

## FMI Defense Sponsorship Agreement

**THIS SPONSORSHIP AGREEMENT** (the "Agreement") is entered into by and between \_\_\_\_\_ a \_\_\_\_\_ corporation/company with its principal place of business at \_\_\_\_\_ (hereinafter referred to as "Sponsor"), and FMI Defense, LLC, a North Carolina limited liability company with its principal place of business at 26 Pinecrest Plaza, #163, Southern Pines, North Carolina 28387-4301 (hereinafter referred to as "FMI"). Sponsor and FMI are sometimes referred to collectively as the "Parties" or individually as a "Party."

In consideration of the following mutual promises and covenants, the Parties agree as follows:

### **1. SERVICES:**

- 1.1. Advertising. FMI erects Scoreboards at Golf Courses and other facilities (hereinafter "The Club"), which include advertising slots for Sponsors.
- 1.2. Order. Sponsor is agreeing to purchase one or more advertisements on one or more Scoreboards as defined within Addendum A of this Agreement.

### **2. TERM AND TERMINATION:**

- 2.1. Term. This Agreement shall be effective as of the Effective Date and continue for two (2) years from the Advertisement Launch Date (the "Initial Term"). The date this Agreement is fully executed by both Parties is the "Effective Date".
  - 2.1.1. Renewal Term(s). After the expiration of the Initial Term, this Agreement will continue on successive two (2) year terms (each a "Renewal Term") unless terminated by either Party via written notice no less than ninety (90) calendar days prior to the end ("Termination Notice") of the Renewal Term in effect when the Termination Notice is received.
  - 2.1.2. Advertisement Launch Date. The date that the Sponsors advertisement is made available on the Scoreboard for public viewing is the "Advertisement Launch Date".
  - 2.1.3. Effect of Multiple Advertisement Orders on Term. Should Sponsor order multiple advertisements, either on a single Scoreboard or multiple Scoreboards, where such advertisements shall have different Advertisement Launch Dates, then, in order to ensure that Sponsor receives the full value of its advertisement/sponsorship, each advertisement shall have its own Term (and Renewal Terms) under this Agreement, with each Term/Renewal Term(s) beginning on the respective Advertisement Launch Date and this Agreement's end date shall be extended to coincide with the expiration of the last of the individual advertisement Terms/Renewal Terms.
  - 2.1.4. Effect of Force Majeure Event or other Interruption in Displaying the Advertisement. During the Term should Sponsors advertisement for any reason other than non-payment be unavailable for display, such as due to a Force Majeure event (e.g. a storm damages the Scoreboard) or an intentional act (such as vandalism), then the end date of the term shall be extended in an amount equal to the amount of time the advertisement was not able to be displayed. For example, if a storm were to damage the Scoreboard to the extent that the advertisement was not available for viewing and it requires ten days for FMI to repair or replace the advertisement, then the Term would be extended for ten days. The intent is that the advertisement is displayed for the entire Term for which the Sponsor has paid.
- 2.2. Termination for Default.
  - 2.2.1. Payment Default. A "Payment Default" shall occur if Sponsor fails to make full and timely payment as required under this Agreement and such failure remains uncorrected for ten (10) business days from the Due Date. In the event of a Payment Default, FMI may, without liability to Sponsor, in addition to its rights available to it at law or in equity: (i) suspend any or all advertisements of Sponsor; (ii) cease accepting or processing orders for advertisements; and/or (iii) terminate this Agreement.
  - 2.2.2. Other Defaults and Remedies. An "Other Default" shall occur if either Party fails to perform or observe any material term or obligation, excluding payment terms, contained in this Agreement, and any such failure remains uncorrected for fifteen (15) calendar days after written notice from the non-defaulting Party.

3. **TRADEMARK LICENSE**. Sponsor grants FMI a royalty-free, non-exclusive license to use and display the Trademarks associated with the Sponsor's products. Such use shall be limited solely to the sponsorship of the events and any advertising or promotional activities related to this agreement and all placements must be approved by the Sponsor prior to use. The use of Sponsor's trademarks or company name will not be used in a way which would cause any person to reasonably infer, or would otherwise convey the impression, that the FMI and Sponsor are in any way affiliated with, or otherwise acting on behalf of one of the other parties. Sponsor and FMI acknowledge that the provisions of this

paragraph do not convey to either party any right, title or ownership interest in any trademarks. Sponsor will review and approve trademark and logo used for advertisement. Sponsor's name, logo and trademark will remain its exclusive property and any use by FMI of such name, logo and trademark shall be for to Sponsor's benefit. Except as expressly provided herein, neither party shall have the right to use the corporate or trade name, trademarks, services marks, logos or other identification of the other party without the party's prior written consent.

