absolute discretion, reduce the Amount or vary the terms of payment but may never increase the Amount.

8. A competitor will not be allowed to take part in any event until all sums due to a Promoter under this Schedule 9 have been paid if in the reasonable opinion of the FIA a person making an entry is a company or other legal entity that has been formed, acquired or otherwise appears to be being used to circumvent this paragraph 8 then the FIA may refuse the entry of such person.

9. It is expressly agreed that a competitor shall have no liability to a Promoter for a breach of Clause 10.3 of The 1997 Concorde Agreement otherwise than in accordance with this Schedule 9.

**SCHEDULE 10**  
**TO THE 1997 CONCORDE AGREEMENT**

**FORM OF COMMERCIAL AGREEMENT**  
**BETWEEN THE COMMERCIAL RIGHTS HOLDER**  
**AND EACH COMPETITOR**

This agreement is made the        day of        199

**BETWEEN**

(1) [competitor's company name] a company incorporated in [        ] whose registered office is at [        ] and whose details are more particularly described in Schedule 1 to this Agreement (the "Competitor")

**AND**

[The Commercial Rights Holder] (the "Commercial Rights Holder")

**WHEREAS** under the terms of an agreement between the FIA and the Commercial Rights Holder dated [        ] and known as the "FIA Commercial Agreement", the Commercial Rights Holder has undertaken to offer to enter into a contract with each competitor participating in the FIA Formula One World Championship (the "FIA F1 Championship") and to make certain payments to each of the competitors participating in the FIA F1 Championship in accordance with the terms of this Agreement.

**NOW IT IS HEREBY AGREED AS FOLLOWS:**

## DEFINITIONS AND CONSTRUCTION

1.1 In this Agreement except where the context otherwise requires:

“Prize Fund” means:

- (a) in respect of the 1997 Formula One season, the sum payable in 1996 increased in accordance with the Positive variation of the “Consumer prices - All items” index for the United States of America published by the Organisation for Economic Co-operation and Development (OECD) in “Main Economic Indicators”. The base index shall be the index so published in January 1996 edition of the “Main Economic Indicators”. The indexation shall be in accordance with the variation between such base index and the index published in the January edition of “Main Economic Indicators” for 1997; and
- (b) in respect of the Formula One season for each year thereafter an amount equal to the Prize Fund per Event for 1997 increased annually in accordance with the positive variation of the “Consumer prices - All items” index for the United States of America published by the Organisation for Economic Co-operation and Development (OECD) in “Main Economic Indicators”. The base index shall be the index so published in January 1997 edition of the “Main Economic Indicators”. The indexation shall be in accordance with the variation between such base index and the index published in the January edition of “Main Economic Indicators” for the year to which the indexation applies.

**“The 1997 Concorde Agreement”** means an agreement entered into by the FIA, Formula One Constructors Association and the Manufacturers (as such terms are defined therein) which may be amended from time to time by agreement between the parties thereto.

1.2 The Schedules to this Agreement shall form an integral part of this Agreement but headings and the table of contents are for ease of reference only.

1.3 Subject to Clause 1.1, words and expressions used in this Agreement shall have the same meaning as those used in the 1997 Concorde Agreement.

1.4 This Agreement shall be known as the “[name of the Competitor] Commercial Agreement”.

## PAYMENTS TO COMPETITORS

2.1 The Commercial Rights Holder agrees to make the payments set out in Clauses 3 and 5 and provide transport in accordance with Clause 4 of this Agreement to the Competitor (if it is so entitled) and with respect to each Event in the FIA F1 Championship which is held during the term of this Agreement provided that:

- (a) the Competitor has participated in that Event; and
- (b) the Competitor has not been excluded from the Event by the FIA.

2.2 If the proviso to Clause 2.1 is not satisfied by the Competitor then the Commercial Rights Holder is under no obligation to make any of the payments or provide the benefits referred to in that clause.

2.3 The Commercial Rights Holder shall pay within fifteen (15) days after the relevant Event all monies which they are obliged to pay pursuant to Clause 3.

2.4 Payments will be made on the basis of official results. Monies due to a competitor who is subject to a protest or appeal shall be withheld pending the determination of the same.

2.5 The entitlement to payments under Clauses 3.1(c) and 5 and to transport under Clause 4 of the Competitor if it scores no points and/or ties with another competitor will be fixed according to the quality of all its finishing (or non-finishing) places in the two half seasons concerned. For example in the case of a competitor finishing once second and four times fifth (14 points) tying with a competitor finishing twice second and once fifth (14 points) the latter competitor shall be first entitled to receive payment and transport.

2.6 If more than two cars built by the Competitor participate in any Event payments under Clauses 3.1 (c) and 5 shall be made and transport under Clause 4 shall be provided only in respect of the two cars designated by the Competitor in accordance with the appropriate Article of the FIA International Sporting Regulations for the FIA F1 Championship.

2.7 All payments pursuant to this Agreement shall be made in United States Dollars.

#### THE PRIZE FUND

3.1 The Commercial Rights Holder shall divide the Prize Fund into three (3) parts and pay the share due to the Competitor in accordance with the provisions of this Clause 3, as follows:

- (a) twenty per cent (20%) according to final qualifying results;
- (b) forty-five per cent (45%) according to race results;
- (c) thirty-five per cent (35%) by way of fixed compensation.

Subject to Clause 6, the payments referred to in Clause 3.1 shall be distributed according to the following scale:

(a) Final Qualifying results (20%)

|      |       |       |       |       |      |       |      |
|------|-------|-------|-------|-------|------|-------|------|
| 1st: | 2.00% | 6th:  | 1.30% | 11th: | .85% | 16th: | .60% |
| 2nd: | 1.75% | 7th:  | 1.20% | 12th: | .80% | 17th: | .55% |
| 3rd: | 1.60% | 8th:  | 1.10% | 13th: | .75% | 18th: | .50% |
| 4th: | 1.50% | 9th:  | 1.00% | 14th: | .70% | 19th: | .45% |
| 5th: | 1.40% | 10th: | .90%  | 15th: | .65% | 20th: | .40% |

