



UNIVERSITY OF CENTRAL FLORIDA

**UCF Athletics Association, Inc.
Board of Directors
Tuesday, July 12, 2022
4:00-5:00 PM**

<https://athletics-ucf-edu.zoom.us/j/85971651236?pwd=N0kzeUNLTnlNTUJXN2NiSmpZeVZidz09>

Meeting ID: 859 7165 1236 Passcode: 126435

AGENDA

- | | | | | |
|----|-----------------------------------|-------------|--|--|
| 1. | Welcome and Call to Order | | | Dr. Alexander Cartwright, <i>Chair</i> |
| 2. | Roll Call | | | Claire Haukap, <i>Assistant AD for Executive Operations</i> |
| 3. | Conflict of Interest Disclosure | | | Dr. Alexander Cartwright, <i>Chair</i> |
| 4. | New Business | | | |
| | AA-1 | Action | UCF Athletics Multimedia Rights | Terry Mohajir, <i>Vice President & Director of Athletics</i> |
| | AA-2 | Information | Naming of the Sharon and Marc Hagle Gateway | Terry Mohajir, <i>Vice President & Director of Athletics</i> |
| | AA-3 | Action | Amended and Restated Rights Agreement to License Football Stadium Properties between the UCF Stadium Corporation and UCF Athletics Association, Inc. | Jordan Clark, <i>Chief Legal Counsel</i> |
| | AA-4 | Action | Premium Seating and Multimedia Rights License Agreement for Arena Properties between UCF Convocation Corporation and UCF Athletics Association | Jordan Clark, <i>Chief Legal Counsel</i> |
| | AA-5 | Information | Money Market Account with Fifth Third Bank | Terry Donovan, <i>Senior Executive Associate Athletics Director, CFO</i> |
| 5. | Closing Remarks and Announcements | | | Dr. Alexander Cartwright, <i>Chair</i> |
| 6. | Adjournment | | | Dr. Alexander Cartwright, <i>Chair</i> |

ITEM: AA-1

**UNIVERSITY OF CENTRAL FLORIDA
UCF Athletics Association, Inc.
Agenda Item Summary July 12, 2022**

Title: UCF Athletics Multimedia Rights

Information Information for Upcoming Action Action

Meeting Date for Upcoming Action July 12, 2022

Purpose and Issues to be Considered:

UCF Athletics Association, Inc. (UCFAA) is preparing to enter into a multimedia rights agreement with Playfly LLC (Playfly). This rights agreement will provide UCFAA with the necessary resources to compete and succeed on a national level. The 13-year agreement (including one transitional year) will provide UCFAA \$125 million in guaranteed rights revenue, plus bonus opportunities. The annual rights fee does not include operating and fulfillment expenses which reduces UCFAA annual operating expenses by approximately \$1 million a year. In addition, naming rights are not included in the guaranteed rights revenues of this agreement. (There will be a mid-term revenue share review of the gross revenues above the bonus threshold). This agreement is among the largest multimedia rights agreements in the country and one of the largest in the Big 12 Conference.

Since UCF's athletics facilities are separately controlled by the UCF Convocation Corporation, UCF Stadium Corporation and UCF Athletics Association, Inc., both the Convocation Corporation and the Stadium Corporation DSO Boards must first take action to consolidate all multimedia rights within the UCFAA. Both Boards met on July 7, 2022, and approved changes to their respective agreements that will allow UCFAA to finalize multimedia rights terms with Playfly.

Prior to consideration of approving the changes to the agreement between the UCF Convocation Corporation and the UCF Athletics Association (BOT-3) and a second agreement between the UCF Stadium Corporation and UCF Athletics Association (BOT-4), the Board is being asked to approve the outline of the multimedia rights deal and to authorize the UCF Athletics Association, Inc. to execute the necessary final agreements.

Background Information:

In July 2016, after failing to receive a competitive renewal offer, UCFAA ended its decade-plus long partnership with IMG. Thereafter, multimedia rights, corporate sponsorship, and advertising sales have been managed internally by UCFAA. With more than six years of experience, UCFAA established a track record of success in corporate sponsorships that substantially increased the value of UCFAA's multimedia rights.

The current offer from Playfly was the result of a competitive ITN process and months of work by UCFAA leadership. To arrive at this stage in the process, UCFAA met with and received offers from the largest multimedia rights companies. UCFAA interviewed the firms that submitted proposals and evaluated comparable agreements from across the country. Through this process UCFAA selected Playfly as its multimedia rights partner. This multimedia rights agreement is groundbreaking for UCF and

signifies UCF's media value in the marketplace, and it is validation of our value as an institution and the result of investments made by this Board, university leadership, its students, alumni, central Florida region, State of Florida and Big 12 Conference.

About PlayFly Sports:

With over twenty years of multimedia rights (MMR) management in collegiate sports, PlayflySports is a full-service sports marketing company operating where sports marketing, media & technology converge. Playfly Sports drives outcome-based solutions for brands reaching approximately 83% of all US sports fans generating over 230bn impressions each year in pro, college, and high school sports. Utilizing the influence and durability of local sports fandom, Playfly Sports exclusive rights in the NBA, NHL, MLB, NCAA, esports, and high school sectors drive value for our local, regional, and national brand partners. Playfly's insights-infused multimedia and tech platforms drive innovation through scaled linear, digital, in-venue, and experiential marketing and engagement assets. Playfly Sports has the unique ability to partner, innovate, and advance the aspirations of athletes, brands, academic institutions, and sports fans across the U.S. Playfly Sports is Igniting Brands through the Love of Fans. Playfly Sports' MMR representation of 24 NCAA clients includes Louisiana State University, Michigan State University, Auburn University, and University of Southern California. www.playfly.com

Recommended Action:

Authorization for Terry Mohajir, Athletic Director, CEO, UCF Athletics Association, Inc. to take all action to finalize the definitive agreement with PlayFly Sports.

Alternatives to Decision:

Decline approving the structure of the multimedia rights deal.

Fiscal Impact and Source of Funding:

Fiscal impact is guaranteed payments in excess of \$125 million over the 13-year period. Playfly LLC is the contractual source of funding and the multimedia rights partner. In addition, this partnership will include operating and fulfillment expense reduction of approximately \$1 million a year. Playfly LLC is the contractual source of funding and the multimedia rights partner.

Authority for Board of Directors Action:

UCFAA By Laws

Contract Reviewed/Approved by General Counsel N/A

Committee Chair or Chair of the Board has approved adding this item to the agenda

Submitted by:

Terry Mohajir, Athletic Director, CEO, UCF Athletics Association, Inc.

Supporting Documentation:

Attachment A: Summary of Multimedia Rights

Facilitators/Presenters:

Terry Mohajir, Athletic Director, CEO, UCF Athletics Association, Inc.
Jordan Clark, Associate General Counsel

ITEM: AA-2

**UNIVERSITY OF CENTRAL FLORIDA
UCF Athletics Association, Inc.
Agenda Item Summery July 12, 2022**

Title: Naming of the Sharon and Marc Hagle Gateway

Information

Information for Upcoming Action

Action

Meeting Date for Upcoming Action July 12, 2022

Purpose and Issues to be Considered:

Approve the naming of the entrance to the football campus as the “Sharon and Marc Hagle Gateway” (The Gateway). The naming is requested in recognition of the \$5,000,101 commitment by Marc and Sharon Hagle and the Marc and Sharon Hagle Operating Foundation to the University of Central Florida. This new gift commitment will be the largest athletic-related gift made to UCF and it will be payable over five years.

Background Information:

On June 23, 2022, the Marc and Sharon Hagle Operating Foundation, Inc. (Donor) made a charitable commitment of \$5,000,101 to the University of Central Florida Foundation, Incorporated (Foundation) to help fund certain priorities of University of Central Florida, specifically the football campus, which will include McNamara Cove, Nicholson Plaza, a renovated Wayne Densch Sports Center, enhanced football practice fields, a new reserved parking area, and providing working capital to help fund other existing athletics priorities, as determined by the Vice President and Director of Athletics.

The UCF Foundation is responsible for the applicable donor recognition of gifts made to benefit the University and maintains the policies and procedures for the acceptance and recognition of gifts. Accordingly, the UCF Foundation researched the Donor and the principals of the Donor regarding personal background, reputation and brand due diligence prior to UCFAA finalizing negotiations and Board of Trustees approval.

Fiscal Impact and Source of Funding:

The donor will provide philanthropic support as outlined above.

