



FEDERATION INTERNATIONALE DE L'AUTOMOBILE

ANNEX F AU CODE SPORTIF INTERNATIONAL APPENDIX F TO THE INTERNATIONAL SPORTING CODE

FIT AND PROPER PERSONS TEST

1. INTRODUCTION AND APPLICATION

- 1.1 The FIA has adopted the Fit and Proper Persons Test set out in this Appendix, which may be amended by the FIA from time to time ("**FPP Test**") in order to protect the image, reputation, and integrity of FIA Championships.
- 1.2 The FPP Test applies to an FIA Championship where so stated in the regulations applicable to that FIA Championship. The regulations applicable to such FIA Championship shall also stipulate which natural persons within organisations/entities (e.g. existing and new entrant teams and PU manufacturers) (each a "**Covered Entity**") shall be subject to the FPP Test (each an "**FP Relevant Person**").
- 1.3 Where a FP Relevant Person successfully passes the FPP Test, he/she shall be deemed a Fit and Proper Person ("**FP Person**"). For the avoidance of doubt, the FPP Test applies to an FP Relevant Person and any FP Person whose conditions or circumstances have changed. Additionally, Covered Entities must comply with certain obligations as defined under section 3 below.
- 1.4 **FPP Test** shall be understood as the analysis conducted by the FIA (see section 4 below) based on specific information (see section 2 below) provided by the Covered Entity concerning a FP Relevant Person. The purpose of this analysis is to determine whether the conditions are met for the FIA to decide whether such individual qualifies as an FP Person.
- 1.5 Where the FPP Test applies to an FIA Championship, it forms part of the terms and conditions of participation in that FIA Championship.
- 1.6 Unless specified otherwise, a defined word or phrase used in this Appendix (denoted by initial capital letters) has the meaning set out in the International Sporting Code. For purposes of this Appendix F:

"Control" means the power to conduct the affairs of an entity and to direct its financial and operating policies which affect returns by means of shareholding, or voting power, or by constitutional documents (statutes) or agreement, or otherwise;

"Change of Control" means that Control of the Covered Entity or any holding company of the Covered Entity (including, without limitation, the Ultimate Controlling Party of the Covered Entity) is acquired by any person(s) not previously listed in the legal group structure chart of legal entities of the Covered Entity as having Control of the Covered Entity or such holding company.

"Ultimate Controlling Party" means, in respect of an organisation/entity, the entity or individual that has ultimate Control, directly or indirectly, of that organisation/entity.

2. FPP TEST- DISQUALIFYING CONDITIONS FOR FIT AND PROPER PERSON STATUS

- 2.1 The FPP Test will be undertaken by the FIA (as described in section 3) and is intended to determine whether (i) any new FP Relevant Person falls within any of the Disqualifying Conditions as mentioned below, or (ii) any existing FP Person should remain an FP Person or has undergone a change in circumstances that would cause any of the Disqualifying Conditions to apply to them.
- 2.2 An FP Relevant Person may not become an FP Person for so long as they fall within any of the following categories (each, a **"Disqualifying Condition"**):
- a. They have the power to Control or otherwise determine or influence, whether directly or indirectly, the management or administration of another existing or new entrant team or PU manufacturer in the FIA Championship, unless: (i) a dispensation has been granted by the FIA, or (ii) such Control is exerted over a works team which comprises both a team and a PU manufacturer;
 - b. They have been adjudged bankrupt and have not been discharged from bankruptcy or are subject to any unsatisfied condition imposed or any undischarged order made under insolvency laws;
 - c. They have been convicted in the previous ten (10) years by a court of competent jurisdiction of an offence involving fraud or other dishonesty, an offence involving bribery or corruption, an offence that involved mistreatment of people (i.e., physical or sexual abuse or misconduct, hate crimes, or similar), or an offence that is punishable by a term of imprisonment of two (2) or more years (whether or not they served such a term of imprisonment), unless the FIA determines that declaring such person ineligible based on such conviction would be repugnant to the FIA's sense of justice;
 - d. They are prohibited or disqualified from being a director of a company due to their breach of or non-compliance with any applicable law or regulation, unless the FIA determines that declaring such person ineligible based on such prohibition or disqualification would be repugnant to the FIA's sense of justice;
 - e. They are subject to an order by a relevant authority that they are lacking in competence to manage their own affairs;
 - f. They are deprived of their civil rights by proper application of the law;
 - g. They are subject to a governmental sanctions regime that is enforced by the United Kingdom, European Union, and/or the United States;
 - h. They are serving a period of suspension/ineligibility of six months or more for breach of any FIA regulations or any code of ethics or other rules of conduct of an ASN or of any other sport;
 - i. Their involvement in the FIA Championship is likely, in the reasonable opinion of the FIA, to bring the FIA Championship or the FIA into disrepute.