**4. PAYMENT:**

- 4.1. Sponsor acknowledges and agrees that payment for Sponsor's advertisement(s) is due within ten (10) business days of the Advertisement Launch Date.
- 4.2. Sponsor also understands and agrees that FMI will invoice Sponsor thirty (30) days prior to the end of the first year of the Initial Term for the cost of the advertisements second year, and this same invoice timing will continue during each year of the Renewal Terms.
- 4.3. Payment will be due within ten (10) business days of each invoice date unless Sponsor and FMI have agreed to different payment terms, then such payment terms will be documented in Addendum C to this Agreement.
- 4.4. Late Fees: Sponsor agrees to pay a late charge equal to 10% of the amount due on all sums not paid when they are due. Sponsor agrees to pay FMI's court costs and attorney's fees incurred in collecting the sums due to FMI hereunder.

**5. SERVICE (S) ORDERED:** Sponsors' ordered advertisements are detailed in Addendum A of this Agreement.

- 5.1. Sponsor shall supply camera-ready artwork to FMI to be used in creating the advertisements. Artwork will be in accordance with specifications set forth in the Graphic Artwork Order Form attached as Addendum D. Should proper artwork/file types, as further described in the Graphic Artwork Order Form, FMI can provide design services for sponsorship materials for a one-time \$295.00 fee.
  - 5.1.1. The Sponsor has chosen a(n) \_\_\_\_\_ Position.
  - 5.1.2. The dimensions of this position are: \_\_\_ x \_\_\_. A 2" boarder between the artwork and the edge of the granite is required to account for the mounting bracket on the scoreboard
  - 5.1.3. The Sponsor is entitled to unlimited Rewards Cards.
  - 5.1.4. The dimensions of the Reward Card are: 3.5" x 2" format. **NOTE:** The rewards card will have rounded corners.
- 5.2. Sponsor understands and agrees that all copy, text, and illustrations to be included on the advertisement are subject to approval by FMI and the facility where the advertisement is to be displayed. Should either FMI or the facility reject the advertisement, then any payment made by Sponsor shall be refunded within the ten (10) business days from the rejection date.
- 5.3. FMI shall be responsible for the reproduction and installation of the advertisement on the Scoreboard.
- 5.4. FMI will make all commercially reasonable efforts to secure the sponsor's preference of location on the Scoreboard. However, FMI cannot guarantee location of advertisement on the Scoreboard.
- 5.5. FMI shall make available to Sponsor certain incentives to be included on Rewards Cards to promote Sponsors business and use of The Club. These incentives are detailed in Addendum B of this Agreement and are subject to the incentives offered, and continued to be offered by The Club where the Scoreboard is located. FMI has no liability under any theory of law for the failure of The Club to honor these incentives or if The Club shall opt to modify the incentives post the execution of this Agreement.
- 5.6. The Sponsor's advertisement may be etched into granite or other such advertising boards for the purposes of this Agreement. Sponsor may, at FMI's sole discretion, be allowed to purchase the granite/advertising board at market rates (to be determined by FMI) at the end of this Agreement.
- 5.7. In circumstances where the Scoreboard has been installed as of the date of this Agreement, the advertisement(s) will be placed on the Scoreboard within six (6) weeks of the final artwork approval. Conversely, in circumstances where the Scoreboard has not been installed as of the date of this Agreement, the advertisement will be installed no later than six (6) weeks following the last to occur of the installation of the Scoreboard or the approval of the final artwork.

**6. LIMITATION OF LIABILITY; DISCLAIMER OF WARRANTIES:**

WITHOUT LIMITING SPONSOR'S OBLIGATION TO PAY FOR ADVERTISEMENTS AND ANY OTHER EXPRESS FINANCIAL OR LIABILITY PROVISIONS PROVIDED FOR IN THIS AGREEMENT, NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY INDIRECT, CONSEQUENTIAL, EXEMPLARY, SPECIAL, RELIANCE, INCIDENTAL OR PUNITIVE DAMAGES (INCLUDING WITHOUT LIMITATION, LOST BUSINESS, REVENUE, PROFITS, OR GOODWILL) ARISING OUT OF OR RELATED TO THE PERFORMANCE OR NONPERFORMANCE OF THIS AGREEMENT, OR THE PROVISION OF SERVICES HEREUNDER (INCLUDING ANY IMPLEMENTATION DELAYS/FAILURES), UNDER ANY THEORY OF TORT, CONTRACT, WARRANTY, STRICT LIABILITY OR NEGLIGENCE, EVEN IF THE PARTY HAS BEEN ADVISED, KNEW OR

SHOULD HAVE KNOWN OF THE POSSIBILITY OF SUCH DAMAGES. FMI MAKES NO WARRANTIES, EXPRESS OR IMPLIED, AS TO ANY ADVERTISEMENT PROVISIONED HEREUNDER. THE FOREGOING LIMITATION APPLIES TO ALL CAUSES OF ACTIONS AND CLAIMS, INCLUDING WITHOUT LIMITATION, BREACH OF CONTRACT, AND BREACH OF WARRANTY, NEGLIGENCE, STRICT LIABILITY, MISREPRESENTATION AND OTHER TORTS. NOTWITHSTANDING THE FOREGOING, FMI'S TOTAL LIABILITY HEREUNDER SHALL IN NO EVENT EXCEED AN AMOUNT EQUAL TO THE FEES PAID BY SPONSOR TO FMI UNDER THIS AGREEMENT.

