FLORIDA STATE UNIVERSITY

PURCHASING DEPARTMENT

A1400 UNIVERSITY CENTER

TALLAHASSEE FL 32306-2370

ADDENDUM ACKNOWLEDGMENT FORM

DATE: August 18, 2006

ADDENDUM NO. <u>1</u> our Competitive Solicitation Number <u>K 5064-2</u>

TITLE: Multi-Media Rights Agreement

INSTRUCTIONS TO RESPONDERS:

Attached is additional information pertaining to the Competitive Solicitation. Please read this information carefully and incorporate it into the terms, conditions and specifications submitted with the original solicitation and any prior addendum's. <u>This cover sheet must be signed by the individual signing the solicitation and returned with this solicitation.</u>

CERTIFICATION:

This is to certify that I did receive the referenced addendum and have incorporated the terms, conditions, and specifications listed therein into the attached Competitive Solicitation.

SIGNED

TITLE OF ABOVE

NAME OF FIRM

The following dates in the Calendar of Events has changed/extended. Please revise the dates listed in the Calendar of Events on page 5 of 15 of the ITN.

Event	Date	
C. FSU issues response to written questions	August 25, 2006	
D. Written responses from firms due no later than 5:00pm	September 18, 2006	
E. Evaluation Committee meets to review ITN written response at 11:00am	September 21, 2006	
F. Oral Presentations	September 26 and 27, 2006	
G. Committee meets and determines finalist(s) at 8:00am	September 28, 2006	
H. Post finalist rankings	September 28, or 29, 2006	

All other dates stay TBA, except

J. Negotiations

week of October 16, 2006

SECOND AMENDED AND RESTATED AGREEMENT BETWEEN HOST COMMUNICATIONS, INC. AND THE FLORIDA STATE UNIVERSITY

THIS AGREEMENT (the "Agreement") is made and entered into effective as of July 1, 2002, by and between HOST COMMUNICATIONS, INC. ("HOST"), a Kentucky corporation, with its principal office and place of business at 546 East Main Street, Lexington, Kentucky 40508 and THE FLORIDA STATE UNIVERSITY ("FSU"), acting for and on behalf of the Board of Trustees, a public corporation of the State of Florida, having an address of P.O. Drawer 2195, Tallahassee, Florida 32316.

WITNESSETH:

WHEREAS, HOST's predecessor-in-interest, USA Collegiate L. P. ("USA") and FSU entered into that certain agreement dated effective as of July 1, *1999* (the "First Amended and Restated Rights Agreement"), whereby FSU granted HOST certain exclusive rights to produce and broadcast FSU football and men's basketball games; produce, broadcast and telecast FSU coaches' radio and television shows for football and men's basketball; and certain other rights related to publishing, advertising sales, corporate sponsorships, home video and audio materials and endorsements of football and men's basketball coaches; and the exclusive rights to produce and sell official programs relative to men's intercollegiate athletics; and

WHEREAS, the First Amended and Restated Rights Agreement was amended by that certain letter dated September 15, 1999; and

WHEREAS, the parties to this Agreement desire to further amend and restate the terms of said First Amended and Restated Rights Agreement (as amended) upon the terms and conditions of this Agreement and to further terminate the prior First Amended and Restated Rights Agreement as of the effective date of this Agreement such that this Agreement shall supersede the First Amended and Restated Rights Agreement and all amendments thereto.

NOW, THEREFORE, in accordance with these recitals, and in consideration of the mutual promises and covenants recited hereafter, the parties agree as follows:

1. DEFINITIONS. Whenever appearing in this Agreement, each of the following terms (whether capitalized or not) shall have the meanings ascribed herein:

A. "Blue Line Stage" means the final proofing stage before a Program has been printed.

B. "Broadcast(s)" means a broadcast, transmission, and/or exhibition by means of simultaneously interconnected or simultaneously operating radio devices, methods and improvements now known or hereafter developed, without limitation, including all broadcasts, transmissions, and/or exhibitions included in customary feed

patterns and/or distribution over the Internet.

C. "Change Pages" means those pages for a Program which shall change with each Program published for a particular Game.

D. "Coach" or "Coaches" means FSU's head coach (or coaches) for a particular intercollegiate sport(s). References herein to the head football Coach may be as the "Football Coach," to the head men's basketball Coach as the "Men's' Basketball Coach," and to the head men's baseball Coach as the "Baseball Coach." In connection herewith, it is understood that FSU's Head Football Coach as of the effective date of this Agreement is Bobby Bowden.

E. "Coach's (or Coaches') Show(s)" means any radio and/or television shows (as applicable) produced by HOST which feature FSU's head Coach for a particular intercollegiate sport(s) which may be broadcast or telecast by HOST under this Agreement.

F. "Conference" means the Atlantic Coast Conference.

G. "Contract Year" means each twelve (12) month period from July 1 through June 30 during the term of this Agreement.

H. "Department for Intercollegiate Athletics" or "Athletic Department" means that certain organizational division of FSU which oversees and administers its intercollegiate athletic programs.

I. "Game(s)" means any FSU intercollegiate varsity athletic event for a particular competitive sport.

J. "NCAA" means the National Collegiate Athletic Association.

K. "Programs" means the official programs published by HOST pursuant to this Agreement for purchase at FSU intercollegiate athletic events.

L. "Media Guide(s) means the informational publications published by HOST on behalf of FSU which provide comprehensive information concerning FSU's interscholastic sports and its athletes and coaches.

M. "Standing Material" means pages which shall remain unchanged and shall appear in each Program published in a single season for the applicable FSU sport.

N. "Telecast(s)" means a telecast, transmission, and/or exhibition by means of simultaneously interconnected or simultaneously operating television and/or cable devices, systems, methods and improvements now known or hereafter developed, without limitation, including all telecasts, transmissions, and/or exhibitions

included in customary feed patterns or through cable delivery.

O. "Today's Game" means the section of a Program describing FSU's then current Game opponent.

P. "Yearbook" means a yearbook produced and/or published by or for FSU featuring its men's baseball team.

2. <u>EXCLUSIVE RADIO BROADCAST RIGHTS</u>. FSU hereby grants to HOST the exclusive worldwide rights to produce and broadcast, in all languages, the following: (i) all pre-Game, play-by-play, post-Game and commentary for pre-season, regular season and post-season FSU intercollegiate football and men's basketball Games; (ii) the FSU Football and Men's Basketball Coaches' Shows; and (iii) any other radio programming mutually agreed upon by FSU and HOST, which programming may include, without limitation, broadcasts of men's baseball Games. Revenues derived by HOST from all of its radio broadcasts pursuant to this Agreement will be accounted for and shared by HOST and FSU as provided in the sharing of Adjusted Gross Revenues under Section 10.B, if applicable. The failure of the parties to agree upon additional radio programming shall not constitute a breach of this Agreement or subject either party to any liability hereunder; provided, HOST will, at a minimum, have the same inventory of FSU radio broadcasts for football and men's basketball that it has as of the date of this Agreement.

3. TELEVISION, CABLE, HOME VIDEO/INTERACTIVE RIGHTS.

FSU hereby grants to HOST the exclusive worldwide rights to produce and Telecast (via networks or cable companies), in all languages, the following: (a) all Football and Men's Basketball Coaches' Shows; and (b) any other television programming mutually agreed upon by FSU and HOST. FSU further grants to HOST (i) an exclusive right to produce, market, and sell, on a worldwide basis, home videos and/or home audio materials (collectively the "Video(s)"); and (ii) a non-exclusive right to produce, market and sell computer interactive materials, CD-Rom(s) and/or other materials or projects relative to FSU football, men's basketball and baseball, as approved by the FSU Athletics Department (collectively the "Interactive Project(s)"). In connection herewith, HOST will produce, market and sell such Video(s) and/or Interactive Project(s) relative to FSU football, men's basketball and baseball which HOST determines, in its reasonable discretion, have a profitable market. In addition thereto, should FSU seek to grant the rights set forth in subparagraph (ii) above to any third party provider. HOST shall have the right, based on the same criteria, to match the terms of any proposed agreement with a third-party provider. The failure of the parties to agree upon additional television programming, Videos, and/or Interactive Projects shall not constitute a breach of this Agreement or subject either party to any liability hereunder. All revenues derived by HOST associated with the television productions, Videos, Interactive Projects will be accounted for and shared by HOST and FSU as provided in the sharing of Adjusted Gross Revenues under Section 10.B, if applicable.

4. <u>RADIO BROADCAST AND TELEVISION TELECAST COVENANTS</u>. In connection with the exclusive radio and television broadcast rights granted to HOST by

FSU hereunder, the parties further agree as follows:

FSU Radio and Television Networks. FSU hereby grants to Α. HOST the exclusive worldwide rights and option to organize and administer: (I) a network of radio markets to Broadcast or re-Broadcast any radio productions produced and broadcast by HOST hereunder (the "Radio Network"); and (ii) a network of television markets to Telecast or re-Telecast any television productions produced and telecast by HOST hereunder (the "Television Network") (collectively the Radio and Television Networks may be referred to as the "Network(s)"). HOST will use its commercially reasonable efforts to expand the Networks into more markets and maintain the market exposure existing as of the date of this Agreement, with respect to the Football and Men's Basketball Networks. Specifically, HOST will use its best commercially reasonable efforts to expand coverage of Broadcasts of FSU Men's baseball games within the State of Florida outside of the Tallahassee, Florida radio market. The rights granted to HOST by FSU with respect to the Networks include the right to obtain revenue from stations (or cable entities) in various markets where possible, including the right to negotiate and/or bid the markets. In negotiating and bidding the markets, HOST has the right to maximize Adjusted Gross Revenues (as hereinafter defined) for the benefit of HOST and FSU under the terms of this Agreement; provided, however, FSU will have the right to approve, in advance, the set of specifications for the markets to be negotiated and/or bid before the markets are approached, such approval not to be unreasonably withheld or delayed.

