

Covid-19

Safeguard principles and process for UCI professional Teams

11 April 2020

At the invitation of UCI President and in view of the extraordinary circumstances in which professional cycling, and beyond, a large part of the population is immersed, the UCI, AIGCP and CPA agreed that exceptional measures limited to this situation should be taken.

These measures were decided by mutual agreement and in a spirit of collaboration, both being essential to safeguard the interests of cycling as a whole. The objective is to preserve the essential rights of riders and staff while allowing the necessary measures to be taken for the survival of the teams.

As a preliminary remark, it is recalled that the following set of measures will only be applicable in the context of the Covid-19 pandemic. Unless the parties agree otherwise, these measures will end on the first day of the month in which the UCI International Road Calendar resumes.

These measures do not constitute a modification or a relaxed application of the UCI regulations and the related documents, such as the joint agreement. They are rather a temporary framework for discussion between contracting parties taking into account the current force majeure situations which have led to the cancellation of cycling events as a result of the various restrictions on travel, gatherings and/or the organisation of events.

Such measures shall not be automatic, *de jure* or otherwise applicable **without the prior agreement of the Parties to a contract**, without prejudice to State-approved partial, technical or temporary reduced-time (un)employment.

If so provided by the law applicable to the contract and the relevant State approved mechanisms of partial, technical or temporary reduced-time (un)employment, the obligation for the team to obtain the consent of the Contracting Party may be mitigated in such a manner that the latter's consent may be substituted by notification by the team.

That said, the first principle is that discussions must be led on a **case-by-case basis and in consideration** of the respective team's situation.

No measures will be imposed "across the board" on riders and teams modifying their contractual relationships.

Thus, discussions with a view to achieving contract amendments and therewith ensuring the continuity of the team shall be held within the following framework:

- The parties shall give priority to dialogue, transparency and reaching a common agreement;
- One or two riders' representative(s) and a staff representative shall be appointed within the teams; it is important that these representatives have legal knowledge or be supported by someone with the legal qualification necessary to carry out the mission in the best conditions;
- The mandate given to these representatives will be formalised in a written document setting out the framework for their intervention (deadline, scope, powers granted). An example of a mandate agreement is attached below. Representatives must be fully aware of the scope of the mandate given and the consequences of all decisions taken.
- Any person involved in these discussions shall be subject to the UCI Rules and Regulations, either by the means of a valid UCI Licence or of a duly established mandate providing such acknowledgement (e.g. for legal counsels);
- Each rider and member of staff shall have the right to decide whether he delegates his rights to the appointed representative and, if so, shall determine the extent of this delegation;
- The Parties undertake to take measures that are proportionate, necessary and appropriate to the situation;
- The parties undertake to take into account the differences in situation that may exist between the members of the team (differences in status, salary brackets, duration of contract, etc.) and to do their utmost to adapt the measures to these differences;
- The parties undertake to discuss in good faith;
- The Parties undertake to make available to the other Party documents justifying their respective situations; where the information in question is subject to an obligation of confidentiality (a) the Party possessing the information will use its best endeavours to lift this obligation and share the information (b) the other Party will undertake to respect the confidentiality of the information and will use it exclusively in the context of ongoing discussions;
- Requests for information, from either Party, with a view to giving an informed consent, shall be limited to what is reasonable and necessary for such determination;
- Any contractual modification must be the subject of a signed written document and cannot be imposed in any way on anyone (even if a majority of people are in favour of such a measure);
- Any contractual amendments will be binding if consent is given directly (personal signature);
- The signatures of each individual shall be capable of being authenticated either by an electronic signature process recognized by the law applicable to the contract or by any process capable of ensuring such authentication. Without prejudice to the legal provisions in force and with regard to the application of its regulations, the UCI considers that it shall be acceptable for a signature to be transmitted by means of an electronic document if a) it is accompanied by an official identity document bearing a signature enabling comparison and b) also accompanied by a personal e-mail from the signatory stating his unconditional agreement;
- Any measure duly adopted in this context shall be binding and may not be called into question by the signatory parties unless one of the conditions laid down in the Agreement is not applied;
- Any signed agreement must be forwarded to the UCI;
- Calling-up the bank guarantee shall be retained as a right and cannot be suspended. Should any limitation on said right be negotiated as part of the agreement, such limitation should be strictly defined and, provided all conditions are met, will be applicable. If one of the conditions is not met, the limitation will no longer apply. On the other hand, if the conditions apply, any call on the bank guarantee made by a signatory in contravention of the signed agreement may be considered as manifestly unfounded by the UCI. In other words, a request may only be considered as manifestly unfounded if the precise object of the request has been the subject of a duly established agreement, without any new facts arising in the meantime;