Sponsor acknowledges and accepts the reasonableness of the foregoing disclaimer and limitations of liability. No cause of action under any theory which accrued more than one (1) year prior to the institution of a legal proceeding alleging such cause of action may be asserted by either Party against the other, and shall be barred by this agreed limitation.

**7. INDEMNIFICATION:** Sponsor agrees to indemnify and hold FMI, and the facility where advertisement is displayed, harmless from and against any loss, expense, or other liability resulting from claims or suits for libel, violation of rights of privacy, plagiarism, copyright infringement, and any and all other claims that may arise as a direct result of Sponsor's advertisement itself. Sponsor is not indemnifying FMI against any claims beyond those directly caused by the Advertisement itself (such as personal injury claims related to the Scoreboard physically harming a person).

**8. CHOICE OF LAW** This Agreement shall be construed pursuant to North Carolina law, and venue for any legal actions regarding this Agreement shall be in Raleigh, North Carolina. The parties jointly waive their right to a jury trial.

**9. FORCE MAJEURE.** For purposes of this Agreement, "Force Majeure" means any event or circumstance beyond the reasonable control of a Party which affects the performance by such Party of its obligations hereunder, including but not limited to, any war, declared or not, or hostilities, or belligerence, blockade, revolution, insurrection, acts of terror, riot, public disorder, expropriation, requisition, confiscation or nationalization, whether imposed by law, decree or regulation by any governmental authority, or fire, unusual flood, earthquake, volcanic activity, storm, typhoons, lightning, or any event, matter or thing, wherever occurring that is clearly outside of either Party's reasonable control. In the event of a Force Majeure Event, neither Party shall be liable to the other for any delay or failure in performance of any part of this Agreement, and the time for performance of such obligation shall be excused for the period of such delay or prevention and extended for a period equal to the period of such delay or prevention. The Party claiming relief under this Section shall notify the other in writing of the existence of the Force Majeure Event. Notwithstanding this provision, Sponsor shall in no way be relieved of any of its payment obligations as provided herein.

**10. ENTIRE AGREEMENT:** This Contract contains the entire agreement between the parties and supersedes any other verbal or written agreements regarding the submission of advertising. The individuals signing this Agreement warrant that they are authorized to sign as owners, partners, officers, employees, or agents of the parties, and are empowered to bind the parties to the obligations and terms of this Agreement.

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be duly executed effective as of the day and year last written below.

FMI DEFENSE LLC

Sponsor \_\_\_\_\_

By: \_\_\_\_\_  
(Signature)

By: \_\_\_\_\_  
(Signature)

Name: Brian J. Burns

Name: \_\_\_\_\_

Title: Contracts Administrator

Title: \_\_\_\_\_

Date:

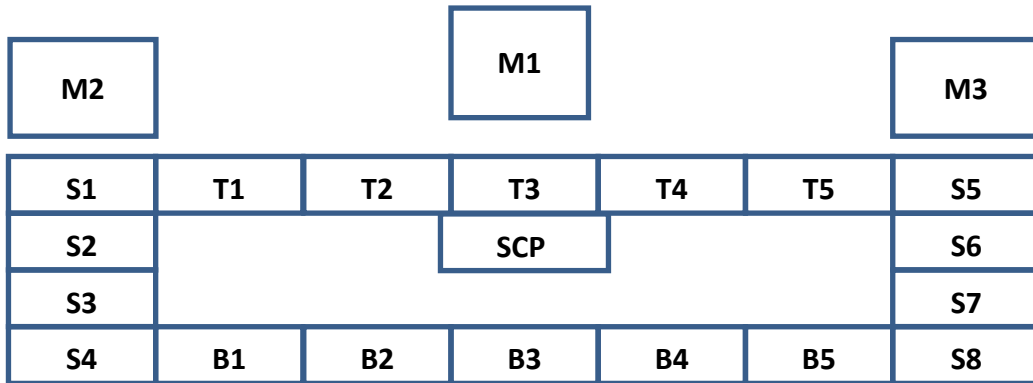
Date: \_\_\_\_\_

**Addendum A**

Sponsor is ordering the following advertisements:

**Location:**

**SLOT DIAGRAM**



## **Addendum B**

The following is a list of the incentives offered to Sponsor. Some of these items will be included on Sponsors Rewards Cards, others are items offered to Sponsor for redemption at the facility where Sponsor is placing advertisement(s) under this Agreement.

