



FEDERATION INTERNATIONALE DE L'AUTOMOBILE

FIA F4 WORLD FINAL

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 238 national motoring and sporting organisations from 143 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 Finals. One of the Federation's objectives is to launch a new Final, **the FIA F4 World Final** (hereafter "Final")

The FIA has set itself the target to launch this Final in 2016.

The FIA is now calling for expressions of interest to identify a candidate interested in acting as the exclusive promoter of the Final under the Key Parameters defined in Appendix A, with a view to concluding a three-year contract (2016, 2017 and 2018) with an option for the FIA to renew the contract for an additional two years (2019 and 2020).

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

The selection process will consist of two stages:

Stage 1:

Interested candidates are invited to register a formal expression of interest with the FIA Administration **before 5 p.m. CET on 20 May 2016 in accordance with the conditions** 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 Final);
- The ability of the candidate to raise and maintain sufficient funding to conduct the organisation and promotion of the Final;

- 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 regards to the organisation and promotion of the Final 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 Final, 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 F4 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 Final)
 - Contribution in cash as communication investment
 - Media
 - Identification of international media partners for the Final
 - Media management strategy
 - Coordination with the Media Delegate appointed by the FIA
 - TV broadcasting plan + opportunities
 - New media activation
 - Public
 - Ways to engage with the fans
 - Definition of the potential of ancillary revenues (ticketing, licensing, gaming...)
- Compliance of candidate's proposal with the Key Parameters set forth under Appendix A below;
- Any other details considered as relevant for the assessment of such proposal;
- An undertaking that the candidate accepts the minimum terms of Promotion agreement listed in Appendix B.

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 end of June 2016**.

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 Final and the interests of motor sport in general (hereinafter the "Promoter").

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 **beginning of September 2016** and will be required to sign a Promotion Agreement with the FIA. Entry into force of such Promotion Agreement will be subject to final decision on the selection and approval of the terms thereof by the FIA World Motor Sport Council and FIA Senate.

For the avoidance of doubt, the selection by the FIA of (a) candidate(s) does not impose any obligation on the FIA, or entitle the selected candidate(s) 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 Final, the FIA may, inter alia, elect not to appoint any of the candidates.

Geneva, 25/04/2016



FEDERATION INTERNATIONALE DE L'AUTOMOBILE

Appendix A

KEY PARAMETERS

THE OBJECTIVES

In line with its positioning, the main objectives of the FIA F4 World Final (hereinafter the “Final”) could be defined as follows:

- Serve the FIA as a credible flagship for its single-seater drivers’ programme;
- 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;
- Create a major event open to competitors from all F4 Championships certified by FIA following the FIA F4 Technical Regulations – Appendix J – Article 274.

The main approach envisaged is through stand-alone competitions with the FIA F4 World Final as the center 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 Final.

The Promoter shall be subject to Annual KPIs, followed and evaluated by the Single Seater Commission, set out below. Accordingly, all proposals should notably take into account the following:

THE SPORTING ASPECTS

The sporting FIA F4 World Final regulations defined by the FIA will apply.

- Main criteria of these regulations:
 - An FIA F4 World Final winner’s title for Driver will be awarded.
- Number of event: 1 event consisting at least in 2 races.
- World Final format (ensuring strong sporting credibility at all times):
 - Free Practices: 3 sessions of 40 minutes.
 - Qualifying session: 1 session of at least 20 minutes and of no more than 30 minutes duration.
 - 1 Qualification race for the FIA F4 World Finale – 30 minutes.
 - 1 race: FIA F4 World Finale (main race) – 35 minutes.

NOTE: During the collective tests, only the drivers who are registered in the Final can test.

- Tyres (a single supplier will be designated by the FIA further to a tendering procedure).
- Fuel (a single supplier will be designated by the FIA further to a tendering procedure).
- Quality of competitions and FIA F4 World Final standards:
 - Either the main event of a standalone event or a support race of a premium competition. In both cases, time schedule on competition to give FIA F4 World Final premium slots.