B. <u>Talent Approval and Expenses</u>. HOST shall select the talent to be used on all radio Broadcasts and television Telecasts, with FSU having the final right of approval. HOST will compensate all talent, as independent contractors, (other than the compensation to be paid by FSU to the Coaches per Section 5.B below) and all other expenses relating to FSU radio Broadcasts and/or television Telecasts with no financial liability to FSU. In addition, FSU and HOST agree to work together to maximize Adjusted Gross Revenues (as hereinafter defined) for the benefit of FSU and HOST in accordance with the terms of this Agreement.

C. <u>Coaches' Services</u>. Except as provided otherwise herein, FSU shall pay all compensation due and payable to any Coach for their performances on each respective Coach's Show undertaken under this Agreement. FSU agrees to cause each respective Coach to provide his/her services for each applicable Coach's Show produced by HOST as the principal talent for such Coach's Show and to include, without limitation, performance on each Coach's Show (whether live or recorded and in all retakes), participation in production conferences and personal appearances promoting such Coach's Shows and/or other activities of HOST undertaken hereunder, including without limitation, endorsements marketed and sold by HOST under Section 5 below. Without limiting the foregoing, FSU agrees that the Head Football Coach will make and/or perform a minimum of three (3) promotional appearances and speaking engagements in each Contract Year of the term of this Agreement, the duration of which shall be reasonable. HOST's exclusive radio and television rights under this Agreement shall not prevent any Coach from being interviewed by other broadcasters, as long as

the interview is non-compensated, and agreeable with the respective Coach. Each Coach will be limited to no longer than two (2) minutes on local telecasts which will be shown on competing stations in the FSU marketing area. However, FSU reserves the option of participation by the Football Coach and/or Men's Basketball Coach in national television and national radio programs deemed by FSU to be beneficial to the interest of FSU. Further, nothing in this Agreement shall prohibit public appearances by a Coach as long as the public appearances are not associated with television or radio productions (except as reserved above), do not involve product endorsements, and as long as the appearances do not interfere with HOST's programming.

Broadcast Coverage. The Radio Network, to be organized and D. administered by HOST, shall provide substantial radio coverage of football and men's basketball Games in the State of Florida as follows: (i) daytime football Game Broadcasts shall cover the State of Florida; (ii) HOST will use all commercially reasonable efforts to cover the State of Florida for nighttime football Game Broadcasts; (iii) HOST will also use all commercially reasonable efforts to increase coverage of men's basketball Game Broadcasts, both night and day; and (iv) HOST agrees to use all commercially reasonable efforts to provide Broadcast feeds to stations outside of Florida, especially to major metropolitan areas with a significant number of FSU alumni. HOST shall provide, at no charge to FSU, one (1) thirty second (:30) promotional spot per each football and men's basketball Game and two (2) minutes in the half-time of each home football Game for "live" interviews. Provided FSU timely provides HOST with all necessary announcement materials and/or copy, HOST further agrees to provide FSU with drop-in announcements in each half of each of HOST's football and men's basketball Game Productions for use by FSU in its discretion to promote its athletic programs, ticket sales, and/or other FSU events or activities.

E. <u>Market Clearances</u>. HOST agrees that it will be responsible for the payment of up to Seventy Thousand Dollars (\$70,000.00) in each Contract Year to obtain market clearances for the Radio Productions. Should FSU request that HOST obtain any market clearances which in the aggregate exceeds Seventy Thousand Dollars (\$70,000.00) in any Contract Year, FSU shall be solely responsible for the payment of all such excess costs.

F. <u>Access</u>. FSU shall furnish HOST, at no cost to HOST, cards of admission and/or passes, including parking passes, if appropriate, which enable employees of HOST involved with the radio broadcasts or telecasts, to have free access to and egress from the site of each Game at all reasonable times before and after each Game to prepare, Telecast, Broadcast and record each production and to setup and remove any equipment. In conjunction with each Game, FSU shall provide HOST with adequate location of its equipment and personnel necessary to broadcast the Game. If the permission of any third party is needed for the location of HOST's equipment and/or personnel, FSU will use its best efforts to obtain such permission.

G. <u>Network Affiliate Contracts</u>. HOST will be responsible for arranging contracts with radio stations, television stations, cable companies and

networks and for all other production and marketing.

5. <u>COACHES' ENDORSEMENT RIGHTS</u>.

Grant. FSU grants to HOST the exclusive commercial rights to use Α. and license the use of, in all media, the name, likeness, audio, voice, visual representations, and/or endorsements (herein the "Name") of the FSU Football Coach and the FSU Men's Basketball Coach, including, without limitation, the rights to use and authorize the use of each such Coach's Name in or for and to otherwise seek and secure: (i) all merchandise licensing (with the sole exception of any activities which the Seminole Boosters and/or the Foundation may undertake in accordance with the terms described in Section 8.C below); (ii) calendars, posters, and other publications or print opportunities; (iii) video productions; (iv) promotional appearances; and (v) other projects as may be reasonably approved by FSU and the respective Coach. FSU also grants to HOST the non-exclusive rights to use and license the use of the Name and to otherwise seek and secure commercial speaking engagements for the FSU Football Coach and the FSU Men's Basketball Coach. Notwithstanding the foregoing, the rights to use and the license the use of the Coaches' Names granted to HOST by FSU hereunder shall not include shoe and/or apparel contracts or personal investments of either Coach; provided, however, FSU shall not permit either Coach to engage in any activity under the foregoing permitted exceptions to constitute, directly or indirectly, any endorsement of any goods or other services in competition with any use of a Name by HOST and/or third party contracting through HOST. FSU further grants to HOST an exclusive right of first refusal to use and/or license the use of the Names of any other FSU Coaches or athletic administrators on terms and conditions which may be mutually agreed upon by the parties. With respect to any speaking engagements secured by HOST on behalf of the Men's Basketball Coach or Football Coach, HOST shall be entitled to retain a commission equal to fifteen percent (15%) of the total gross revenues ("Speaking Engagement Revenues") collected by HOST as a result of such speaking engagement. HOST shall remit the remaining eighty-five percent (85%) of the Speaking Engagement Revenues collected by HOST as a result of such speaking engagement to the respective Coach. Speaking Engagement Revenues and HOST's commission therefrom, shall not be included in the calculation of Adjusted Gross Revenues under Section 10.B, if applicable.

B. <u>Football Coach's Endorsement Payments</u>. In the event HOST collects an amount greater than \$240,000 of Coaches Adjusted Gross Revenues (as hereinafter defined in Section 5.C below), in each Contract Year of the term of this Agreement, HOST agrees to pay the Head Football Coach as follows: (i) twenty-five percent (25%) of all Coaches Adjusted Gross Revenues collected by HOST from its marketing of the Head Football Coach's Name (excluding the Head Football Coach's Radio and Television Shows) which are greater than Two Hundred Forty Thousand Dollars (\$240,000.00) but are less than or equal to Three Hundred Fifty Thousand Dollars (\$350,000.00); and (ii) fifty percent (50%) of all Coaches Adjusted Gross Revenues collected from HOST's marketing of the Head Football Coach's Name

(excluding the Head Football Coach's Radio and Television Shows) which are greater than Three Hundred Fifty Thousand Dollars (\$350,000.00). FSU directs HOST to annually pay the Head Football Coach's share of Coaches Adjusted Gross Revenues directly to Florida State University Athletic Development Fund, in the Florida State University Foundation, Inc. All Coaches Adjusted Gross Revenues collected and retained by HOST from its marketing of any Coach's Name (excluding the Head Football Coach's Radio and Television Shows) shall be included in the calculation of Adjusted Gross Revenues under Section 10.B (excluding any Speaking Engagement Revenues), if applicable.

C. <u>Coaches Adjusted Gross Revenues</u>. For the purposes of this Section 5, "Coaches Adjusted Gross Revenues" refers to all amounts collected by HOST from its marketing of the Head Football Coach's Name (excluding the Head Football Coach's Radio and Television Shows) less: (i) all costs and expenses incurred by HOST associated with the fulfillment of any project or other endorsement utilizing the Head Football Coach's Name, including, without limitation, all travel, production costs (e.g., videos, commercials, print advertisements, merchandise, etc.) and/or other fulfillment costs; and (ii) reasonable and customary agency fees/commissions; and (iii) Speaking Engagement Revenues.

6. <u>PUBLISHING RIGHTS</u>. FSU hereby grants to HOST exclusive rights to produce and sell official Programs and other newsstand publications relative to men's intercollegiate athletics as set forth in this Section 6; provided however, FSU shall have the right to deny advertising exposure to any advertiser or for any product which it deems unacceptable; provided, however, approval of any advertiser or product by FSU shall not be unreasonably withheld.