3. FPP TEST- PROCEDURE TO BE FOLLOWED BY THE COVERED ENTITIES AND THE NATURAL PERSONS

3A. Responsibilities and obligations from the Covered Entity

- 3.1 Each Covered Entity shall provide the Information (as defined in section 3.2 below) relating to and on behalf of any FP Relevant Persons within the Covered Entity to the FIA, in order to satisfy the requirement of the FPP Test that no Disqualifying Conditions (see section 2 above) apply in respect of any:
- new FP Relevant Person, and
 - FP Person whose change in circumstances causes any of the Disqualifying Conditions to apply to them.
- 3.2 Each Covered Entity shall submit to the FIA the following information (all together as the “**Information**”):
- a. a legal group structure chart for all legal entities;
 - b. an organisational chart that identifies the roles and responsibilities of all natural persons who qualify as FP Relevant Persons for the Covered Entity; and
 - c. a duly completed declaration in the form prescribed by the FIA for each of the FP Relevant Persons (“**FPP Declaration**”- see **Annexe 1**), including the following:
 - i. the person's full name, address, passport number and issuing authority, place(s) of residence, recent employment history (10 years), criminal record (if any), professional disciplinary record (if applicable), and any further necessary information that will assist the FIA to determine compliance with the FPP Test; and
 - ii. a declaration from the person in question that they are not subject to any Disqualifying Conditions.
 - d. The FPP Declaration shall be signed by (i) the person to whom the FPP Declaration relates attesting that, to the best of their knowledge, the information set out in or accompanying the FPP Declaration is accurate, complete, and not misleading; and (ii) a different person who is an authorised signatory of the Covered Entity, attesting that, to the best of their knowledge, they are not aware of any fact or circumstance that would indicate that the information set out in or accompanying the FPP Declaration may be inaccurate, incomplete or misleading.
- 3.3 The Information shall be submitted by the Covered Entity at the same time as it submits the entry form (or registration form) for participation in the FIA Championship, or, in case of change in circumstances, as soon as it becomes aware of such change.
- 3.4 After a Covered Entity has submitted its entry form (or registration form) for a particular season, if any natural person for whom an FPP Declaration has not been filed is proposed to become an FP Relevant Person of that Covered Entity (including, without limitation, by virtue of a Change of Control), the Covered Entity shall submit to the FIA without delay a FPP Declaration in respect of that person that complies in full with this section.

- 3.5 The Covered Entity shall provide any other documents and information relating to the FP Relevant Person that is requested by the FIA for the purpose of satisfying itself that that person is not subject to any Disqualifying Conditions and/or that the Covered Entity is otherwise compliant with its obligations under this Appendix F.
- 3.6 If the FIA considers that a natural person associated with a Covered Entity is an FP Relevant Person but an FPP Declaration for that person has not been submitted, the Covered Entity shall, at the request of the FIA, produce without delay an FPP Declaration in respect of that person that complies in full with this section.
- 3.7 If at any time the Covered Entity becomes aware of information (i) that (whether because of a change in circumstance or otherwise) means the information set out in or submitted with an FPP Declaration is not (or is no longer) accurate or complete, or is misleading, or (ii) that confirms that a Disqualifying Condition now applies which impacts upon the status of the FP Person who is the subject of the FPP Declaration under the FPP Test, the Covered Entity shall file an updated FPP Declaration in respect of that person with the FIA without delay that includes the new information and that complies in full with this section.

3B. Responsibilities and obligations of any FP Relevant Person

- 3.8 If an FP Relevant Person falls under any of the circumstances under 3.1 above, it shall complete and sign the FPP Declaration and provide it to its relevant Covered Entity, as determined under 3.2.c and 3.2.d above.

3C. Compliance

- 3.9 Each Covered Entity shall demonstrate its ongoing compliance with the obligations under section 3A of this Appendix F on request by the FIA.
- 3.10 The FIA may conduct investigations at any time to assess whether a Covered Entity has complied with its obligations under section 3A of this Appendix F or the FP Relevant Person or FP Person (as applicable) signing an FPP Declaration has complied and remains in compliance with the FPP Test, assisted (if the FIA so chooses) by professional advisors.
- 3.11 Each Covered Entity and each FP Relevant Person or FP Person (as applicable) who has signed an FPP Declaration must cooperate with such investigation.

4. FPP TEST- PROCEDURE FOR DETERMINING AN FP PERSON

- 4.1 Following submission of information by the Covered Entity to the FIA, the FIA may decide to perform an audit to the information related to some or all of the FP Relevant Persons but is not required to apply it to all such persons.
- 4.2 Once an FPP Declaration and any accompanying information have been reviewed, and upon completion of such investigation and/or other due diligence as the FIA considers appropriate (if any), the FIA will advise the relevant Covered Entity in writing either (i) that as far as the FIA is aware, the person who is the subject of the FPP Declaration is not subject to any

Disqualifying Condition; or (ii) that it considers the person to be subject to one or more Disqualifying Conditions. In the latter case, the FIA will confirm whether such person has not successfully passed the FPP Test such that they do not become an FP Person and will provide the reasons for its determination. The FIA will specify any particular steps that it requires the Covered Entity to take to ensure that such person does not hold the position of an FP Relevant Person.