(b) Race Results (45%)

|       | <u>1/4 Distance</u> | <u>1/2 Distance</u> | <u>3/4 Distance</u> | <u>Finish</u> |
|-------|---------------------|---------------------|---------------------|---------------|
| 1st:  | 1.02%               | 1.02%               | 1.02%               | 5.44%         |
| 2nd:  | .78%                | .78%                | .78%                | 4.16%         |
| 3rd:  | .63%                | .63%                | .63%                | 3.36%         |
| 4th:  | .51%                | .51%                | .51%                | 2.72%         |
| 5th:  | .39%                | .39%                | .39%                | 2.08%         |
| 6th:  | .30%                | .30%                | .30%                | 1.60%         |
| 7th:  | .24%                | .24%                | .24%                | 1.28%         |
| 8th:  | .216%               | .216%               | .216%               | 1.152%        |
| 9th:  | .192%               | .192%               | .192%               | 1.024%        |
| 10th: | .168%               | .168%               | .168%               | .896%         |
| 11th: | .15%                | .15%                | .15%                | .80%          |
| 12th: | .138%               | .138%               | .138%               | .736%         |
| 13th: | .126%               | .126%               | .126%               | .672%         |
| 14th: | .114%               | .114%               | .114%               | .608%         |
| 5th:  | .102%               | .102%               | .102%               | .544%         |
| 16th: | .09%                | .09%                | .09%                | .48%          |
| 17th: | .078%               | .078%               | .078%               | .416%         |
| 18th: | .066%               | .066%               | .066%               | .352%         |
| 19th: | .054%               | .054%               | .054%               | .288%         |
| 20th: | .036%               | .036%               | .036%               | .192%         |

(Distances to be rounded up to a whole number of laps)

(c) Fixed Compensation (35%): shall be divided into two equal parts of 17.5% each:

- (i) one such part shall be distributed to the competitors in proportion to the number of FIA F1 Championship points scored by each competitor in the previous two half seasons; and

- (ii) the other such part shall be distributed equally among the top ten competitors in the FIA F1 Championship for the previous two half seasons and if the top ten competitors represent less than twenty cars to the next highest competitor and so on until compensation has been distributed to twenty cars provided that no competitor shall be entitled to such distribution in respect of a number of cars other than that which it entered for the whole of the previous FIA F1 championship and in any event shall not be so entitled in respect of more than two cars.

## TRANSPORTATION

4.1 Subject to Clauses 4.3 and 6, the Commercial Rights Holder shall provide transport with respect to each Event held outside Europe in the traditional manner to the Competitor if it is one of the top ten competitors in the FIA F1 Championship for the previous two half seasons and if the top ten competitors represent less than twenty cars, if it is the next highest competitor and so on until transport has been provided for twenty cars provided that no competitor shall be entitled to transport in respect of a number of cars other than that which it entered for the whole of the previous FIA F1 Championship and in any event shall not be so entitled in respect of more than two cars.

4.2 Subject to Clauses 4.3 and 6, the Commercial Rights Holder shall provide transport with respect to each Event held outside Europe, to a maximum of two competitors if they have been one of the top ten competitors for two out of the previous three FIA F1 Championship seasons and if they are not eligible to receive transport pursuant to Clause 4.1 provided that the Commercial Rights Holder shall immediately and automatically cease to have any obligation pursuant to this Clause 4.2 with respect to the Competitor if its management or the control of it changes at any time after the date upon which the Competitor signed this Agreement.

4.3 For each two entered cars entitled to transport under Clause 4.1 or 4.2 the freight allowances (from and to the United Kingdom) shall be:

- 2 cars
- 10,000kg of air freight
- 20 air tickets

## PAYMENTS IN RESPECT OF TELEVISION RIGHTS

5.1 Subject to Clauses 2.1, 5.2 and 5.3, the Commercial Rights Holder agrees to pay the share due to the Competitor of the "Television Payment". The Television Payment shall be the amount which equals:

- (a) forty-seven per cent (47%) of the revenue received by the Commercial Rights Holder from the sale and licensing of the "television rights" (as such expression is defined in Clause 4 of The 1997 Concorde Agreement) in, of or pertaining to the FIA F1 Championship or any part thereof; and
- (b) subject to Clause 5.2, forty-seven per cent (47%) of the revenue received by the Commercial Rights Holder from the licensing of sound recordings and moving picture footage in, of or pertaining to the FIA F1 Championship or any part thereof for use in television commercials, television programmes, feature films, videograms, CD Roms and computer games less all related costs including costs relating to the production of moving picture images from on board cameras, costs relating to enhancements and services provided to broadcasters and the amount of any Loss in accordance with Clause 5.2;

5.2 If in any year the costs referred to in Clause 5.1 (b) exceed the amount of any revenue received under that Clause 5.1 (b) (the amount of such excess being referred to as a "Shortfall"), then:

- (a) no payment shall be made in respect of the rights referred to in Clause 5.1 (b) for that year; and
- (b) the amount of the Shortfall shall be set against the revenue received in respect of those rights for the following year as if such amount were a cost incurred in that year, provided that the amount of a Shortfall may only be carried forward for a maximum of two years.

5.3 Subject to Clause 5.4, the Television Payment shall be paid in equal shares to the top ten competitors in the FIA F1 Championship in the previous two half seasons and if such top ten competitors represent less than twenty cars to the next highest competitor and so on until equal shares of the Television Payment have been distributed to twenty cars provided that no competitor shall be entitled to a share of the Television Payment in respect of a number of cars other than that which it entered for the whole of the previous FIA F1 Championship and in any event shall not be so entitled in respect of more than two cars.

5.4 Any amount payable to the Competitor pursuant to this Clause 5 shall be based on the number of cars belonging to such competitor participating in each Event and paid in proportion to the number of Events to which the Competitor is entitled to a Benefit under the provisions of Clause 6.

5.5 If due pursuant to Clause 5.1, the Television Payment shall be paid to the Competitor within six (6) months of the end of the half season in which the Competitor became eligible to a share of the Benefit. For example if the Competitor was amongst the top ten competitors in the FIA F1 Championship in the first and second halves of the 1996 season (but not in the last half of the 1995 season) then the Television Payment shall be paid within six (6) months of the end of the first half of the 1997 season.

5.6 Competitors who are eligible for a share of the Benefit in any year shall be entitled to inspect and audit the accounts of the Commercial Rights Holder for that year in respect only of the amounts received by the Commercial Rights Holder as described in Clause 5.1 (a) above.