Authority for Board of Trustees Action:

UCFAA By Laws

Contract Reviewed/Approved by General Counsel N/A

Committee Chair or Chair of the Board has approved adding this item to the agenda

Submitted by:

Terry Mohajir, Vice President and Director of Athletics

Supporting Documentation:

N/A

Facilitators/Presenters:

Terry Mohajir, Vice President and Director of Athletics
Mark Wright, Deputy Athletics Director and Associate Vice President

ITEM: AA-3

**UNIVERSITY OF CENTRAL FLORIDA
UCF Athletics Association, Inc.
Agenda Item Summary July 12, 2022**

Title: Amended and Restated Rights Agreement to License Football Stadium Properties with the UCF Athletics Association Inc.

Information

Information for Upcoming Action

Action

Meeting Date for Upcoming Action July 12, 2022

Purpose and Issues to be Considered:

The UCF Athletics Association (UCFAA), as manager of FBC Mortgage Stadium, proposes to consolidate all athletic media rights within UCFAA. This rights agreement is one piece of a larger plan that will allow UCFAA to operate the athletic sponsorship program more efficiently. This board approved the initial rights agreement on December 18, 2019. This revised agreement contains a couple noteworthy changes: (i) the term of the agreement is extended to coincide with the remaining stadium debt term, and begins on July 1, 2022; (ii) the insurance provision has changed to align with the University Risk Management Office providing coverage for the stadium; (iii) the rights fee increases each year over the term and the agreement shall not terminate if UCFAA hires a third party multimedia rights company; and (iv) the assignment provision will allow the rights under this agreement to be assigned or sub-licensed to a third party multimedia rights company.

Background Information:

In July 2016, UCFAA ended its decade-plus long partnership with IMG who had purchased the rights to sponsorship inventory in exchange for a guaranteed annual payment. Subsequently, corporate sponsorship and advertising sales have been managed by UCFAA internally. With more than six years of experience, UCFAA established a track record of success that enables it to identify an operating structure that will benefit all parties. The attached Amended and Restated Football Stadium Rights Agreement conveys all the media and sponsorship rights including naming rights in the stadium to UCFAA in exchange for a guaranteed annual payment. UCF Stadium Corporation benefits by receiving a guaranteed payment, which will provide stability and security to bondholders while also providing some efficiencies when preparing the annual budget.

Recommended Action:

To approve the Amended and Restated Rights Agreement to License Football Stadium Properties with the UCF Athletics Association, Inc. and recommend approval to the Board of Trustees.

Alternatives to Decision:

The Board of Directors may elect to deny or reject the agreement, or it may elect to alter or revise the agreement.

Fiscal Impact and Source of Funding:

Fiscal impact is a guaranteed revenue source in the amount of \$29,575,000 over the fourteen-year period. UCFAA is the contractual source of funding with the ultimate source derived from naming rights, corporate sponsorship, and advertising sales.

Authority for Board of Directors Action:

UCFAA Bylaws

Contract Reviewed/Approved by Assigned Attorney N/A

Assigned Attorney has approved adding this item to the agenda

AVP for DSOs has approved adding this item to the agenda N/A

Chair of the Board has approved adding this item to the agenda

Submitted by:

Jordan Clark, Chief Legal Officer

Supporting Documentation:

Attachment A: Amended and Restated Rights Agreement to License Football Stadium Properties Agreement Contract Summary

Attachment B: Amended and Restated Rights Agreement to License Football Stadium Properties Agreement

Facilitators/Presenters:

Terry Mohajir, Athletic Director, CEO, UCF Athletics Association, Inc.

Terry Donovan, Senior Executive Associate Athletics Director, Chief Financial Officer

Jordan Clark, Associate General Counsel, University of Central Florida

Summary of Agreement

***AMENDED AND RESTATED RIGHTS AGREEMENT
TO LICENSE FOOTBALL STADIUM PROPERTIES***

Purposes/Background	<p>This board approved this initial agreement on December 18, 2019. This revised agreement contains a couple noteworthy changes, (i) the term of the agreement is extended to coincide with the remaining stadium debt term, and begins on July 1, 2022; (ii) the insurance provision is changed to align with the University Risk Management Office providing coverage for the stadium; (iii) the rights fee increases each year over the term and the agreement shall not terminate if UCFAA hires a third party multimedia rights company; and (iv) the assignment provision will allow the rights under this agreement to be assigned or sub-licensed to a third party multimedia rights company.</p> <p>In July 2016, UCFAA ended its decade-plus long partnership with IMG who has purchased the rights to sponsorship inventory in exchange for a guaranteed annual payment. Subsequently, corporate sponsorship and advertising sales have been managed by UCFAA internally. With more than six years of experience UCFAA established a track record of success that enables it to identify an operating structure that will benefit all parties. This is part of a larger plan consolidate all athletic media rights within UCFAA that will streamline negotiations with third party multimedia rights partners. The attached amended and restated football stadium rights agreement conveys all the media and sponsorship and naming rights in the stadium to UCFAA in exchange for a guaranteed annual payment. UCF Stadium Corporation benefits by receiving a guaranteed payment, which will provide stability and security to bondholders while also providing some efficiencies when preparing the annual budget.</p>																								
Parties	UCF Athletics Association, Inc. and UCF Stadium Corporation																								
Term	14 years, 2022-36																								
Obligations of UCF	Financial obligations are approximately \$29,575,000 million over 14 years.																								
Obligations of other party	UCFAA shall use the sponsorship and advertising assets of the football stadium as part of UCFAA’s athletic sponsorship program in exchange for the guaranteed payments.																								
Financial Terms	<table border="1"> <thead> <tr> <th data-bbox="505 1493 971 1524">License Agreement Year</th> <th data-bbox="992 1493 1419 1524">Guaranteed Royalty</th> </tr> </thead> <tbody> <tr> <td data-bbox="505 1524 971 1556">2022/23</td> <td data-bbox="992 1524 1419 1556">\$1,950,000</td> </tr> <tr> <td data-bbox="505 1556 971 1587">2023/24</td> <td data-bbox="992 1556 1419 1587">\$1,975,000</td> </tr> <tr> <td data-bbox="505 1587 971 1619">2024/25</td> <td data-bbox="992 1587 1419 1619">\$2,000,000</td> </tr> <tr> <td data-bbox="505 1619 971 1650">2025/26</td> <td data-bbox="992 1619 1419 1650">\$2,025,000</td> </tr> <tr> <td data-bbox="505 1650 971 1682">2026/27</td> <td data-bbox="992 1650 1419 1682">\$2,050,000</td> </tr> <tr> <td data-bbox="505 1682 971 1713">2027/28</td> <td data-bbox="992 1682 1419 1713">\$2,075,000</td> </tr> <tr> <td data-bbox="505 1713 971 1745">2028/29</td> <td data-bbox="992 1713 1419 1745">\$2,100,000</td> </tr> <tr> <td data-bbox="505 1745 971 1776">2029/30</td> <td data-bbox="992 1745 1419 1776">\$2,125,000</td> </tr> <tr> <td data-bbox="505 1776 971 1808">2030/31</td> <td data-bbox="992 1776 1419 1808">\$2,150,000</td> </tr> <tr> <td data-bbox="505 1808 971 1839">2031/32</td> <td data-bbox="992 1808 1419 1839">\$2,175,000</td> </tr> <tr> <td data-bbox="505 1839 971 1871">2032/33</td> <td data-bbox="992 1839 1419 1871">\$2,200,000</td> </tr> </tbody> </table>	License Agreement Year	Guaranteed Royalty	2022/23	\$1,950,000	2023/24	\$1,975,000	2024/25	\$2,000,000	2025/26	\$2,025,000	2026/27	\$2,050,000	2027/28	\$2,075,000	2028/29	\$2,100,000	2029/30	\$2,125,000	2030/31	\$2,150,000	2031/32	\$2,175,000	2032/33	\$2,200,000
License Agreement Year	Guaranteed Royalty																								
2022/23	\$1,950,000																								
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2032/33	\$2,200,000																								

UCF Athletics Association, Inc Agenda

	2033/34	\$2,225,000
	2034/35	\$2,250,000
	2035/36	\$2,275,000
Termination rights	Yes • for cause after 30-day cure period • by mutual consent of the parties	
Additional Terms	N/A	
Link to Agreement	N/A	

Attachment B:
**AMENDED AND RESTATED RIGHTS AGREEMENT TO LICENSE FOOTBALL
STADIUM PROPERTIES**

This Amended and Restated License Agreement (this "**Agreement**") is made effective as of the 1st day of July, 2022 by and between **UCF Athletics Association, Inc.**, certified as a direct support organization by The University Of Central Florida Board of Trustees ("**University**" or "**UCF**"), and a Florida not for profit corporation under the laws of the State of Florida ("**UCFAA**" or "**Licensee**") and **UCF Stadium Corporation**, certified as a direct support organization by the University and a Florida not-for-profit corporation, organized under the laws of the State of Florida ("**STADIUM CORP.**" or "**Licensor**").

