

UNIVERSITY of MINNESOTA MULTI-SPORT AGREEMENT

THIS IS AN AGREEMENT made and entered into by and between Regents of the University of Minnesota, a Minnesota constitutional corporation ("UNIVERSITY"), through its Department of Intercollegiate Athletics, ("Athletic Department") and NIKE USA, Inc. ("NIKE"), an Oregon corporation. This Agreement is not binding upon the UNIVERSITY's Department of Recreational Sports or any UNIVERSITY department other than its Athletic Department.

WITNESSETH

WHEREAS, UNIVERSITY fields and maintains nationally recognized athletic teams in numerous sports (and retains the coaches and staff in connection therewith) and owns all right, title and interest in and to the names, nicknames, mascots, trademarks, service marks, logographics and/or symbols, and any other recognized reference to the University of Minnesota or its intercollegiate athletic programs; and

WHEREAS, NIKE is a sports and fitness company engaged in the manufacture, distribution and sale of athletic and athleisure footwear, apparel and related accessories, and desires to support UNIVERSITY and certain of its intercollegiate athletic programs and obtain certain intangible rights and sponsorship benefits as described below;

NOW, THEREFORE, in consideration of the mutual promises, terms and conditions set forth herein, it is agreed as follows:

1. DEFINITIONS.

As used in this Agreement, the terms set forth below shall be defined as follows:

- (a) "NIKE Group" shall mean NIKE USA, Inc., NIKE Team Sports, Inc. ("NTS"), BauerNike Hockey, Inc., their parent company NIKE, Inc., their licensees, distributors, subsidiaries and any successor company.
- (b) "UNIVERSITY Marks" shall mean the marks displayed on Exhibit D, the name "University of Minnesota", the nickname "Golden Gophers", and all other names, nicknames, mascots, identifications, trademarks, service marks, logographics and/or symbols, and any other recognized reference to UNIVERSITY or its football or basketball programs.
- (c) "Covered Program(s)" shall mean the following varsity intercollegiate athletic programs which are fielded by UNIVERSITY and have full-time coaches and scholarship athletes: baseball; basketball (men's and women's); cross country (men's and women's); football; ice hockey (men's and women's, apparel only); golf (men's and women's); gymnastics (men's and women's); rowing; soccer (women's); softball; tennis (men's and women's); track & field (men's and women's); volleyball; swimming and diving (men's and women's); and wrestling.
- (d) "Varsity Club Sports" shall mean those intercollegiate athletic programs fielded and so designated by UNIVERSITY.
- (e) "Flagship Program(s)" shall mean the following Covered Programs: football; men's basketball; women's basketball; men's and women's ice hockey and volleyball.
- (f) "Team" shall mean that group of athletes attending the Minneapolis campus of UNIVERSITY during the term of this Agreement and comprising the roster of each Covered Program.
- (g) "Coach" shall mean an individual employed during the term of this Agreement to act as a head coach of a Covered Program.
- (h) "Coach Properties" shall mean the Coach's name, nickname, initials, autograph, facsimile signature, voice, video or film portrayals, photographs, likeness and image or facsimile

image, and any other means of endorsement used by such Coach in performing his or her obligations under this Agreement.

- (i) "Staff" shall mean, collectively, all assistant coaches and strength coaches, equipment managers, trainers and any on-field/courtside staff (e.g., ballpersons, basketball stat crews, etc.) employed by UNIVERSITY during the term of this Agreement to provide services to any Covered Program.
- (j) "Department-Related Activities" shall mean all student-provided game entertainment activities (e.g., marching band, pep band, performance/dance team, spirit squad), product giveaways and other marketing initiatives, or community outreach activities conducted in connection with any Covered Program, the Athletic Department generally or the promotion thereof by the Athletic Department or UNIVERSITY.
- (k) "Contract Year" shall mean each consecutive twelve (12) month period from August 1 through July 31 during the term of this Agreement.
- (l) "NCAA" shall mean the National Collegiate Athletic Association.
- (m) "Conference" shall mean the intercollegiate athletic conference of which UNIVERSITY is a member.
- (n) "Products" shall mean:
 - (1) all athletic and athletically inspired or derived footwear (specifically including skates) that members of any of Team, Coaches and/or Staff wear or may be reasonably expected to wear while participating in a Covered Program;
 - (2) authentic competition apparel consisting of uniforms, sideline or courtside jackets and sweaters, game-day warm-ups, basketball shooting shirts, hockey pants, football player capes, wool and fitted caps, windsuits, rainsuits, sideline or courtside pants, shorts and shirts, and similar apparel, activewear, thermal wear and performance undergarments (collectively, "Authentic Competition Apparel") that members of any Team, Coaches and/or Staff wear or may be reasonably expected to wear while participating in a Covered Program;
 - (3) all other apparel articles of an athletic or athleisure nature including but not limited to polo shirts, golf shirts, tank-tops, T-shirts, sweatsuits, separates and other body coverings, and accessories of an athletic or athleisure nature, including but not limited to headwear, headbands, wristbands, bags, socks, hand-towels, receiver's and linemen's gloves, golf gloves, weight training gloves, elbow and knee pads that members of any Team, Coaches and/or Staff wear or use or may be reasonably expected to wear or use while participating in a Covered Program;
 - (4) competition balls (i.e., footballs, basketballs, soccer balls, volleyballs, golf balls) subject to the provisions of Paragraph 16 below;
 - (5) protective eyewear, eyewear with performance attributes and sunglasses;
 - (6) sports timing devices (including wrist watches, race timers, stopwatches, etc. and devices used for competition or training that are also used in combination with timing devices such as heart-rate monitors or calorimeters); and
 - (7) other equipment as NIKE may add to its Product lines at any time during the term of this Agreement and subject to the provisions of Paragraph 16 below.
- (o) "NIKE Products" shall mean all Products in connection with which, or upon which, the NIKE name, the Swoosh Design, the NIKE AIR Design, the Basketball Player Silhouette

