

Gestione Sportiva

Maranello, 13th March 1998



SEALAND TRADE CORPORATION
c/o Sealand House
Markt 9
33378 Rheda-Wiedenbrück
GERMANY

Dear Sirs,

1. We acknowledge receipt of your letter dated 12th March 1998.
2. We will obviously be able to consider whether we are interested to envisage using your proposed technical information only once we are aware of its exact nature and content.
3. Firstly, however, we invite you to submit to us a preliminary, broad disclosure of the proposed technical information, such disclosure enabling us to examine whether there is an interest on our part to continue discussion with you by entering, if appropriate, into a formal technical collaboration agreement. Such preliminary, broad disclosure shall not occur in confidence and no restrictions on the use of the information disclosed shall be imposed on Ferrari by virtue of your disclosure. At any rate, Ferrari shall use its best endeavours to keep the information disclosed within the company, avoiding any further dissemination to third parties.
4. Any further correspondence regarding this matter shall be sent to the attention of Mr. Ross Brawn at the following address:

FERRARI Spa - Gestione Sportiva -
Via Ascari 55/57
Maranello (MO)
Italy



- 2 -

5. This letter and any relationship deriving therefrom shall be subject to the laws of Italy and to the exclusive jurisdiction of the Courts of Modena, Italy.

Very truly yours,

A handwritten signature in blue ink, consisting of a large, stylized loop followed by several smaller, connected strokes.

Ferrari Spa

This letter is printed in two originals. Please sign for acceptance of the above terms one original and return it to us.

(For acceptance)

We expressly agree with the choice of applicable law and of jurisdiction provided for under art.5 hereof.

(For acceptance)

SEALAND TRADE CORPORATION

Staatseigene Firma der Principality of Sealand, vertreten durch Johannes F.W. Seiger
State-owned company of the principality of Sealand represented by Johannes F.W. Seiger



c/o Sealand House · Markt 9 · D-33378 Rheda-Wiedenbrück

To
FERRARI Spa
-Gestione Sportiva-
attn.: Mr. Ross Brawn
Via Ascari 55/57
Maranello (MO)
Italy

c/o Sealand House
Markt 9
D-33378 Rheda-Wiedenbrück
Telefon: (0 52 42) 70 77
(0 52 42) 5 41 35
Telefax: (0 52 42) 75 81

March 16th, 1998

Receipt of your letter dated March 13th, 1998 – Proposal for personal meeting

Dear Mr. Brawn,

we received your letter dated March 13th, 1998.

As you will understand we cannot disclose any information to you by fax or mail. We will, however, disclose to you any and all information we have in our possession in a personal meeting. Mr. Seiger will be there, carrying all technical data and documents that will be of interest to you and allow for you to make an informed and intelligent decision about the testing of our technology in your vehicles.

We suggest having a conference at Frankfurt-Rhein-Main-Airpor next Thursday (March 19th) or the following Sunday (March 22nd). Should these dates not conform with your schedule, please let us know and we will try to work with you on another day.

Note: Any further fax-transmissions shall be made to the said number (0049-911-244 7169). Any letters may be sent to our appointed Sealand address.

Due to the fact that you did send your letter to the Sealand headquarter's fax number, I did receive it later than the time we suggested and I had already contacted other racing teams in the meantime.

Sincerely yours,

Peter Herrmann
Counsellor for
Mr. Johannes F.W. Seiger
Prime Minister of Principality of SEALAND

Ferrari

Gestione Sportiva



From: Ross Brawn
 Fax: 0536 - 949623
 To: Mr K. Müller / Mr P. Herrmann
 Fax: 0049-911-2447169
 Date: 17/03/98
 Pages: 1

Dear Sirs

With reference to your telefax, we regret to insist that we need some indication of the area of performance improvement you are suggesting (engine, chassis, transmission etc) to allow us to involve the appropriate experts.

However, we do need a brief outline of your proposal, as I am sure you can appreciate, we receive hundreds of proposals for technical collaboration.