- Similarly, a call on the bank guarantee of a team member for benefits which would have been compensated either by means of partial, technical or temporary reduced-time (un)employment procedures (in general for employed staff only) or through a loss of earnings insurance or any other compensatory benefits (in general for self-employed staff only) may be considered unfounded, subject to facts being duly established and consideration of new factual elements;
- In the event of a call on the bank guarantee, the UCI undertakes to take into account the situation of the team concerned with regard to the time limit for the reconstitution of the bank guarantee, in particular in the event that such reconstitution would have the effect of jeopardising the financial sustainability of the team;
- The Parties undertake to give priority to internal dialogue in due respect of confidentiality and, in the interests of reaching an agreement, to refrain from communicating the content of the negotiations to external parties until the agreement has been concluded;
- The representative of the team undertakes to allow the necessary time for the representatives appointed in the negotiations (maximum 48 hours) to communicate to their principals the proposals or solutions put forward by the team, encouraging dialogue between the parties;
- The parties are invited to include in any contractual amendment a clause allowing the situation to be re-evaluated periodically and as the team's situation evolves, including after the restart of competitions, with the aim of finding fair compensation for the measures taken urgently to ensure the team's continuity.

The UCI undertakes to take account of exceptional circumstances with a view to:

- Withhold from sanctioning potential infringements to the UCI Regulations based on a “team collective agreement” which has been duly established and agreed in good faith by the parties (such as a change in remuneration conditions, payments deferrals, conditions for calling-up the bank guarantee), for the duration of the agreement.
- adapt the registration procedure for the 2021 season. In this respect, it proposes, as a first step, to postpone the call for tenders for the selection of the appointed auditor to the registration procedure for the 2022 season. This proposal will be made to stakeholders during the next Professional Cycling Council meeting. The UCI also undertakes to review the procedure and adapt it, insofar as possible, taking into account the respective situations of teams.

However, it is recalled that each situation must be considered on an individual basis.

In addition, the auditor appointed for the 2021 registration procedure will be able to assess the measures taken under these agreements, their impact and their validity. In this respect, it is recalled that all teams are required to provide the statutory auditor with their audited accounts as at 31 December 2020 and that any anomaly in relation to a "team agreement" may be subject to disciplinary measures.

The AIGCP and the CPA, for their part, undertake to intervene with their members to ensure that these operations take place under the best possible conditions and can succeed in the interest of all parties.

To this end, they undertake to communicate and ensure respect of all the principles mentioned.

Once these principles have been established, it is up to the parties to freely agree on the most appropriate measures, without any limitation other than necessity, proportionality and compliance with the applicable law and the UCI Regulations.

Examples of measures that may be agreed upon by the parties:

- payment deferrals of part of the salary without interest;
- Waiver of part of the salary until the budget is rebalanced;

- partial or technical reduced-time (un)employment of staff and/or riders;
- possibility to sign individual partnership agreements for riders to supplement their salary;
- ex-post financial disclosure ;
- etc.



David LAPPARTIENT
UCI President



Iwan SPEKENBRINK
AIGCP President



Gianni BUGNO
CPA President

Mandate agreement for the negotiation of "team collective agreements".

Introductory Remarks:

The undersigned acknowledge that the Pandemic of Covid-19 is an event of force majeure which needs to be taken into account in the contractual relations established between the parties, for the duration of these circumstances.

This matter will have to be discussed in good faith between the parties and give rise to a detailed specific agreement or "team collective agreement" which will have to be signed individually by all parties, i.e. all principals taken individually, without prejudice to the following paragraph, on the one hand, and the legal representatives of the paying agent of the team, on the other hand.

