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Sponsorship Agreement Between

SPORT EVENT LLC and ABC Company, Inc.

This binding letter of agreement (“**Agreement**”) between ABC Company, Inc. (“**ABC**”) and SPORT EVENT LLC (“**SPORT EVENT**”) entered on _____, 2011, sets out the mutual agreements of the parties regarding ABC’s sponsorship of the 2012 SPORT EVENT.

1. **KEY DEFINITIONS.** Capitalized terms used in this Agreement are defined as indicated in the text. Additionally, the following terms are defined below:

1.1 “**Approved Brand**” means the “ABC” brand and associated logo as depicted on Exhibit A under which ABC markets and sells the Official Products.

1.2 “**Competitive Brand**” means a brand owned by a third party that is primarily associated with Official Products marketed and/or sold within the Territory.

1.3 “**Official Products**” means automobiles, as more specifically described in Exhibit B.

1.4 “**Official Designation**” means the phrase “Official Sponsor.”

1.5 “**ABC Competitors**” means entities that market, manufacture, and/or distribute products that fall within the definition of Official Products, in the Territory, under a Competitive Brand.

1.6 “**Territory**” means _____.

1.7 “**SPORT EVENT Marks**” means the marks of the SPORT EVENT listed on Exhibit C.

2. **TERM.** The term of this Agreement is for ___ (__) year[s] beginning on _____ and expiring on _____ (the “**Term**”). Either party may terminate this Agreement in the event the other party commits a material breach or default hereunder and fails to cure such breach or default within fifteen (15) days after receiving a written notice specifying such breach or default. Without limitation, the parties agree that ABC’s failure to make timely payments under this Agreement will be

This is the brand the sponsor will use to activate the sponsorship.

The sponsor will need assurances that you will not promote their competitors.

The most critical element of the Agreement.

Set the designation to match the sponsor's Tier (Partner/Sponsor/Supplier).

Sponsors will want a broad definition; but it should be tied to the "Competitive Brands."

You can only grant rights in the territories where your marks are protected.

These are the Event's marks which the sponsor may use to activate.

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considered a material breach or default. Notwithstanding the foregoing, the following will be considered material breaches or defaults for which the non-offending party may terminate this Agreement immediately upon written notice to the other: (a) a party becoming unable to pay its debts as they become due, having a receiver, trustee or liquidator approved or appointed, making a general assignment for the benefit of its creditors, or filing a petition or answer in any proceeding seeking an arrangement with creditors under the laws governing insolvency, or (b) a party or its officer(s) (acting the capacity as officer(s)) committing a violation of law or any other act which brings such party into public disrepute, contempt, scandal or ridicule.

Both parties will likely want some form of a "morals" clause. These are difficult to draft in a manner that is agreeable to both sides.

2.1 Effect of Termination or Expiration. ABC understands and agrees that upon the expiration or earlier termination (by either party, for any reason) of this Agreement (i) all of the licenses, rights and benefits granted to ABC herein shall immediately cease and all such licenses, rights and benefits shall revert to SPORT EVENT; and (ii) ABC's obligation to make all payments due prior to such expiration or termination shall survive until paid in full.

This point will likely be heavily negotiated; consider limiting only to "Royalty" payments for the use of Event marks prior to the termination.

3. RIGHTS AND BENEFITS. As a [Tier 1/2/3] sponsor of the SPORT EVENT, ABC shall receive the following rights and benefits during the Term, subject to all terms and conditions of this Agreement:

Use of Designation must be pre-approved; must comply with Event's guidelines.

3.1 Right to Use Official Designation. SPORT EVENT hereby grants to ABC the right and license to use the Official Designation in its promotion and advertisement, within the Territory, of Official Products under the Approved Brand. ABC agrees that its use of the Official Designation must be pre-approved under Section 3.2(a), and must comply with Exhibit D and all other applicable terms and conditions of this Agreement.

Marks can be used only with the Designation!

3.2 Right to Use SPORT EVENT Marks. SPORT EVENT hereby grants to ABC the right and license to use the SPORT EVENT Marks in the Territory during the Term, but only in its promotion and advertisement within the Territory of its Official Products under the Approved Brand, and only in the immediate proximity of the Official Designation. ABC agrees that its use of SPORT EVENT Marks must be pre-approved under Section 3.2(a), and must comply with Exhibit B, Exhibit D, and all other applicable terms and conditions of this Agreement.