## BENEFITS

6. For the avoidance of doubt it is hereby confirmed that:
- (a) if any of the twenty cars (in respect of which a competitor would be entitled to a payment under Clauses 3.1 (c) and 5 and to transport under Clause 4 together a "Benefit") fail for any reason whatsoever to participate in any given Event the Benefit in respect thereof shall be paid and/or provided for such Event only to the next highest competitor(s) in the FIA F1 Championship for the previous two seasons;
  - (b) a Benefit shall only be payable and/or provided to a competitor to the extent that the chassis of the car entered by it retains the same name as that used by such competitor for such chassis during the two previous half seasons save and except that a competitor shall be entitled to change the name of the chassis of its competing car without losing its entitlement to a Benefit provided that the new chassis name is a chassis name previously used on a car competing for that competitor in any FIA F1 World Championship season since 1981;
  - (c) A Benefit (or the entitlement thereto) may be transferred (but only in its entirety) by a competitor provided that:
    - (i) the name of the chassis (solely to the extent that the same pertains to the FIA F1 Championship and being as shown on the Application to the FIA for the period during which the Benefit accrued) is transferred permanently or irrevocably (other than by way of loan, lease or licence) and continues to be used by the transferee with respect to its competing car; and
    - (ii) the name of any chassis may only be transferred once during any five year period; and

(iii) the shareholders, directors and officers of the transferee are in any way directly or indirectly associated with or involved with (and have never been so associated or involved) the transferor; and

(iv) the transferor and the transferee have demonstrated to the FIA that all such action has been taken and all such documents executed as are necessary to give full and proper effect to the transfer referred to in this Clause 6(c) under applicable laws; and

(v) the transferor and the transferee have confirmed in writing to the FIA that they mutually desire that the Benefit (or the entitlement thereto) be transferred.

- (d) If the requirements of Clause 6 (c) have not been met with respect to any proposed transfer of the name of a chassis, the approval of the FIA must be sought and obtained to any proposed transfer.
- (e) If the name of a chassis (as defined in Schedule 1) is transferred in accordance with this Clause 6, the Benefit due to the transferring competitor in respect of that chassis shall apply to the new competitor acquiring the chassis as if the new competitor had competed in the whole of the previous FIA F1 Championship.

#### **HALF SEASONS**

7. If an odd number of Events take place in any FIA F1 Championship in any year then the first half season shall contain one more race than the second half season.

#### **TERM**

8. This Agreement shall commence on the date which is the later of the date on which the Competitor signs and 1 January 1997 and shall expire on 31 December 2001 or if later the date on which The 1997 Concorde Agreement (as such may be amended from time to time) expires.

## **WARRANTIES**

9.1 The Competitor hereby warrants to the Commercial Rights Holder that:

- (a) it is a competitor as defined in Clause 2.1 of The 1997 Concorde Agreement, and that the details included in Schedule 1 are true and correct as at the date of this Agreement; and
- (b) it has granted all the rights referred to in Clause 4 of The 1997 Concorde Agreement to the FIA.

9.2 If the Competitor ceases to be a competitor as defined in Clause 2.1 of The 1997 Concorde Agreement and/or ceases to participate in the FIA F1 Championship the rights and obligations of the parties contained in this Agreement shall terminate for the duration of such cessation.

## **CONFIDENTIALITY**

10. The parties hereto agree to keep the commercial aspects of this agreement entirely confidential and no party hereto shall disclose any such commercial aspects to any third party without the prior written consent of the other party save as required by law or as necessary for the proper exercise of any rights or the performance of any obligations hereunder.

## **NO ASSIGNMENT**

11. The Competitor agrees that it will not assign, charge or otherwise part with any of its rights or obligations hereunder without the consent of the Commercial Rights Holder.

## **ENTIRE AGREEMENT**

12. This Agreement contains the whole agreement between the parties relating to the subject matter hereof and shall only be capable of variation or amendment by an agreement or memorandum in writing signed by or on behalf of the parties and annexed to this Agreement.

## GOVERNING LAW

13. This Agreement shall be governed and interpreted in all respects in accordance with the laws of England.

## ARBITRATION

14.1 All disputes arising in connection with this Agreement (other than a dispute falling within the provisions for the settlement of disputes in the FIA International Sporting Code for Formula One) shall be finally settled under the Rules of Conciliation and Arbitration of the International Chamber of Commerce in force at the date hereof by one or more arbitrators appointed in accordance with the said Rules. It is agreed that if such arbitrator(s) shall consider that his (their) award may depend upon a decision to be given in accordance with the FIA International Sporting Code the making of such award shall be suspended until after the notification of such decision (which must be final and conclusive) to such arbitrator(s). An award of the arbitrator(s) shall not be inconsistent with such decision aforesaid.

14.2 Arbitration shall take place in Lausanne (Switzerland).

## NOTICES

15. All notices in connection with this Agreement shall be sent to the addresses of the parties set out herein or to such other address as may be notified in writing to the other party at any time.

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IN WITNESS WHEREOF this Agreement has been signed on the day and year first above written.

Signed for and on behalf of  
[THE COMPETITOR]

.....  
Witness.....  
.....

Signed for and on behalf of  
FOCA ADMINISTRATION LIMITED

.....  
Witness .....  
.....

RaceFax  
DotCom

**SCHEDULE 1**  
**TO THE COMMERCIAL AGREEMENT**

**DETAILS OF THE CONSTRUCTOR**

Name of Competitor.....

Address.....

Chassis Name.....

Any other chassis names used since  
1981.....

Company Registration number  
(or equivalent official reference  
for non UK companies).....

Country of residence.....

**SCHEDULE 11**  
**TO THE 1997 CONCORDE AGREEMENT**

**DRIVER CONTRACT RECOGNITION AGREEMENT**

1. The parties agree that the Contract Recognition Board (the “Board”) created pursuant to the 1992 Driver Contract Recognition Agreement shall continue to exist and consist of three natural persons each having a different nationality and three alternate members all of such members and alternate members being qualified lawyers of international standing and experience and suitably experienced in the law of contract.

2.1 The following nationalities shall be present both amongst the three members and amongst the three alternate members: French, Italian and United Kingdom. All such persons shall be persons residing in Europe.

2.2 The Board shall be appointed by the President for the time being of the International Court of Arbitration of the International Chamber of Commerce, 38, Cours Albert ler, 75008 Paris, FRANCE (the “**Appointor**”). The Board appointed pursuant to the 1992 Driver Contract Recognition Agreement shall continue to be so appointed until 31 December 2001.

2.3 The appointment of the Board, any appointment pursuant to Clause 2.7 and any removal pursuant to Clause 2.6 shall be notified in writing by the Appointor to the Secretary (as defined in Clause 3.1).