This agreement will apply only to those who have signed it, without the possibility of imposing it on those who do not wish to do so.

In order to facilitate the conclusion of such an agreement, the riders / team members hereafter designated, give power of attorney to the representative hereafter designated also and in accordance with the following framework and undertake not to conduct personal negotiations on the same subjects.

The legal representatives of the paying agent may negotiate the said agreement personally or appoint someone to do so. In the latter case, the person must have an official document designating him/her as such and giving him/her full authority to conduct the discussions in the name and on behalf of the paying agent.

The team undertakes to negotiate with the agent as the legitimate representative of all its principals. It undertakes to respect him as such and to comply with all his requests provided that they are within the scope of his mission and are reasonable and proportionate.

The collective team agreement should be detailed and include all the accommodating measures required by the situation and agreed upon by the parties.

This agreement will also include all the conditions for its application. As long as the conditions for its application are met, the signatory parties undertake not to call it into question. On the other hand, as soon as a condition of the agreement no longer applies, the parties recognise that the agreement will cease to have effect, without prejudice to individual agreements ensuing from the team collective agreement which may remain applicable according to their own terms.

The representation mandate given to the riders' and staff representative(s) shall only apply to the negotiation of the terms of the collective agreement.

Once it has been drafted, it must then be signed by all the principals individually and subject to their agreement as to the content of the agreement.

As this agreement was signed in the context of the application of the UCI regulations, it is recalled that:

"Any person or entity (...) who defraud, cheats or acts in an unfair manner in order to obtain any benefit shall receive a disciplinary sanction. The transmission of false information constitutes fraud for the purpose of this provision. Fraud is subject to a statute of limitations of 5 years from the day of the offence" (article 12.4.008 of the UCI Regulations).

Having said that, by this Framework Agreement, the undersigned,

... (name, date of birth and signatures to be inserted)

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hereinafter the "principals".

give power of attorney to

Mr/Mrs

... (name, date of birth and signature to be inserted)

hereinafter the "agent".

in order to represent them in the negotiation of a "collective team agreement" allowing the situation related to the Covid 19 Pandemic to be taken into account, provided that the measures taken in the context of this agreement comply with applicable legal provisions. This agreement will then have to be individually signed to be effective only with regard to the signatories.

1. Scope of the power of attorney

This power of attorney extends to all negotiations that the representative will have with the team in connection with the drafting of this agreement. The principals therefore undertake not to enter into discussions on their own behalf on the same subjects as those for which the proxy is appointed.

It also includes power to negotiate on the following topics:

- ...

(optional, for clarification of key points; e.g. payment deadlines or reduction of wages)

It does not, however, include the power to negotiate on the following topics:

- ...

(optional, only for clarification purposes; e.g. termination of contracts)

The representative may only intervene in the context of the negotiation of a collective agreement within the team. Once this agreement is drafted, each team member must personally sign the agreement if he or she agrees with the terms negotiated by the representative.

2. Rights and obligations

The principals declare that they are personally liable for all negotiations conducted by the Agent and resulting from this power of attorney. They undertake to reimburse the Agent for any advances and costs incurred by him for the proper execution of the power of attorney.

The Agent undertakes to represent and defend in good faith and to the best of his knowledge and belief the interests of the principals in an equitable manner.

He also undertakes to manage the business faithfully and discreetly and in the most diligent and economical manner possible, respecting the extent of the rights granted to him.

The Agent undertakes to be bound by UCI Rules and Regulations.

3. Third party intervention

The agent shall personally carry out the mandate for which he or she has undertaken to act.

In order to carry out its mission, the Agent shall have the possibility of calling on the services of a third party. Beforehand, he/she must have obtained the agreement of the representatives for this purpose and draw up an agreement with this third party setting out the framework and terms and conditions of his/her intervention.

The team will also be able to call upon a third party in the context of the negotiation, it will have to bear the costs of such an intervention.

4. Termination of power of attorney

This power of attorney shall lapse upon presentation of the agreement to the principals, or if circumstances no longer necessitate the conclusion of such an agreement, or if the majority of principals revoke the power of attorney, or if the power of attorney terminates the assignment on its own initiative.

Place, date

Signature of principal

Signature of agent

Signature of paying agent

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