Use of Marks must be pre-approved; must comply with Event's guidelines.

(a) *Prior Approval.* ABC agrees not to use the Official Designation and/or the SPORT EVENT Marks without the prior approval of SPORT EVENT in each instance. SPORT EVENT's approval shall be with respect to usage of the Official Designation and SPORT EVENT

Pre-Approval is always required. You may need to explain your system for approvals.

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Marks, but ABC is responsible for compliance with all applicable laws and regulations, and for obtaining all other needed approvals, permissions or licenses from relevant third parties. SPORT EVENT agrees that it will not unreasonably withhold or delay its approvals.

The Event's approval is only for Event marks; not for the remainder of the advertisement.

(b) *Trademark Specifics.* ABC hereby acknowledges SPORT EVENT's right, title and interest in and to the SPORT EVENT Marks and SPORT EVENT's exclusive right to use, register and license the use of the SPORT EVENT Marks. Any and all goodwill arising from ABC's use of the SPORT EVENT Marks shall inure solely to the benefit of SPORT EVENT, and neither during nor after the termination of this Agreement shall ABC assert any claim to the SPORT EVENT Marks or such goodwill. ABC shall not take any action that could be detrimental to the goodwill associated with the SPORT EVENT Marks or with SPORT EVENT. ABC covenants and agrees that it will not, during or after the Term: (i) claim or assert title to any SPORT EVENT Mark, (ii) attempt to register any SPORT EVENT Mark anywhere in the world, (iii) claim any right to use a SPORT EVENT Mark, except to the extent expressly permitted by this Agreement, (iv) use any other trademark, brand name, trade name, symbol, design (including a translation of a SPORT EVENT Mark) that SPORT EVENT reasonably believes is confusingly similar to a SPORT EVENT Mark, (v) contest or deny the validity or enforceability of a SPORT EVENT Mark or of SPORT EVENT's interest therein, or (vi) oppose, object to, or seek to cancel any registration of a SPORT EVENT Mark, nor aid others in doing so.

Need at least basic trademark protection language. Because the Event might be using the sponsor's marks to recognize the sponsor, a limited license and similar protections may be needed for the sponsor's marks as well.

3.3 Package of Official Sponsor Benefits. ABC will also receive all other benefits of a [Tier 1/2/3] SPORT EVENT sponsor as described in more detail on the value chain set forth in Exhibit E.

The detailed list of "value chain" rights should be attached in detail so the sponsor knows exactly what they are getting: tickets, hospitality, recognition, signage, etc.

3.4 Account Management Team. SPORT EVENT will provide an account management team to assist ABC in maximizing the impact of this marketing relationship, to assist with needed approvals under Section 3.2(a) above, and to provide other helpful services and ideas throughout the Term.

The Event should assign someone to assist the sponsor.

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4. **EXCLUSIVITY; RESERVATION OF RIGHTS.**

4.1 Exclusivity. During the Term, ABC will be the exclusive sponsor of the SPORT EVENT in connection with the Official Products in the Territory, and, subject only to SPORT EVENT's reservations of rights in Section 4.2 below, TOUR has not and will not grant to any third party, including without limitation an ABC Competitor:

- (i) the right to use the Official Designation during the Term;
- (ii) SPORT EVENT sponsorship rights in a category of products that falls within the definition of Official Products, during the Term;
- (iii) the right to imply a sponsorship or similar marketing association between SPORT EVENT and any Competitive Brand during the Term; and
- (iv) the right to use SPORT EVENT Marks in the promotion or advertising of Official Products during the Term (subject only to the same "Potential Exceptions" regarding the treatment of third-party marks as described in Exhibit C, paragraph 2(j)(ii)).

4.2 Exceptions to Exclusivity. [Note: You may need to "carve out" some ability for the SPORT EVENT to do certain types of deals with ABC Competitors. If so, you should discuss them in advance and list them here in the Agreement so they are understood by all. For example, you may need to acknowledge and agree that any ABC Competitor may purchase tickets and hospitality benefits at the SPORT EVENT; and may participate in SPORT EVENT charitable programs; and may be granted rights as an official SPORT EVENT licensee of merchandise.]

4.3 Retailers. SPORT EVENT reserves the right to enter into marketing relationships with retailers of Official Products so long as SPORT EVENT does not use its relationship with such third parties to promote Official Products without ABC's prior consent, which shall not be unreasonably withheld.

