

AGREEMENT

BETWEEN:

- (1) British-American Tobacco Company Limited ("**BAT**") with its principal place of business at Millbank, Knowle Green, Staines, TW18 1DY, United Kingdom;
- (2) FOCA Administration Limited ("**FOCA**") duly represented by Mr Bernie Ecclestone with its principal place of business at 6 Prince's Gate, London, SW7 1QJ, United Kingdom;
- (3) Allsport Management S.A. ("**Allsport**") duly represented by Mr Patrick McNally of World Trade Centre, PO Box 51, 1215 Geneva 15, Switzerland; and
- (4) Mr Bernie Ecclestone ("**Mr Ecclestone**") of 6 Prince's Gate, London, SW7 1QJ, United Kingdom.

Recitals

- (A) FOCA has been granted all rights to commercially exploit and develop the Formula One Grand Prix Championship.
- (B) FOCA has granted the rights to deal with signage and other advertising at Formula One Grand Prix circuits to Allsport.
- (C) FOCA and Allsport have agreed to offer rights concerning the Formula One Grand Prix Championship to BAT in relation to the period from 1 January 1998 to 31 December 2007 (the "**Period**").

Definitions

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| "Fair Market Value" | means the value of any bona fide offer made by any person other than BAT for Broadcast Interests and /or Naming Rights for a term comprising all or part of the Period which Allsport and/or FOCA (as the case may be) is minded to accept and, where such offer shall only be made in conjunction with an offer for any other rights in connection with Formula One Grand Prix and/or relates to a term in addition to all or part of the Period, the value of such offer as is reasonably attributable to Broadcast Interests and/or Naming Rights or (as the case may be) for a term comprising the Period (or such part of the Period to which the offer relates); |
| " Broadcast Interests" | all rights to terrestrial, cable and satellite television coverage of the Formula One Grand Prix Championship transmitted in China and/or India (as the case may be) excluding only pay per view television coverage; |
| "Naming Rights" | all rights to name the Formula One Grand Prix of China and/or India (as the case may be) including without limitation exclusive tobacco signage. |

It is a pre-condition to BAT (either alone or with any other persons) establishing a Formula One racing team that it be granted the rights set out in this agreement. On the basis of this agreement and in consideration of BAT entering into commitments and incurring expenses in relation to its proposed Formula One team, it is agreed that:

1. Before negotiating with any other party, FOCA and Allsport shall first negotiate in good faith with BAT in respect of the Broadcast Interests and Naming Rights respectively (in the case of Naming Rights both for the Formula One Grand Prix of China and the Formula One Grand Prix of India) arising during any part of the Period.
2. In the event that, following negotiations with BAT, FOCA or Allsport shall at any time and from time to time receive from a third party an offer for the Broadcast Interests and/or the Naming Rights arising during any part of the Period (whether or not such offer shall be in conjunction with an offer for any other rights in respect of such Grand Prix and/or relates to a term in addition to all or part of the Period), FOCA and/or Allsport (as the case may be) shall notify BAT of such offer and before accepting any such offer FOCA and/or Allsport (as the case may be) shall first offer such Broadcast Interests and/or Naming Rights at Fair Market Value to BAT.
3. Accordingly, FOCA and Allsport jointly and severally undertake to BAT that neither will accept an offer for Broadcast Interests and/or Naming Rights save one:
 - 3.1 which is bona fide;
 - 3.2 which is made by a third party not associated, directly or indirectly, with FOCA, Allsport or Mr Ecclestone;
 - 3.3 which is on commercial terms and is not inflated by the identity of the parties to such offer or any matter not apparent on the face of such offer;
 - 3.4 which is in cash;
 - 3.5 which relates to the whole of the Broadcast Interests or Naming Rights;
 - 3.6 which is for a term of at least one full year; and
 - 3.7 where FOCA and Allsport have complied in all respects with clause 1 and 2
4. FOCA undertakes to BAT that it will use best endeavours to hold the first Formula One Grand Prix in China in 1998 and further Grand Prix in China thereafter.
5. Before negotiating with any other party, FOCA shall first offer to BAT the right to act as exclusive promoter of the Formula One Grand Prix in China and in India during the Period (or such of the Period as BAT may determine) and shall negotiate in good faith with BAT in respect of the same.
6. Each of FOCA, Allsport and Mr Ecclestone jointly and severally undertake to BAT that in the event that any other party shall hold the rights to promote or commercially exploit Formula One races or shall succeed to FOCA's rights to promote or otherwise commercially exploit Formula One races, each of FOCA, Allsport and Mr Ecclestone shall procure that the obligations of FOCA and Allsport under this agreement shall be assumed by such other party.

7. BAT shall be entitled to assign, transfer or otherwise part with its rights and obligations under this agreement but, save as set out in clause 6, no other party to this agreement shall be entitled to assign, transfer or otherwise part with its rights and obligations under this agreement.
8. The parties agree to keep the contents of this agreement strictly confidential and shall not disclose it to any other person unless required by law, by the applicable rules of any stock exchange or as necessary to fulfil clause 6.
9. This agreement shall be governed by and construed in accordance with English law and the parties irrevocably submit to the non-exclusive jurisdiction of the English Courts in relation to any matter arising from this agreement.
10. This agreement may be executed in any number of counterparts all of which taken together shall constitute one and the same agreement. Any party to this agreement may enter into it by signing any such counterpart.

 2nd July 1997

For and on behalf of British-American Tobacco Company Limited

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For and on behalf of FOCA Administration Limited

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For and on behalf of Allsport Management S.A.

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Mr Ecclestone