RECITALS

WHEREAS, STADIUM CORP. has caused to be issued \$33,995,000 Refunding Revenue Bonds, Series 2015A (the "Series 2015A Bonds"), its \$10,250,000 Refunding Revenue Bonds, Series 2015B (the "Series 2015B Bonds") and its \$3,810,000 Revenue Bond, Series 2015C (the Series 2015C Bond," which together with the Series 2015A Bonds and the Series 2015B Bonds are collectively referred to as the Series 2015 Bonds all pursuant to the terms and provisions of a Trust Indenture dated as of December 1, 2015 (the "Indenture") between the Corporation and the trustee named therein (the "Trustee"), the proceeds of which were used to finance a portion of the costs of the acquisition, construction and installation of the facility known as UCF Football Stadium (the "Football Stadium") the construction and installation of the Wayne Densch Center for Student-Athlete Leadership and office suites for the NCAA compliance staff, athletics student-services, and academic services (the "Wayne Densch Center" and together with the Football Stadium (the "Facilities"); and

WHEREAS, UCFAA has performed marketing and selling media sponsorships related to the university's intercollegiate athletic teams with proceeds of sponsorships used to benefit UCF and related entities; and

WHEREAS, UCFAA currently manages the Football Stadium pursuant to the terms of the Amended and Restated Management and Use Agreement (this "Agreement") dated as of December 1, 2015 by and between STADIUM CORP. and UCFAA

WHEREAS, currently the Facilities currently generate revenues from the sale of suites, loge and club seats ("Premium Seating"), as well as the sale of naming rights ("Naming Rights") and other sponsorship and advertising opportunities which revenues have been pledged by STADIUM CORP. to the Trustee to secure STADIUM CORP'S obligation under the Indenture and are considered Pledged Revenues under the Indenture; and

WHEREAS, STADIUM CORP. desires to maximize the benefit from the sale of sponsorship and advertising opportunities, maximize the sale of Premium Seating and Naming Rights (collectively, "Licensed Activities"); and

WHEREAS, Licensee acknowledges and agrees that all proceeds received by Licensee from Licensed Activities remaining subject to the lien of the Indenture. NOW THEREFORE, for and in consideration of the foregoing, the mutual covenants and promises hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties, intending to be legally bound, hereby agree as follows:

ARTICLE I. DEFINITIONS

- 1.01 “Fund Raising Agreement” means the Fund-Raising Agreement dated December 1, 2015 by the between The University of Central Florida Foundation and Licensee, as may be amended and supplemented from time to time.
- 1.02 In-kind revenues” means all collected non-cash revenues of Licensee that are received as a result of any exploitation of the Licensed Properties.
- 1.03 "Intolerable breach" means a breach of this License Agreement by either Licensee or STADIUM CORP., which exposes the other party to immediate and irreparable harm of a material nature.
- 1.04 "License" means the right to exploit naming, marketing, advertising, sponsorship and similar opportunities with respect to the Licensed Properties in accordance with this License Agreement.
- 1.05 “Licensed Properties” means the properties more specifically described in Exhibit A Stadium Sponsorship and Advertising which is attached hereto.
- 1.06 “License Agreement Year” means a 12-month period beginning on July 1, and each anniversary thereof, and ending on June 30, and each anniversary thereof, during the term of this License Agreement.
- 1.07 “Operating Agreement” means the Operating Agreement dated as of June 1, 2015 by and between the University and STADIUM CORP.

ARTICLE II. LEGAL STATUS, AUTHORITY AND WARRANTY BY EACH PARTY

2.01 The parties represent and warrant that each has the authority to enter into this License Agreement and grant the rights and licenses and fulfill the obligations contained herein, and that the affixed signature or signatures on this License Agreement are by representatives of each party who are duly authorized.

2.02 Licensee represents that it is in good standing and is authorized to do business in the State of Florida. UCFAA represents that it is a certified direct support organization of UCF.

2.03 Licensor represents that it is in good standing and is authorized to do business in the State of Florida. STADIUM CORP represents that it is a certified direct support organization of UCF. Licensor further represents that it will cooperate with Licensee and agrees to perform any further acts, and to execute and deliver any documents which may be reasonably necessary for Licensee to carry out the provisions of this Agreement.

ARTICLE III. TERM OF THE LICENSE AGREEMENT AND RENEWALS

3.01 The term of this License Agreement is from July 1, 2022 until June 30, 2036. This agreement may be extended by mutual written consent of the parties.

3.02 In the event that UCFAA elects to outsource and use a third-party entity (such as PlayFly/Learfield) to sell sponsorship services this Agreement or the applicable license rights contained herein may be sub-licensed to the third-party multimedia rights holder.

3.03 In the event that either party to this agreement is decertified by UCF as a direct support organization this agreement shall terminate.

ARTICLE IV. GRANT OF LICENSE

4.01 STADIUM CORP., as licensor, grants to Licensee a worldwide license to the Licensed Properties. In connection with the performance of this Agreement, Licensee shall adhere and follow all applicable University of Central Florida and Florida Board of Governors regulations, policies, and guidelines.

4.02 STADIUM CORP. grants to Licensee a non-exclusive license to use and publish the name, marks, symbols and photographs of the Stadium in the exploitation of the license granted in 4.01, but only as expressly authorized by STADIUM CORP., and subject to any existing stadium naming rights agreement. Notwithstanding the foregoing, subject to applicable law and regulations, Licensee may use the trademarks and other indicia, including any new indicia adopted, used and approved, of the Facilities at no charge for occasions defined in this Agreement. Licensee must receive STADIUM CORP.'s prior written approval to utilize the Stadium's trademarks and other indicia, at no charge, for occasions not defined in this agreement and for any instances in which trademarks and other indicia shall be utilized by a third party, which approval shall not be unreasonably withheld. Electronic Mail ("E-mail") from a duly authorized STADIUM CORP. signatory shall be an acceptable form of written approval.

4.03 Licensee's rights hereunder apply to all events held in the Facilities other than events or activities conducted by the University.

4.04 Licensee acknowledges that STADIUM CORP. currently has a naming rights agreement with FBC Mortgage ("FBC Mortgage") and that the naming rights agreement (the FBC Naming Rights Agreement grants FBC Mortgage specific rights and it also includes negative covenants that restrict STADIUM CORP. rights in the Football Stadium. Licensee agrees that it shall not violate the FBC Naming Rights Agreement nor infringe on any rights of FBC Mortgage in the licensing or exploitation or promotion of the Football Stadium. Licensee shall act as STADIUM CORP.'s agent in administering and managing the stadium naming rights agreement or any future agreements. Further, Licensee shall fulfill of STADIUM CORP.'s obligations under the FBC Naming Rights Agreement. Licensee agrees to indemnify and hold harmless STADIUM CORP. and its officers, agents and employees, from and against any judgments, damages, costs and expenses, including lost business or lost profits, and including reasonable attorney's fees, from any claim, action or proceeding arising out of the UCFAA's breach of the FBC Naming Rights Agreement.

Licensee is expressly authorized, upon expiration of the FBC Naming Rights Agreement, to enter into future naming rights agreements in accordance with University facility naming requirements and subject to the University's prior written approval. In exchange for these services, Licensee shall receive and retain the proceeds from the naming rights agreements that exist during the term of this Agreement. Licensee agrees to indemnify and hold harmless STADIUM CORP. and its officers, agents and employees, from and against any judgments, damages, costs and expenses, including lost business or lost profits, and including reasonable attorney's fees, from any claim, action or proceeding arising out of the UCFAA's breach of any naming rights agreement.

4.05 Prior to entering into any naming rights agreement providing for the return of fair market value in consideration for the payments being made, which is considered private business use of the Facilities financed by STADIUM CORP. with proceeds of a tax-exempt obligation UCFAA shall consult with the University's bond counsel and University Treasurer to determine if entering into the proposed agreement requires any remedial action related to the outstanding tax-exempt obligations.

In the event that, UCFAA's actions under this Agreement exceed the private business use safe harbor thresholds for tax exempt bonds, UCFAA shall cooperate with the University's bond counsel and University Treasurer regarding any remediation action that must be taken to correct any excessive private business use and preserve the tax exempt status of those bonds. The Parties shall cooperate to fully and timely fund any remediation or defeasance actions necessary to preserve the tax-exempt status of those bonds.

ARTICLE V. RELATIONSHIP OF THE PARTIES

5.01 Licensee is not an employee or agent of STADIUM CORP. Licensee will conduct the business of exploiting the Licensed Properties in such manner as it deems advisable, and STADIUM CORP. will not exert or attempt to exert any business control or supervision over Licensee with regard to the manner in which the business is conducted, nor will STADIUM CORP. issue any detailed work orders or instructions. STADIUM CORP. will not have the right to prescribe the number of hours that Licensee must devote to activities with respect to the License.

