

AGREEMENT ON COOPERATION IN ORGANIZING THE GRAND PRIX CZECH REPUBLIC
under the provisions of Section 1746 (2) of Act No. 89/2012 Coll., the Civil Code, as amended

The South Moravian Region

ID: 70888337

based in Brno, Žerotínovo nám. 449/3, Postal Code 601 82

represented by: JUDr. Michal Hašek, Governor

(hereinafter referred to as "**JMK**")

and

Dorna Sports, S.L.

ID No.: B83497461

with its registered office at Príncipe de Vergara, 183, 28002 Madrid, Spain

represented by: Carmelo Ezpeleta, Chief Executive Officer

(hereinafter referred to as "**Dorna**")

and

Automotodrom Brno, a.s.

ID: 60728825

with its registered office at Ostrovačice, Masarykův okruh 201, Postal Code 664 81

registered in the Commercial Register maintained by the Regional Court in Brno, file no. B 1451

represented by: Mgr. Ivana Ulmanová, Chair of the Board of Directors

(hereinafter referred to as "**AMD**")

have entered into the following agreement on cooperation in organizing the Grand Prix Czech Republic (hereinafter referred to as the "**Agreement**") on the day, month and year indicated below:

Preamble

- JMK is interested in an efficient and transparent funding of the Grand Prix Czech Republic and also wants to participate in the organization and provision of the Grand Prix Czech Republic 2015 (hereinafter referred to as "**Grand Prix**") as an important cultural and social event in the South Moravian Region and the most significant motorsport event in the Czech Republic, using among other things a subsidy amounting to CZK 30,000,000 that was granted for this purpose by decision of the Ministry of Education, Youth and Sports of the Czech Republic (hereinafter referred to as "**MEYS**") No. 502015_001 of 5 February 2015 (hereinafter referred to as "**Decision**");

- Dorna, based on a contractual relationship with Fédération Internationale de Motocyclisme, ID No. CHE-100.851.889, with its registered office at 11, Route de Suisse, 1295 Mies, Switzerland, holds exclusive marketing and TV rights to the MotoGP series, which includes the Grand Prix;
- AMD, based on a contractual relationship with Dorna, holds a license for holding the Grand Prix at the Masaryk Circuit in Brno in 2015 as part of the MotoGP series (hereinafter referred to as “**License**”).

In light of the foregoing, the Parties set forth their mutual rights and obligations as follows:

I.

Subject Matter of the Agreement

- 1.1 The subject of this Agreement is the commitment by Dorna and AMD to integrate JMK together with AMD as co-organizers of the Grand Prix 2015 and the commitment by JMK to participate jointly with AMD as co-organizers in the organization and provision of the Grand Prix 2015 through the provision of CZK 50,000,000 received as a subsidy from MEYS and from the JMK budget to acquire the License and to cover the listing fee for holding the Grand Prix 2015 or its part respectively.
- 1.2 For the purpose stated in the previous provision and based on this Agreement:
 - a) Dorna and AMD agree to enter into a contract with JMK pursuant to which Dorna and AMD will transfer to JMK, at no cost, the License for holding the Grand Prix 2015 and consequently JMK together with AMD will become a co-organizer of the Grand Prix 2015 with all related rights;
 - b) AMD agrees to enter into a contract with JMK governing the mutual rights and obligations of AMD and JMK as co-organizers of the Grand Prix 2015. Under this contract, JMK – to the extent of its contribution towards the funding of the Grand Prix – will share the income arising from the organization of the Grand Prix and have control and full access to any information and documents related to the organization of the Grand Prix so that it can fulfil the obligations arising from the Decision and any specific legal regulations;
 - c) JMK agrees to enter into a contract under paragraphs a) and b) hereunder and participate in the organization and provision of the Grand Prix 2015 by providing CZK 50,000,000 received as subsidy from MEYS and from the JMK budget for covering the listing fee and other costs related to the organization of the Grand Prix 2015, under the condition that both contracts under paragraphs a) and b) hereunder allow JMK to fulfil the obligations arising from the Decision and are not inconsistent with all applicable legal regulations.

- 1.3 By signing this Agreement, the Parties acknowledge that the contracts under paragraphs a) and b) of the previous provision (hereinafter referred to as “**Partial Contracts**”) are mutually dependant and that the formation of one contract is a precondition for the formation of the other contracts or their entry into force, respectively, within the meaning of the provisions of Section 1727 of Act No. 89/2012 Coll., the Civil Code, as amended (hereinafter referred to as the “**Civil Code**”).

