

## JRL Public Summary ABA / Article 8.23

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An Accepted Breach Agreement (“**ABA**”) dated 15 October 2024 has been entered into by the Cost Cap Administration and Jaguar Racing Ltd (“**JRL**”) pursuant to Article 8.19 of the FIA Formula E Financial Regulations for Formula E Teams (“**Financial Regulations**”). The Financial Regulations are issued by the FIA and form part of the terms and conditions of participation in the ABB FIA Formula E World Championship.

The Cost Cap Administration recognized that JRL has acted cooperatively, transparently and with integrity throughout the review process and has sought to provide additional information and evidence when requested in a timely manner, that this is the first year of the full application of the Financial Regulations which are a very complex set of rules that competitors were required to adapt to and that there is no accusation or evidence of any aggravating factors or that JRL has sought at any time to act in bad faith, dishonestly or in a fraudulent manner, nor has it wilfully concealed any information from the Cost Cap Administration.

The Cost Cap Administration considered it appropriate, in these circumstances, to offer to JRL an ABA to resolve this matter on the terms set out below, given (i) the limited nature of the Procedural Breach in issue, (ii) the fact that the Minor Overspend Breach falls at the lower end of the <5% minor overspend range, and (iii) JRL’s willingness to acknowledge the breaches and to cooperate with the Cost Cap Administration. That offer was accepted by JRL.

The ABA concerns:

- JRL’s submitted Relevant Costs reported in the Reporting Documentation of the Reporting Period ending on 30 September 2023 of GBP 11,440,008;
- Subsequent to the findings of the Cost Cap Administration, a Procedural Breach committed by JRL pursuant to Article 10.1(g) of the Financial Regulations due to the submission of inaccurate Reporting Documentation in respect of the Reporting Period ending on 30 September 2023 because it inaccurately excluded and/or adjusted costs amounting to a total of GBP 268,054 in the Reporting Documentation; and
- Consequently, a Minor Overspend Breach committed by JRL under Article 10.7 of the Financial Regulations because its Relevant Costs, as adjusted by the FIA, exceeded the Cost Cap of GBP 11,634,213 by less than 5%, namely by GBP 73,849 (i.e., 0.6%).

### Summary of ABA terms and sanctions

In accordance with the findings of the Cost Cap Administration, JRL has acknowledged that the Reporting Documentation submitted by it incorrectly excluded and/or mis-recorded adjusted costs that have resulted in a net understatement of Relevant Costs:

1. Unrecorded costs of paddock fees (concerning a paddock fee release) pursuant to Article 6.1(f) of the Financial Regulations;
2. Rental costs (concerning a truck rental credit) pursuant to Article 6.1(f) of the Financial Regulations;

3. Development costs for a Formula E simulator (concerning the installation and commissioning of a simulator following the relocation of its team premises) pursuant to Article 6.1(d) of the Financial Regulations;
4. Overstatement of the Marketing Activities (concerning FETAMA fees) exclusion pursuant to Article 5.1(a) of the Financial Regulations;
5. Costs in respect of Non-FE Team Activities pursuant to Article 5.1(c) of the Financial Regulations;
6. Costs of penalties pursuant to Article 5.1(l) of the Financial Regulations;
7. Repair costs recorded twice in Relevant Costs (in Total Costs and through an Adjustment pursuant to Article 6.1(f));

and further that consequently JRL's Relevant Costs for the Reporting Period ending on 30 September 2023 exceeded the Cost Cap by GBP 73,849 (0.6%). JRL has therefore acknowledged that it has breached: (i) Article 10.1(g) of the Financial Regulations due to its failure to file accurate Reporting Documentation in respect of the Reporting Period ending on 30 September 2023, and (ii) Article 10.7 of the Financial Regulations due to its failure to keep its Relevant Costs under the Cost Cap.

On that basis, JRL has accepted the imposition of the following sanctions which take into account the mitigating factors and the absence of any aggravating factors listed in the second and third paragraphs of this document:

- a) JRL must pay a Financial Penalty of EUR 100,000 to the FIA within 30 days of the date of execution of the ABA (Article 11.4 of the Financial Regulations);
- b) JRL receives a Minor Sporting Penalty in the form of the suspension of half day (3 hours) from official track testing to be applied during the first day of the pre-season collective tests scheduled on 4 November 2024; and
- c) JRL bears the costs incurred by the Cost Cap Administration in connection with the preparation of the ABA.

The decision of the Cost Cap Administration to enter into the ABA constitutes its final decision resolving this matter and is not subject to appeal. Non-compliance by JRL with any terms of the ABA will result in a further Procedural Breach under Articles 8.22 and 10.1(f) of the Financial Regulations and automatic referral to the Cost Cap Adjudication Panel.