- Consistency and balance of the calendar:
 - Several years agreement
 - Negotiation of the circuit contracts
 - Payment of the calendar fees (€ 50,000.-) to the FIA
- Negotiation with the series support.
- Type of tracks: Grade 1 to 3 (F1 tracks to be privileged). Grade 4 can be considered upon request.
- Number of competitors counting towards the Final: Minimum 2 competitors representing each local F4 championship certified by FIA participating in the Final (including at least the winner of each local F4 championship certified by FIA)
 - Number of cars on the grid:
 - Minimum commitment of 24
 - Maximum allowed depending on the track rules
 - Positioning of FIA F4 World Final in:
 - The paddock of each track/competition (main location)
 - Boxes preferably. Other proposal can be studied upon request.

TECHNICAL ASPECTS

- The cars
 - Car's package: Single make chassis/engine/tyres. If necessary a tender process shall be implemented by the FIA.
 - In general terms, the cars competing in the FIA F4 World Final should correspond to the characteristics specified in Appendix J – Article 274 of the FIA International Sporting Code available on the FIA website.
 - The 2016 FIA F4 Technical Regulations will apply. Available on <http://www.fia.com/2016-fia-f4-technical-regulations-appendix-j-article-274>.

THE PROMOTER'S STAFF

- The Promoter may provide the following staff:
 - Final Manager (mandatory)
 - Paddock Coordinator (mandatory)
 - Competitor Coordinator (mandatory)
 - Marketing Coordinator (optional)
 - Hospitality Manager (optional)

THE LOGISTICAL ASPECTS

The Promoter will take care of the following:

- Propose a venue to the FIA for its agreement, in which the FIA F4 World Final could run (subject to the approval of the competent authorities and in particular the ASN of the territory concerned).
- Car transportation
- FIA material transportation
- Negotiation of the transport contracts:
 - Air freight
 - Land transportation
 - Customs clearance
 - Propose preferential package
- Accommodation for each driver + 1 companion
- 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 competition should provide the opportunity to engage with the widest possible audience 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 Final 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 FIA F4 World Final Stickers.
 - Entertainment area for drivers and F4 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.
 - Entertainment in paddock/motorhome to create the Final’s spirit.
 - Spectators’ attendance: a minimum of 10 000 spectators on the race day
- *Management of a consistent advertising/visibility programme:*
 - Integration of Final and race presentation, in all competition communication supports (programme, websites, etc.).
 - Advertising campaigns.
- *Prize Giving Ceremony:*
 - Official prize giving ceremony shall be organized by the Promoter at its own costs.

Any other suggestions to enhance the entertainment/visibility dimension of the Final/competition 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 Final 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 production of relevant and consistent coverage on web, press and TV (TBD) with race reports and additional coverage (magazines...).

TV PRODUCTION AND BROADCASTING

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

- *Live TV broadcast in minimum 10 territories*
- *Production of live and non-live coverage;*
- *Management of additional magazines footage;*
- *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 Final.*

Review Meeting

It is agreed that should 2 or more of the Annual KPIs be missed by the Promoter in any year of the Final, the parties shall arrange a review meeting whereby the Promoter shall convey to the Committee how such failures shall be remedied for the following year.

Appendix B

MINIMUM TERMS

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

Term

- The Promoter will be appointed for the promotion of the Final to be organised in 2016, 2017 and 2018 on an exclusive basis, with an option for the FIA to extend the contract duration for an additional two years.

Grant of rights

- The license on the Commercial Rights shall come into force on 1 October 2016 (to be further confirmed) and shall automatically terminate on 31 December 2018.
- the Promoter will be granted an exclusive licence to exploit and the duty to commercialise certain rights in and to the Final, including media rights and the exploitation of intellectual property rights, including without limitation trademarks, mobile apps, domain names, rights in audiovisual material (“IPR”);
- All IPR in connection with the Final shall be registered in the name of, and shall be vested in, the FIA.
- Betting activities shall be excluded from the grant of rights to the Promoter.
- The Promoter will be responsible for positioning and maintaining the high level values, prestige and perennality of the Final and will use its best endeavours to enhance the value, image and level of coverage on all media of the Final.
- The promoter shall comply with the FIA Brand guidelines and F4 World Final logos guidelines in all communications.