The formation and the entry into force of the Partial Contracts is also subject to their approval by the South Moravian Regional Assembly or Council in accordance with the terms of Act No. 129/2000 Coll., on Regions (establishment of regions), as amended (hereinafter referred to as “**Act on Regions**”).

- 1.4 The Parties further agree that in the event of the formation of the Partial Contracts and joint participation of AMD and JMK in the organization of the Grand Prix 2015, JMK will contribute to the organization and provision of the Grand Prix 2015 by providing additional funds beyond the amount referred to in Article 1.2 c) hereunder, provided that it obtains an additional subsidy for this purpose from other public sources.

An additional subsidy from public sources according to this provision means in particular CZK 40,000,000 from the national budget for the provision and organization of the Grand Prix, which JMK requested through MEYS.

- 1.5 If any Partial Contract or its performance constitutes a public contract within the meaning of Section 7 (1) of Act No. 137/2006 Coll., on Public Contracts, as amended (hereinafter referred to as “**APC**”), it will be concluded within the relevant type of tendering procedure pursuant to Section 21 (1) of APC.
- 1.6 The Parties agree to set forth their mutual rights and obligations within the Partial Contracts so that the performance by JMK under the Partial Contracts does not constitute public aid incompatible with the internal market of the European Union within the meaning of Article 107 (1) of the Treaty of the Functioning of the European Union.

II.

Rights and Obligations of Parties

- 2.1 The Parties under this Agreement undertake to make sure that the Partial Contracts are concluded no later than 30 April 2015 and to provide each other with any and all information and documents necessary for the conclusion of the Partial Contracts.
- 2.2 If any Party requests information or documents necessary for the conclusion of the relevant Partial Contract, the other Party is required to provide such information or documents within 3 working days after receiving such request, with the exception of information or documents that are covered by any legal and/or contractual obligation of confidentiality.

The Parties agree that the exception to the provision of information in the event of contractual obligation of confidentiality shall not apply to any confidentiality obligation undertaken by any Party in relation to any other Party under this Agreement. In this case, the receiving Party is entitled to use such information and documents only for the purpose of entering into a Partial Contract and is required to keep them confidential under the terms of Article III of this Agreement.

- 2.3 The Parties agree that the time to conclude a Partial Contract shall be the date on which the relevant Partial Contract is signed by all Parties. This provision is without prejudice to the provision of Article I.1.3 of this Agreement.
- 2.4 If all Partial Contracts are concluded within the time frame pursuant to Article 2.1 hereunder, JMK undertakes under this Agreement:
- a) To pay the listing fee for holding the Grand Prix 2015 under the terms agreed in the Partial Contract pursuant to Article I.1.2 a) of this Agreement in the amount of CZK 30,000,000 to the bank account of Dorna within 3 working days from the conclusion of all Partial Contracts;
 - b) To deposit the money for covering other costs related to the organization of the Grand Prix 2015 under the terms agreed in the Partial Contract pursuant to Article I.1.2 b) of this Agreement in the amount of CZK 20,000,000 to a special bank account set up jointly by JMK and AMD, for which JMK will own all rights, within 10 working days from the conclusion of the Partial Contract pursuant to Article I.1.2 b) of this Agreement and from setting up of the aforementioned bank account.

For the purpose of this provision, the date of payment/deposit shall be the date on which the relevant amount is debited from JMK's bank account.

- 2.5 By signing this Agreement, Dorna confirms that holding the Grand Prix 2015 as part of the MotoGP series is subject to the proper payment pursuant to paragraph a) and also agrees that if the payment is properly executed, it will not take any legal actions or any other steps to prevent the Grand Prix 2015 from being held as part of the MotoGP series.
- 2.6 By signing this Agreement, the Parties agree that – without undue delay after the conclusion of all relevant Partial Contracts and the proper execution of payment pursuant to Article 2.4 a) hereunder – they will commence negotiations regarding the conditions of holding the Grand Prix from 2016 through 2020 as part of the MotoGP series.

III.