5.02 Licensee is an independent contractor and does not have the authority to obligate or bind STADIUM CORP. in any manner, except as expressly set forth herein and related to the exploitation of advertising, sponsorship, and multi-media rights. Licensee will take appropriate steps to inform all relevant third parties of its independent contractor status.

5.03 Licensee may use the trademarks and other indicia, including any new indicia adopted, used and approved by the University or STADIUM CORP. at no charge on Licensee letterhead, business cards, presentations, promotional merchandise and apparel with the consent of STADIUM CORP., which consent shall not be unreasonably withheld. All payments for use of such trademarks and other indicia are included in the payment of royalty described in Article VI. This grant of license does not assign, nor provide, prior approval for the use of trademarks in merchandise or retail sales.

5.04 Subject to the provisions of section 5.03, Licensee acknowledges that the Licensed Properties and all trademarks and other indicia associated therewith, including any new indicia adopted, used and approved for use by STADIUM CORP., are the property of STADIUM CORP. and that the License does not transfer ownership to Licensee. Licensee's rights in the Licensed Properties are limited to those specifically granted under this License Agreement and any amendments hereto. Licensee will not at any time contest the validity of STADIUM CORP.'s trademarks or other indicia or seek to file any trademark application with respect to any indicia associated with STADIUM CORP.

5.05 The grant of this License extends only to the use of the Licensed Properties in a manner which is reasonably expected to conform to the highest standards applicable, and in a manner, which is reasonably expected to preserve and enhance the reputation of the Stadium and STADIUM CORP. Licensee, in the exploitation of the Licensed Properties, shall also conform to all applicable production value standards to which UCF and STADIUM CORP. are bound (e.g. American Athletic Conference, NCAA, conference television agreements, etc.).

ARTICLE VI. PAYMENT OF ROYALTY

6.01 Licensee will pay STADIUM CORP. an annual royalty each License Agreement Year.

License Agreement Year	Guaranteed Royalty
2022/23	\$1,950,000
2023/24	\$1,975,000
2024/25	\$2,000,000
2025/26	\$2,025,000
2026/27	\$2,050,000
2027/28	\$2,075,000
2028/29	\$2,100,000
2029/30	\$2,125,000
2030/31	\$2,150,000
2031/32	\$2,175,000
2032/33	\$2,200,000
2033/34	\$2,225,000
2034/35	\$2,250,000
2035/36	\$2,275,000

The annual payment has an escalator to address inflationary and other costs of maintaining the STADIUM CORP.'s properties over the life of the Agreement. Based upon the age of the Facilities and increased use of the Facilities, maintaining the Facilities is a material consideration within this Agreement. The annual royalty payment will be paid 60% on or before January 31, with the remaining balance paid on or before June 15 of each License Agreement Year.

6.02 Licensee may solicit in-kind revenues from exploitation of the Licensed Properties.

6.03 Licensee acknowledges that its rights to retain revenues from the Licensing Activities described herein is subject to STADIUM CORP.'s obligations under the Indenture. Upon notice from the Trustee that Pledged Revenues are insufficient to pay debt service on the Series 2015 Bonds Licensee shall transfer to Trustee all Pledged Revenues in its possession to the Trustee for deposit into the Revenue Fund, as defined in the Indenture.

ARTICLE VII. PERFORMANCE OF LICENSEE

7.01 Licensee will use its best efforts to exploit fully each and every Licensed Property identified in Exhibit A.

ARTICLE VIII. CONTROLLING LAW

8.01 The laws of the State of Florida govern this License Agreement.

ARTICLE IX. FAILURE TO OBJECT NOT A WAIVER

9.01 The failure of a party to object to or act upon a breach of this License Agreement by the other party is not a waiver of that breach or any future breach.

ARTICLE X. LEGAL CONSIDERATION

10.01 If any of the provisions of this License Agreement are held to be invalid, illegal or unenforceable, the invalidity or unenforceability will not affect any other provision of this License Agreement, which will be construed as if the invalid, illegal or unenforceable provision had never been part thereof.

ARTICLE XI. BREACH AND OPPORTUNITY TO CURE; TERMINATION

11.01 Except with respect to an intolerable breach, if either party believes the other has failed to perform any of the material obligations of this License Agreement, that party will deliver a written notice of the failure to the other party and provide a reasonable opportunity of not less than 30 days to cure the default prior to declaring a breach and termination or seeking other remedy.

11.02 If either party commits an intolerable breach of this License Agreement, the other party may, in its sole discretion, declare this License Agreement to be breached and terminated without waiving any of its rights under this License Agreement.

ARTICLE XII. INDEMNITY

12.01 Each party agrees to the limited amount permitted under Florida Statute 768.28 regarding sovereign entity tort liability, that it shall indemnify and hold harmless the other party and its trustees, officers, agents and employees, from and against any judgments, damages, costs and expenses, including lost business or lost profits, and including reasonable attorney's fees, from any claim, action or proceeding arising out of the other party's negligent acts or omissions in the performance of this Agreement. UCFAA and STADIUM CORP. state that nothing contained herein shall be construed or interpreted as (i) denying to either party any remedy or defense available to such party under the laws of the State of Florida; (ii) the consent of the State of Florida or its agents and agencies to be sued; (iii) a waiver of sovereign immunity of the State of Florida beyond waiver provided in Section 768.28, Florida Statutes.

ARTICLE XIII. SUB-LICENSES

13.01 This License Agreement is not assignable by either party, in whole or in part without the prior written consent of the parties, except as provided in Section 3.02 of this Agreement. Licensee may utilize sub-contractors in the discharge of its responsibilities.

13.02 In the exploitation of the Licensed Properties, Licensee may utilize the services of outside or independent contractor to assist with fulfillment deliverables.

ARTICLE XIV. RIGHT TO INSPECT RECORDS OF LICENSEE

14.01 STADIUM CORP., the University and the Trustee may review and inspect Licensee's financial records relative to the exploitation of the Licensed Properties during normal business hours upon reasonable prior notice. Licensee will make available during these inspections all relevant records with respect to the computation of royalties and total annual revenues. Should STADIUM CORP., the University or the Trustee elect to audit Licensee's relevant financial records, it shall be done at STADIUM CORP.'s expense and Licensee agrees to fully cooperate with the conduct of any such audit and provide the auditors with all requested documents.

14.02 Notwithstanding the provisions of 14.01, Licensee will provide to STADIUM CORP., within thirty (30) days of execution, each licensing/sponsorship agreement in its entirety that concerns the Facilities as well as any electronic, social or broadcast licensing that may occur at the Licensed Properties.

ARTICLE XV. NOTICES

15.01 All notices given under this License Agreement will be in writing and dispatched by registered or certified mail, return receipt requested, and addressed to the party to be notified at its address (or email address) set forth below. The notices will be deemed given when received. Notice to STADIUM CORP. and Licensee will be addressed as follows unless changed in writing by notice to the other party:

STADIUM CORP.: UCF Stadium Corporation
ATTN: Gerald Hector
Board Chair
P.O. Box 160015
Orlando, FL 32816
Gerald.Hector@ucf.edu

With a copy to: UCF Stadium Corporation
ATTN: Terry Donovan
Executive Associate Athletics Director | Chief Financial Officer
4192 North Orion Boulevard
Orlando FL 32816
tdonovan@athletics.ucf.edu

LICENSEE: UCFAA
ATTN: Terry Mohajir
Athletics Director | Chief Executive Officer
4192 North Orion Boulevard
Orlando, FL 32816
tmohajir@athletics.ucf.edu

With a copy to: UCFAA
ATTN: Terry Donovan
Executive Associate Athletics Director | Chief Financial Officer
4192 North Orion Boulevard
Orlando FL 32816
tdonovan@athletics.ucf.edu

ARTICLE XI. ENTIRE AGREEMENT

16.01 This License Agreement including all exhibits and appendices, the Fund Raising Agreement, the Management Agreement and the Indenture, contains the entire agreement of the parties with respect to its subject matter. No representations have been made or relied on by either party, other than those expressly provided for. No agent, employee, or other representative of either party is empowered to alter any of its terms, unless done in writing and signed by an authorized officer or agent of the appropriate party.

[signatures on the following page]

IN WITNESS WHEREOF the parties have caused this Agreement to be executed by an authorized representative and effective as of July 1, 2022.

UCF Stadium Corporation

By: Gerald Hector
Title: Chair, UCF Stadium Corporation

UCF Athletics Association, Inc.

By: Terry Mohajir
Title: Athletic Director | Chief Executive Officer

EXHIBIT A.

