**Endorsement Agreement -- Coach and Headwear Company.**

AGREEMENT

THIS AGREEMENT, made and entered into this \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 1992, effective as of\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, and between \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ ("Company") and \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ ("Coach") under the following circumstances:

RECITALS:

-- COACH is the head coach of the men's varsity football/basketball team of the hereinabove named school/college/university, whose endorsement is of commercial value, and

-- COMPANY desires to obtain the right to the use of the endorsement and other services of Coach in connection with the manufacture and sale of headwear throughout the world, as hereinafter defined.

NOW, THEREFORE, IN CONSIDERATION of the above circumstances and the mutual promises and conditions herein contained, the parties hereto agree as follows:

1. DEFINITIONS:

1.1 Coach Endorsement: "Coach Endorsement" shall include Coach's name or part thereof, nickname, likeness, photograph, signature, or facsimile thereof, biographical material, statements, and any similar materials or descriptions and activities containing or relating to Coach's name or any part of likeness thereof.

1.2 Term of Agreement: "Term of Agreement" (sometimes hereinafter referred to as "Term") shall mean that period commencing \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, and continuing up to and including \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, and as extended pursuant to the terms herein. The term shall automatically be extended from year to year after \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, unless Notice of Termination is given by either party ninety (90) days prior to the end of year.

1.3 Endorsed Goods: "Endorsed Goods" shall mean any headwear designated as the "Coaches Edition" and bearing the approved logo for the hereinabove named school, college, or university.

1.4. Company: "Company" shall mean \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Industries, its licensees, distributors, affiliates, subsidiaries, and successors.

1.5 Contract Territory: "Contact Territory" shall mean the entire world.

1.6 Team: "Team" shall mean the hereinabove named school, college or university men's football/basketball team and the individuals thereof.

1.7 Staff: "Staff" shall mean the coaches, trainers, and support personnel of the Team.

2. LICENSE TO COMPANY:

2.1 Coach's Endorsement Grant: Coach hereby grants to Company during the Term Agreement, the exclusive right and license to use the Coach Endorsement in connection with the production, advertisement, manufacture, marketing, sale and distribution of Endorsed Goods within the Contract Territory. It is expressly understood and agreed by Company that it may use the Coach Endorsement only in connection with Endorsed Goods and only as specifically permitted by the terms of this Agreement.

2.2 University and Other Applicable License: Company shall obtain the proper license from the hereinabove named school, college or university to use their logo on the Endorsed Goods. In addition, Company shall obtain any other applicable license including but not limited to \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Conference for the Endorsed Goods.

2.3 University and Other Applicable Royalties: Company shall pay all royalties to the hereinabove named school/college/university, the Conference named in 2.2 above and other applicable royalties for the Endorsed Goods.

3. SUPPLY AND USE OF ENDORSED GOODS:

3.1 Supply of Endorsed Goods: During initial Term of Agreement, Company shall, at no charge to Coach, furnish Coach with ten (10) dozen of the Endorsed Good per year.

3.2 Use of Endorsed Goods: During the Term of Agreement, Coach shall exclusively use to fulfill his obligations hereunder, and shall use his best efforts to cause the Staff and Team to use, the Endorsed Goods during all athletic workouts, practices, tournaments, games, exhibitions, and, when permitted and appropriate, Team's public appearance.

4. EXCLUSIVE ENDORSEMENT, PROMOTIONAL ACTIVITY/MATERIALS:

4.1 Exclusive Endorsement: During the Term of this Agreement, Coach agrees that he will not wear, endorse, or promote any other headwear.

4.2 Promotional Activity/Materials: Coach agrees to cooperate in the promotion and distribution of the Endorsed Goods to include wearing the headwear when appropriate. In addition, Coach agrees to be photographed wearing the Endorsed Goods and consents to the use of his name, signature, and photographs in the marketing of the Endorsed Goods. Company agrees that it will not use any photographs or photographic likenesses of Coach in its marketing and promotional efforts in violation of established NCAA, Conference or school/college/university hereinabove named policies.

5. COMPENSATION. As full and complete consideration for the services granted by Coach and to otherwise be performed by him hereunder, Company shall pay to Coach, the following:

5.1 Annual Base Compensation. During each year of the Term of Agreement, Company shall pay to Coach a royalty of fifty cents ($.50) per each piece of Endorsed Goods sold by Company. Company shall submit a quarterly report for each quarter within thirty (30) days of the end of the quarter wherein all sales of the Endorsed Goods for the quarter are reported along with the Company's check for the royalty due.

