



FEDERATION INTERNATIONALE DE L'AUTOMOBILE

FIA FORMULA 3 MIDDLE EAST CUP

CALL FOR EXPRESSIONS OF INTEREST / SELECTION PROCESS

The Fédération Internationale de l'Automobile is the governing body for world motor sport and the Federation of the world's leading motoring organisations. It is a non-profit making association and brings together 236 national motoring and sporting organisations from 141 countries on five continents. Its member clubs represent millions of motorists and their families.

The FIA is recognised by its members as the sole authority having the sporting power with the right to organise international FIA Championships and FIA Cups. One of the Federation's objectives is to launch a new Cup in the Middle East, **the FIA Formula 3 Middle East Cup** (hereafter "Cup")

The FIA has set itself the target to launch this Cup in 2015.

The FIA is now calling for expressions of interest to identify a candidate interested in acting as the official and exclusive agent of the FIA for the organisation and promotion of the Cup under the Key Parameters defined in Appendix A, with a view to concluding a three-year contract (2015, 2016 and 2017) with an option for the FIA to renew the contract for an additional two years (2018 and 2019).

The selection process is open to all candidates capable of conducting such a role for the organisation and the promotion of this Cup.

The selection process will consist of three stages:

Stage 1:

Interested candidates are invited to register a formal expression of interest with the FIA Administration **before 5 p.m. CET on 29 August 2014** as set out below.

Interested parties may send their formal expression of interest to the FIA Legal Department (legal@fia.com), together with their full contact details, a complete dossier complying with the requirements stated hereafter and a letter introducing their candidacy.

The letter of candidacy shall include information on:

- The technical ability and resources of the candidate (including the conditions associated with the financing of the Cup).

- The ability of the candidate to raise and maintain sufficient funding to conduct the organisation and promotion of the Cup.
- The candidate's experience and human resources.
- The candidate's experience in the organisation and the promotion of events, including media production and distribution, sponsorship sales and servicing, stakeholder management, etc.
- The level of contribution offered to the FIA in terms of exploitation of the promotion rights.
- The vision of the candidate with regard to the organisation and promotion of the Cup and, more precisely, to its marketing positioning, its promotional and commercial strategy, and ultimately its business model.
- The proposition of a three-year business plan for the Cup, including the assessment of the investment required from the various stakeholder groups and respective return on investment opportunities:
 - Manufacturers / competitors
 - Teams running the cars
 - Car and engine manufacturers
 - Sponsors
 - Captive: the key players of F3 business
 - Non-captive:
 - International companies
 - Technology partners
 - Brands with a particular focus on young audiences
 - Investors
 - Public sector
 - Private sector
 - Venues (circuits, cities, events, countries)
 - Contribution in kind (support for the organisation of the Cup)
 - Contribution in cash as communication investment
 - Media
 - Identification of international media partners for the Cup
 - Media management strategy
 - TV broadcasting plan + opportunities
 - New media activation
 - Public
 - Ways to engage with the fans
 - Definition of the potential of ancillary revenues (ticketing, licensing, gaming...)
- Any other details considered as relevant for the assessment of such proposal.
- An undertaking that the candidate accepts the minimum terms of the memorandum of understanding (MoU) and subsequent long form agreement listed in Appendix B (Should this not be the case, the candidate is invited to provide the list of terms that it would wish to discuss).

Stage 2:

The FIA will contact the entities that have sent a formal expression of interest within the deadline stated in Stage 1, and a discussion phase will start with the candidates whose expression of interest meets the requirements stated in this document.

The discussion phase will last **until mid of September 2014**.

According to the results of the various exchanges and discussions with the candidates, the FIA shall select the candidate which, in the FIA's sole opinion, best serves the interests of the Cup and the interests of motor sport in general.

The FIA will not be required to give reasons for the acceptance or refusal of any particular proposal.

The selected candidate shall be informed of its selection at the **end of September 2014** and will be required to sign an MoU with the FIA, in order to proceed with the process.

Stage 3:

The selection by the FIA of a candidate having signed the MoU referred to in Stage 2 shall initiate a one-month period of exclusive negotiation between the FIA and the selected candidate with a view to concluding a three-year long form agreement.