STADIUM SPONSORSHIP AND ADVERTISING

A.1.01 **Description of Properties** - STADIUM CORP. operates the UCF Football Stadium, the Garvey Center for Student-Athlete Nutrition, Wayne Densch Center for Student Athlete Leadership (collectively, the Facilities”). The Facilities have one or more components which may be used for advertising and sponsorship purposes.

The sponsorship and advertising components of the Facilities include, but may not be limited to, the following:

- (a) Message center displays
- (b) All permanent, temporary and LED/digital signage and displays
- (c) Plastic souvenir stadium cups and concession containers
- (d) All scoreboards, video boards and signage (LED/digital as well as temporary and permanent)
- (e) Branded vending, as opportunity is presented (concession signage)
- (f) Temporary signage (banners and light generated images)
- (g) Concourse signage
- (h) Team entry ways signage
- (i) Goal Post pads, goal post netting
- (j) Playing surface logo opportunities
- (k) Product displays at UCF athletic events and non-UCF athletic events as approved by STADIUM CORP.
- (l) Sampling, couponing and free product distribution at UCF athletic events and non-UCF athletic events as approved by STADIUM CORP.
- (m) Stadium cup holders
- (n) Television, radio and internet broadcasting of UCF Athletic events held at the Stadium
- (o) Suite entitlement/ branding as part of sponsorship package (based on availability)
- (p) Social media engagement (depends on sponsorship level)
- (q) Naming opportunities for any areas or buildings located within the footprint (e.g. stadium, premium seating areas, lobbies, entry gates, etc.)

The parties recognize that some components listed above may not be in use for all events and that STADIUM CORP. and Licensee will continually seek opportunities to expand the Licensed Properties inventory offerings as part of this Agreement. The parties agree that the following sponsorship categories are excluded from the licensed rights and Licensee shall adhere to the terms of these agreements:

- (a) Existing Pouring Rights’ inventory listed in A.3.01.03 below
- (b) Existing Apparel Partner rights inventory listed in A.3.01.03 below
- (c) Other future University of Central Florida campus-wide exclusive agreements

A.2.01 **Rights Licensed** An exclusive license is granted to sell current and future advertising and sponsorship locations in and around the Stadium at all locations designated in paragraph 1.01 of this exhibit.

A.3.01 **Licensee Obligations**

A.3.01.01 Licensee is responsible for soliciting all advertising sales, securing advertising copy, and collecting all advertising receipts. Licensee is responsible for producing all new advertising displays for insertion into, or on, Stadium advertising equipment.

A.3.01.02 Licensee will promote upcoming STADIUM CORP. (Stadium) concerts, games and events during media spots, coaches' shows and live broadcasts.

A.3.01.03 Licensee will honor the existing and future campus exclusive agreements which will be updated from time to time as new agreements maybe signed. Licensee shall receive reasonable time to comply with new exclusive agreements.

A.3.01.04 Licensee will be responsible for operating and maintaining in good working order all Stadium advertising equipment. Licensee will also replace or repair any damaged advertising displays owned or controlled by STADIUM CORP.

A.3.01.05 Licensee will be responsible for all costs related to exploiting the rights granted under this Agreement.

A.4.01 **STADIUM CORP. Obligations**

A.4.01.01 STADIUM CORP. will display all signage and allow Licensee to fulfill all promotional elements sold by Licensee at all events. For non-UCF events those participants and their respective promoters or sponsors may be allowed to display their signage for their respective events, although it may conflict with existing Licensee relationships (for example, Coke contractually allows Pepsi exposure when Pepsi is a sponsor of an event at the Stadium). Notwithstanding, this signage will not interfere or cover existing permanent signage.

ITEM: AA-4

**UNIVERSITY OF CENTRAL FLORIDA
UCF Athletics Association, Inc.
Agenda Item Summary July 12, 2022**

Title: Premium Seating and Multimedia Rights License Agreement for Arena Properties with UCFAA

Information

Information for Upcoming Action

Action

Meeting Date for Upcoming Action July 12, 2022

Purpose and Issues to be Considered:

The UCF Athletics Association (UCFAA), as manager of the arena, proposes to consolidate all athletic media rights within UCFAA. This rights agreement is one piece of a larger plan that will allow UCFAA to operate the athletic sponsorship program more efficiently. This agreement contains a couple noteworthy items: (i) the term of the agreement is extended to coincide with the remaining arena debt term and begins on July 1, 2022; (ii) the rights fee increases each year over the term, and the agreement shall not terminate if UCFAA hires a third-party multimedia rights company; and (iii) the assignment provision will allow the rights under this agreement to be assigned or sub-licensed to a third-party multimedia rights company.

Background Information:

In July 2016, UCFAA ended its decade-plus long partnership with IMG who had purchased the rights to sponsorship inventory in exchange for a guaranteed annual payment. Subsequently, corporate sponsorship and advertising sales have been managed by UCFAA internally. With more than six years of experience, UCFAA established a track record of success that enables it to identify an operating structure that will benefit all parties. The attached License Agreement conveys all the media and sponsorship rights including naming rights in the arena to UCFAA in exchange for a guaranteed annual payment. UCF Convocation Corporation benefits by receiving a guaranteed payment, which will provide stability and security to bondholders while also providing some efficiencies when preparing the annual budget.

Recommended Action:

To approve the Premium Seating and Multimedia Rights License Agreement for Arena Properties with UCF Athletics Association, Inc. and recommend approval to the Board of Trustees.

Alternatives to Decision:

The Board of Directors may elect to deny or reject the agreement, or it may elect to alter or revise the agreement.

Fiscal Impact and Source of Funding:

Fiscal impact is a guaranteed revenue source in the amount of \$15,544,918 over the fourteen-year period. UCFAA is the contractual source of funding with the ultimate source derived from naming rights, corporate sponsorship, and advertising sales.

Authority for Board of Directors Action:

UCFAA Bylaws

Contract Reviewed/Approved by Assigned Attorney N/A

Assigned Attorney has approved adding this item to the agenda

AVP for DSOs has approved adding this item to the agenda N/A

Chair of the Board has approved adding this item to the agenda

Submitted by:

Jordan Clark, Chief Legal Office

Supporting Documentation:

Attachment A: Premium Seating and Multimedia Rights License Agreement for Arena Properties with UCF Athletics Association, Inc. Contract Summary

Attachment B: Premium Seating and Multimedia Rights License Agreement for Arena Properties with UCF Athletics Association, Inc.

Facilitators/Presenters:

Terry Mohajir, Athletic Director, CEO, UCF Athletics Association, Inc.

Terry Donovan, Senior Executive Associate Athletics Director, Chief Financial Officer

Jordan Clark, Associate General Counsel, University of Central Florida

Attachment A
Premium Seating and Multimedia Rights License Agreement for Arena Properties

Purpose/Background	<p>This revised agreement contains a couple noteworthy items, (i) the term of the agreement is extended to coincide with the remaining arena debt term and begins on July 1, 2022; (ii) the rights fee increases each year over the term and the agreement shall not terminate if UCFAA hires a third-party multimedia rights company; and (iii) the assignment provision will allow the rights under this agreement to be assigned or sub-licensed to a third-party multimedia rights company.</p> <p>In July 2016, UCFAA ended its decade-plus long partnership with IMG who had purchased the rights to sponsorship inventory in exchange for a guaranteed annual payment. Thereafter, corporate sponsorship and advertising sales have been managed by UCFAA internally. With more than six years of experience UCFAA established a track record of success that enables it to identify an operating structure that will benefit all parties. This is part of a larger plan consolidate all athletic media rights within UCFAA that will streamline negotiations with third party multimedia rights partners. The attached license agreement conveys all the media and sponsorship, premium seating inventory, and naming rights in the arena to UCFAA in exchange for a guaranteed annual payment. UCF Convocation Corporation benefits by receiving a guaranteed payment, which will provide stability and security to bondholders while also providing some efficiencies when preparing the annual budget.</p>																														
Parties	UCF Athletics Association, Inc. and UCF Convocation Corporation																														
Term	14 years 2022-36																														
Obligations of UCF	Financial obligations are approximately \$15,544,918 million over 14 years.																														
Obligations of other parties	UCFAA shall use the sponsorship and advertising, premium seating and naming rights assets of the arena as part of UCFAA’s athletic sponsorship program in exchange for the guaranteed payments.																														
Financial Terms	<table border="0"> <tr> <td colspan="2">License Agreement Year Guaranteed Royalty</td> </tr> <tr> <td>2022/23</td> <td>\$1,040,000</td> </tr> <tr> <td>2023/24</td> <td>\$1,050,000</td> </tr> <tr> <td>2024/25</td> <td>\$1,060,904</td> </tr> <tr> <td>2025/26</td> <td>\$1,071,513</td> </tr> <tr> <td>2026/27</td> <td>\$1,082,228</td> </tr> <tr> <td>2027/28</td> <td>\$1,093,050</td> </tr> <tr> <td>2028/29</td> <td>\$1,103,981</td> </tr> <tr> <td>2029/30</td> <td>\$1,115,021</td> </tr> <tr> <td>2030/31</td> <td>\$1,126,171</td> </tr> <tr> <td>2031/32</td> <td>\$1,137,433</td> </tr> <tr> <td>2032/33</td> <td>\$1,148,807</td> </tr> <tr> <td>2033/34</td> <td>\$1,160,295</td> </tr> <tr> <td>2034/35</td> <td>\$1,171,898</td> </tr> <tr> <td>2035/36</td> <td>\$1,183,617</td> </tr> </table>	License Agreement Year Guaranteed Royalty		2022/23	\$1,040,000	2023/24	\$1,050,000	2024/25	\$1,060,904	2025/26	\$1,071,513	2026/27	\$1,082,228	2027/28	\$1,093,050	2028/29	\$1,103,981	2029/30	\$1,115,021	2030/31	\$1,126,171	2031/32	\$1,137,433	2032/33	\$1,148,807	2033/34	\$1,160,295	2034/35	\$1,171,898	2035/36	\$1,183,617
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2034/35	\$1,171,898																														
2035/36	\$1,183,617																														