4.4 Athlete Restrictions. ABC acknowledges that SPORT EVENT does not have the ability to grant the right (and therefore this Agreement does not confer the right) to use the name, signature, photograph or likeness of any individual athlete. ABC agrees that it will not exercise the rights granted in this Agreement in any manner that

This is an extremely sensitive part of the agreement. The sponsor will want complete protection; the Event may need some flexibility. But if the program is built upon exclusive categories, this language might be close to what is needed.

The Event may want to protect itself in case other sponsors--acting within their categories--want to make mention of a third party's autos in a secondary manner. For example, a car rental sponsor may mention an auto brand.

Carve-outs are critical!

In case the Event needs to carve out a category for a store that may sell the Official Products. This is not applicable in the "car" example we are using.

Be clear on what rights, if any, sponsors will have to photos and other imagery.

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constitutes an endorsement by any athlete participating in the SPORT without having obtained proper advance written authorization from such player. ABC acknowledges that it is ABC's obligation to obtain any such written authorization.

4.5 General Reservation. All rights not expressly granted to ABC in this Agreement are reserved by SPORT EVENT for its own exclusive use and benefit.

5. SUPPLY OF OFFICIAL PRODUCTS. [Note: If part of the agreement is for the sponsor to supply the SPORT EVENT with official products or other products or services, whether for sale/lease at agreed prices, or as value-in-kind ("VIK") for some or all of the marketing rights granted, then those terms, conditions, and agreed prices should be agreed here, and value should be accounted for in Section 6 below.]

6. ROYALTIES AND OTHER CONSIDERATION.

6.1 Royalties. In consideration of the rights and benefits provided in Sections 3.1 and 3.2 above, and in addition to all other amounts due hereunder, ABC will pay annual royalty amounts (net) to SPORT EVENT as follows:

<u>Year</u>	<u>Annual Royalty</u>
2011	\$_____
2012	\$_____
2013	\$_____

6.2 Other Consideration. In consideration of the additional benefits provided in Sections 3.3 and 3.4, and in addition to all other amounts due hereunder, ABC will pay annual consideration (net) to SPORT EVENT as follows:

<u>Year</u>	<u>Other Consideration</u>
2011	\$_____
2012	\$_____

This could be a big part of the deal, depending on the category. The supply of products as VIK might be a huge part of the consideration. But note also the provision of products and services may incur value-added-taxes in your country, so you must check local tax law to make sure the deal is structured properly.

Cash sponsorship royalties may be tax free revenue for your organization, so you may want to show them separately here.

It might be helpful, if sponsorship revenue is tax exempt for your organization, to allocate some of the fee to cover the actual "hard" benefits and list them separately.

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2013

\$_____

6.3 Method of Payment. ABC shall remit the annual royalty amounts and other consideration to SPORT EVENT in equal quarterly installments on or before **[January 1, April 1, July 1 and October 1]** of each year during the Term.

7. ADDITIONAL INVESTMENTS. In addition to all other amounts due hereunder, ABC will invest annually during the Term in SPORT EVENT-related rights, benefits and opportunities as follows:

7.1 Network and Cable Telecasts. Each calendar year of the Term, ABC agrees to invest a minimum of _____ Dollars (\$_____), net of any commissions, on ABC's Approved Brand advertising during national network and/or cable telecasts of the SPORT EVENT. This investment will be made through a media buying group of ABC's choice and not with SPORT EVENT.

7.2 Charitable Donations. Each calendar year of the Term, ABC agrees to contribute a minimum of _____ Dollars (\$_____) toward SPORT EVENT's charitable donations to qualified and SPORT EVENT approved 501(c)(3) organizations. Such donations will then be made by SPORT EVENT expressly on behalf of ABC.

7.3 Special Programs. ABC will work with SPORT EVENT to provide opportunities for SPORT EVENT and its employees (including those of SPORT EVENT's affiliates and subsidiaries) to purchase ABC's products and services at a discount and/or to receive such products and services gratis.