Confidentiality Obligation

- 3.1 Pursuant to this Agreement, the Parties agree that none of the Parties is entitled to publish or disclose in any manner to a third party any information, facts and/or documents that have been received by or which have come into contact with such a Party in connection with the performance of this Agreement (hereinafter referred to as “**Classified Information**”) unless it receives written instructions and/or consent from the other Parties to perform such actions and/or unless such actions are stipulated by specific legal regulations.
- 3.2 In light of the foregoing, the Parties undertake to keep confidential any Classified Information with the exception of information in public domain, and not to disclose such information and to prevent third parties from accessing such information as well as to use such information only for the purpose for which it has been provided by the other Parties.
- 3.3 In the event that any of the Parties receives consent and/or instructions pursuant to Article 3.1 hereunder, it is entitled to disclose Classified Information to a third party only on condition that it obliges the third party to maintain confidentiality under the terms hereunder. In case of breach of the obligations arising from such agreement by the third party, the relevant Party assumes responsibility for this third party in relation to the other Parties as if it was in breach of the obligations itself.
- 3.4 In the event that any of the Parties is in breach of any obligations arising hereunder, it shall be fully liable for the damages suffered by the other Parties as a result of such a breach, and the Parties expressly agree that the factors excluding liability within the meaning of Section 2913 (2) of the Civil Code shall be disregarded in this case.
- 3.5 The confidentiality obligation in relation to Classified Information hereunder, i.e. not to disclose such information and not to allow third parties to access such information, remains effective for an indefinite period of time and the Parties undertake to observe this obligation even after the termination of this Agreement. The confidentiality obligation does not apply to the content of this Agreement.

IV.

Other Provisions

- 4.1 The Parties under this Agreement agree to act in coordination with each other so that the Partial Contracts will be concluded. If, for whatever reasons, whether objective or subjective, the conclusion of the Partial Contracts is in jeopardy, the Parties are obliged to take any necessary steps to ensure that the Partial Contracts will be concluded. The Parties are, in particular, obliged to refrain from any actions that would prevent the Partial Contracts from being concluded.

- 4.2 The Parties agree that if for whatever reason the Partial Contracts are not concluded within the time frame pursuant to Article II.2.1 of this Agreement, none of the Parties shall be entitled for any indemnification or compensation for any costs related to the performance of this Agreement and consequently the provisions of Section 1729, the Civil Code, in accordance with Section 1 (2) of the Civil Code shall not apply to this Agreement.

V.

Final Provisions

- 5.1 This Agreement becomes effective upon its signature by all Parties.
- 5.2 Unless the Partial Contracts are concluded within the time frame pursuant to Article II.2.1 of this Agreement and unless agreed otherwise in writing by the Parties, this Agreement shall be cancelled retroactively.

Termination of this Agreement pursuant to this provision shall not affect the validity of the provisions under Article II.2.2, Article III and Article IV.4.2 of this Agreement.

- 5.3 Conclusion of this Agreement has been approved by Decree no. XXXX/15/Z17 of the South Moravian Regional Assembly at the 17th meeting held on 9 April 2015 in accordance with Section 37 of the Act on Regions.
- 5.4 Any matters not covered by this Agreement shall be governed by the Civil Code and other applicable legal regulations of the Czech Republic.
- 5.5 In accordance with Section 564, the Civil Code, the Parties hereby agree that any modifications to this Agreement shall be made solely by means of written and numbered amendments which shall be signed by authorized representatives of all Parties. The Parties also agree that no part of this Agreement may be changed by a court decision.
- 5.6 If any provision of this Agreement or part thereof proves to be invalid, ineffective or unenforceable, this fact shall not affect the validity or effectiveness of the Agreement as a whole or its remaining provisions or parts thereof. In this case, the Parties shall modify or adapt such invalid, ineffective or unenforceable provision in writing so that the final wording corresponds with the purpose and intention of the Parties at the time of entering into this Agreement and is economically closest to the invalid, ineffective or unenforceable provision, or the Parties shall take any further legal actions to implement the original purpose of such a provision.
- 5.7 The Parties declare that they entered into this Agreement of their own free will, that the Agreement was made in earnest and comprehensibly, not in distress or under obviously unfavourable terms, and that they agree to its content in witness of which they attach their respective signatures.

5.8 This Agreement is made in three copies in Czech language and three copies in English language, of which each Party shall receive one copy in each language. In case of discrepancies in interpretation, the Czech version shall prevail.

Place: _____ Date: _____

Place: _____ Date: _____

Dorna Sports, S.L.
Carmelo Ezpeleta
Chief Executive Officer

Automotodrom Brno, a.s.
Mgr. Ivana Ulmanová
Chair of the Board of Directors

Place: _____ Date: _____

South Moravian Region
JUDr. Michal Hašek
Governor