



FEDERATION INTERNATIONALE DE L'AUTOMOBILE

Le Président

Mr Luca di Montezemolo
President
Ferrari SpA
Via Abetone Inf. 4
41053 Maranello
Italie

26 May 2009

Dear Luca,

As you probably know, Simone Perillo and Tony Purnell have done considerable work on a possible resolution of our current difficulties.

I have now had an opportunity to look in detail at their ideas and to consult both within the FIA and among other actual and potential Formula One stakeholders.

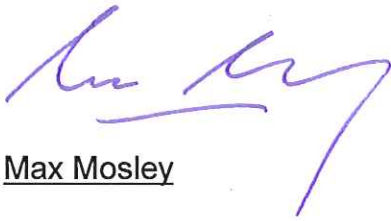
Although it contains much that is useful, the document as it stands is rather too complicated. I hope you will agree that what we need now is simplicity, clarity and above all certainty. Having also reflected carefully on our meeting last Friday we could, at the limit, go as far as to propose the following to the teams which have applied to enter the 2010 Championship.

1. A cap in 2010. This could be as high as €100m, but we must have a cap and we must have certainty.
2. For 2011, again we must have certainty with a cap at £40m (or, if preferred, €45m).
3. We can agree that all teams race under the same 2010 rules. These would be as published, but with the technical and sporting advantages originally offered to cost-cap teams deleted.
4. Instead of these advantages, we will facilitate know-how transfer between certain current teams and new entrants at least for 2010 and possibly for 2011.
5. We can agree that one employee per team in addition to the drivers can be outside the cap for 2011 and thereafter.
6. We are prepared to negotiate a new Concorde Agreement along the lines of the partial draft which was sent to us with the teams' letter of 24 May. Our (very) preliminary view is that this draft is broadly acceptable.

7. We are happy to call the cost cap "financial regulations" or any other sensible term, as the teams prefer.

I understand you have a meeting tomorrow. It would be excellent if you were able to agree the above so that we could make a joint announcement.

Yours sincerely



Max Mosley

cc: All Formula One Team Principals
Mr Simone Perillo, FOTA
Mr B Ecclestone
Mr Tony Purnell