Termination Rights	Yes: <ul style="list-style-type: none"> • For cause after 30 cure period • By mutual consent of the parties
Additional Terms	N/A
Link to Agreement	N/A

Attachment B

***PREMIUM SEATING AND
MULTIMEDIA RIGHTS LICENSE AGREEMENT
FOR ARENA PROPERTIES***

This License Agreement (this "**Agreement**") is made effective as of the 1st day of July, 2022 by and between **UCF Athletics Association, Inc.**, certified as a direct support organization by The University Of Central Florida Board of Trustees ("**University or UCF**"), and a Florida not for profit corporation under the laws of the State of Florida ("**UCFAA or Licensee**") and **UCF Convocation Corporation**, certified as a direct support organization by the University and a Florida not-for-profit corporation, organized under the laws of the State of Florida ("**CONVOCAATION CORP**" or "**Licensor**").

RECITALS

WHEREAS, CONVOCAATION CORP. has caused to be issued its UCF Convocation Corporation Refunding Revenue Bonds, Series 2015A (the "Series 2015A Bonds") and its UCF Convocation Corporation Taxable Refunding Revenue Bonds, Series 2015B (the "Series 2015B Bonds" and together with the Series 2015A Bonds, the "**Series 2015 Bonds**") pursuant to the terms and provisions of the Trust Indenture dated as of July 1, 2015 (the "**Indenture**") between the Corporation and U.S. Bank National Association, as trustee (the "**Trustee**") the proceeds of which were used to finance a portion of the costs of the acquisition, construction and installation of the facility known as the "Arena" with an attached volleyball competition facility known as the "Venue" and also to finance certain renovations of the original arena including converting existing space to office space for coaching staff and renovation of the space to accommodate new practice facilities, each located on the campus of the University (collectively, the "Facilities"); and

WHEREAS, UCFAA has performed marketing and selling media sponsorships related to the university's intercollegiate athletic teams with proceeds of sponsorships used to benefit UCFAA and UCF related entities; and

WHEREAS, CONVOCAATION CORP. controls the Facilities which currently generates revenues from the sale of suites, loge and club seats ("Premium Seating"), as well as the sale of naming rights ("Naming Rights") and other sponsorship and advertising opportunities which revenues have been pledged by CONVOCAATION CORP. to the Trustee to secure CONVOCAATION CORP'S obligation under the Indenture and are considered Pledged Revenues under the Indenture; and

WHEREAS, CONVOCAATION CORP. desires to maximize the benefit from the sale of sponsorship and advertising opportunities, maximize the sale of Premium Seating and Naming Rights (collectively, "Licensed Activities") and desires to grant Licensee, and Licensee desire to accept a license to exploit those rights; and WHEREAS, Licensee acknowledges and agrees that all proceeds received by Licensee from Licensed Activities remaining subject to the lien of the Indenture.

NOW THEREFORE, for and in consideration of the foregoing, the mutual covenants and promises hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties, intending to be legally bound, hereby agree as follows:

ARTICLE I. DEFINITIONS

- 1.01 "Fund Raising Agreement" means the Fund-Raising Agreement dated June 1, 2015 by the between the University, CONVOCAATION CORP. and Licensee, as may be amended and supplemented from time to time.
- 1.02 "In-kind revenues" means all collected non-cash revenues of Licensee that are received as a result of any exploitation of the Licensed Properties.

- 1.03 "Intolerable breach" means a breach of this License Agreement by either Licensee or CONVOCATION CORP., which exposes the other party to immediate and irreparable harm of a material nature.
- 1.04 "License" means the right to exploit marketing, advertising, sponsorship, sale of Premium Seating and Naming Rights and similar opportunities with respect to the Licensed Properties in accordance with this License Agreement.
- 1.05 "Licensed Properties" means the properties more specifically described in Exhibit A Arena Sponsorship and Advertising which is attached hereto and includes the Facilities.
- 1.06 "License Agreement Year" means a 12-month period beginning on July 1, and each anniversary thereof, and ending on June 30, and each anniversary thereof, during the term of this License Agreement.
- 1.07 "Operating Agreement" means the Operating Agreement dated as of June 1, 2015 by and between the University and CONVOCATION CORP.

ARTICLE II. LEGAL STATUS, AUTHORITY AND WARRANTY BY EACH PARTY

- 2.01 The parties represent and warrant that each has the authority to enter into this License Agreement and grant the rights and licenses and fulfill the obligations contained herein, and that the affixed signature or signatures on this License Agreement are by representatives of each party who are duly authorized.
- 2.02 Licensee represents that it is in good standing and is authorized to do business in the State of Florida. UCFAA represents that it is a certified direct support organization of UCF.
- 2.03 Licensor represents that it is in good standing and is authorized to do business in the State of Florida. CONVOCATION CORP. represents that it is a certified direct support organization of UCF. Licensor further represents that it will cooperate with Licensee and agrees to perform any further acts, and to execute and deliver any documents which may be reasonably necessary for Licensee to carry out the provisions of this Agreement.

ARTICLE III. TERM OF THE LICENSE AGREEMENT AND RENEWALS

- 3.01 The term of this License Agreement is from July 1, 2022 until June 30, 2036. This agreement may be extended by mutual written consent of the parties.
- 3.02 In the event that UCFAA elects to outsource and use a third-party entity (such as PlayFly/Learfield) to sell sponsorship services this Agreement or the applicable license rights contained herein may be sub-licensed to the third-party multimedia rights holder.
- 3.03 In the event that either party to this agreement is decertified by UCF as a direct support organization this agreement shall terminate.

ARTICLE IV. GRANT OF LICENSE

- 4.01 CONVOCATION CORP., as licensor, grants to Licensee a worldwide license to the Licensed Properties to License. CONVOCATION CORP., as licensor, grants to Licensee the right to sell all Premium Seating areas in the Arena. In connection with the performance of this Agreement, Licensee shall adhere and follow all applicable University and Florida Board of Governors regulations, policies, and guidelines.
- 4.02 CONVOCATION CORP. grants to Licensee a non-exclusive license to use and publish the name, marks, symbols and photographs of the Arena in the exploitation of the license granted in 4.01, but only as expressly authorized by CONVOCATION CORP., and subject to any existing Arena naming rights agreement ("Naming Rights Agreement"). Notwithstanding the foregoing, subject to applicable law and regulations, Licensee may use the trademarks and other indicia, including any new indicia adopted and used and approved by CONVOCATION CORP., of the Facilities at no charge for occasions defined in this Agreement. Electronic Mail ("E-mail") from a duly authorized CONVOCATION CORP. signatory shall be an acceptable form of written approval.

- 4.03 Licensee's rights hereunder apply to all events held in the Arena other than events or activities conducted by the University.
- 4.04 Licensee acknowledges that CONVOCATION CORP. currently has a naming rights agreement with Addition Financial Federal Credit Union ("AFFCU") (the "AFFCU Naming Rights Agreement") and that the AFFCU Naming Rights Agreement grants AFFCU specific rights, and it also includes negative covenants that restrict CONVOCATION CORP.'s rights in the Arena. Licensee agrees that it shall not violate the AFFCU Naming Rights Agreement nor infringe on any rights of the naming partner in the licensing or exploitation or promotion of the Licensed Properties. Licensee shall act as CONVOCATION CORP.'s agent in administering and managing the AFFCU Arena Naming Rights Agreement. Further, Licensee shall fulfill all of CONVOCATION CORP.'s obligations under the AFFCU Arena Naming Rights Agreement.