A. <u>Football and Men's Basketball Programs</u>. HOST shall provide official Programs for football and men's basketball home Games in sufficient quantities to meet the demands for the respective Games. For each football and men's basketball season during the term hereof, HOST will produce a mutually agreeable number of separate issues of Programs and Programs to be published under a single cover will be agreed upon by HOST and FSU. HOST shall be responsible for all printing and publishing expenses of the Programs. However, costs incurred and revenues derived by HOST from sales of Programs pursuant to this Agreement will be accounted for and shared by HOST and FSU as provided in the sharing of Adjusted Gross Revenues under Section 10.B, if applicable. It is agreed that overtime charges will not be assessed to FSU for the production or publication of any Programs.

B. <u>Men's Baseball Yearbook</u>. If HOST, in consultation with FSU, elects in its reasonable discretion to publish an FSU Men's Baseball Yearbook, HOST will be responsible for sales, collections and accounting of all advertising sales for the FSU Men's Baseball Yearbook. If HOST elects to publish an FSU Men's Baseball Yearbook, costs incurred and revenues derived by HOST associated with the Yearbook will be accounted for and shared by HOST and FSU as provided in the sharing of Adjusted Gross Revenues under Section 10.B, if applicable. If HOST elects not to

publish an FSU Men's Baseball Yearbook, HOST may, in consultation with FSU, publish, market and sell a Men's Baseball Scorecard. In such event, costs incurred and revenues derived by HOST associated with any Men's Baseball Scorecard will be accounted for and shared by HOST and FSU as provided in the sharing of Adjusted Gross Revenues under Section 10.B if applicable.

C. <u>Newsstand Publications; Posters</u>. HOST shall have the exclusive right and option to produce and commercially distribute FSU football, men's basketball and baseball team posters and all other newsstand publications, including, without limitation, magazines, calendars, schedule cards and other publications relating to FSU's intercollegiate athletics, if approved by the FSU Athletic Department and which HOST reasonably determines have a profitable market (collectively the "Other Publication(s)"). Should HOST decline to produce and publish any Other Publication requested by FSU, FSU reserves the right, and the right to grant to other entities the right, to produce and commercially distribute such Other Publications relating to FSU's intercollegiate athletics which HOST determines it will not produce under this Agreement. All revenues derived by HOST associated with the Other Publications will be accounted for and shared by HOST and FSU as provided in the sharing of Adjusted Gross Revenues under Section 10.B if applicable.

D. Media Guides. HOST shall have the exclusive right and option to produce, publish and print the official FSU Media Guides for men's basketball during the 2002-03 Contract Year; provided that, HOST agrees that the fee charged to FSU shall be no higher than the fee paid by FSU for men's basketball Media Guides for the previous 2001 -02 Contract Year. With respect to all future Contract Years, HOST shall have the first right to bid for the right to produce, publish and print the official FSU Media Guides for all interscholastic sports, upon mutual consent of both HOST and FSU. Should HOST fail to propose the lowest bid, for the right to produce and publish a Media Guide for a particular sport in any given Contract Year, FSU shall then have the right, to offer the rights to produce, print and commercially distribute such Media Guides to other third parties; provided, however, that HOST shall have the right to match the lowest bid received by FSU within ten (10) days of being notified by FSU of the lowest bid, and shall be awarded the rights thereto if it elects to match the lowest bid. With respect to any Media Guides not produced by HOST herein, FSU agrees to use its best efforts to provide to HOST, or cause the producer of such Media Guides to provide to HOST, at no additional cost, a mutually agreeable number of such Media Guides as needed by HOST to meet its requirements (not to exceed 100 such Media Guides during any given Contract Year). All revenues derived by HOST associated with the publishing of the Media Guides will be accounted for and retained by HOST and shall not be included in the calculation of Adjusted Gross Revenues under Section 1 0.B, if applicable.

7. <u>PUBLICATION COVENANTS</u>. In connection with the exclusive Program and other publishing rights granted to HOST by FSU hereunder, the parties further agree as follows:

A. <u>Materials Supplied by FSU</u>. FSU shall supply to HOST, editorial

content, material, black and white photographs, front cover materials, and meet other reasonable requests of HOST for editorial resource materials for any publication produced and published by HOST. FSU's sports information director or his or her representative and other Athletic Department personnel will be available for consultation at all reasonable times.

B. <u>Program Composition</u>.

[1] <u>Design</u>. HOST and FSU agree that the cover design and editorial/photographic Standing Material for any Programs produced by HOST will be determined by HOST prior to each Contract Year, subject to FSU's prior approval, such approval not to be unreasonably withheld. HOST agrees to provide FSU a color key of covers to be approved for printing by FSU. During the term of this Agreement, HOST and FSU will mutually agree in writing no later than May 31 for each football season and July 31 for each men's basketball season to a delivery schedule to HOST of the selected cover design and Standing Material for the respective Programs.

Change Pages; Program Deadlines. FSU shall have a [2] mutually agreeable number of Change Pages in each football Program produced and published by HOST hereunder, not to exceed twenty-four (24) Change Pages for any football Program or ten (10) change pages for any men's basketball program, should HOST agree to produce a men's basketball program. Change Pages to be used in the Programs for a given Game shall be delivered to HOST, or HOST's designated representative as follows: (I) features, rosters and photos shall be delivered no later than ten (10) working days preceding each Game; and (ii) Today's Game updated statistics and other final changes shall be delivered no later than five (5) working days preceding each Game. Changes or corrections requested to be made at the Blue Line Stage shall be made promptly and at the sole expense of FSU, unless such changes are the result of an error by HOST or its designated representative(s) in the reproduction of change information. In the event that HOST has any extra Change Pages, HOST shall grant FSU the option to use such Change Pages at no additional cost to FSU. In addition, HOST agrees to cooperate with FSU regarding color layouts in the Programs.

C. <u>Editorial Standards; Final Program Composition</u>. FSU shall provide rough layouts of the Programs with final design mutually agreed upon by the parties. Final composition and page make-up shall be the responsibility of HOST. High standards of editorial and advertising copy excellence shall be maintained, consistent with accepted levels of printing and media industries. Lack of quality due to photographic density, second generation negatives, and scheduled changes shall be held to a minimum, but when necessary will be accepted as best available. HOST shall be responsible for any and all reprints and shall bear the cost thereof, unless such reprint is caused by an act or omission of FSU. If use of an outside printer is necessary, HOST shall have the right to determine the area printer to be used in the final production of the Programs, and will notify FSU of that printer prior to use thereof.

D. <u>Publishing Costs</u>. HOST will assume all costs associated with producing, publishing and distributing Programs hereunder, including costs of printing and typography, inside lay-out, advertising sales expense and expense of delivering Programs to FSU. The costs assumed by HOST are based upon the exclusive use of electronic publishing methods which are standard in the industry. Any deviation from these standards resulting in additional costs will be the responsibility of FSU. Any charges becoming the responsibility of FSU under this subparagraph shall be invoiced individually within sixty (60) days after each occurrence. The invoice shall be accompanied by a letter of explanation and pertinent documentation itemizing the charges and substantiating how such charges were determined.

E. <u>**Cooperation.**</u> FSU agrees to meet with HOST's publishing staff, at least annually, to set dates by which copy for the Programs will be supplied to HOST, and if copy is not timely supplied, HOST will provide copy.

F. <u>Inserts</u>. Inserts will not be used in any Program without approval of HOST, which approval shall not be unreasonably withheld.

G. <u>**FSU Complimentary Pages.**</u> HOST will provide FSU with five (5) full-page four-color pages in each football Program and three (3) full-page four-color pages in each men's basketball Program for "in-house, non-editorial ads," including, but not limited to, those clinics, campus public service announcements, Network listings, Conference syndicators, or similar subject. FSU and HOST shall agree prior to each football and men's basketball season on the inclusion of such ads using sound logical printing expense judgment as the governing standard.

H. <u>Complimentary Programs</u>. HOST will provide FSU, at no cost to FSU, twelve hundred (1200) football Programs for each home football Game and fifty (50) men's basketball Programs for each home men's basketball Game for FSU's use. Copies of the football Program will be available on the Friday afternoon prior to the day of each home football Game, if the Game is played on a Saturday. Additional copies of the football Program may be purchased by FSU at the cover price per Program copy. Copies of men's basketball Program may be purchased by FSU at HOST's cover price, however, should HOST not sell out of all men's basketball Programs at any men's basketball Game, FSU will only be charged HOST's cost for any additional Program copies purchased by FSU for the respective Game.

I. <u>Vendor Announcements: Parking Spaces</u>. FSU will provide for two (2) public announcements and two (2) scoreboard announcements at each home football and men's basketball Game to promote vending sales. FSU shall also provide HOST with two (2) parking spaces near its football stadium on Game days during football season and two (2) parking spaces near its basketball arena on Game days.

J. <u>Program Storage Locations</u>. FSU will make available dry, safe, convenient storage space to store the Programs in the football stadium relative to the

football Programs and in the basketball arena relative to the men's basketball Programs, to which HOST shall have access at all times. In addition, HOST shall have the right to sell the Programs at such locations within FSU's athletic facilities which, in its reasonable determination, will maximize the exposure and sales of the Programs.

K. <u>Program Transportation</u>. FSU will provide one (1) minor transport vehicle for football Game day operations to facilitate vending of the Programs; provided, however, if HOST increases its Program inventory, FSU will provide an additional minor transport vehicle upon HOST's reasonable request. In such event, HOST or its designated representative may operate and store such carts in and around the football stadium during football season in connection with its duties as Program vendor. Carts shall be stored in the stadium.