2.4 Any person who provides or has provided services to or who is or who has been an employee director or officer of or is or has been directly or indirectly interested in any participant in the FIA F1 Championship, the FIA, or any Organiser, Promoter, any sponsor or any provider of goods or services thereto for the purposes of the FIA F1 Championship, shall be ineligible to become, or to serve as, a member or an alternate member of the Board or the Secretary or a member of his staff.

2.5 As a condition of any person accepting an appointment to the Board or an appointment as Secretary, and immediately prior to his acceptance thereof, each proposed member (and each proposed alternate member) of the Board and the Secretary shall sign a declaration stating that he is not ineligible having regard to the criteria set out in Clause 2.4 and further that if at any time during the period of his appointment he becomes so ineligible, he will immediately notify the other members of the Board (or in the case of the Secretary or an alternate member the members of the Board) and the Appointor accordingly and shall simultaneously tender his unconditional resignation to the Appointor which shall be effective forthwith. Such declaration shall also include an undertaking to respect the provisions of Clause 5 .

2.6 Any member or alternate member of the Board or the Secretary may be removed at any time without compensation by the Appointor if the Appointor decides upon information laid before him in writing specifying the alleged grounds for removal that such member (or alternate member) of the Board or the Secretary is prevented de jure or de facto from fulfilling his functions, or that he is not fulfilling his functions in accordance with the terms of this Schedule 11 and/or the internal rules of the Board and/or within the time limits prescribed thereby, and/or that he is/or has become ineligible pursuant to the criteria referred to in Clause 2.4. Before the Appointor decides to remove the member (or alternate member) or the Secretary he shall provide the information laid before him in respect of such member (or alternate member) or the Secretary in writing to the member (or alternate member) of the Board concerned or the Secretary and accord an opportunity to such member (or alternate member) or the Secretary to comment in writing within a reasonable period of time. Any removal by the Appointor pursuant to this Clause 2.6 shall be final and conclusive.

2.7 Immediately upon the removal, death, permanent incapacity or resignation of a member or an alternate member of the Board or one Secretary a replacement of the same shall be immediately appointed by the Appointor to the intent that there shall at all times be three members and three alternate members of the Board and the Secretary respecting all the criteria referred to in Clauses 1 to 2.5 and also (in the case of the Secretary) Clause 3.1.

2.8 Immediately upon the removal, death, permanent incapacity or resignation of the Secretary all the files and documents under his control shall continue to be held to the order of the Board and shall be transferred to the new Secretary without delay.

2.9 Each alternate member shall be entitled to receive notice of all meetings of the Board. To the extent that a member is prevented from carrying out any of his functions an alternate member shall attend and vote at any such meetings and generally perform all the functions of the member concerned, such alternate being designated by the Secretary in accordance with the provisions of Clauses 2.10 and 2.11.

2.10 Without prejudice to Clause 2.6 if a member is prevented from fulfilling any of his functions (an "**Absent Member**") the Secretary shall call first upon the alternate member of the same nationality as the Absent Member and if he is unavailable then upon the other alternate members in alphabetical order until he finds an alternate member willing and able to perform the function of the Absent Member (provided always that in determining the alphabetical order aforesaid those alternate members who have previously replaced an Absent Member shall be deemed to appear (in alphabetical order) after those who have not. Whenever all alternate members have previously replaced an Absent Member the procedure shall be repeated.

2.11 An alternate member shall be deemed for all purposes except as expressly provided otherwise to be a member of the Board and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the member whose alternate he is.

3.1 The Secretary of the Board (the "Secretary") shall be Maitre Jean- Rodolphe CHRIST, Notary in Geneva, Switzerland or such other Notary in Geneva, Switzerland appointed by the Appointor from time to time pursuant to Clause 2.7. The appointment shall be for a period expiring on 31st December 2001.

3.2 The Secretary shall arrange for the placing at the disposal of the Board in Geneva, Switzerland of such facilities (including, in particular, a secretariat and the secure and fireproof place referred to in Clause 6.8) as may be necessary for the Board to carry out its functions.

3.3 The cost of the facilities referred to in Clause 3.2 (including without limitation the cost of any professional liability insurance premiums in relation to any policies effected pursuant to Clause 3.10) and the fees of the Secretary and the members and alternate members of the Board (which fees shall be fixed by the Permanent Bureau of the F1 Commission as at 31st January each year (provided always that each member and each alternate member of the Board shall be remunerated on the same basis) and shall be financed by way of a Contract Recognition Board Levy (the “**CRB Levy**”) being an equal amount for each competitor fixed by the permanent Bureau for each FIA F1 Championship season (a “Season”) and paid annually by the competitors to the FIA upon entering the FIA F1 Championship.

3.4 The parties hereto expressly agree that a competitor which has not paid the CRB Levy shall not be entitled to participate in the FIA F1 Championship during the Season concerned.

3.5 If the amount of the CRB Levy received for a particular Season proves at any time to be less than the amount actually required to finance the costs referred to in Clause 3.3 for that Season, the Permanent Bureau shall in its absolute discretion either carry forward the shortfall to the following Season or adjust the amount of the CRB Levy accordingly and shall notify the FIA of such carry forward or adjustment. Within 7 days of receipt of such notification of any adjustment the FIA shall make a call for payment thereof to each competitor participating in the FIA F1 Championship.

3.6 The parties hereto expressly agree that if any of such calls aforesaid is not paid within 15 days of its being made and provided that the Board has immediately so informed the FIA in writing then the right for the competitor concerned to participate in the FIA F1 Championship shall be suspended until the payment of the call in question, such suspension being notified to the competitor concerned by the FIA.

3.7 The FIA expressly undertakes to abide by Clauses 3.4, 3.5, 3.6 and 7.18.

3.8 The amounts received by way of CRB Levy (including the calls referred to in Clause 3.5) shall be paid by the FIA to the Secretary by bank transfer forthwith upon receipt thereof to such bank account designated by the Secretary to the FIA and opened and operated by the Secretary for the purposes of receiving the CRB Levy and the costs referred to in Clause 7.16 and making the payments of the costs and fees referred to in Clause 3.3.

3.9 If at the end of a given Season the amount of the CRB Levy received for that Season proves to be in excess of the amount actually required to finance the costs referred to in Clause 3.3 for that Season such excess shall (subject as herein provided) be applied to such costs and taken into account in funding the CRB Levy for the following Season provided always that if such following Season shall be the Season of the year 2002 such excess shall be refunded in equal shares to those competitors who paid the CRB Levy for the 2001 Season.

3.10 The Permanent Bureau shall take out from time to time such professional liability insurance cover in the names of the members and the alternate members of the Board and the Secretary as it considers necessary (if any) in relation to their respective functions.