Licensee is expressly authorized, upon expiration of the AFFCU Naming Rights Agreement, to enter into future naming rights agreements in accordance with University facility naming requirements and subject to the University's prior written approval. In exchange for these services, Licensee shall receive and retain the proceeds from the naming rights agreements that exist during the term of this Agreement. Licensee agrees to indemnify and hold harmless CONVOCATION CORP. and its officers, agents and employees, from and against any judgments, damages, costs and expenses, including lost business or lost profits, and including reasonable attorney's fees, from any claim, action or proceeding arising out of the UCFAA's breach of any naming rights agreement including the AFFCU Arena Naming Rights Agreement.

- 4.05 Prior to entering into any naming rights agreement providing for the return of fair market value in consideration for the payments being made, which is considered private business use of the Facilities or any other facility financed by CONVOCATION CORP. with proceeds of a tax exempt obligation UCFAA shall consult with the University's bond counsel and University Treasurer to determine if entering into the proposed naming rights agreement requires any remedial action related to the outstanding Series 2015 Bonds or any obligations hereafter issued by CONVOCATION CORP. secured by the Pledged Revenues.

In the event that UCFAA's actions under this Agreement exceed the private business use safe harbor thresholds for tax exempt bonds, UCFAA shall cooperate with the University's bond counsel and University Treasurer regarding any remediation action that must be taken to correct any excessive private business use and preserve the tax exempt status of those bonds. The Parties shall cooperate to fully and timely fund any remediation or defeasance actions necessary to preserve the tax-exempt status of those bonds.

ARTICLE V. RELATIONSHIP OF THE PARTIES

- 5.01 Licensee is not an employee of CONVOCATION CORP. Licensee will conduct the business of exploiting the Licensed Properties in such manner as it deems advisable, and CONVOCATION CORP. will not exert or attempt to exert any business control or supervision over Licensee with regard to the manner in which the business is conducted, nor will CONVOCATION CORP. issue any detailed work orders or instructions. CONVOCATION CORP. will not have the right to prescribe the number of hours that Licensee must devote to activities with respect to the License.
- 5.02 Licensee is an independent contractor and does not have the authority to obligate or bind CONVOCATION CORP. in any manner, except as expressly set forth herein and related to the exploitation of advertising, sponsorship, naming rights, and multi-media rights. Licensee will take appropriate steps to inform all relevant third parties of its independent contractor status.

- 5.03 Licensee may use the trademarks and other indicia, including any new indicia adopted, used and approved by CONVOCATION CORP. of the Facilities at no charge on Licensee letterhead, business cards, presentations, promotional merchandise and apparel with the consent of CONVOCATION CORP., which consent shall not be unreasonably withheld. All payments for use of such trademarks and other indicia are included in the payment of royalty described in Article VI. This grant of license does not assign, nor provide, prior approval for the use of trademarks in merchandise or retail sales.
- 5.04 Subject to the provisions of section 5.03, Licensee acknowledges that the Licensed Properties and all trademarks and other indicia associated therewith, including any new indicia adopted, used and approved for use by CONVOCATION CORP., are the property of CONVOCATION CORP. and that the License does not transfer ownership to Licensee. Licensee's rights in the Licensed Properties are limited to those specifically granted under this License Agreement and any amendments hereto. Licensee will not at any time contest the validity of CONVOCATION CORP.'s trademarks or other indicia or seek to file any trademark application with respect to any indicia associated with CONVOCATION CORP.
- 5.05 The grant of this License extends only to the use of the Licensed Properties in a manner which is reasonably expected to conform to the highest standards applicable, and in a manner, which is reasonably expected to preserve and enhance the reputation of the Arena and CONVOCATION CORP. Licensee, in the exploitation of the Licensed Properties, shall also conform to all applicable production value standards to which UCF and CONVOCATION CORP. are bound (e.g. American Athletic Conference, Big Twelve Conference, NCAA, conference television agreements, etc.).

ARTICLE VI. PAYMENT OF ROYALTY

- 6.01 In exchange for the rights granted herein Licensee will pay CONVOCATION CORP. an annual royalty each License Agreement Year.

<u>License Agreement Year</u>	<u>Guaranteed Royalty</u>
2022/23	\$1,040,000
2023/24	\$1,050,000
2024/25	\$1,060,904
2025/26	\$1,071,513
2026/27	\$1,082,228
2027/28	\$1,093,050
2028/29	\$1,103,981
2029/30	\$1,115,021
2030/31	\$1,126,171
2031/32	\$1,137,433
2032/33	\$1,148,807
2033/34	\$1,160,295
2034/35	\$1,171,898
2035/36	\$1,183,617

The annual payment has a 1% escalator to address inflationary and other costs of maintaining the CONVOCATION CORP's properties over the life of the Agreement. Based upon the age of the Arena and increased use of the Facilities, maintaining the Facilities is a material consideration within this Agreement.

The annual royalty payment will be paid 80% on or before February 28th, with the remaining balance paid on or before June 15 of each License Agreement Year. The annual royalty is comprised of the following values:

Naming rights	\$ 825,000
Naming rights fulfillment*	<\$ 15,000>
Sponsorship Rights	\$ 80,000
Premium Seating	\$ 400,000
<u>Admin. Premium Seating</u>	<u><\$ 250,000></u>
Net Royalty (Base Year)	\$ 1,040,000

*The current AFFCU Naming Rights Agreement contains fulfillment items that are not included in the fulfillment amount above.

- 6.02 Licensee may solicit in-kind revenues from exploitation of the Licensed Properties.
- 6.03 Licensee acknowledges that its rights to retain revenues from the Licensing Activities described herein is subject to CONVOCATION CORP.s obligations under the Indenture. Upon notice from the Trustee that Pledged Revenues are insufficient to pay debt service on the Series 2015 Bonds Licensee shall transfer to Trustee all Pledged Revenues in its possession to the Trustee for deposit into the Revenue Fund, as defined in the Indenture. In particular, if the University is unable to transfer sufficient System Revenues, as defined in the Indenture, to meet its obligation under Section 10 of the Operating Agreement, Licensee shall transfer Pledged Revenues from Licensing Activities to the Trustees in an amount of such shortfall.

ARTICLE VII. PERFORMANCE OF LICENSEE

- 7.01 Licensee will use its best efforts to exploit fully each and every Licensed Property identified in Exhibit A.

ARTICLE VIII. CONTROLLING LAW

- 8.01 The laws of the State of Florida govern this License Agreement.

ARTICLE IX. FAILURE TO OBJECT NOT A WAIVER

- 9.01 The failure of a party to object to or act upon a breach of this License Agreement by the other party is not a waiver of that breach or any future breach.

ARTICLE X. LEGAL CONSIDERATION

- 10.01 If any of the provisions of this License Agreement are held to be invalid, illegal or unenforceable, the invalidity or unenforceability will not affect any other provision of this License Agreement, which will be construed as if the invalid, illegal or unenforceable provision had never been part thereof.

ARTICLE XI. BREACH AND OPPORTUNITY TO CURE; TERMINATION

- 11.01 Except with respect to an intolerable breach, if either party believes the other has failed to perform any of the material obligations of this License Agreement, that party will deliver a written notice of the failure to the other party and provide a reasonable opportunity of not less than 30 days to cure the default prior to declaring a breach and termination or seeking other remedy.
- 11.02 If either party commits an intolerable breach of this License Agreement, the other party may, in its sole discretion, declare this License Agreement to be breached and terminated without waiving any of its rights under this License Agreement.

ARTICLE XII. INDEMNITY

- 12.01 Each party agrees to the limited amount stated in F.S. 768.28 relating to sovereign entity tort liability, it shall indemnify and hold harmless the other party and its trustees, officers, agents and employees, from and against any judgments, damages, costs and expenses,

including lost business or lost profits, and including reasonable attorney's fees, from any claim, action or proceeding arising out of the other party's negligent acts or omissions in the performance of this Agreement. UCFAA and CONVOCATION CORP. state that nothing contained herein shall be construed or interpreted as (i) denying to either party any remedy or defense available to such party under the laws of the State of Florida; (ii) the consent of the State of Florida or its agents and agencies to be sued; (iii) a waiver of sovereign immunity of the State of Florida beyond waiver provided in Section 768.28, Florida Statutes.

ARTICLE XIII. SUB-LICENSES

- 13.01 This License Agreement is not assignable by either party, in whole or in part without the prior written consent of the parties except as provided in Section 3.02 of this Agreement. Licensee may utilize sub-contractors in the discharge of its responsibilities.
- 13.02 In the exploitation of the Licensed Properties, Licensee may utilize the services of outside or independent contractor to assist with fulfillment deliverables.