For the avoidance of doubt, the selection by the FIA of a candidate does not impose any obligations on the FIA, or entitle the selected candidate to any contract.

Miscellaneous

The FIA reserves the right, at its sole discretion, to interrupt or make changes to this selection process at any time.

Nothing in this selection process or any communication made by the FIA or its representatives or employees shall constitute a contract between the FIA and any prospective candidate. The FIA shall be under no obligation to accept any expression of interest submitted. Furthermore, if, at the sole discretion of the FIA, the FIA considers that no candidate meets with the FIA's criteria for the appointment as promoter of the Cup, the FIA may, inter alia, elect not to appoint any of the candidates.

Geneva, 04/07/2014



FEDERATION INTERNATIONALE DE L'AUTOMOBILE

Appendix A

KEY PARAMETERS

THE OBJECTIVES

In line with its positioning, the main objectives of the FIA Formula 3 Middle East Cup could be defined as follows:

- Serve the FIA as a credible flagship for its single-seater drivers' programme in the Middle East
- Be credible as a sporting and technical equitable competition
- Provide a learning platform for young drivers willing to turn professional
- Give the drivers the opportunity to have some track time and to gain experience
- Give the teams the opportunity to test their engines, mechanics and drivers
- Media coverage and promotion of the Middle East region and regional drivers
- Give the Middle East region the opportunity to develop motor sport locally

The main approach envisaged is through stand-alone competitions with the FIA Formula 3 Middle East Cup as the centre of the competitions.

Any other option will also be studied with great attention if it is proven that such alternative options could deliver better results in terms of the general appeal of the Cup.

All proposals should notably take into account the following:

THE SPORTING ASPECTS

- The sporting FIA Formula 3 Middle East Cup regulations that are defined by the FIA will apply.
- Main criteria of these regulations:
 - Middle East FIA winner's cup title for Driver and Team will be awarded (2 best cars eligible for scoring points on each competition).
 - Number of competitions: minimum of 2, each to consist of 3 races.
- Cup format (ensuring strong sporting credibility at all times):
 - Private testings: minimum of 2 days / maximum of 10 days (before and between the competitions). During the private tests, the teams will be allowed to freely test their drivers.
 - Collective testings: minimum of 2 days / maximum of 10 days (before and between the competitions). During the collective tests, only the drivers who are registered in the Cup can test.
 - Targeted format of a race week end: see Appendix C.

- Tyres (a single supplier will be designated by the FIA further to a tendering procedure):
This point will be discussed in step 2 of the MoU.
 - Testing sessions:
Two sets of new dry-weather tyres and one set of new wet-weather tyres, provided on site by the designated tyre supplier, may be used by each car during each day of official and private track testing.
In addition to the above, tyres registered at previous competitions or official test days may also be used.
 - Free practice session:
Two sets of used and two sets of new dry-weather tyres per day.
 - Qualifying sessions + Races:
Three sets of new dry-weather tyres for the qualifying practice sessions and the races.
Three sets of wet-weather tyres.
 - Mileage per cup (minimum of 3000 km).
- Quality of competitions and FIA F3 Middle East Cup standards
 - Time schedule on competition to give FIA F3 Middle East Cup premium slots.
 - Consistency and balance of the calendar:
 - Negotiation of the circuit contracts
 - Payment of the calendar fees to the FIA
 - Negotiation with the series support.
 - Type of tracks: Grade 1 to 3 (F1 tracks to be privileged).
 - Geographical spread: Middle East region (Bahrain/Kuwait/Oman/Qatar/Saudi Arabia/ United Arab Emirates).
 - Number of cars on the grid:
 - Minimum commitment of 15
 - Maximum allowed depending on the track rules
 - Number of cars per team: minimum of 1.
 - Positioning of FIA Formula 3 Middle East Cup in:
 - The paddock of each track/competition(main location)
 - Boxes

TECHNICAL ASPECTS

- The cars
 - In general terms, the cars competing in the FIA Formula 3 Middle East Cup should correspond to the characteristics specified in Appendix J of the FIA International Sporting Code available on the FIA website.
 - The final technical regulations applicable to the 2015 FIA Formula 3 Middle East Cup will be available after the meeting of the FIA World Motor Sport Council, which will take place in December 2014.