7.4 Method of Payment. [Note: Set out the payment method for these additional investments here.]

8. AMBUSH MARKETING. SPORT EVENT agrees to respond appropriately to instances in which third parties, in marketing products that fall within the definition of Official Products, create a false association with SPORT EVENT, a practice generally known as "ambush" marketing. In the event that ABC notifies SPORT EVENT of an actual or alleged ambush, SPORT EVENT will consult with ABC on the appropriate response. The parties agree, however, that the determinations of whether any particular materials constitute an "ambush" of ABC's rights hereunder, whether it is appropriate to respond to any actual or alleged ambush, and if so what type of response is reasonable, shall be made in SPORT EVENT's

You may agree that that the sponsor will invest additional amounts in areas that will help the Event and the sponsor acheive common goals.

Sponsors will need to know that you are going to protect their rights. You cannot promise that others will not "ambush" your Event, but you can promise to take action to discourage it where possible.

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sole discretion. If, however, SPORT EVENT establishes an unreasonable and clear pattern of unresponsiveness to incidents of “ambush” that materially devalue ABC’s rights under this Agreement, then ABC may submit such matter as a “Dispute” under Section 14.

9. **NO RIGHT OF SET-OFF.** The obligations of each party as to all payments due under this Agreement or any invoice shall be performed without any right of set-off or deduction of any taxes, levies, duties, charges, abatement, rebates or expenses whatsoever or other similar off-sets or deductions.

10. **INTEREST ON LATE AND UNPAID PAYMENTS.** All monies not paid on the due dates specified in this Agreement or the relevant invoice shall bear interest from the due date at the rate of one and one-half percent (1.5%) compounded monthly, prorated on a daily basis, for the period of delay. Collection of interest shall be in addition to all other remedies available to offending party at law, in equity, or under this Agreement.

11. **INDEMNIFICATION.** Each party (each respectively an “**Indemnifying Party**”) shall indemnify, defend and hold harmless the other party and such other party’s affiliates, including all respective officers, directors, employees and agents of such other party and its affiliates (each an “**Indemnified Party**”) from and against any and all demands, claims, suits, actions or proceedings brought against an Indemnified Party by a third party, including all fines, judgments, settlements, penalties, liabilities, losses, costs and expenses (including reasonable attorney’s fees and expenses) suffered by an Indemnified Party in connection therewith, to the extent caused by (i) a breach or default by the Indemnifying Party of any provision of this Agreement, including without limitation a breach of any representation or warranty by such Indemnifying Party, (ii) the negligence or willful misconduct of the Indemnifying Party; (iii) the actual or alleged violation by the Indemnifying Party of any law or regulation, including without limitation, in the case of ABC, any laws or regulations governing promotional contests and sweepstakes, (iv) the actual or alleged infringement by the Indemnifying Party of any intellectual property right of any third party, including trademark rights, rights in copyright, rights of publicity and rights of privacy (except to the extent such infringement arises solely out of one party’s authorized and proper use of the other’s trademarks, copyrights, or other rights), or (v) in the case of ABC, the use or misuse of any product or service marketed, manufactured, sold or delivered by ABC or its affiliates. For clarification, the duty to indemnify, defend and hold harmless under Section 11(v) applies only to ABC, and not to SPORT EVENT. The “**Indemnifying Party**” as used in parts (i) through (v) of this Section 11

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shall mean either SPORT EVENT or ABC, as the case may be, and shall in each case include affiliates, and all respective officers, directors, employees, agents and contractors of such party and its affiliates.

12. **PRESS RELEASE.** Neither party shall issue a press release related to this Agreement or the other party without the prior approval of the other party.

13. **CONFIDENTIALITY.** Neither party shall disclose any non-public information of the other for the duration of the Term plus three (3) years, unless such information constitutes a trade secret under applicable law, in which case neither party shall disclose such information for the maximum period allowable under applicable law. Each party agrees to protect the non-public information of the other with at least the same level of care with which it treats its own non-public information. This Section 13 shall not apply to information that was known to the parties prior to this Agreement, information that is in the public domain or information that is provided to either party by a third party who has violated no legal obligations in doing so. It is not a violation of this Section 13 for either party to disclose non-public information of any kind to a judicial or governmental authority compelling such disclosure, provided that the compelled party gives notice of such order to the other party as soon as reasonably possible.