6. ROYALTY OF FIRST NEGOTIATION AND FIRST REFUSAL:

6.1 First Negotiation: During the Term of Agreement, Coach shall negotiate in good faith only with Company and not with any third party or entity concerning Coach's endorsement after the Term of Agreement, of any products which are the same as or similar to or otherwise compete with the Endorsed Goods.

6.2 First Refusal: For a period of one (1) year after the Term of Agreement, Coach shall not accept any offer of Coach's endorsement, promotion, advertising or other affiliation after the Term of Agreement of or with any products which are the same as or similar to or otherwise compete with the Endorsed Goods without first providing Company with written notice of such offer, the name of the third-party offeror, and all of the material terms and conditions of such offer, and giving the Company the right to first refusal with respect to said offer. Company shall have the right, exercisable by notice given to Coach within twenty (20) business days after Company's receipt of Coach's notice, to accept Coach's offer on the same terms and conditions offered by such third party. Company shall not be required to meet any term or condition which cannot be as easily met by Company as by any other party. During said one (1) year period, Coach may only enter into an agreement made pursuant to a bona fide arm's length written offer. If Company does not accept Coach's offer, Coach shall have the right, within fifteen (15) days of Company's rejection of Coach's offer, to enter into an agreement with such third party on terms no less favorable to Coach than those contained in Coach's offer to Company. If Coach does not enter into such third-party agreement within said fifteen (15) day period or the terms thereof materially change in favor of such third party, then Coach shall follow the same procedures set forth in this paragraph 13.2 with respect to any new or revised third-party offer.

7. MISCELLANEOUS PROVISIONS:

7.1 Termination: This Agreement shall terminate on the earliest of the end of the Term as forth herein; or the date the Coach ceases to be the Coach at the hereinabove named school/college/university; or Company no longer manufactures the Endorsed Goods.

7.2 Full Power: Coach represents that he has the full right and power to enter into this Agreement and perform all obligations granted without violating the legal or equitable rights of any other person or party.

7.3 Waiver: The failure of any party hereto to exercise the rights granted it herein upon the occurrence of any of the contingencies set forth in this Agreement shall not in any event constitute a waiver of any such rights upon the occurrence of any additional such contingencies.

7.4 Confidential Information: Company may, from time to time, communicate to Coach certain information to enable Coach to effectively perform his services as provided herein. Coach shall treat all such information as confidential, whether or not so identified, and shall not disclose any part thereof without the prior written consent of Company. The foregoing obligations of this paragraph, however, shall not apply to any part of the information that: (i) has been disclosed in publicly available sources of information: (ii) is, through no fault of Coach, hereafter disclosed in publicly available source of information.

7.5 Entire Understanding: This Agreement constitutes the entire understanding between the parties hereto with respect to the subject matter of this Agreement and supersedes all prior agreements whether written or oral. No waiver, modification, or addition to this Agreement shall be valid unless made in writing and signed by the parties hereto.

7.6 Law Governing: This Agreement shall be governed by and construed in accordance with the laws of the State of Tennessee applicable to contracts entered into and performed entirely therein and all parties agree and consent that jurisdiction and venue of all matters relating to this Agreement, except those commenced by third parties, shall be vested exclusively in the federal, state, and local courts of the State of Tennessee.

7.7 Severability: In the event any provisions of this Agreement is determined to be invalid by a court of competent jurisdiction, such determination shall in no way affect the validity of enforceability of any other provision herein.

7.8 Independent Status: This Agreement does not constitute and shall not be construed as constituting a partnership or joint venture, or an employee-employer relationship or one of principal and agent, it being understood that the parties are and shall remain independent contractors in all respects.

7.9 Assignment: Nothing herein shall prevent Coach from assigning the monetary benefits of this agreement as he may desire. Neither party may assign this Agreement without the prior written consent of the other party except that Company may assign same in the event of a consolidation or merger of Company into or with another person, firm, association or other form of business entity (collectively "person"), or reorganization or sale of all or Company to another person, provided such person assumes and agrees in writing to keep and perform all the obligations of Company hereunder, in which event Company shall be relieved of all such obligations.

7.10 Headings: Paragraph headings are used solely for convenience and are not intended nor in any sense are to be given any weight in the construction of this Agreement, i.e., construction is to be as if headings were not present.

7.11 Counterparts: This Agreement may be executed concurrently in one or more counterparts, each of which shall be an original, but all of which together shall constitute one and the same instrument. This Agreement shall not be binding upon Company until executed by authorized officer thereof.

**IN WITNESS WHEREOF**, each party has executed this Agreement as of the day and year first above written.

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| COACH | COMPANY |
| \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| SOCIAL SECURITY NUMBER | TITLE |