Regulatory aspects, entries

The Promoter shall supply to FIA:

- One premium space in the paddock (minimum size 12x6m garage) for FIA promotional purposes (all structures and staffing to be provided by the FIA at the FIA's own cost).
 - One page in the official programme of each the Championship (provision of the FIA's content to be provided by the FIA at the FIA's cost); and
 - 10 VIP hospitality packages per Event of the Championship; and
 - Provide access to all footage and data concerning the Final.
 - Dedicated FIA section on the Championship Website (content to be supplied by FIA and subject to the Promoter approval, not to be unreasonably withheld); and
 - Inclusion of the Championship results in FIA resources (website, presentations, etc.) in a collective manner with other motorsport categories.
- The FIA will retain sole control over all regulatory, sporting, disciplinary, safety and technical aspects of the Final. 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 Final.
 - The FIA reserves the right to request an entry fee from each competitor.
 - The Promoter shall have the right to offer a sufficiently attractive package to ensure that Competitors wish to conclude agreements with the Promoter. Competitors will be allowed to enter the Final regardless of whether they have concluded agreements with the Promoter.

- The FIA shall appoint:
 - International Stewards
 - A Race Director
 - An Assistant to the Race Director
 - A Technical Delegate
 - An Assistant to the Technical Delegate
 - A Media Delegate
- The Promoter shall bear a regulatory fee of – amount to be defined depending on the destination selected – for each FIA Official to cover travel and transportation costs (i.e. hotel, air ticket, air freight)
- The Promoter shall ensure that the local organiser of the Final will appoint:
 - A national Steward
 - 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
 - A Safety Delegate
 - A Permanent starter
 - A Medical Delegate
- The designation of the safety car and the medical car of the Final shall be subject to the FIA's prior approval and commercial rights on the safety and medical cars are excluded from the grant of rights to the selected Promoter and reserved to the FIA.
- Technical and other equipment used by the FIA Officials/Delegates during a competition will be provided by the FIA.

Calendar

- The Promoter shall have the right to propose a draft calendar for the following season to the FIA for FIA's approval.
- The FIA will require that organisers shall only have their events placed on the calendar if they have entered into a standard contract with the Promoter.

Broadcast

- The Promoter will do its utmost to ensure a fair broadcasting exposure to all competitors and competitions (see KPI in Appendix A).

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 Promoter of the Final 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 Final, 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.

Right of protected first negotiation

As indicated above the FIA has an option to renew the contract for an additional two years (2019 and 2020). To this end, between 1 December 2018 and 19 January 2019 the Promoter may submit to FIA a proposal in respect of the continued exploitation by the Promoter of the Commercial Rights in relation to the Final, and FIA will give the Promoter the opportunity to renegotiate on an exclusive basis during a period of 2 months from such submission.

If the parties have not reached agreement at the expiry of the 2-month exclusive negotiation period, FIA shall decide, entirely at its own discretion, whether or not to seek proposals from other parties with regard to the grant of the rights similar to those which will be licensed to the selected Promoter.

Financial terms

- The FIA shall be entitled to retain 100% of the calendar fees, regulatory 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 five hundred thousand Euros in the form of a first demand irrevocable and unconditional bank guarantee in favour of the FIA.

Insurance

The Promoter shall procure and maintain at its own expense, a general liability insurance policy, throughout the Term of the contract if the policy is written on an occurrence basis, or at least two years after the termination of the present Agreement if the policy is written on a claims-made basis.

The insurance policy shall cover all risks of liability arising from the organisation of the Final, as applicable and be taken out with a creditworthy insurance company. Coverage under each such policy shall apply to bodily injury (including death), property damage, personal injury and advertising liability coverage including contractual liability and broadcasting liability and to any other aspect the FIA may determine after the selection process taking into account the context of the contract to be signed between the selected Promoter and the FIA.

The policy or policies providing the insurance as required above shall be endorsed to include FIA and the ASN concerned as "Additional Insureds".

Limits of liability:

- If the policy is written on an occurrence basis: limit of liability of minimum US\$10,000,000 per occurrence.
- If the policy is written on a claims-made basis, limit of liability for the duration of the policy of minimum twenty five million United States Dollars (US\$25,000,000).

In both cases (occurrence basis or claims-made basis), the policy shall contain a reasonable deductible.

The FIA shall be entitled to require from the Promoter satisfactory evidence of such insurance at any time.

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.

By submitting a proposal, each candidate acknowledges and accepts that the promotion 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 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 promotion agreement