14. **DISPUTE RESOLUTION.** If the executives of the parties cannot resolve a dispute pertaining to the subject matter of this Agreement, then prior to initiating any formal legal action, the parties agree to submit their dispute to the American Arbitration Association (“AAA”). Either party may submit the dispute to the AAA. The AAA shall appoint one (1) mediator who will conduct non-binding mediation in accordance with the AAA’s Commercial Mediation Rules in _____. The parties shall share equally in the mediator’s fees and reasonable expenses as well as the cost of the facilities selected by the mediator. Notwithstanding anything in this Agreement to the contrary, in the event either party merely fails to make timely payment under this Agreement, the party owed payment need not comply with this Section 14 prior to initiating formal legal action.

15. **MISCELLANEOUS.** All payments listed herein are net of all deductions, taxes, levies, charges or expenses. This Agreement (i) is governed by and shall be construed in accordance with the laws of _____; ~~(ii) contains the entire understanding and agreement of the parties with respect to its subject matter;~~ (iii) supersedes all prior and contemporaneous oral or written statements, proposals, representations or warranties by either party regarding this Agreement or its

You may also want to set the exclusive jurisdiction here.

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subject matter; (iv) cannot be altered or amended except in a writing signed by the parties; (v) shall not be construed as establishing any type of partnership, joint venture, express or implied agency, employer-employee or special fiduciary relationship between the parties; (vi) may not be transferred or assigned in whole or in part without the prior written permission of the other; (vii) is binding upon the parties, their lawful successors and permitted assigns, and (viii) may be executed in counterparts which, taken together, shall constitute one binding agreement. All waivers must be in a writing signed by the waiving party. Each provision of this Agreement is severable and the invalidity of any part or paragraph shall not affect the enforceability of the remainder. Notices shall be sent to the respective signatories at the addresses listed on the signature line below. Signatures provided by facsimile shall be binding as if originals. By signing below, the parties represent and warrant that they have the authority to bind their respective organizations to the terms of this Agreement, and that their respective organizations intend to be legally bound to the terms of this Agreement. Provisions regarding indemnification, dispute resolution, and other provisions which by their terms are to survive the termination or expiration of this Agreement, will survive the termination or expiration of this Agreement.

**Accepted and Agreed
ABC Company, Inc.**

**Accepted and Agreed by SPORT
EVENT LLC**

Name: _____
Title: _____
Date: _____

Name: _____
Title: _____
Date: _____

ABC Address:

SPORT EVENT Address:

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EXHIBIT A

Approved Brand

**[Insert here the brand(s) that the sponsor will be allowed to use
in its activations]**

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EXHIBIT B

Official Products

[The following is just an example of an “automobile” category, with exclusions needed to protect the availability of other categories to sell to others.]

This is the heart of the agreement. The category of products or services will create the "box" in which the sponsor may activate their rights. It must be clear to avoid confusion with other categories the Event will sell to others.

The Official Products consist of:

- (a) the following types of passenger road vehicles:
 - (i) passenger cars (estates, four wheel drive vehicles, limousines);
 - (ii) passenger multi-purpose vehicles (MPV);
 - (iii) saloons;
 - (iv) sports cars; and
 - (v) sports utility vehicles (SUV);

First, you must state what the Official products are.

in each case, whether the relevant vehicle is powered by fuel, battery or any alternative energy source; and

- (b) vehicle parts for the passenger road vehicles listed above (other than tires).

The Official Products do not include:

- (i) commercial heavy goods vehicles (such as tractor trailers);
- (ii) coaches and buses;
- (iii) motorcycles;
- (iv) light commercial vehicles (including minibuses and commercial vans);
- (v) special security vehicles;
- (vi) automobile financing and leasing services;
- (vii) automobile insurance and breakdown/recovery services;

Then, you must state what the Official Products are not. This is where you can preserve other potential categories for sale in the future.

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(viii) rental vehicles and vehicle rental services; and

(ix) tires.

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EXHIBIT C

SPORT EVENT Marks

[To be inserted, along with simple instructions for proper usage of the mark, such as the exact colors, dimensions, and registration symbol, etc.]

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EXHIBIT D

SPORT EVENT Activation Guidelines

1. **Manner of Use.** ABC may use the SPORT EVENT Mark(s) on promotional materials in a “composite logo” or in a “stand-alone” logo, as follows:

(a) **Composite Logos.** ABC may use the SPORT EVENT Mark(s) in a “composite logo,” meaning one (1) SPORT EVENT Mark together with one (1) ABC mark (being the Approved Brand), together with an appropriate Official Designation. The general guidelines governing “composite logos” are:

- i. there must be a clear delineation (either a line of separation, or an appropriate space) between the Approved Brand and the SPORT EVENT Mark;
- ii. the appropriate Official Designation must be used with such composite logo;
- iii. the Approved Brand is in its overall dimension and visual impact must be approximately equal to the dimension of the SPORT EVENT Mark; and
- iv. there may be no additional graphic elements, tag lines or slogans and no website addresses or other advertising elements included in Approved Brand or the composite logo.