Yours sincerely,

Ross Brawn
 Technical Director

SEALAND TRADE CORPORATION

Staatseigene Firma der Principality of Sealand, vertreten durch Johannes F.W. Seiger
State-owned company of the principality of Sealand represented by Johannes F.W. Seiger



c/o Sealand House · Markt 9 · D-33378 Rheda-Wiedenbrück

To
Ferrari
Director Mr. TODT
Formula-1-racing-team
I-41053 Maranello (MO)

c/o Sealand House
Markt 9
D-33378 Rheda-Wiedenbrück
Telefon: (0 52 42) 70 77
(0 52 42) 5 41 35
Telefax: (0 52 42) 75 81

March 12th, 1998

Last Grand-Prix-race in Melbourne / New Mc Laren-Mercedes-technology

Dear Sir,

we are **not** referring to the new breaks-system.

We can provide you with the knowledge and technology necessary to compete with Mc Laren-Mercedes again.

The technology has been developed by our Sealand-scientists during the last 7 years. Mercedes did have the opportunity to check one of our cars (Mercedes-Benz) periodically between 1995 and 1997. This particular vehicle travelled approximately 180.000 km within this time frame.

We can prove that .

Should you be interested in learning more about this issue, contact us by either phone or fax.
Here are our coordinates:

0049-6257-81004 fax
0049-171-40 522 04 phone

Yours sincerely,


Klaus Müller


Peter Herrmann

Counsellors for
Mr. Johannes F.W. Seiger
Prime Minister of Principality of Sealand

SEALAND TRADE CORPORATION

Staatseigene Firma der Principality of Sealand, vertreten durch Johannes F.W. Seiger
State-owned company of the principality of Sealand represented by Johannes F.W. Seiger



c/o Sealand House · Markt 9 · D-33378 Rheda-Wiedenbrück

To
FERRARI Spa
-Gestione Sportiva-
attn.: Mr. Ross Brawn
Via Ascari 55/57
Maranello (MO)
Italy

c/o Sealand House
Markt 9
D-33378 Rheda-Wiedenbrück
Telefon: (0 52 42) 70 77
(0 52 42) 5 41 35
Telefax: (0 52 42) 75 81

March 20th, 1998

Brief outline of our proposal

Dear Mr. Brawn,

thank you for your fax we received on March 18th.

We appreciate the points you're making. Here is what we can offer:

TRANSITIONING FROM EXPLOSION- TO IMPLOSION-TECHNOLOGY

One of our Sealand-scientists managed to develop a device (**SEALAND-GENERATOR**) which is able to produce symmetrical gravitational waves of any frequency. The **GENERATOR** has been successfully tested for more than three years, amplifying the power of engines in various types of cars such as Volkswagen, Daimler Benz, BMW, Volvo, Ford etc. Here are some of the results:

There is a dramatical impact on the engine torque. The maximum torque is being increased by approximately 80-100% (esp. in the lower third of the speed/revolution range) while the engine runs extremely nice and smooth. The petrol saving aspect is also fairly interesting: about 20-30%, while there's almost no oil consumption at all (which has been tested in a Daimler Benz W 140 after three driving-intervals of about 60.000 km each).

The oil was taken out and examined by an internationally well-known refinery. We will gladly present the expertise to you.

This is to mention only a few of the outstanding characteristics.

These results are only possible because of a maximum fuel-combustion. The **GENERATOR** itself is pretty small (10 cm by 5 cm) and can be installed easily. The **gravitational field energy is being transmitted onto the whole power unit and decreases slowly over the course of approximately two weeks.**

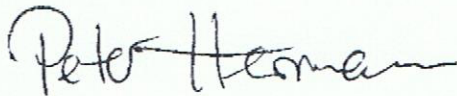
Continued...

FERRARI Spa -Gestione Sportiva
Mr. Ross Brawn
Page 2

Since this particular energy cannot be measured, we can only encourage you to check out the **GENERATOR** in any vehicle of your own choice:
Any and all results we are referring to have been determined on officially licensed testing stands.

You can surely appreciate that complete documentation cannot be transmitted at this time.

Sincerely yours,



Peter Herrmann
Counsellor for
Mr. Johannes F.W. Seiger
Prime Minister of Principality of SEALAND