L. <u>Program Vendor</u>. HOST will be the sole and exclusive vendor for FSU's Programs sales pursuant to this Agreement and shall be responsible for all vending operations to include staffing, selling, collections and accounting for Game Programs. HOST shall bear all costs in connection with the sale of such Programs. Costs incurred and revenues derived by HOST associated with Program sales will be accounted for in the sharing Adjusted Gross Revenues under Section 10.B. HOST will also be responsible for arranging all contracts with vendors, suppliers, sponsors, media users and the like and all other production elements relative to all Game Programs. HOST reserves the right to set the cover price for each edition of the football and men's basketball Programs it publishes hereunder.

8. <u>CORPORATE SPONSORSHIPS</u>.

Exclusive Grant. FSU hereby grants to, and licenses HOST with, Α. the exclusive rights to seek, secure and negotiate corporate sponsorships of and relating to FSU intercollegiate athletics, including, without limitation, football, men's basketball, baseball and other sports, whereby HOST may market and sublicense the right to use the FSU Marks (as hereinafter defined) to persons, firms and corporations in connection with advertising, marketing and promotional activities reasonably approved by FSU and not heretofore granted to others as referenced herein. The exclusive Corporate Sponsorship rights granted to HOST by FSU hereunder include, without limitation, the following: (I) broadcast, telecast and/or print advertising; (ii) promotions, couponing, product sampling and/or other associational rights; (iii) tickets, parking and hospitality packages for FSU Games; (iv) recognition in Game Programs; (v) the rights to attend, conduct and participate in pre-Game, half-time or post-Game hospitality events and/or other on-campus events (e.g., "Midnight Madness" events, fan festivals, vouth day promotions or other interactive events); (vi) ticketbacks for all home intercollegiate athletic events; (vii) sideline product placement rights and any other approved commercial identification at University home intercollegiate athletic events (e.g., trainers' carts, chair backs, energy bar products placement, towels, head sets etc.); (viii) game sponsorships, including title sponsorship opportunities as mutually agreed by the parties; and (x) any other FSU approved activities to promote FSU athletics through special projects and/or other promotional considerations as mutually

agreed by FSU and HOST (e.g., commemorative gift sponsorships, etc.). All Corporate Sponsorships sold by HOST shall become the property of HOST for the duration of this Agreement with revenues therefrom to be shared in accordance with Section 10.B, if applicable. HOST acknowledges and agrees that: (i) FSU has entered into certain agreements as of the effective date of this Agreement with Viacom, Inc. ("Viacom") (relative to sales of signage in Doak Campbell Stadium) and the Sunshine Network ("Sunshine") (relative to distribution and sales of television inventory); and (ii) such existing agreements and activities permitted thereunder as of the effective date of this Agreement shall not be considered as a violation of the exclusive rights granted to HOST hereunder and HOST will honor any exclusive arrangement in the abovereferenced agreements with Viacom and Sunshine. FSU agrees to promptly provide HOST with copies of its agreements with Viacom and Sunshine upon HOST's request. HOST also acknowledges that the rights aforementioned do not include naming opportunities for any university facilities.

B. <u>Existing Sponsorships</u>. HOST acknowledges that FSU has heretofore granted certain advertising and/or promotional rights to Coca-Cola and a wireless sponsor (herein the "Existing Sponsors"). Upon termination or expiration of FSU's agreement with the Existing Sponsors, HOST shall have the exclusive right to negotiate any renewal of or replacement to such Existing Sponsors within its respective product and/or service categories. With respect to the wireless sponsor, HOST agrees that it shall continue to pay directly to FSU the sum of \$56,200.00, each Contract Year, for the duration of the initial term of this sponsorship agreement and any renewal secured by HOST, from the revenues collected from the wireless sponsor in each such Contract Year. All revenues collected by HOST from any renewal, amendment or replacement of an Existing Sponsor shall be retained by HOST and accounted for in the calculation of Gross Revenues under Section 10.B below, if applicable, unless the parties otherwise mutually agree upon a different arrangement.

C. <u>Seminole Boosters and FSU Foundation</u>. HOST recognizes the special status of the Seminole. Boosters, Inc. ("Seminole Boosters"), as a direct support organization pursuant to the laws of the State of Florida for the FSU Athletic Department, and of The Florida State University Foundation, Inc. (the "Foundation"), as a direct support organization pursuant to the laws of the State of Florida for academic programs of FSU. HOST agrees that neither the Seminole Boosters nor the Foundation are in any way limited by this Agreement in their sponsorship or other promotional activities; provided however, should any sponsorship or promotional activities frustrate the commercial purposes of this Agreement HOST shall have the right to terminate this Agreement. HOST will work and cooperate with Seminole Boosters and the Foundation to enhance revenues generated through efforts of both organizations.

D. <u>Ticket Marketing</u>. HOST agrees to continue to work with FSU in the marketing of football, basketball, and baseball tickets at the mutual discretion of HOST and the Director of Athletics and agrees to pay all salary and overhead costs for a mutually agreed upon number of staff members for the operation of the ticketing marketing program.

E. <u>Agreement for Occupancy of Space</u>. During the term of this Agreement, subject to earlier termination upon the occurrence of any of the events described in Section 9.A of this Agreement, and in order to facilitate the performance of HOST's marketing and promotional obligations under this Section 8, as well as in consideration of the payments to be made by HOST under this Agreement, FSU agrees to provide to HOST suitable office space and furniture in the FSU athletics building (the "Premises") to accommodate HOST's on-site General Manager and the following:

1 Dir. of Sales

- 4 Account Exec. offices
- 1 Dir. of Promotions
- 2 Assistant Promotions Dir.
- 1 Spirit Office
- 1 Reception Office

and maintenance.

- 1 Storage
- I Work Area

[1] The indemnification provisions of Section 16.B shall apply to HOST's occupancy of the Premises. In connection therewith, HOST will provide insurance coverage related to use of the Premises with limits of coverage of not less than \$1,000,000 for property damage and \$1,000,000 for personal injury and in form reasonably satisfactory to FSU.

[2] HOST shall be permitted to use the FSU telephone prefix, "644," in the Premises. All charges for phone service (local, long distance and applicable taxes) resulting from use by HOST shall be billed to and paid by FSU initially, but HOST shall reimburse FSU for all such charges paid within thirty (30) days after presentation of a bill for those charges.

[3] FSU will assume responsibility for utilities, housekeeping

[4] Notwithstanding any contrary terms of this Agreement, at the expiration of fifteen (15) days from written notice of any breach of this Section, a party shall be entitled to terminate this occupancy of the Premises for a material breach by the other party of the terms of this Section if such breach is not cured within said fifteen (15) day period. Moreover, this agreement for occupancy of space shall terminate upon the termination of this Agreement.

9. <u>TERM</u>. Unless sooner terminated as permitted hereunder, this Agreement shall be in force and effect from July 1, 2002 through June 30, 2007.

A. <u>Early Termination by FSU</u>. The term of this Agreement is subject to early termination, at the option of FSU, upon the occurrence of any of the following events, it being understood that notwithstanding anything herein to the contrary, FSU

reserves all other rights and remedies hereunder and otherwise permitted by law and does not waive any obligation of HOST by reason of the exercise of such option, and HOST shall remain fully liable therefor:

[1] The filing by or against HOST in any forum or jurisdiction of any petition, voluntary or involuntary, for relief in a court of bankruptcy for either adjudication or bankruptcy or for a reorganization or rearrangement under the bankruptcy laws, or an action for receivership of any nature or for an assignment for the benefit of HOST's creditors; or

[2] The dissolution other than by merger or consolidation of HOST for any reason where HOST or successor shall not continue, without interruption, its business affairs; or

[3] The loss by HOST of any license, permit or other evidence of the right and privilege of HOST to conduct its business affairs, including, without limitation, the broadcasting required by this Agreement; or

[4] Failure of HOST to perform any material provision of this Agreement, including, but not limited to, failure to timely make any payment as provided in Section 10 hereof.

B. <u>Early Termination by HOST</u>. The term of this Agreement is subject to early termination, at the option of HOST, upon the occurrence of any of the following events, it being understood that notwithstanding anything herein to the contrary, HOST reserves all other rights and remedies hereunder and otherwise permitted by law and does not waive any obligation of FSU by reason of the exercise of such option, and FSU shall remain fully liable therefor:

[1] The filing by or against FSU in any forum or jurisdiction of any petition, voluntary or involuntary, for relief in a court of bankruptcy or for a reorganization or rearrangement under the bankruptcy laws, or an action for receivership of any nature or for an assignment for the benefit of FSU's creditors; or

[2] The dissolution of FSU for any reason, where FSU shall not continue, without interruption, its business affairs; or

[3] Except as otherwise identified in this Agreement in Section 8, the granting by FSU to any person or company, other than HOST, the rights granted HOST hereunder.

C. <u>**Right to Cure.**</u> In the event of the applicability of the foregoing, the party having the option to terminate shall give written notice of its intent to elect early termination, and the defaulting party shall have thirty (30) days to correct the default prior to the termination being applicable. Such notice shall be sent to the persons identified in and by any method permitted under Section 15 of this Agreement.

D. <u>Future Rights</u>. From January 1, 2006 through March 31, 2006, (the "Negotiation Period"), FSU agrees to negotiate exclusively and in good faith with HOST with respect to an extension of the rights granted to HOST pursuant to this Agreement and shall use its best efforts to reach an agreement as soon as is practicable. If the parties have not reached an agreement by the end of the Negotiation Period, FSU may at that time commence negotiations with other third parties. FSU grants HOST the right of first negotiation with respect to (I) the Broadcast and Telecast rights for Baseball Coach's shows; and (ii) the Broadcast, Telecast, Publishing and corporate sponsorship rights for women's basketball.

