



UNIVERSITY OF CENTRAL FLORIDA

**UCF Athletics Association, Inc.  
Board of Directors  
Thursday, August 25, 2022  
9:00-9:30 AM**

<https://athletics-ucf-edu.zoom.us/j/86979967232?pwd=ZTdGZnNXVmdSSURwUjFqS1cyUitNQT09>

Meeting ID: 869 7996 7232 Passcode: 552003

**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 | Naming of the UCF Arena | Terry Mohajir, <i>Vice President &amp; Director of Athletics</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 August 25, 2022

**Title:** Naming of UCF Arena

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Information     Information for Upcoming Action     Action

**Meeting Date for Upcoming Action August 25, 2022**

**Purpose and Issues to be Considered:**

Approve naming the UCF Arena, “Addition Financial Arena” pursuant to a qualified sponsorship between UCF Athletics Association, Inc. (“UCFAA”) and Addition Financial Credit Union (“Addition”), and authorize Terry Mohajir to finalize a naming rights agreement for the UCF Arena.

Background Information: Addition Financials’ origin dates back to 1937 when 23 educators from Orange County joined together to create a better financial alternative. They created Orange County Teachers’ Federal Credit Union. From its beginning in 1937 through today, Addition Financial remains committed to its core principles of community, service, and education. As a member-owned, not-for-profit financial cooperative it exists for the benefit of its members. Addition Financial, whose mission is to bring financial education and success to everyone, has grown to one of the largest credit unions in Central Florida. Addition believes in building trusted relationships with its members and helping them create successful outcomes in their lives.

Recently UCFAA began negotiations with Addition to extend the naming rights agreement. Addition’s naming of the arena began in 2013 and since then their sponsorship of UCF Athletics has continued to grow. The parties outlined the terms of a new agreement via a letter of intent, with an overall value of \$20 million over a 12-year period. If approved, UCFAA will finalize the transaction and the new deal shall become effective as of January 1, 2023 and extend for twelve years.

UCFAA shall have the absolute right to terminate the Agreement in the event the Addition fails a financial diligence assessment. The diligence assessment period shall last for 30 days and shall commence upon the execution of the agreement.

BOG Regulation 9.005 requires the Board of Trustees to consider the naming of a university facility at a noticed meeting as a non-consent agenda item and this was approved by the University of Central Florida Board of Trustees on August 18, 2022.

The UCF Foundation is responsible for the applicable donor recognition of gifts made to benefit the University. In keeping with best practice, the UCF Foundation researched Addition and its principals regarding personal background, reputation, and brand prior to UCFAA finalizing negotiations and bringing this matter to the UCF Athletics Association Inc.

**Recommended Action:**

Approve naming the arena “Addition Financial Arena” for the term of agreement between UCFAA and Addition Financial Credit Union and authorize Terry Mohajir and UCFAA staff to prepare and finalize all documents necessary to complete this transaction.

**Alternatives to Decision:**

Decline approving the extension and request that UCFAA search for a different arena naming partner.

**Fiscal Impact and Source of Funding:**

Addition will pay \$20 million to UCFAA over the twelve-year term.

**Authority for Board of Directors Action:**

Florida Statute 1004.28

UCF Reg. 4.034

UCFAA Bylaws

UCFAA Signature Authority Policy

**Contract Reviewed/Approved by General Counsel**  N/A

Jordan Clark, Associate General Counsel

**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 Agreement

**Facilitators/Presenters:**

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

Jordan Clark, Associate General Counsel

Adam Haukap, Senior Executive Associate Athletics Director

**ATTACHMENT A**  
**Naming Rights Extension**  
**Summary**

<b>Purpose/Background</b>	UCFAA has negotiated an extension with Addition Financial Credit Union to remain the arena naming rights partner. The material terms are outlined below. The parties have signed a Letter of Intent with these terms and a formal agreement based upon these terms will be finalized upon the UCFAA Board’s consent and authorization.
<b>Term</b>	Twelve (12) years, commencing on January 1, 2023.
<b>Obligations of UCF</b>	Maintain the current debit affinity card agreement with Addition Financial and provide the sponsorship benefits and activations within the arena and at other UCFAA events and competitions
<b>Obligations of other party</b>	Annual payment to UCFAA for a period of 12 years.
<b>Financial Terms</b>	\$20 million over 12 years. Annual rights fees remain constant over the term of the agreement.
<b>Termination Rights</b>	UCFAA shall have the absolute right to terminate the Agreement in the event the entity fails a financial diligence assessment. UCFAA shall also have the right to terminate for breach (non-payment) or objectional activity.
<b>Additional Terms</b>	<p>Naming partner shall possess industry exclusivity for operating an office and for sponsorships in and around the arena. The language from the agreement is included below:</p> <p>UCFAA shall not permit any ADFI Competitor to open any branch or office, or otherwise operate in any capacity or offer services of any type, in the Arena, Knights Plaza, or Athletics Village.</p> <p>Sponsorship Restrictions. UCFAA hereby grants Sponsorship Exclusivity to ADFI during the Term. For purposes of this Agreement, “Sponsorship Exclusivity” means that any and all ADFI Competitors shall be prohibited from (i) sponsoring, co-sponsoring, advertising or promoting itself (or its goods or services) anywhere inside the Arena, in the plaza in front of the Arena, or on the exterior of the Arena, including, without limitation, in or on signage, marketing materials, programs, written or digital materials, made available within the Arena; and (ii) sponsoring, co-sponsoring, advertising or promoting in any manner any UCFAA ticketed and controlled Public Events, or any portion of any such Public Event, except for the limited exception described herein.</p>