3.11 Financial control shall be exercised as follows:

- (a) At least 60 days prior to the commencement of a Season, the Secretary shall draw up a budget for that Season of the costs referred to in Clause 3.3 and shall submit such budget (a "**Budget**") to the Permanent Bureau for approval.
- (b) Within 90 days of the end of a Season, the Secretary shall draw up a financial statement for that Season showing in particular the costs actually incurred by reference to the Budget and shall submit such financial statement to the Permanent Bureau for approval.
- (c) No costs in excess of those provided for in a Budget shall be incurred without the prior written approval of the Permanent Bureau.

(d) The Budget and financial statement aforesaid shall be in forms approved by the Permanent Bureau and may be inspected by the top ten competitors for the relevant Season.

4.1 The quorum for meeting of the Board shall be the presence in person (or by telephone or other electronic means as provided in Clause 4.3) of all its three members provided always that where a member is unable to attend he shall be replaced by one of the alternate members appointed in accordance with Clause 2.7.

4.2 The Board shall meet (without prejudice to Clause 4.3) in Geneva, Switzerland with such frequency as necessary for it to fulfill its functions.

4.3 The Board rules, drawn up in accordance with the 1992 Contract Recognition Board Agreement (the "**Board Rules**" shall continue to govern the procedure of the Board in particular in relation to notices of meetings, chairmanship of meeting and proceedings at meetings (which may be held by telephone or other electronic means provided sufficient precautions are taken regarding the proof of the identity of the participants and the confidentiality of the discussions and in this Schedule 11 references to attendance at meeting of the Board shall be construed accordingly) including without limitation, any rules regarding the taking of submissions, evidence and/or conduct of the parties during the meeting provided always that decisions of the Board may only be taken by at least a simple majority, any abstention being deemed to be a vote against the decision concerned. Copies of the Board Rules shall be provided by the Secretary to each of the parties hereto on request.

4.4 The Board Rules shall not be varied save and except where the members (or, as the case may be, alternate members) of the Board unanimously otherwise agree and provided always that:

- (a) the unanimous approval of the Permanent Bureau has been sought and obtained to each and any variation; and
- (b) no variation shall come into force prior to the commencement of the Season following the obtaining of such approval.

5.1 The members and the alternate members of the Board the Secretary and his staff (for whose compliance with Clauses 2.4, 5.1 and 5.2 the Secretary shall be responsible) and the Appointor shall at all times during and after the term of The 1997 Concorde Agreement maintain the utmost secrecy and confidentiality regarding all matters of whatsoever nature relating to the exercise of their functions (provided always that nothing herein shall prevent the laying of information before the Appointor in writing with a view to removing a member (or alternate member) of the Board or the Secretary pursuant to Clause 2.6). Without prejudice to the generality of the foregoing the members and the alternate members of the Board, the Secretary and his staff and the Appointor shall not divulge any information or make any comment relating to the carrying out of their functions to the FIA, the media or any other person.

5.2 Any decision of the Board pursuant to Clause 7 shall be communicated only to the parties concerned, the Secretary and to the extent set out in Clauses 7.17 and 7.18 to the FIA. All persons present at Conflicting Contract Meetings (as defined in Clause 7.3(b)), the FIA, and their respective officers shall at all times during and after the term of The 1997 Concorde Agreement maintain the utmost secrecy and confidentiality relating to any matter rising therefrom and shall not divulge any information or make any comment relating to such matters to the media or any other person subject always to Clauses 7.17 and 7.18.

6.1 The Secretary shall maintain in Geneva, Switzerland at his office a register of all documents (the “**Register**”) which constitute or purport to constitute the contractual basis by virtue of which any person drives or may drive cars participating in the FIA F1 World Championship (the “Drivers”, each a “Driver”) or by virtue of which a person has the right (including by way of option) to a Driver’s services for or relating to such participation (each such document or set of documents being a “Contract”).

6.2 The Register shall take the form of one or more bound volumes of pages in the form set out in Schedule I hereto which shall be filled in by the Secretary pursuant to Clause 6.5.

6.3 Simultaneously with the signing of a Contract (or in case of an Existing Contract, forthwith upon modification of such Existing Contract pursuant to Clause 10.1 so as to incorporate a clause in the terms set out in Schedule II hereto) the parties thereto (whether or not parties hereto) shall also complete and execute a form the text of which is set out in Schedule II hereto ( a **"Form"**).

6.4 Forthwith upon the execution of any Contract (or in the case of an Existing Contract forthwith upon modification of such Existing Contract pursuant to Clause 10.1 so as to incorporate a clause in the terms set out in Schedule II hereto) the most diligent party thereto shall cause to be delivered to the Secretary by hand a sealed envelope containing two sealed envelopes, one being marked "Contract" and containing a copy (with the amounts of all payments and any other consideration due thereunder blanked out) certified by all the parties thereto (or by a Notary) as a true copy (subject to such blanking out aforesaid) of a duly executed original of all documents constituting the relevant Contract and the other being marked "Form" and containing one duly executed original of the Form.

6.5 Immediately upon such receipt the Secretary shall only open the envelope marked "Form" (to the exclusion of that marked "Contract") and shall enter onto the Register the exact time and date of receipt of the Form and of the Contract and such other matters required to be so entered pursuant to Clause 6.1 (such entry onto the Register being a **"Registration"**).

6.6 Forthwith upon Registration the Secretary shall return to each signatory of the Form one photocopy thereof duly stamped by a "clocking in" machine indicating the exact time and date of Registration and signed by the Secretary.

6.7 Whenever the competitor entitled to the services of the Driver under a given Contract shall be designated or changed in accordance with the terms of that Contract (or where an option to renew that Contract (an “**Option**”) referred to on the Form the subject of registration has been exercised in accordance with the terms of such Contract) the most diligent party thereto (for the avoidance of doubt such party must have been shown as a party on the Form relating to such Contract at the time of Registration thereof) shall forthwith give notice in writing of such designation, change or exercise to the Secretary who shall forthwith make the necessary modification to the Register and shall notify all the parties to the Contract in question and the competitor(s) concerned that such designation, change or exercise has been duly made provided always that: ·

- (a) such modification shall in no way affect the date of Registration of the contract concerned; and
- (b) as regards the exercise of the Option no modification shall be made to the Register where notice thereof is received by the Secretary more than two days after the expiry of the period within which the Option may be validly exercised in accordance with the terms of the Contract concerned as such period appeared in the Registration of such Contract,

As a result of such modification to the Register aforesaid the Driver concerned shall be deemed to have been the subject of a Registration in respect of the competitor concerned as of the date of Registration of the Contract concerned, in particular for the purposes of Clause 8.2.