10. <u>GUARANTEED PAYMENTS AND ADJUSTED GROSS REVENUES</u>.

A. <u>Guaranteed Payments</u>.

[1] <u>**Rights Fees.**</u> For and in consideration of the grant of and license in all rights and privileges granted by FSU to HOST hereunder, HOST agrees to pay to FSU the greater of the Percentage Payment described in Section 10.B below or the following guaranteed rights fees (the "Rights Fees"):

Contract YearAmount2002-2003\$1,875,000.002003-2004\$1,925,000.002004-2005\$1,975,000.002005-2006\$2,025,000.002006-2007\$2,075,000.00

[2] <u>Payment of Guaranteed Rights Fees</u>. The Rights Fees payable by HOST to FSU hereunder (as adjusted) shall be paid as follows:(i) one (1) payment of Three Hundred Thousand Dollars (\$300,000.00) on or before May 1 of each Contract Year; and (ii) five (5) equal monthly installments of the balance of Rights Fees due beginning on December 15 of each Contract Year and monthly thereafter on the fifteenth (15th) day of January, February, March and April of each Contract Year. FSU directs HOST to annually pay all Rights Fees directly to Florida State University Athletic Development Fund in the Florida State University Foundation, Inc.

B. <u>Percentage Payments</u>.

[1] <u>Payment of Adjusted Gross Revenues</u>. Alternatively, HOST agrees to pay FSU an amount equal to forty-five percent (45%) of HOST's Adjusted Gross Revenues (as hereinafter defined) in each Contract Year, in lieu of the guaranteed Rights Fees for such Contract Year, if during any Contract Year the sum of forty-five percent (45%) of HOST's Adjusted Gross Revenues exceeds the sum of: (i) the guaranteed Rights Fees set forth in Section 10.A above; plus (ii) HOST's share of Coaches Adjusted Gross Revenues collected from its marketing of the Head Football Coach's Name during the respective Contract Year as described in Section 5.B above.

Calculation of Adjusted Gross Revenues. For the [2] purposes of this Section 10, "Gross Revenues" shall be defined as: (i) HOST's total receipts collected from commercial or advertising time sales associated with all radio and/or television productions produced and marketed by HOST, programs or other publications, Corporate Sponsorships, or other projects; (ii) the value, as reasonably determined by HOST, of all merchandise, goods or services received in payment or exchange for commercial or advertising time or business expenses of HOST associated with any radio and/or television production, programs, publications, Corporate Sponsorships or other projects undertaken by HOST under the Agreement; (iii) any other income collected by HOST from an exercise of the rights granted to HOST by FSU (except where otherwise indicated herein); and (iv) all Coaches Adjusted Gross Revenues collected by HOST from its marketing of the Coaches' Names. For the purposes of this Section 10, "Adjusted Gross Revenues" shall be calculated by the addition of all Gross Revenues collected by HOST, less: (i) any amounts paid by HOST to FSU's Coaches or other personnel made at the request of FSU, including, without limitation, the amounts payable by HOST under Section 5.B above; (ii) any sales taxes or commissions paid by HOST associated with its vending of programs or publications; (iii) all costs and expenses associated with HOST's audio and/or visual productions; (iv) all standard agency commissions/fees; (v) any other production, clearance, ticket marketing costs or administrative costs incurred by HOST relating to its performance of this Agreement. The parties acknowledge and agree that "Adjusted Gross Revenues" shall not include in-kind gifts made to FSU nor revenues generated under any permitted agreements made by Seminole Boosters or the Foundation for and on behalf of FSU.

[3] <u>Settlement Statement</u>. HOST will provide FSU with a settlement statement showing the manner in which Adjusted Gross Revenues are calculated, together with checks payable to the order of The Florida State University Athletic Department for FSU's share of Adjusted Gross Revenues (if any) within thirty (30) days following the conclusion of each Contract Year of this Agreement. FSU shall share only in Adjusted Gross Revenues as hereinabove described and shall not be responsible for any loss or losses.

[4] <u>Barter Arrangements</u>. It is anticipated from time to time that there may be opportunities for promotions or sponsorships which can result in FSU receiving goods or services as value-in-kind to support its operations. FSU shall furnish to HOST a list of those goods or services previously provided by vendors, a list of current vendors, an estimate of its future needs or requirements, and other relevant information, including any contract expiration dates. Any barter arrangement shall be subject to the prior approval of FSU, such approval not to be unreasonably withheld or delayed. The value assigned to a barter agreement shall be mutually agreed upon by HOST and FSU. If within any reasonable time the parties are unable to agree upon a value, then the value shall be determined in order of priority (i) by the price of the item as established by formal proposals or price quotations submitted to FSU in response to a request for competitive bids, or (ii) by the price of such item based upon previous purchases of such items by FSU. In each Contract Year, the established value of all barter arrangements secured by HOST, as mutually agreed by the parties under the terms of this Section, shall be included in the determination of Gross Revenues and shall either be: (i) credited against FSU's share of Adjusted Gross Revenues or (ii) credited against the Rights Fees payable by HOST hereunder.

11. NAMES AND LIKENESS, MARKS.

Names and Likenesses. HOST shall have the right to use and Α. authorize the use of the names and likenesses of FSU individual participants in the Games for all Broadcast, Telecast, distribution, advertising, promotion and publicity purposes of HOST hereunder, including, without limitation, the use of such names and likenesses in and for all Game Broadcasts, Broadcasts and Telecasts of Coaches' Shows, Videos, Interactive Projects, Programs and Other Publications. Notwithstanding the foregoing, such names and likenesses shall not be used as an endorsement of, or in connection with, a commercial product or service other than Games except as otherwise permitted herein. FSU agrees to: (i) ensure that HOST has the right to make appropriate references to FSU, the Conference and persons participating in the Games, including, but not limited to, the use of pictures of the FSU sports teams participating in the Games and its Conference logos; and (ii) notify the opposing school in the Games and request that it provide HOST with its respective players' names, likenesses and the opponent school's Conference logos and permission to use such names, pictures, likenesses and other items in promoting and advertising the Games and to include the same in the Programs. Any promotional claims made by HOST regarding the Games shall not imply that FSU or the opposing school, or their faculties, employees or student bodies recommend or endorse any advertised product. No athlete's name or picture shall be used for advertising so as to violate NCAA rules on eligibility. No promotional use shall be made of the Name of a Coach or other person affiliated with FSU or the opposing school in connection with any product or sponsor without the prior written consent of such person.

Β. Use of Marks. HOST acknowledges that FSU and the respective opposing schools are owners of certain names, trademarks, service marks, symbols and/or logos associated with them (hereinafter collectively referred to as the "Marks"). HOST agrees that without the prior written approval of FSU or the respective opposing school, it shall not sell or distribute any merchandise, including, but not limited to, tshirts, banners and other consumer items bearing the Marks, nor permit or attempt to permit others to do so. FSU hereby grants to HOST the right to use FSU's Marks (attached hereto as Exhibit A and incorporated herein by this reference and including any interest in any Marks which FSU may acquire hereafter) in connection with the advertising or promotion of any broadcast, telecast, publication or other distribution of the Games and for other purposes in accordance with the terms and conditions of the Agreement, including, without limitation, any use of such Marks approved by FSU in connection with the Programs and Other Publications, Videos, Interactive Projects and/or Corporate Sponsorships (including use of the Marks by Corporate Sponsors on point of sale materials). The use of FSU Marks must be reviewed and approved by the

FSU Office of Trademark Licensing, such approval not to be unreasonably withheld.

12. <u>COPYRIGHT OWNERSHIP</u>. FSU shall own the copyrights to all radio broadcasts, television telecasts, Videos and/or Interactive Projects made by HOST pursuant to this Agreement. In furtherance of such copyright ownership of FSU, HOST shall make appropriate copyright notice announcements during such broadcasts or telecasts and shall affix appropriate copyright notices to all audio tapes, Video tapes, Interactive Projects and other forms of recordings.

13. EFFORT AND COOPERATION; ADVERTISING RULES.

Duty to Cooperate. Both HOST and FSU agree to cooperate fully Α. and exert their best efforts to maximize the amount of Adjusted Gross Revenues in each Contract Year. FSU agrees that it shall: (i) refer any and all advertising (whether broadcast, media, or print advertising) and/or sponsorship opportunities which FSU receives and assist HOST in fulfilling all approved Corporate Sponsorships; (ii) not authorize nor permit any advertising, sponsorship or other activity to infringe upon any rights exercised and/or authorized by HOST; (iii) assist HOST in advertising sales where possible; and (iv) use its best efforts to require Viacom to cooperate with HOST in its marketing and sales activities hereunder in order to maximize revenues for HOST, FSU and Viacom. HOST agrees: (i) to maintain its current sales efforts and will use all good faith reasonable efforts to see that advertising revenues from the broadcasts, telecasts and publications are maximized; (ii) to use all commercially reasonable efforts to cause all broadcasts, telecasts and/or publications and all advertising related thereto to be in accordance with policies and regulations of FSU, the NCAA, and the Conference or successor organizations of any such entity; and (iii) to perform this Agreement in a manner which does not cause FSU to be in violation of any applicable rules and regulations of the NCAA and the Conference, as now constituted or as the same may be amended during the term thereof. FSU agrees to provide HOST with copies of all such policies and regulations. Furthermore, FSU reserves the right to reject any advertisement which FSU reasonably determines is incompatible with its educational mission and/or to deny advertising exposure to any advertiser which it deems unacceptable; provided, however, approval by FSU of any advertiser and/or advertising materials shall not be unreasonably withheld.