- 4.3 Where the person who is determined to be subject to a Disqualifying Condition is already an FP Person when the determination is made, then (subject to any appeal brought in accordance with Article 4.5):
 - a. the Covered Entity shall take such other reasonable steps as are necessary to ensure that:
 - (i) in relation to persons employed or engaged by the Covered Entity, the person in question stops being an FP Relevant Person within 20 business days of receipt of the determination (or such other period as is specified by the FIA in the determination or subsequently agreed by the FIA with the Covered Entity), including any reasonable steps required by the FIA; and
 - (ii) in relation to any person not employed or engaged, including any owner or shareholder, it requests such person to take reasonable steps available to divest themselves of the requisite ownership stake that renders them an FP Relevant Person within a practicable and reasonable period;
 - b. thereafter the Covered Entity shall ensure (in relation to persons employed or engaged) or take reasonable steps to ensure (in relation to non-employed or engaged persons such as owners or shareholders) that the person in question does not become an FP Relevant Person for the Covered Entity for so long as the Disqualifying Condition subsists.
- 4.4 Where the person who is determined to be subject to a Disqualifying Condition is not already an FP Relevant Person when the determination is made, then (subject to any appeal brought in accordance with Article 4.5) the Covered Entity shall ensure that the person shall not be an FP Relevant Person for so long as the Disqualifying Condition subsists.
- 4.5 A Covered Entity and/or a person who has been determined to be subject to a Disqualifying Condition and therefore has not passed the FPP Test to become an FP Person may appeal the FIA's determination before the FIA International Court of Appeal pursuant to Article 12.3 of the FIA Judicial and Disciplinary Rules.
- 4.6 The grounds for appeal against an FIA determination in respect of Disqualifying Conditions are limited to the following:
 - a. the FIA's determination is irrational (i.e. it falls outside the range of what a reasonable decision-maker might decide), disproportionate, arbitrary, or capricious;
 - b. the determination is based on an error of fact or law or misinterpretation of the FIA regulations (i.e. it is contrary to any FIA regulations, properly construed, or to applicable law);
 - c. the determination is based on findings not supported by evidence; and/or
 - d. the process that was followed in reaching the determination was unfair.

5. NON-COMPLIANCE

- 5.1 A Covered Entity will be in breach of this Appendix if it (whether intentionally or otherwise):
- a. fails to comply in any respect with section 3A above, including by failing to submit to the FIA (or update) an FPP Declaration in respect of each person who is or proposes to become an FP Person for the Covered Entity;
 - b. fails to provide any further documents and/or information requested by the FIA in accordance with section 3 above;
 - c. submits an FPP Declaration that contains information that is inaccurate, incomplete, or misleading in any material respect, unless the Covered Entity had reasonable grounds for believing that such information was true and accurate at the time of submission;
 - d. fails to comply with the obligations set out in clause 4.3 above;
 - e. fails to cooperate with an investigation conducted by the FIA in accordance with section 3 above; or
 - f. fails to comply with any other requirements imposed on it under this Appendix.
- 5.2 A natural person who has signed an FPP Declaration will be in breach of this Appendix if they (whether intentionally or otherwise):
- a. sign an FPP Declaration that contains information that is inaccurate, incomplete, or misleading in any material respect to the best of their knowledge;
 - b. fail to notify the FIA of any change to the information set out in or accompanying an FPP Declaration that they have signed within a reasonable period within thirty days;
 - c. remain or become an FP Relevant Person while subject to a Disqualifying Condition;
 - d. fail to cooperate with an investigation conducted by the FIA in accordance with section 3; or
 - e. fail to comply with any other requirements imposed on them under this Appendix.
- 5.3 Any alleged breach of this Appendix shall be prosecuted before the International Tribunal and, if upheld, shall be sanctioned by the International Tribunal, in accordance with Article 6.2 of the FIA Judicial and Disciplinary Rules. Decisions made by the International Tribunal may be appealed to the International Court of Appeal in accordance with Article 27 of the FIA Statutes and Article 12. 3 of the FIA Judicial and Disciplinary Rules.
- 5.4 Prior to referring any alleged breach to the International Tribunal, the FIA will initiate an investigation and once finalised it will send an initial notice to the relevant Covered Entity and/or natural person notifying them of an apparent breach of this Appendix and giving them an opportunity to provide a response. If the FIA concludes, after considering any response, that there has been a breach of this Appendix F, the FIA will issue the relevant Covered Entity and/or natural person a final notice informing about the outcome of the investigation, the breach and the referral to the International Tribunal.

6. CONFIDENTIALITY

The FIA will have appropriate procedures in place to maintain the confidentiality of any confidential information (including any information that would be objectively regarded as confidential by a reasonable person) provided to it in connection with the FPP Test. The FIA may share such confidential information with its professional advisors and with the International Tribunal and International Court of Appeal, which shall also have appropriate procedures in place to maintain the confidentiality of any confidential information.