THE PROMOTER'S STAFF

- The promoter may provide the following staff:
 - Cup Manager (mandatory)
 - Logistic Manager (mandatory)

- Media Manager (mandatory)
- Competitor Coordinator (optional)
- Paddock Coordinator (optional)
- Marketing Coordinator (optional)
- Hospitality Manager (optional)

THE LOGISTICAL ASPECTS

The promoter will take care of the following:

- Car transportation (Europe to Middle East (circuit) and Middle East (circuit) to Europe).
- Negotiation of the transport contracts:
 - Air freight
 - Land transportation
 - Customs clearance
 - Propose package preferential
- Negotiation of accommodation contracts with local hotels.
- Logistic onsite:
 - Paddock organization
 - Box rental
 - Electricity / water supply
 - Internet

THE MARKETING PLATFORM

The candidates shall make a specific proposal in respect to each of the following bullet points:

- *Educational dimension:*
 - With a view to delivering “intelligent entertainment”, there should be a strong educational dimension attached to the project. The competitions should provide the opportunity to engage with the widest possible public on key messages about how to become a professional driver (how to buy, how to use, costs, how to get involved, etc.).
 - It should also offer the opportunity to promote key road safety messages.
- *Production and provision of marketing tools:*
 - Pack Competition: flags, podiums, paddock signs, etc.
 - Pack Paddock: postcards, posters, structure for autograph sessions, etc.
 - Pack Teams: official Cup stickers (on cars, on trucks, on structures...), flags, drivers’ presentation boards, etc.
 - Pack promoter’s staff: clothing, etc.
 - On competition implementation of the FIA Brand Guidelines.
- *Motorhome/office/Hospitality:*
 - Exclusive Formula 3 Stickers.
 - Entertainment area for drivers and F3 teams staff (games, music, sofas, open bar...).
 - Headquarters for promoter/FIA representatives.
 - Catering: for FIA staff, drivers, teams, etc.
- *Interaction/Interactivity with the public*
 - This should also be regarded as a key component of the project. Social media in particular have opened a new area in the way people, and especially young

audiences, are interacting with one another. To allow the public to interact with the competitions, the promoter should include driver blogs, live statistics on car performances, live gaming, autograph sessions, co-driving experiences, etc.

- *Management of a consistent advertising/visibility programme:*
 - Integration of Cup and race presentation, in all competition communication supports (programme, websites, etc.).
 - Advertising campaigns (minimum of 5 actions per competition in specialized media, websites...).

- *Prize Giving Ceremony:*
 - Official ceremony shall be organized by the promoter.
 - Organisation of end-of-year party at final competition/race of the season by the promoter.
 - Entertainment in paddock/motorhome to create the Cup's spirit.

Any other suggestions to enhance the entertainment/visibility dimension of the Cup/competitions will be studied with great attention.

PARTNERSHIPS

The candidates are invited to provide all relevant details on their potential financial and technical partners, including their identity, the duration of the agreements, the incomes envisaged, etc.

MEDIA / COMMUNICATION MANAGEMENT TASK FORCE

The candidate shall make a specific proposal in respect to each of the following bullet points:

- *Press/New media Officer:*
 - Specific Newsletter to be created and managed.
 - Press releases:
 - on race weekends (from first collective practice until Sunday evening).
 - before the race (one week before).
 - after race weekend.
 - Social Network management: possibilities of the new media landscape (Twitter, Facebook, etc.) should be fully exploited and be seen as a pioneer in that field.
 - Information on the management of the Cup shall be provided (on a specific website or the official FIA website).

- *PR:*
 - Identification and mobilisation of a pool of journalists to cover for the major media.
 - Management of their presence on races (direct) and obtention of relevant and consistent coverage on web, press and TV (TBD) with race reports and additional coverage (magazines...).
 - Promote Middle East all around the world.