B. <u>Promotional Budget</u>. Prior to each FSU academic year, FSU shall establish and fund a Promotional Budget ,(herein so called) for those mutually acceptable promotional efforts to be undertaken by HOST to promote FSU athletics. Such Promotional Budget shall include all costs and expenses associated with printing, promotional items, creative services, media and/or other elements as they may be mutually approved by HOST and FSU to promote FSU athletics. The parties acknowledge and agree that any tickets provided to HOST by FSU under Section 14, below, that are used to fulfill any promotional efforts undertaken by HOST shall not be the responsibility of HOST. In addition, items directly billed by a sponsor to a vendor (e.g. schedule cards or other promotional items) will not be included in the Promotional Budget. FSU shall authorize and pay all costs and expenses chargeable to the

Promotional Budget in accordance with FSU purchasing and expenditure policies and procedures. The parties acknowledge and agree that the Promotional Budget is separate and distinct from HOST's operational budget.

14. <u>SPONSORS' TICKETS; PARKING PASSES; PLANE SEATS</u>.

FSU agrees to provide HOST, at no cost to HOST, and for use by HOST at its sole discretion with broadcast or telecast sponsors, corporate sponsors, network affiliates and others who assist in HOST's performance hereunder the following tickets:

football

season	450
single game	150/game
men's basketball season single game	250 100/game

baseball

season	150
single game	50/game

The following post-season tickets may be purchased by HOST (as availability permits):

football bowl	100
ACC basketball tournaments	40
NCAA basketball tournaments	20
NCAA Final Fours	10
NCAA baseball regional	20
NCAA baseball super regional	20
NCAA College World Series	10

Tickets for corporate hospitality purposes will be sold to HOST at the group rate (as availability permits).

These numbers will be reevaluated yearly by FSU and HOST but shall be no less than the number of tickets available in the preceding year.

All tickets will be reasonably well located to increase Adjusted Gross Revenues for both parties.

FSU further agrees to provide to HOST, at no cost to HOST, for use in marketing the programs described herein the following parking permits:

football	20
basketball	20
baseball	10

Parking will be reasonably located in a prime location.

A minimum of two (2) seats, and up to six (6) seats when available, at no cost to HOST, on any given football and/or men's basketball team plane taken by FSU to away football and/or men's basketball games.

15. <u>NOTICES</u>. All notices, claims, certificates, requests, demands and other communications hereunder shall be in writing and will be deemed to have been given if delivered by hand, prepaid telegram or mailed (registered or certified mail, postage prepaid, return receipt requested, or any means of express mail with confirmed delivery) as follows:

To HOST:	W. James Host Host Communications, Inc. 546 East Main Street Lexington, Kentucky 40508
With copy to:	Joseph H. Terry Dinsmore & Shohl, LLP 250 West Main Street, Suite 2020 Lexington, Kentucky 40507
To FSU:	The Florida State University do The University General Counsel 424 Westcott Building Tallahassee, Florida 32306
	Dave Hart, Jr., Athletics Director Florida State University Moore Athletic Center Tallahassee, Florida 32306

or to such other addresses as the person to whom notice is to be given may have previously furnished to the other in writing in a manner set forth above, provided that the notice of change of address shall be deemed given only upon receipt.

16. INDEMNIFICATION.

A. <u>By FSU</u>. FSU, as agent of the State of Florida, recognizes and restates its liability for certain damages, which might arise out of the negligent act or omissions of FSU, its officers, employees, agents or persons under its control, and to the extent and limited provided in 768.28, Florida Statutes, the State of Florida's partial waiver of sovereign immunity; provided, however, this provision shall not be construed as a waiver of any right or defense that FSU may have against any claim that HOST might bring under this provision.

B. <u>By HOST</u>. HOST covenants and agrees that it will indemnify, defend and hold harmless, the State of Florida, FSU, and its Board of Trustees, and their officers, employees, agents and representatives from and against any and all liabilities, losses, claims, debts, obligations, including reasonable attorneys' fees, judgments and expenses (collectively "claims"), of any third party arising out of the performance or non-performance of HOST of any provision of this Agreement.

17. <u>PROBATION</u>. If for any reason FSU's football, men's basketball, or baseball athletic teams are placed on probation that prohibits live television appearances, then FSU agrees to, in good faith, negotiate a reduction of the Rights Fees payable by HOST under this Agreement for each Contract Year FSU is on probation in the affected sport(s). If HOST and FSU fail to mutually agree upon a reduction in the Rights Fees for the Contract Years when FSU is on probation in the affected sport(s), then HOST shall have the right, but not the obligation, upon at least thirty (30) days written notice to FSU, to terminate this Agreement.

18. CANCELLATION, POSTPONEMENTS AND FORCE MAJEURE.

In the event that an event is prevented or omitted in its entirety because of an act of God, inevitable accident, fire, lockout, riot, civil commotion, act of public enemy, enactment, rule, order or act of any government or governmental instrumentally (whether federal, state, local or foreign), failure of technical facilities, loss or blackouts of the live telecast or broadcast, preventing the recapture of the then scheduled original telecast or broadcast time period of an event, if live, for the purpose of telecasting or broadcasting of overwhelming public importance, the occurrence of which is not within the reasonable control of either party, or any other cause of a similar or different nature which is beyond the reasonable control of either party, or if for any reason beyond FSU's or HOST's reasonable control (including, without being limited to, adverse weather conditions) an event is not held on the event date or any delivery is interrupted, then the terms and conditions of this Agreement shall not be affected thereby and neither party shall have any liability to the other party for any such event or non-occurrence.

19. <u>ANNUAL APPROPRIATION CONTINGENCY</u>. During the term of this Agreement, if any annual appropriation by the Legislature to FSU is insufficient to allow FSU to continue any of the activities required for performance of this Agreement, FSU shall be excused from performance for that Contract Year(s) and shall not be subject to any claim and/or liability arising hereunder.

20. MISCELLANEOUS PROVISIONS.

A. <u>First Refusal for Other Radio Broadcasts</u>. HOST shall have the first right of refusal to handle radio Broadcasts of any other FSU men's intercollegiate athletic events that FSU may choose to present on the same terms contained in this Agreement.

B. <u>Other Representation</u>. FSU and HOST mutually agree that HOST

and its affiliated companies may provide similar services to other conferences, colleges and/or universities and may engage in other related businesses and ventures without limitation. Such representation shall not constitute a violation of HOST's obligations hereunder.

C. <u>Coaches Availability/Payment</u>. FSU will require the Football Coach and the Men's Basketball Coach to be available for each respective Coach's Show, as well as any other Coach for any additional Coach's Show which the parties mutually agree upon during the term. Except as otherwise provided hereunder, all compensation of Coaches for performance on Coaches' Shows shall be made by FSU.

D. <u>Relationship</u>. Subject to the terms and conditions of this Agreement, HOST shall perform its obligations hereunder as an independent contractor. Subject to the express terms of this Agreement, all employees of HOST remain employees of HOST and are at all times under HOST's control and direction. Employees of FSU shall remain at all times employees of FSU and under FSU's control and direction. This Agreement does not create a partnership, joint venture or any other relationship involving joint and several liability.

E. <u>Equal Opportunity Employer</u>. HOST certifies to FSU that HOST is an equal opportunity/affirmative action employer and provides workers' compensation insurance coverage for its employees.

F. <u>Binding Effect and Assignability</u>. All covenants and agreements contained in this Agreement by or on behalf of the parties hereto shall bind and inure to the benefit of their respective successors and assigns, whether so expressed or not; provided, however, that this Agreement may not be assigned, voluntarily or involuntarily, by either party without the prior written consent of the other party.

G. <u>Section Headings</u>. The section headings contained in this Agreement are inserted as a matter of convenience and shall not form a part hereof to be used in any manner to construe any clause or clauses of this Agreement.

H. <u>Entire Agreement; Modification</u>. This Agreement constitutes and contains the entire agreement of the parties with respect to the subject matter hereof and supersedes the prior Rights Agreement and Publishing Agreement. No modification or termination of this Agreement shall be valid unless in writing signed by the parties hereto.

I. <u>Partial Enforceability</u>. If any provision of this Agreement, or the application of such provision to any person or circumstance, shall be held invalid, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those to which it is held invalid, shall not be affected thereby.

J. <u>Interpretation</u>. The provisions of this Agreement shall be construed in accordance with the laws of the State of Florida. No provision of this

Agreement shall be construed against or interpreted to the disadvantage of any party by any court or other governmental or judicial authority by reason of any party having or being deemed to have structured or dictated such provision.

K. <u>Venue and Jurisdiction</u>. Leon County, Florida shall be the venue of any and all administrative and/or legal proceedings arising from the parties' performance under this Agreement.

L. <u>Right of Inspection</u>.

[1] All records pertaining to the operation of this Agreement shall be open for inspection and/or audit by the State of Florida or FSU at any or all reasonable times.

[2] On or before July 31 of each full Contract Year of the Agreement, HOST shall render to FSU financial statements covering all transactions to date between HOST and FSU in sufficient detail to provide FSU with the means to evaluate the results of this Agreement. These statements will be prepared and certified by employees of HOST.