(b) **Stand-alone Logo.** ABC may use the SPORT EVENT Mark alone, with an appropriate Official Designation, not in a composite logo but in proximity to the Approved Brand and in a manner that makes clear the scope and nature of ABC’s marketing relationship with SPORT EVENT.

2. **General Conditions of Use.** In addition to the brand standards and instructions for use set out in Exhibit C of this Agreement, SPORT EVENT will be guided in its approvals or disapprovals of ABC’s promotional materials by the following general conditions of use:

(a) **No Integrated Logos.** To protect the integrity of the SPORT EVENT Marks and Official Designations, no

You must have clear and concise guidelines so that the sponsor will know how it can and cannot use Event marks. This will also speed your approval process, because sponsors will have an idea of the rules in advance.

It is critical that your sponsors know they can only use Event marks with their official designation. This will explain to the world the relationship between the Event and the sponsor.

You may allow sponsors to use your mark in a “composite” logo or in a “stand-alone” fashion.

Sponsors will sometimes desire to re-create your logo; or mix it with their own. You should use caution here.

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SPORT EVENT Mark or Official Designation may be incorporated into a single graphic design in direct association with Approved Brand or other trade names, logos or other marks or designs.

Again, the designation is essential!

(b) Designations. In no event may ABC use any SPORT EVENT Mark in any manner without an appropriate Official Designation.

(c) Limited to Official Products. ABC may use SPORT EVENT Marks and Official Designations solely on promotional materials in connection with Official Products, and in the advertising, promotion and sale thereof, to the exclusion of any other business, product or service manufactured, distributed, sold or advertised by ABC or any third party. In addition to the other restrictions contained in this Agreement, if any SPORT EVENT Marks or Official Designations are used on packaging for Official Products, they may only be used to indicate a sponsorship relationship with SPORT EVENT, and shall not imply that ABC has a license to produce licensed goods for SPORT EVENT.

You may not want your marks permanently on merchandise, because they may remain in the marketplace long after the agreement has expired, and this may harm the Event's ability to sell the category in the future. Placing marks on merchandise may also cause confusion with your licensing program.

(d) No SPORT EVENT Marks or Official Designations Directly on Merchandise. ABC may not place SPORT EVENT Marks or Official Designations directly on merchandise, including Official Products. The only exception to the foregoing prohibition against the placement of SPORT EVENT Marks or Official Designations on merchandise is set out in (e) below.

(e) SPORT EVENT Marks or Official Designations on Premium Items. ABC may place SPORT EVENT Marks and Official Designations on premium items, so long as such premium items are approved in advance by SPORT EVENT in accordance with this Agreement, and so long as ABC complies with the sourcing criteria set forth below:

i. Premium Items that are not Official Products. ABC must source such premium items from SPORT EVENT's relevant official licensee. If SPORT EVENT does not have a relevant official licensee, then ABC must source such premium items from SPORT EVENT's relevant official sponsor under

Most sponsors will want to create t-shirts, hats, or gift items bearing their composite logo and designation. That is a good thing. You will need to consider how to handle this if you have a separate licensing program. This is one suggestion.

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terms and conditions (governing SPORT EVENT Marks) approved in advance by SPORT EVENT. If SPORT EVENT does not have a relevant official marketing partner, then ABC may source such premium items from a third party pursuant to the terms and conditions of a written agreement between such third party and SPORT EVENT, and so long as no manufacturer's branding appears on such premium items.

- ii. Premium Items that are Official Products. If ABC desires to distribute a premium item that happens to fall within the definition of "Official Products," then ABC must source such premium item from SPORT EVENT's relevant official licensee. If SPORT EVENT does not have a relevant official licensee, then ABC must enter into a mutually acceptable license agreement with SPORT EVENT to become an authorized SPORT EVENT licensee for Official Products.