ARTICLE XIV. RIGHT TO INSPECT RECORDS OF LICENSEE

- 14.01 CONVOCATION CORP., the University or the Trustee may review and inspect Licensee's financial records relative to the exploitation of the Licensed Properties during normal business hours with reasonable advance notice. Licensee will make available during these inspections all relevant records with respect to the computation of royalties and total annual revenues. Should either the CONVOCATION CORP. or the University elect to audit Licensee's relevant financial records, it shall be done at the requesting party's expense and Licensee agrees to fully cooperate with the conduct of any such audit and provide the auditors with all requested documents.
- 14.02 Notwithstanding the provisions of 14.01, Licensee will provide to CONVOCATION CORP., within thirty (30) days of execution, each licensing/sponsorship agreement in its entirety that concerns: exploitation of the Facilities, as well as any electronic, social or broadcast licensing that may occur at the Licensed Properties.

ARTICLE XV. NOTICES

- 15.01 All notices given under this License Agreement will be in writing and dispatched by registered or certified mail, return receipt requested, and addressed to the party to be notified at its address (or email address) set forth below. The notices will be deemed given when received. Notice to CONVOCATION CORP. and Licensee will be addressed as follows unless changed in writing by notice to the other party:

CONVOCATION CORP.: UCF Convocation Corporation
ATTN: Jordan Clark
Associate General Counsel
P.O. Box 160015
Orlando, FL 32816
Jordan.Clark@ucf.edu

With a copy to: UCF Convocation Corporation
ATTN: Gerald Hector
UCFCC Board Chairman

LICENSEE: UCFAA
ATTN: Terry Donovan
Senior Executive Associate Athletics Director | Chief Financial Officer
4192 North Orion Blvd.

Orlando, FL 32816
tdonovan@athletics.ucf.edu

With a copy to:

UCFAA
ATTN: Chris McFarlane
Deputy Athletics Director, External Relations
4192 North Orion Blvd.
Orlando, FL 32816
cmcfarlane@athletics.ucf.edu

ARTICLE XI. ENTIRE AGREEMENT

16.01 This License Agreement, including all exhibits and appendices, the Fund Raising Agreement and the Operating Agreement contains the entire agreement of the parties with respect to its subject matter. No representations have been made or relied on by either party, other than those expressly provided for. No agent, employee, or other representative of either party is empowered to alter any of its terms, unless done in writing and signed by an authorized officer or agent of the appropriate party.

IN WITNESS WHEREOF the parties have caused this License Agreement to be executed by an authorized representative and effective as of July 1, 2022.

UCF Convocation Corporation

By: _____

Its: _____

UCF Athletics Association, Inc.

By: _____

Its: _____

EXHIBIT A

ARENA SPONSORSHIP AND ADVERTISING

A.1.01 **Description of Licensed Properties - CONVOCATION CORP.** owns, leases or manages the Arena, parking garage F, and common spaces surrounding the facilities on the University's campus. These facilities have one or more components which may be used for advertising and sponsorship purposes. Licensed Properties include the Arena, Knight Plaza (directly in front of Addition Financial Arena), the Venue, and UCF parking garage F.

The Arena and Venue footprint sponsorship and advertising Licensed Properties' components include, but may not be limited to, the following:

- (a) Message center displays
- (b) All permanent, temporary and LED/digital signage and displays
- (c) Plastic souvenir Arena cups and concession containers
- (d) All scoreboards, video boards and signage (LED/digital as well as temporary and permanent)
- (e) Branded vending, as opportunity is presented (concession signage)
- (f) Temporary signage (banners and light generated images)
- (g) Concourse signage
- (h) Team entry ways signage
- (i) Basketball basket pads, backboard sides
- (j) Playing surface logo opportunities
- (k) Product displays at UCF athletic events and non-UCF athletic events as approved by CONVOCATION CORP.
- (l) Sampling, couponing and free product distribution at UCF athletic events and non-UCF athletic events
- (m) cup holders
- (n) Television, radio and internet broadcasting of UCF Athletic events held at the Arena
- (o) Suite entitlement/ branding as part of sponsorship package (based on availability)
- (p) Social media engagement (depends on sponsorship level)
- (q) Naming opportunities for any areas or buildings located within the licensed properties footprint (e.g. arena, premium seating areas, lobbies, entry gates, student seating section, etc.)
- (r) Exterior of Arena and Venue

The parties recognize that some components listed above may not be in use for all events and that CONVOCATION CORP. and Licensee will continually seek opportunities to expand the Licensed Properties inventory offerings as part of this Agreement.

The parties agree that the following sponsorship categories are excluded from the licensed rights and Licensee shall adhere to the terms of these agreements:

- (a) Existing Pouring Rights' inventory listed in A.3.01.04 below
- (b) Existing Apparel Partner rights inventory listed in A.3.01.04 below
- (c) Other future University campus-wide exclusive agreements

A.2.01 **Rights Licensed** An exclusive license is granted to sell current and future advertising and sponsorship locations in and around the Licensed Properties at all locations designated in paragraph 1.01 of this exhibit.

A.3.01 Licensee Obligations

- A.3.01.01 Licensee is responsible for soliciting all advertising sales, securing advertising copy, and collecting all advertising receipts. Licensee is responsible for producing all new advertising displays for insertion into, or on, Arena advertising equipment.
- A.3.01.02 Licensee is engaged as CONVOCATION CORP.'s exclusive rightsholder for marketing and sales of premium seating at the Arena (referred to herein as "Premium Seating" including suites, club seats, and loge seats). Licensee is responsible for soliciting all Premium Seating sales and collecting all Premium Seating receipts.
- A.3.01.03 Licensee will promote upcoming CONVOCATION CORP. concerts, games and events during media spots, basketball coaches' shows and live broadcasts.
- A.3.01.04 Licensee will honor the existing and future campus exclusive agreements which will be updated from time to time as new agreements maybe signed. Licensee shall receive reasonable time to comply with new exclusive agreements.
- A.3.01.05 Licensee will be responsible for operating and maintaining in good working order all Arena advertising equipment. Licensee will also replace or repair any damaged advertising displays owned or controlled by CONVOCATION CORP.
- A.3.01.06 Licensee will be responsible for all costs related to exploiting the rights granted under this Agreement.

A.4.01 CONVOCATION CORP. Obligations

- A.4.01.01 CONVOCATION CORP. will display all signage and allow Licensee to fulfill all promotional elements sold by Licensee at all events. For non-UCF events those participants and their respective promoters or sponsors may be allowed to display their signage for their respective events, although it may conflict with existing Licensee relationships (for example, Coke contractually allows Pepsi exposure when Pepsi is a sponsor of an event at the Arena). Notwithstanding, any such signage shall not diminish, interfere, or cover existing permanent signage.

ITEM: AA-5

UNIVERSITY OF CENTRAL FLORIDA
UCF Athletics Association, Inc.
Agenda Item Summery July 12, 2022

Title: Interest-bearing checking with an option for a Money Market Account

Information

Information for Upcoming Action

Action

Meeting Date for Upcoming Action July 12, 2022

Purpose and Issues to be Considered: To permit the UCFAA to add an interest accrual option in its existing checking account and establish a money market account.

Background Information: UCFAA currently has a checking account with Fifth Third bank. With interest rates at historic lows the past few years, the checking account earned just enough interest to offset ERC fees. The current account earns no interest. As short-term interest rates have risen in the past few months, UCFAA can earn a rate of return in excess of ERC fees. The UCFAA wishes to convert the existing checking account to earn approximately 50 basis points of interest as well as establish a money market account with Fifth Third bank that can provide approximately 3-4% guaranteed rate of return. Since Fifth Third accounts house operating capital, zero risk is being considered and immediate liquidity must be maintained. Zero risk and immediate liquidity will limit the account’s earning potential, but cash flow is still imperative for the UCFAA. A money market account that correlates to short term interest rates will be the focus.

Other financial institutions offer competitive options, but the recent transition to Workday makes our existing partnership with Fifth Third Bank most ideal. Once cash flow has stabilized, the UCFAA board might consider more options on a long-term investment income strategy.

Alternatives to Decision:

The Board of Directors may recommend alternatives to proposed action or elect inaction.

Fiscal Impact and Source of Funding:

50 basis points of interest on existing checking account and 3-4% return on a money market account with returns linked to the federal funds rate.

Authority for Board of Directors Action:

UCFAA By Laws

Contract Reviewed/Approved by Assigned Attorney N/A

Assigned Attorney has approved adding this item to the agenda

AVP for DSOs has approved adding this item to the agenda N/A

Chair of the Board has approved adding this item to the agenda

Submitted by:

Terry Donovan, Senior Executive Associate Athletics Director, Chief Financial Officer

Supporting Documentation:

N/A

Facilitators/Presenters:

Terry Donovan, Senior Executive Associate Athletics Director, Chief Financial Officer