[3] In addition, on or before November 1 of each full Contract Year, HOST shall render to FSU two copies of complete audited financial statements of HOST, including the opinion of the CPA firm performing the audit.

[4] In the event of early termination of this Agreement or if this Agreement is not renewed, the financial statement shall be rendered to FSU on or before July 31 following the termination and shall immediately cover the period since the prior financial statement. Likewise, the two copies of the complete audited financial statements as described herein shall be delivered on or before the November 1 immediately following termination of this Agreement and shall cover the period since the prior audited financial statement.

[5] All records pertaining to this Agreement shall be maintained for five (5) calendar years after the close of the Contract Year to which the records pertain.

M. <u>Public Records and Confidentiality</u>. This agreement is subject to unilateral cancellation by FSU for refusal by HOST to allow public access to all documents, papers, letters, or other material subject to the provisions of Chapter 119, Florida Statutes, and made or received by HOST in conjunction with this contract.

N. <u>Subcontracting</u>. Subject to the prior written approval of FSU, HOST may subcontract the production of all broadcasts or telecasts to be produced pursuant to this Agreement and may subcontract any other rights granted to HOST herein. Approval by FSU of any HOST subcontractors shall not be unreasonably withheld.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by the duly authorized officer or agents on the effective date first set forth above.

HOST COMMUNICATIONS, INC.

BY:_____

NAME:		
-------	--	--

DATE:_____

FLORIDA STATE UNIVERSITY

BY:_____

NAME:_____

TITLE: President

DATE:_____

BY: _____

NAME:

TITLE: Athletic Director

DATE:

FLORIDA STATE UNIVERSITY SPONSORSHIP AND EQUIPMENT AGREEMENT November __, 1998 as restated as of March 1, 1999

Seminole Boosters c/o Florida State University, Department of Athletics Moore Athletic Center P.O. Box 2195 Tallahassee, FL 32315

Re: Sponsorship and Equipment Agreement

The following will serve as a Sponsorship and Equipment Agreement (the "Agreement") between **PREMIER SPORTS MARKETING, L.L.C.** ("Premier") and **SEMINOLE BOOSTERS, INC.** ("Boosters") whereby Boosters desires that Premier provide certain equipment described on Attachment 1 to this Agreement and such additional equipment as the parties shall agree upon in writing (the "Systems"), which shall include agree upon soccer and softball scoreboards and time-of-day clock, to be installed at Doak Campbell Stadium, the women's soccer and softball fields, and Mike Long Track (the "Stadiums") at Florida State University (the "University") and whereby Premier shall obtain certain advertising rights with respect to the Stadiums. In connection with this Agreement, Premier is concurrently entering into a separate Consent and Agreement with the University in the form of Attachment 2 to this Agreement. It is understood and agreed as follows:

1. UNDERTAKINGS.

1.1 Premier will:

(a) purchase the Systems and install them at the respective Stadiums, with the aggregate expenditure by Premier or its assignee to acquire and install the system and make the payments pursuant to Section 1.1(e) of this Agreement to constitute the "Initial Contribution";

(b) provide monitoring of installation, operator training and maintenance training with respect to the Systems, it being understood that Premier's services shall not include the actual physical installation of the Systems, or the primary electrical or required support Structure;

(c) prepare a sponsorship plan with performance standards reasonably acceptable to the Boosters for the sale of advertising signage and video message displays in the Stadiums (the "Advertising");

(d) subject to reaching mutually satisfactory agreement with the University

and Host Communications acquire assignments of existing rights to sell Advertising that have previously been granted by the University to Host Communications, Inc. ("Host") and Boosters (the "Rights") and acquire rights to the contracts that have previously been entered into relating to signage and video message displays in the Stadiums (the "Existing Contracts"). Any additional rights to sell or package advertising will be as mutually agreed upon by all parties.

(e) In consideration of the assignments of Rights and Existing Contracts referred to in Section 1.1(d), pay \$142,000 to Host and \$227,524.95 to Boosters to retire the debt that currently encumbers the Rights and Existing Contracts;

(f) provide sales personnel and marketing materials with respect to the sale of Advertising and utilize its best efforts to sell such Advertising; and

(g) design all advertising to provide covers with University logos that will be displayed at the conclusion of signage events in the Stadiums.

1.2 Boosters will:

(a) cause the University to provide space adequate to install and display the Systems throughout the term of this Agreement.

(b) with funds to be advanced by Premier, contract directly with installation contractor(s) to install the Systems and remove old equipment that the parties and the University contemplate to be replaced by the Systems, such contract to be subject to Premier's prior written approval;

(c) provide, or cause the University to provide to Premier, the following:

(i) reasonable sales support, when and as requested by Premier;

(ii) available working space and reasonably required office equipment to conduct advertising sales;

(iii) operators to facilitate the use of the Systems; and

(iv) sponsorship and promotions opportunities for sponsors, to be agreed upon by the parties.

2. CONSIDERATION.

2.1 In consideration of the provision of the Systems by Premier and Premier's efforts in securing advertising, Boosters hereby grants to Premier for the term of this Agreement all rights to sell temporary and permanent signage related to the Stadiums, including but not limited to the following rights:

(a) to display advertising messages upon the video equipment that constitutes

part of the Systems and to place advertising signage in and around the Stadiums, to include all current signage locations as well as all future locations, such future locations to be agreed upon by Premier, Boosters and the University and subject to the prior approval by the University as to all advertisers, advertisements and messages;

(b) to sell and license such advertising space to sponsors for Premier's own account and to retain the proceeds thereof, provided that Premier shall make the payments set forth in Section 2.2; and

(c) to retain for Premier's own account the proceeds of the Existing Contracts, provided that Premier shall make the payments set forth in Section 2.2.

Notwithstanding the foregoing, Boosters shall retain the right to do the following:

(x) assign Stadium naming or conduct donor recognition programs, either of which may include the display of the name of a sponsor, donor or donor's designee at locations visible inside or outside a Stadium bowl or concourse, on signage or otherwise, *provided*, *however*, that to the extent that such Stadium naming or donor recognition includes the display of a name (i) other than that of a natural person and (ii) other than in a display of such Stadium's entire or abbreviated official name, Boosters shall remit to Premier an amount of the associated naming rights fee or donation equivalent to the price that Premier is then currently quoting to sponsors for signage or advertising comparable in size and prominence to such name display;

(y) post signage consisting of menu boards in concessions stands in the Stadiums, *provided, however*, that no such menu board shall reference any product not sold in the concession stand in which such menu board is posted;

(z) assign an official name to each Stadium, which may include displays of the name of a sponsor in or around the Stadium, it being understood that, solely to the extent that such name displays contain the entire or abbreviated official name of such Stadium, Boosters shall have no obligation to remit fees collected from such sponsor pursuant to paragraph (x).

2.2 Premier shall provide to Boosters a guaranteed rights fee of one hundred thousand dollars (\$100,000.00) each year for ten years. Payment shall be due on June 15 of each contract year. At the conclusion of the fifth contract year, Premier will provide a detailed financial summary of the project to the University. Once reviewed, the University and Premier can mutually agree to increase the guarantee rights fee and/or the term of the agreement. However, at no time shall the guaranteed rights fee be reduced.

2.3 If Boosters for any reason receives any revenues or payments from sales of temporary or permanent signage related to Doak Campbell Stadium, Boosters will promptly remit such revenues or payments.

2.4 Premier will permit the Boosters to audit Premier's books, accounts, and records relative to this Agreement at reasonable times upon request by the Boosters.

2.5 Premier will utilize available/unsold billboard inventory in appropriate locations during the term of this agreement to enhance the Seminole Team packages by cross-promoting Seminole Team sponsors with University schedules, ticket sales etc.

3. INSTALLATION.

Boosters shall exercise its best efforts to ensure the installation of the Systems at Doak Campbell Stadium no later than June1, 1999.

4. TERM; CONDITION PRECEDENT

4.1 The term of this Agreement will extend until the tenth anniversary of the date of complete installation of the Systems at Doak Campbell Stadium. Premier has first right of refusal and/or the right to renegotiate the contract after the original ten-year term. This right would extend for sixty days following the ten-year anniversary of this agreement. At any time during the term of this Agreement, Boosters shall have the right, but not the obligation, to terminate this Agreement by tendering to Premier notice of such termination together with payment in an amount equivalent to the sum of:

(a) the then book value the Systems; and

(b) with respect to then-contracted advertising space in the Stadiums, such additional amounts as Premier, absent termination of the Agreement, would be entitled to retain out of the proceeds of sales of advertising on such space.

4.2 Notwithstanding the foregoing, it shall be a condition precedent to the effectiveness of this Agreement that, and this Agreement shall be without further effect unless:

(a) Boosters and the University shall have provided Premier with the opportunity to review all contracts regarding the ownership of the Rights and any other advertising signage rights relating to the Stadiums and regarding the sale of advertising in the Stadiums, as well as such other agreements and documents as Premier may reasonably request. Such signage rights must adhere to all University Signage Policies;

(b) Following such review, Premier shall have given notice to Boosters that it desires to proceed with the transactions contemplated by this Agreement;

(c) Premier shall have entered into the Consent and Agreement with the University; and

(d) Host, the University and the Boosters shall have entered into Assignment Agreements with Premier to assign to Premier the Rights and Existing Contracts (the "Assignment Agreements").

(e) In the event all of the conditions precedent set forth in this Section 4.2 are not performed or waived by June 1, 1999, this Agreement shall terminate and be of no further

effect. Boosters will use its best efforts to cause such conditions to be performed.