6.8 The Secretary shall ensure that the original of each Form and each Contract be kept in a secure and fireproof place and that no access (including the breaking of the seal of the envelope referred to in (clause 6.4 marked "Contract" shall be had thereto without the express authority of the Board or of all the parties to the Contract concerned, in any event at no time will access (including the breaking of the seal aforesaid) to any Form or any Contract (or document forming part thereof) be given to any person save in the case of the Board holding a meeting to resolve a conflict pursuant to Clause 7 (or with the express authority of all the parties to the Contract concerned). At such meeting any such access may only be effected by the breaking of the seal aforesaid and the removal of the Form and Contract from the envelopes in which they are kept in the presence of the members (and/or (as the case may be) alternate members) of the Board attending, the Secretary, the nominated representatives of the parties to the Contract and their legal advisers (including for the avoidance of doubt and if present the Driver in respect of whose service Contracts appear to have been concluded for the use of his services (for the same period of time or overlapping periods of time) and/or his legal advisers).

6.9 Each Form and Contract shall be completely destroyed upon the expiry of three months from the end of the last Season to which the Contract is capable of relating or from the expiry or earlier termination of The 1997 Concorde Agreement whichever is the earlier provided always that if at either of such expiry dates aforesaid the Contract is the subject of proceedings before the Board pursuant to Clause 7, the destruction shall take place upon the Board rendering its Decision (as defined in Clause 7.9(a)). A certificate of destruction of the aforementioned documents shall be issued by the Secretary to the parties to the Contract concerned.

7.1 Subject to Clause 10.3 if Contracts are concluded for the services of the same driver in respect of the same period of time (or overlapping periods of time) the question as to priority between such Contracts shall be exclusively finally and conclusively determined by the Board in the manner set out in this Clause 7.

7.2 For the purposes of this Clause 7, the parties hereto expressly agree with each other that the jurisdiction of any competent judicial or other body as regards interim or conservatory measures is hereby expressly excluded.

7.3 If the Secretary shall receive a Form in relation to the services of a Driver for a period for which a Registration has already been effected in respect of such Driver (or overlapping such period):

- (a) the Secretary shall:
  - (i) proceed to Registration in the normal way, and
  - (ii) forthwith notify by fax and/or courier service all the parties to the Contract to which such Form relates that an apparently conflicting Contract has already been the subject of a Registration.
- (b) If any of such parties referred to in Clause 7.3(a)(ii) requires the Secretary to call a meeting of the Board with a view to resolving the conflict by the Board (a “**Conflicting Contract Meeting**”):
  - (i) such party shall give notice to the Secretary by fax and/or courier service to be received by the Secretary within seven days of such party’s own receipt of such notice from the Secretary;
  - (ii) the Conflicting Contract Meeting shall be forthwith called by the Secretary by giving notice by fax and/or courier service to each of the parties to each Contract concerned and to the members and alternate members of the Board pursuant to Clause 2.9; and
  - (iii) Conflicting Contract Meetings shall take place in Geneva, Switzerland within three days (being working days in Switzerland) of such notice from the Secretary (or within such other time as the Board may deem appropriate);
- (c) If no Conflicting Contract Meeting is required within the time limit referred to in Clause 7.3(b)(i):
  - (i) the parties to the Contract to which the Form whose Registration was later in time relates shall be deemed to have waived definitively all their rights under this Schedule 11 in respect of that Contract and in particular any right to Registration; and

- (ii) any Registration of that Contract shall be null and void and the Register shall be marked to such effect by the Secretary forthwith upon the expiry of the time limit referred to in Clause 7.3(b)(i).

7.4 A Conflicting Contract Meeting shall automatically be immediately called by the Secretary if the Secretary receives two or more Forms at precisely the same time and shall be called with the notice and held at the place referred to in Clause 7.3(b)(ii) and (iii).

7.5 In view of the urgency of the Decision of the Board referred to in Clause 7.9 the Secretary and the Board shall take whatever steps may be necessary to enable the Board to render such decision as soon as practically possible.

7.6 Conflicting Contract Meetings shall take place in the presence of the Board and the Secretary and may be attended only by the Board and the Secretary, the parties concerned and their legal advisers. In no case shall a Conflicting Contract Meeting be open to the media or to members of the public.

7.7 Notwithstanding Clause 7.6, the Board shall be entitled to require the presence of any witness and the filing of any evidence (including a duly executed original of all documents constituting the Contract) it may deem necessary and shall be entitled to draw such conclusions as it may deem appropriate from any failure to meet such requirements.

7.8 If the parties fail to reach an agreement during a Conflicting Contract Meeting or if any party should fail to attend, the Board shall review each Registration concerned with the corresponding Form and the certified copy of the original Contract delivered to the Secretary pursuant to Clause 6.4 (and/or as the case may be the original Contract filed with the Board pursuant to Clause 7.7) and proceed to determine the matter pursuant to this Clause 7.

7.9 The Board shall within three days from the last day of a Conflicting Contract Meeting issue a decision (a “**Decision**”) stating which Contract is the prevailing Contract (a “**Prevailing Contract**”) which takes precedence over any other Contract in respect of the same period or any overlapping period. Without prejudice to Clauses 7.10 and 7.14, the Decision shall not deal with any other issue (other than costs).

7.10 In order however that the Register shall properly reflect and give effect to the Decision (in particular for the purposes of Clause 8.4) the Decision shall specify the modification to be made to the Register. Such modification shall be made by the Secretary forthwith upon being notified of the Decision.

7.11 In making its Decision the Board shall first determine the question as to whether under the proper law(s) of the contract applicable to the Contracts concerned one or more of the said Contracts is null and void, has been validly terminated in accordance with its terms, including a termination subject to the making of a payment of compensation pursuant to and of an amount determined by the Contract (“**Compensation**”), or has expired. If the Board determines that one or more of the said Contracts is not null and void, has not been validly terminated or has not expired, then, for the purposes of Clauses 7.12 and 7.13, such Contract or Contracts shall be considered valid and in force.

7.12 If pursuant to Clause 7.11 above the Board shall determine that only one Contract is still valid and in force then that Contract shall be the Prevailing Contract.