TV PRODUCTION AND BROADCASTING

The candidate shall make a specific proposal in respect of each of the following bullet points:

- *Production of live and distribution coverage.*

- *Management of additional magazines footages.*
- *Broadcasting management:*
 - Contracts with TVs: national and / or PAN deals.
 - Create appropriate products such as live TV / magazines / highlights / web.tv.
 - Contents and pricing system must be validated with the FIA.
- *Distribution.*

BUSINESS MODEL

- *Exhaustive 3-year business model to be proposed, as a basis to support the financial sustainability of the Cup.*

Appendix B

MINIMUM TERMS

The following points are the “core terms” of the MoU and subsequent long form agreement to be concluded between the FIA and the selected candidate:

Term

- The promoter will be appointed for a period of 3 years on an exclusive basis, with an option for the FIA to extend the contract duration for an additional two years.

Grant of rights

- The promoter will be granted a licence for and tasked with the commercialisation of certain rights owned by the FIA relating to the Cup, including the FIA's media rights and the exploitation of all intellectual property rights, including, without limitation, rights in trademark, domain names, accounts on third party websites, mobile phone applications and all audio-visual material (“IPR”).
- All IPR in connection with the Cup shall be registered in the name of, and shall be vested in, the FIA.
- The promoter shall have the exclusive right to design and create, at its own cost, the Cup trademark used in connection with the promotion of the Cup, subject to the FIA's prior written approval of the artwork and transfer of the copyright on the same. The parties shall discuss in good faith all decisions in relation to the Cup trademark (including without limitation, protection, registration, litigation and oppositions, etc.).
- Betting activities shall be excluded from the granting of rights.

Regulatory aspects, entries

- The FIA will retain sole control over all regulatory aspects of the Cup. It will have sole control over the Calendar and all rules and regulations, which it may change without notice.
- The FIA will have sole control over who may enter the Cup.
- It shall be the right of the promoter to offer a sufficiently attractive package to ensure that Competitors wish to conclude agreements with the promoter of their own accord. Competitors will be allowed to enter the Cup regardless of whether they have concluded agreements with the promoter.
- The FIA shall appoint:
 - International Stewards
 - A Race Director
 - A Technical Delegate
 - An Assistant to the Technical Delegate
 - A Media Delegate
- The promoter shall bear a regulatory fee of €15,000 for each FIA Official to cover travel and transportation costs (i.e. hotel, air ticket, air freight)
- The local organiser shall appoint:
 - A second international Steward
 - A Scrutineer
 - An Assistant to the Race Director

- A Safety Delegate
 - A Permanent starter
 - A Medical Delegate
 - A safety car driver
 - A medical car driver
 - A Clerk of the Course
 - A Secretary of the meeting
 - A Chief National Scrutineer
 - A Chief National Medical Officer
 - Timekeeper
- Technical and other equipment used by the FIA Officials/Delegates during a competition will be provided by the FIA.

Calendar

- The calendar of the Cup will include no fewer than 2 competitions per year and no more than 6 competitions per year.
- The promoter shall have the right to propose a draft calendar for the following season to the FIA for FIA's approval.
- Only Organisers that have entered into a standard contract with the promoter are eligible to have a competition included in the calendar.

Minimum commitments

- The promoter will be responsible for maintaining the traditional values, prestige and perennality of the Cup according to the FIA standards and will use its best endeavours to enhance the value, image and level of coverage of the Cup on all media.

Broadcast

- The promoter will do its utmost to ensure a fair broadcasting exposure to all competitors and competitions.

Passes

- All passes will be produced by, and at the cost of, the promoter under the supervision of the FIA.

Timing

- All timing equipment for use in the competitions – provided either by an organiser or by the Cup promoter according to the applicable rules of the FIA – shall be subject to the prior approval of the FIA, which shall have final authority over its operation.
- The full cost of all timing equipment will be borne by the promoter.
- The FIA (or its nominees) will retain all rights needed to appoint an official timing partner for this purpose, although the timing data itself may be commercially exploited by the promoter. Alternatively, if an appropriate proposal is received, the FIA may appoint the promoter to provide, operate and develop this system, including the selection and appointment of an official

timing partner. In this case, the promoter will be bound to provide a system approved by the FIA and to operate that system under the close supervision of the FIA.