5. TITLE.

Premier and its successors and assigns shall hold title to the Systems and retain ownership of the Systems, with the exception of the following, title to which shall vest in the University upon installation thereof: the new video front-end and control components to be installed within the press box, the television monitors, the women's soccer field scoreboard, the women's softball field scoreboard, and the time-of-day clock at Mike Long Track. Upon expiration of the term of this Agreement, Boosters will have the option, exercisable by written notice delivered within ninety days prior to such expiration, to purchase of the balance of the Systems for a purchase price equal to the then book value of Premier or its assignee in the balance of the Systems. Such purchase will be made on an "as-is" "where-is" basis.

6. INSURANCE.

Boosters will, at its own expense, cause to be carried and maintained public liability insurance in amounts satisfactory to Premier and its assignee, with Premier and its assignee as additional insureds, and insurance on the Systems, with the University and Premier as loss payees, as their interests may appear, in amounts and against risks as may customarily be insured by the University on similar equipment. Boosters will provide evidence of such insurance prior to any provisions of funds hereunder.

7. **REPRESENTATIONS, WARRANTIES AND AGREEMENTS.**

7.1 Boosters represents and warrants to Premier that:

(a) Boosters has the power and right to enter into this Agreement and the Assignment Agreement to be entered into by Boosters, and to grant to Premier the rights granted to it under this Agreement and such Assignment Agreement;

(b) The grant of any rights to Premier hereunder is not inconsistent with any other agreements between the Boosters and third parties, or other third party rights of which Boosters is aware; and

(c) Upon execution and delivery of the Assignment Agreements. Premier will own all right, title and interest in the Rights and the Existing Contracts, free of any liens or encumbrances.

(d) The parties hereto expressly agree that the rights granted to Premier herein do not include product availability (pouring) or sideline rights at any location on the University campus. Boosters will retain such rights, or to the extent Premier receives such rights by assignment from Host, Premier will assign such rights to Boosters. Premier, however, will be assigned all rights to the agreement dated January 1, 1991 between Florida Coca Cola Bottling Company, Coca Cola USA, Florida State University, and Host Communications Inc. Proceeds of such contract will be payable to Premier. The University, the Boosters and the University

Athletic Department agree, during the term of this Agreement, if any product availability or sideline rights at Doak Campbell Stadium are included in a University campus or athletic department agreement and/or extension, such agreement shall include a mutually agreed upon sponsorship package that will provide revenues payable to Premier of not less than S170,000 per year. The parties agree that the rights granted to Premier herein do not include the right to utilize any of the University's marks, trademarks, or logos without the University's express prior written approval. Premier acknowledges that the University has certain advertising and/or sponsorship obligations with respect to certain health care providers, and Premier agrees that it shall not seek or enter into any sponsorship or advertising agreement with any health care provider other than the ones specified by the University. Should Boosters or the University desire to purchase signage or advertising at the prices it is then currently quoting to sponsors for comparable signage or advertising, provided however, that Premier shall provide, at no charge or additional cost, a reasonable amount of advertising to the University and/or Boosters for acknowledgments, public service announcements and similar non-commercial uses.

8. MAINTENANCE AGREEMENT.

Premier shall be responsible, during the term of this Agreement and extensions hereof, if any, for the maintenance of new equipment in the Systems, with the exception of the following: the new video front-end and control components to be installed within the press box, the television monitors, the women's soccer field scoreboard, the women's softball field scoreboard, and the time-of-day clock at Mike Long Track. However, any manufacturer's warranties with regard to such Systems shall be transferred to the University. Such maintenance activities will cover maintenance required due to normal usage, but will not include damage from external causes, or damage or wear and tear arising from misuse, failure to follow operating instructions, failure to maintain proper operating environment, or adequate electrical power. negligence of the University's employees or agents, usage beyond normal usage in intercolle2iate athletic contests, alterations, modifications or additions to the System not made by Premier. or any operating, cleaning, painting, replacement of light bulbs, refinishing or relocation of arty part of the System, or the addition of accessories thereto. As used herein, "misuse" shall include, but not be limited to, the prolonged display of a single static image on any part or all of the display screen, resulting in the phenomenon commonly known as "bum-in." University agrees to allow Premier to store replacement parts in a secure location at the Stadiums.

9. MISCELLANEOUS.

9.1 THE MAINTENANCE OBLIGATION SET FORTH IN THE PRECEDING SECTION WILL BE IN LIEU OF ANY WARRANTY OF PREMIER, INCLUDING MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

9.2 EACH PARTY HERETO WILL INDEMNIFY AND HOLD HARMLESS THE OTHER PARTY FROM AND AGAINST ALL LOSS, COST OR LIABILITY TO THIRD PARTIES, INCLUDING REASONABLE ATTORNEYS' FEES, ARISING FROM OR RELATING TO BOOSTERS' OR THE UNIVERSITY'S POSSESSION OR USE OF THE SYSTEMS WHICH IS ATTRIBUTABLE TO EACH PARTY'S OWN BREACH OF THIS

AGREEMENT OR NEGLIGENCE OR WILLFUL MISCONDUCT.

9.3 Boosters acknowledges and consents to the supply by Phoenix Product Group, L.L.C., an affiliate of Premier, of certain components of the Systems.

9.4 Boosters will arrange for the University to permit Premier to enter upon its real property for the purpose of exercising any rights it may have under the terms of this Agreement or any agreement with respect to Advertising.

9.5 Any amount due hereunder which is not paid when due shall bear interest at the rate of one and one-half percent (1.5%) per month or the maximum rate permitted by applicable law with respect to such obligation, whichever is less.

9.6 This Agreement and the Maintenance Agreement constitute the final, complete, exclusive and entire Agreement between Premier and Boosters with respect to the subject matter of this Agreement. Any deviations from or additions to this Agreement must be in writing and will not be valid unless confirmed in writing by a duly authorized officer or designee of Premier and Boosters.

9.7 This Agreement will be governed by and construed in accordance with the laws of the State of Florida, without giving effect to conflict of law rules. In the event of litigation between the parties alleging breach of this Agreement, the venue of same shall be Leon County, Florida.

9.8 It is expressly understood and agreed that Premier shall be entitled to assign this Agreement and any right hereunder as security for any obligation to a lender or with the prior consent of Boosters which consent shall not be unreasonably withheld.

9.9 This agreement can be mutually renegotiated should there be new technology which renders the Systems obsolete. It is understood that it is in the best interest of Premier and Boosters to maintain the Systems on the technological forefront.

If the foregoing is acceptable to you, please sign and return this Agreement whereupon this letter shall evidence a binding agreement, except as provided for in Section 4.2.

Sincerely,

PREMIER SPORTS MARKETING, L.L.C.

By: _____

Name:_____

Title: _____

AGREED AS SET FORTH ABOVE:

SEMINOLE BOOSTERS

By:_____

Title: _____

Date: _____

FLORIDA STATE ATHLETICS

By: _____

Title: _____

Date: _____

ATTACHMENTS:

Attachment 1: The Systems

Attachment 2: Consent and Agreement

ATTACHMENT 1

THE SYSTEMS

A. Main Scoreboard

- **1.** 24' x 32' Large format LED Video Display by Opto Tech (to replace existing Daktronics Lamp Matrix).
- **2.** 16' x 25' Tri-Vision display by Ad-Tech (to replace Coke Feature Ad Panel).
- **3.** Two (2) new drive trains for existing 16' x 22'-6" Tri-Vision displays.
- **4.** Two (2) new Scroll Panels 5' x 22'-6" by Power-Ad.

All main scoreboard components must be rear serviced. The existing Coca-Cola Feature Ad Panel will be replaced with a new Tri-Vision Display. The two existing Tri-Vision displays will be moved up 6' and receive new drive trains. Two new scroll panels will be added beneath the modified, existing Tri-Vision displays. Any replacement of a display covered by a current agreement with an advertiser will be subject to the agreement of such advertiser.

B. Auxiliary Scoreboard

1. Four (4) new Scroll Panels 5' x 10' by Power-Ad.

The existing Ad Panels of the auxiliary scoreboard will be replaced with front service Scroll Panels.

C. Soccer Scoreboard

D. Softball Scoreboard

E. Time-of-Day Clock

F. Provide Video Front End Equipment, detailed on Attachment 3, with upgraded cameras and placement of television monitors in selected locations throughout Doak Campbell Stadium.

This list is intended to be a summary only. The above mentioned items are not exact specifications and should not be used as such.

ATTACHMENT 2

CONSENT AND AGREEMENT

FLORIDA STATE UNIVERSITY (the "University") hereby acknowledges and consents to that certain Sponsorship and Equipment Agreement (the "Agreement") between **PREMIER SPORTS MARKETING, L.L.C.** ("Premier") and **SEMINOLE BOOSTERS, INC.** ("Boosters"), pursuant to which Premier shall provide the Systems, as defined therein, and Premier shall obtain certain advertising and related rights with respect to the Stadiums, as defined therein. The University agrees that Boosters is authorized and entitled to grant such rights to Premier; if, for any reason, Boosters is not so authorized and entitled, the University hereby grants such rights to Premier.

FLORIDA STATE UNIVERSITY

By: _____

Name of authorized signatory: _____

Title:_____

Accepted:

PREMIER SPORTS MARKETING, L.L.C.

By:_____

Title:		 	

Vendor Note: Additional questions submitted will be answered in a following addendum.