7.13 If pursuant to Clause 7.11 the Board shall determine that more than one Contract is still valid and in force then irrespective of the dates of signature appearing on such Contracts or any formalities (other than Registration pursuant to Clause 6.5) which may have been carried out in respect thereof or any other matter whatsoever, the Contract whose date of Registration is the earliest shall be the Prevailing Contract regardless of any provision of any law whatsoever.

7.14 A Decision may be conditional upon the payment of Compensation being made within the time limit specified by the Decision, which time limit shall be consistent with that specified by the Contract concerned.

7.15 Any Decision shall set out its reasons, be final and conclusive, shall make such order as to costs to be borne by the parties concerned as the Board shall consider fit and shall be notified by the Board forthwith to the parties and the Secretary.

7.16 Any costs of the Board (as opposed to the costs of the parties) due pursuant to a Decision shall be paid to the Secretary by bank transfer to the bank account referred to in Clause 3.8. Such costs shall be utilised for the purposes of financing the functioning of the Board and the Secretary pursuant to the terms hereof.

7.17 The Board shall furthermore forthwith communicate to the FIA the order contained in its decision (to the exclusion of its reasons) and the text of a press release drawn up by the Board the content of which shall be limited to stating which competitor is entitled to the services of which Driver for which Seasons of FIA F1 Championship events as the case may be.

7.18 The FIA shall forthwith issue the press release in the same form and substance as that communicated to it by the Board. If however in the opinion of the Board the dispute submitted to it has not become publicly known at the date of the Decision, the Decision shall state that no press release or other communication to the media shall be made directly or indirectly by the FIA or the parties.

8.1 Within two days (being working days in Paris, France) after the expiry of the time limit for filing entries in the FIA F1 Championship, the FIA shall cause to be delivered to the Secretary a list (the “**FIA List**”) of the competitors applying for entry to the said Championship for the following Season together with the names of their respective Drivers and, as the case may be, reserve Drivers.

8.2 Within two days of receipt of the FIA List, the Secretary shall cause to be delivered to the FIA at its office in Paris, France a confirmation (a “**Confirmation**”) in the form set out in Schedule III hereto which shall only be issued in respect of each Driver and, as the case may be, reserve Driver where pursuant to the Register as regards each of such Drivers and reserve Drivers a valid Registration exists in respect of the corresponding competitor appearing in the FIA List.

8.3 Should the name of a given Driver or reserve Driver (as the case may be) appear on the FIA List in respect of more than one competitor the Confirmation shall only indicate the competitor in respect of which a valid Registration exists for the Driver or reserve Driver concerned for the whole of the Season concerned.

8.4 If the question as to which of such competitors referred to in Clause 8.3 has the right to the services of the Driver or reserve Driver concerned is pending before the Board pursuant to Clause 7 the Confirmation in respect of such Driver or reserve Driver shall only be issued upon the making of the Decision by the Board pursuant to Clause 7.9.

8.5 In all other cases in particular:

- (a) where in respect of a particular Driver or reserve Driver (as the case may be) whose name appears on the FIA List no Registration has been made; or
- (b) where Registration has been made in respect of such Driver or reserve Driver but the Register does not indicate for which competitor such Driver or reserve Driver is to drive; or
- (c) where the Register indicates for the Driver or reserve Driver concerned a competitor other than the one corresponding to him on the FIA List,

the Secretary shall notify such case to the FIA in writing simultaneously with the Confirmation which will be deemed not to have been given in respect of that Driver or reserve Driver (as the case may be).

8.6 The procedures in Clauses 8.1 to 8.5 shall be repeated:

(a) within two days of the FIA being notified of a change of Driver or reserve Driver (as the case may be) in respect of a given competitor; or

(b) in the case where at the expiry of the time limit for filing entries in the FIA F1 Championship, a competitor's application to the FIA does not specify its Driver(s) or reserve Driver(s) within two days of the FIA being notified of the name(s) of such Driver(s) and/or reserve Driver(s) of that competitor.

8.7 The parties hereto expressly and unconditionally agree that a Driver or reserve Driver whose name does not appear on a Confirmation shall be entitled neither to be issued a Formula One Super Licence by the FIA nor to participate in the FIA F1 Championship and if such a Licence aforesaid has been issued it shall be revoked. The FIA expressly undertakes to abide by this Clause 8.7.

8.8 A Driver or reserve Driver shall not be entitled to participate in the FIA F1 Championship otherwise than for the competitor against whom his name appears in the Confirmation.

8.9 If however, a Driver or reserve Driver is replaced by a competitor at a time so close to an Event that the procedures in Clauses 8.1 to 8.5 cannot be reasonably carried out (which shall be deemed to be the case where such replacement occurs after 00.01 hours local time on the Wednesday (or on the Tuesday in the case of the Monaco Grand Prix) before the Event concerned, the competitor (the "**Team Concerned**") shall have the right to participate in such Event either with its reserve Driver (provided he has previously been the subject of a Confirmation in respect of that competitor unless such reserve Driver has been engaged so recently that such reserve Driver is not the subject of any Registration) or with a Driver or a reserve Driver then the subject of a Confirmation in respect of another competitor provided always that such other competitor has the right to release such Driver or reserve Driver and has expressly released him in writing for the Event concerned.

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8.10 Such Driver or reserve Driver referred to in Clause 8.9 shall not however participate in any subsequent Event for the Team Concerned unless the normal procedures referred to in Clause 8.6 have been carried out so as to be completed by the Tuesday immediately preceding the following Event.

9.1 This Schedule 11 shall be an integral part of The 1997 Concorde Agreement.

9.2 This Schedule 11 shall apply and prevail in respect of each and any Contract in existence prior to the 1st September 1992 (an "**Existing Contract**") and/or entered into (including by way of renewal of an Existing Contract) on or after the date of The 1997 Concorde Agreement relating in any way to the participation of a Driver or reserve Driver in any of the Seasons (or in any part of such Season) in respect of which The 1997 Concorde Agreement applies.

10.1 Each Contract entered into (including by way of renewal of an Existing Contract) on or after the date of The 1997 Concorde Agreement relating in any way to the participation of a Driver or reserve Driver in any of the Seasons (or in any part of any such Season(s) in respect of which The 1997 Concorde Agreement applies shall contain a clause in the terms set out in Schedule III hereto whereby the parties agree with each other to respect the terms of this Schedule 11 (and in particular Clause 7) and submit to the exclusive jurisdiction of the Board with respect to matters to be determined by the Board pursuant to such Clause 7 and in particular expressly exclude the jurisdiction of any competent judicial or other body as regards interim or conservatory measures in that respect in accordance with Clause 7.2.