- (f) Confusion as to Rights. ABC may not use SPORT EVENT Marks or Official Designations in any manner that is unclear as to the nature and scope of ABC's rights under this Agreement. ABC may not use SPORT EVENT Marks or Official Designations in any manner that is likely to cause confusion as to (A) the products or services for which ABC has been granted sponsorship rights by SPORT EVENT, (B) ABC's relationship to any particular SPORT EVENT, or (C) ABC's relationship to any particular athlete.

- (g) Brand Standards. All uses of the SPORT EVENT Marks by ABC must be reproduced fully, accurately and without embellishment to the color, design and appearance of the SPORT EVENT Marks as set out in Exhibit B.

- (h) Confusingly Similar Marks. ABC may not use any other logo or mark in its promotional materials that is confusingly similar to any SPORT EVENT Mark.

- (i) Conformity to Law. ABC's use of the SPORT EVENT Marks must comply with all applicable laws and regulations and shall indicate appropriate intellectual property notices.

This is a good general paragraph. It is impossible to predict all of the ideas that sponsors will have for using your marks. This paragraph forbids any use of your marks that creates confusion of any kind.

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- (j) Third-Party Marks.
- i. General Prohibition. In general, the names and logos of third parties may not appear on ABC's promotional materials bearing SPORT EVENT Marks or Official Designations. The purposes for this general prohibition are (A) to prevent third parties from enjoying an association (directly or indirectly) with SPORT EVENT without actually supporting SPORT EVENT, and (B) to avoid conflicts with the marketing categories of SPORT EVENT's other official sponsors.
 - ii. Potential Exceptions. SPORT EVENT will generally allow a third party mark to appear on ABC activations if such third party is another official sponsor of SPORT EVENT, and so long as both party's are represented properly within their respective product categories. SPORT EVENT will also consider allowing other third party names or logos to appear on ABC's promotional materials on a case by case basis, and will consider factors (without limitation) such as:
 - a. the degree of visual separation between the SPORT EVENT Mark or Official Designation and the name or logo of the relevant third party;
 - b. whether the third party name or logo appears in such a way as to imply an association, direct or indirect, with SPORT EVENT;
 - c. whether the third party name or logo represents a product or service falling within the marketing category of another official sponsor or prospective official sponsor of SPORT EVENT; and
 - d. whether the third party name or logo represents an entity with which SPORT EVENT does not want to be associated, directly or indirectly.

This is a critical section. Many sponsors run promotions with other brands. You need to be careful, because the sponsor's promotional partners may represent categories that you have sold to others!

Still, there are instances in which you can allow your sponsors to run co-promotions with other brands. Here are some ideas to guide you in your decisions.

[Remember, this form is a guide, but you will need to have a local licensed attorney review it to make sure it works well in your jurisdiction. This is a short form and there may additional provisions that your lawyer would want to include. You will also need to tailor it to your program.]

- (k) Use of SPORT EVENT Player Names or Likenesses. The rights granted in this Agreement do not include the right to use the names or likenesses of individual athletes. Any such rights must be obtained separately by ABC as further indicated in Section 4.4 of this Agreement.

- (l) Use of SPORT EVENT Marks or Official Designations at Other Events. When using any SPORT EVENT Marks or Official Designations on promotional materials for use or distribution at any non-SPORT EVENT sporting event or other non-SPORT EVENT event, there must be a clear visual separation at all times between the SPORT EVENT Marks or Official Designations and the name or logo of such other event, and there must be no likelihood that the SPORT EVENT Marks or Official Designations will be located in proximity to the names or marks of the third-party sponsors of such other event.

- (m) No Endorsement. ABC shall not use the SPORT EVENT Marks or Official Designations to represent to any third party or to the general public that ABC's products or services have been "tested," "selected," "approved," "warranted" or "preferred" by SPORT EVENT, except as otherwise may be expressly permitted in this Agreement.

- (n) Comparative Advertising. ABC shall not make any comparative claim in promotional materials using SPORT EVENT Marks or Official Designations naming a competitor or a competitor's products or services.

Comparative ads naming other brands can be controversial. Your Event probably does not want to get involved in those types of marketplace battles.

[Remember, this form is a guide, but you will need to have a local licensed attorney review it to make sure it works well in your jurisdiction. This is a short form and there may additional provisions that your lawyer would want to include. You will also need to tailor it to your program.]

EXHIBIT E

**[Appropriate Tier 1/2/3 Sponsor Value Chain to be inserted,
to include tickets, hospitality benefits, signage, sponsor recognition,
etc.]**