### **Sponsor Incentives:**

### **Reward Cards Incentives:**

### **Sponsor Consideration:**

**Addendum C**

**Sponsor Payment Terms Addendum**

Sponsor has agreed to pay for its advertising according to the following schedule. Sponsor will make such scheduled payments on or before the below Due Dates regardless of whether it receives an invoice from FMI for the scheduled payment.

Annual Cost:

Quarterly/Semi-Annual Payment Schedule (if a Payment Schedule is being elected):

<b><i>Payment Due Date</i></b>	<b><i>Payment Amount</i></b>
10 Days Following Board Installation	\$
	\$
	\$

## BLACK GRANITE SPONSORSHIP PANEL

- Polished natural stone engraved with simple lettering and/or artwork, painted in solid color
- Solid spot colors only: no gradients, shadows or special effects
- Specify PMS to help ensure color match



## ARTWORK SPECIFICATIONS

### ACCEPTABLE FILE TYPES

- Granite sign art must be vector EPS, PDF or Adobe Illustrator

### FONTS

ALL FONTS MUST BE OUTLINED

### LIVE AREA

Keep all artwork within 2" from the edge for mounting hardware

### SUBMISSION

File(s) below 10MB can be [emailed: dana@blacksheepeffect.com](mailto:dana@blacksheepeffect.com) Artwork over 10MB, use FTP via web browser (not FTP software): <http://server.blacksheepeffect.com:8080>

User: FMI Password: artworkupload

When transfer is complete, send an email [to dana@blacksheepeffect.com](mailto:dana@blacksheepeffect.com) with file name and other information related to the job. If you have a firewall and/or receive an error, please contact Dana for alternate instructions.

### PROOF APPROVAL PROCESS

Once artwork has been received, we will preflight for quality and integrity, and provide an Artwork Approval Form.

## FULL COLOR REWARDS CARD

**BLEED SIZE:** 3.75 x 2.25" (.125" bleed)

**TRIM SIZE:** 3.5 x 2" (.125" round corners)

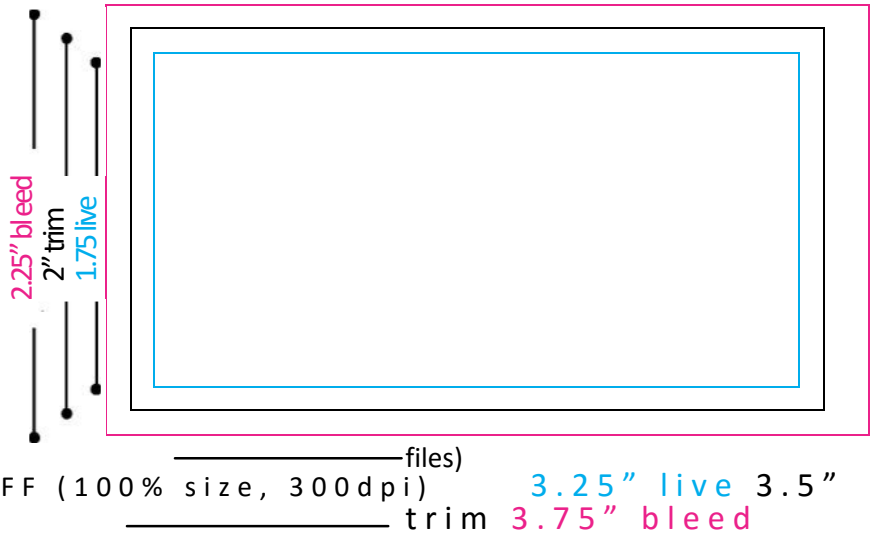
**LIVE AREA:** 3.25 x 1.75" (.25" inset)

**COLOR:** CMYK

**FONTS:** ALL FONTS MUST BE OUTLINED

**FILE TYPES:** in one of the following file types:

- Vector art preferred (EPS, PDF or AI files)
- High resolution JPEG or TIFF (100% size, 300dpi)



## ARTWORK SPECIFICATIONS

### ACCEPTABLE FILE TYPES

- Vector EPS, PDF or Adobe Illustrator
- Raster JPEG

### FONTS

ALL FONTS MUST BE OUTLINED

### PROOF APPROVAL PROCESS

Once artwork has been received, we will preflight for quality and integrity, and provide an Artwork Approval Form.

### FINAL PRODUCT

Full color UV-coated business cards with your art on front, and pre-existing free greens fees artwork on the backside.

### For Assistnace:

FMI Defense will set up sponsorship sign panel and rewards card for a \$295 fee as outlined in the Sponsorship Agreement. Please contact Dana [at dana@blacksheepeffect.com](mailto:dana@blacksheepeffect.com) or 480---236---0773 to get started.