10.2 The parties hereto expressly and unconditionally agree that each Existing Contract relating in any way to the participation of a Driver or reserve Driver in any of the Seasons (or in any part of any such Season) in respect of which The 1997 Concorde Agreement applies shall be the subject of Registration in accordance with the procedures set out in Clauses 6.3, 6.4 and 6.5.

10.3 If Existing Contracts (which have been the subject of Registration in accordance with Clause 10.2) are concluded for the services of the same Driver in respect of the same period of time (or overlapping with periods of time) the Contract which shall take priority as between such Existing Contracts and which shall be the only Contract which shall be recognised for the purposes of the Confirmation shall be the Existing Contract whose date of execution appearing on the face thereof is the earliest irrespective of any formalities (including the Registration pursuant to Clause 10.2) which may have been carried out in respect thereof or any other matter whatsoever regardless of any provision of any law whatsoever.

10.4 If an Existing Contract (which has been the subject of Registration pursuant to Clause 10.2) and one or more Contracts entered into on or after the date of The 1997 Concorde Agreement (which have been the subject of Registration pursuant to Clause 6.5) are concluded for the services of the same Driver in respect of the same period of time (or overlapping periods of time) the Question as to priority between such Existing Contract and such Contract(s) shall be determined by the application of Clause 10.3 which shall apply mutatis mutandis.

10.5 Without prejudice to Clause 8 for the avoidance of doubt no regard whatsoever shall be had for the purposes of this Schedule 11 to an existing Contract which has not been the subject of Registration pursuant to Clause 10.2

11. All notices in connection with this Schedule 11 shall be sent to the addresses of the parties set out in Schedules 1 and 2 to The 1997 Concorde Agreement and in the case of notices to the Board or Secretary to the address of the Secretary in Geneva unless a new address is notified to the other parties in writing and in the case of the address of the Secretary published by the FIA.

12. This Schedule 11 has been drawn up in English only (which language shall be that of the proceeding of the Board) and shall be referred to as "Schedule 11 to The 1997 Concorde Agreement".

13. The schedules hereto shall form an integral part of this Schedule 11.

This Schedule 11 shall in the case of any conflict take precedence over Schedule 8 to The 1997 Concorde Agreement.

15.1 All disputes arising in connection with this Schedule 11 (other than a dispute in respect of matters to be determined by the Board pursuant to Clauses 7) shall be finally settled under the Rules of Conciliation and Arbitration of the International Chamber of Commerce in force at the date hereof, by one or more arbitrators appointed in accordance with the said Rules.

15.2 Arbitration shall take place in Lausanne (Switzerland).

16. The parties hereto each agree for their own part to ensure that any Drivers and competitors wishing to participate in the FIA F1 Championship are made aware of and understand and expressly agree to abide by the provisions of this Schedule 11.

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SCHEDULE I  
TO SCHEDULE 11

[REGISTER OF DRIVER CONTRACTS]

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**SCHEDULE II**  
**TO SCHEDULE 11**

**CONTRACT REGISTRATION BOARD FORM**

Date of execution appearing on the face of the Contract in respect of which registration is hereby requested:

If such Contract is a modification or renewal of or in any way relates to any previous Contract please attach photocopy of Form relating thereto duly stamped by the Board and tick this box

Full names and addresses of Parties (including fax and telephone numbers) to the Contract:

Full name of and address of Driver (including fax and telephone numbers) to whose services the Contract relates:

Period to which the Contract relates:

Full name and address (including fax and telephone numbers) of the competitor entitled to the services of the Driver under the Contract (where already designated):

Details (other than financial) of any option to renew such period (indicate also the name(s) of the party(ies) entitled to exercise such option):

Details (other than financial) of any right to terminate the Contract subject to payment of Compensation (indicate also the name(s) of the Party(ies) entitled to exercise such right:

The signatories hereto each expressly confirm that:

either \* (i) the Contract is an Existing Contract as defined in Clause 9.2 of Schedule 11 to The 1997 Concorde Agreement,

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or \* (ii) pursuant to Clause 10.1 of Schedule 11 to The 1997 Concorde Agreement the Contract contains the following clause:

“The parties hereto expressly agree that this Agreement is (or as the case may be forms part of) a Contract as defined in Clause 6.1 of Schedule 11 to The 1997 Concorde Agreement so that the parties hereto hereby agree with each other to respect the terms of the said Schedule and in particular Clause 7 thereof which provides for the resolution of conflicts by the Contract Recognition Board sitting in Geneva, Switzerland. Accordingly the parties hereto expressly submit to the exclusive jurisdiction of the Contract Recognition Board with respect to matters to be determined by such Board pursuant to such Clause 7 and in particular expressly exclude the jurisdiction of any competent judicial or other body as regards interim or conservatory measures in that respect”.

\* Delete as applicable.

Signed by (state full name, and in the case of a judicial person details of signatory powers) being a party to the above mentioned Contract

N.B. Words and expressions used herein shall have the meanings ascribed to them by Schedule 11 to The 1997 Concorde Agreement

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For Contract Resolution Board use only

Time of Registration:

Date of Registration:

Date of dispatch of  
photocopy of Form:

Date of Placing of  
Form and Contract  
in a secure and  
fireproof place:

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**SCHEDULE III**  
**TO SCHEDULE 11**

**[CONFIRMATION]**

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**SCHEDULE IV**  
**TO SCHEDULE 11**

Clause to appear in each Contract:

“The parties hereto expressly agree that this Agreement is (or as the case may be forms part of it) a Contract as defined in Clause 6.1 of Schedule 11 to The 1997 Concorde Agreement so that the parties hereto hereby agree with each other to respect the terms of the said Schedule and in particular Clause 7 thereof which provided for the resolution of conflicts by the Contract Recognition Board sitting in Geneva, Switzerland. Accordingly the parties hereto expressly submit to the exclusive jurisdiction of the Contract Recognition Board with respect to matters to be determined by such Board pursuant to such Clause 7 and in particular expressly exclude the jurisdiction of any competent judicial or other body as regards interim or conservatory measures in that respect”.

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IN WITNESS WHEREOF the parties have hereunto set their hands on the date first above written

FEDERATION INTERNATIONALE DE L'AUTOMOBILE

represented by:

date:

signature:

*(Omitted here: a listing of teams as on pages 26-28 in the original, in the same form as for the FIA, above, occupying the balance of page 100 through page 102 in the original. That concludes the 1997 Concorde Agreement)*