Single Suppliers

- The FIA shall have the exclusive right to appoint third parties to provide, from a single source, the equipment and consumables imposed by the regulations on the Competitors in the Cup, in order to meet certain minimum objective safety, cost reduction or fairness standards in any of the sporting and technical categories of tyres, fuel, oil, car manufacturers or engine suppliers.

Financial terms

- The FIA shall be entitled to retain 100% of the calendar fees and the entry fees.
- The promoter is invited to make a financial offer to the FIA in consideration of the grant of rights. Payment of any monies from the promoter to FIA shall be made in Swiss Francs.

Bank guarantee

The promoter shall provide a bank guarantee for the amount of one million Euros in the form of a first demand irrevocable and unconditional bank guarantee in favour of the FIA.

General

- Any assignment or change of control over the promoter will be subject to the FIA's consent.
- The contract shall be drafted in English and be subject to the laws of Switzerland.

The selected candidate will be invited to enter into a long form agreement with the FIA that will be substantially in accordance with the MoU. The FIA will be prepared to negotiate minor details and wording changes. However, the core terms as described above are, in principle, not for negotiation. By submitting a proposal, each candidate acknowledges and accepts that the long form agreement for which it is bidding will contain clauses reflecting these core terms in areas other than those covered by the core terms. Each bidder is required to submit with its proposal a list of any essential changes (i.e. changes which, if not made, would prevent it from entering into the final contract) and any significant additional points it would wish to see added, provided always that such additional points do not compromise the core terms in any way. The fact that a term has not been identified as a “core” term and may be open for discussion does not imply any obligation on the part of the FIA to accept any change that may be proposed to the MoU.

Appendix C
SPECIFIC CONDITIONS REGARDING YEAR 1 OF THE CUP

1. TIMETABLE*

	COMPETITION 1						COMPETITION 2						SUN 18.01	MON 19.01							
	DAY 1	DAY 2	DAY 3	DAY 4	DAY 1	DAY 2	DAY 3	DAY 4													
	MON 05.01	TUE 06.01	WED 07.01	THU 08.01	FRI 09.01	SAT 10.01	SUN 11.01	MON 12.01	TUE 13.01	WED 14.01	THU 15.01	FRI 16.01	SAT 17.01								
09:00-9:30	DELIVERY OF THE CAR AT THE CIRCUIT	SET UP	PRIVATE TEST	COLLECTIVE TEST	FREE PRACTICE	QUALIFYING 2	DAY OFF	DAY OFF	DAY OFF	PRIVATE TEST	COLLECTIVE TEST	FREE PRACTICE	QUALIFYING 2	DISMANTLING RETURN OF THE CARS	DEPARTURE						
09:30-10:00																					
10:00-10:30																					
10:30-11:00																					
11:00-11:30																					
11:30-12:00																					
12:00-12:30													RACE 2			RACE 2					
12:30-13:00																					
13:00-13:30													FREE PRACTICE								
13:30-14:00																					
14:00-14:30																					
14:30-15:00																					
15:00-15:30					PRIVATE TEST	COLLECTIVE TEST					QUALIFYING 3								QUALIFYING 3		
15:30-16:00																					
16:00-16:30																					
16:30-17:00																					
17:00-17:30										QUALIFYING 1									QUALIFYING 1		
17:30-18:00																					
18:00-18:30											RACE 3									RACE 3	
18:30-19:00																					
19:00-19:30																					
19:30-20:00																					
20:00-20:30					RACE 1							RACE 1									

**The 1st event could be postponed until 14.01.15 and the 2nd could be postponed until 21.01.15*

2. CALENDAR

Bahrain will host this first edition, which will be run over two competitions. Each competition will be made up of three races. There will also be collective tests and private tests (see above).

3. TRACK COSTS

The FIA has secured the track costs for the first season.

The timing and sports equipment will be provided by the FIA in accordance with the Bahrain International Circuit.

4. ACCOMMODATION

The promoter will be assisted by the FIA for the accommodation for the first season of the Cup.

5. MAGAZINE PRODUCTION

The promoter will be assisted by the FIA for the core highlight coverage of the first season of the Cup.