("Jumpman") Design or any other trademarks or brands (e.g., Brand Jordan, Bauer, Sports Specialties, SPL.28) now or hereafter owned and/or controlled by NIKE (collectively, "NIKE Marks") appear.

- (p) "Celebration Apparel" shall mean a product (e.g., T-shirts or caps) bearing the UNIVERSITY Marks displayed on Exhibit D which is designed to commemorate the UNIVERSITY's victory in an applicable championship (e.g., victory in a bowl game, tournament or national championship) which is commonly worn by Team members, Coaches and Staff immediately following the event on-field/on-court, in the locker room, and/or at a UNIVERSITY-sponsored celebration of the championship, and also includes any replica item of apparel which thereafter is made available for sale to the public.
- (q) "Internet Content" shall mean text, graphics, photographs, film, video, audio and/or other data or information.
- (r) "Internet" shall mean a global network of interconnected computer networks or other devices which is used to transmit Internet Content that is directly or indirectly delivered to a computer or other device for display to a user thereof, whether such Internet Content is delivered through on-line browsers, off-line browsers, "push" technology, electronic mail, broadband distribution (whether cable, DSL or otherwise), satellite, telephony, wireless or any other means whether now known or hereafter created.
- (s) "University Athletics Web Sites" shall mean www.gophersports.com, or any successor web site thereto and any other now existing or hereafter created web site owned and/or controlled by UNIVERSITY's Department of Intercollegiate Athletics. www.umn.edu is not a University Athletics Web Site.
- (t) "NIKE Web Sites" shall mean www.nike.com, www.nikebiz.com or any successor web site thereto and any other now existing or hereafter created web site owned and/or controlled by NIKE.
- (u) "Aligned Media Company" shall mean a media entity (such as The Basketball Network LLC, d/b/a Hoopstv.com) affiliated with, or under the "control" (as defined under the Securities Act of 1933) of, any person or entity that manufactures, sells, fulfills or otherwise distributes Products, or any principal or senior executive of an entity that manufactures, sells, fulfills or otherwise distributes Products. For purposes of this provision only, this paragraph shall be limited to NIKE Products listed in Section (n), parts (1), (2) and (7).

2. TERM.

This Agreement shall remain in full force and effect for a period of seven (7) Contract Years, from August 1, 2007 through July 31, 2014 unless sooner terminated in accordance with the terms and conditions hereof (the "Term"). This Agreement shall be interpreted in its entirety and not as a series of one-year agreements.

3. GRANT OF RIGHTS.

UNIVERSITY hereby grants to NIKE, and NIKE hereby accepts:

- (a) The designation as "the exclusive supplier of the athletic footwear, apparel and equipment products of (each Covered Program)" and "the exclusive athletic footwear, apparel and equipment sponsor of (each Covered Program)", "the exclusive supplier of the athletic footwear of the Covered Program", the exclusive athletic footwear sponsor of the Covered Program" and/or such similar designations as the parties may agree upon (collectively, the "Designations").

- (b) The right to utilize (subject to the approval provisions of Paragraph 13 below) the UNIVERSITY Marks displayed on Exhibit D, Coach Properties and/or Designations worldwide, in any media (now known or hereafter created) including, but not limited to, the Internet, CD-ROM and other interactive and multi-media technologies, in connection with the advertising, marketing and promotion (including in programming in any and all media including the Internet) of NIKE Products, NIKE brands, and any of the NIKE Web Sites and in the creation, production, distribution and sale of NIKE sports-themed video and computer games and Internet Content. Such rights shall specifically include, but shall not be limited to, the following:
- (1) The exclusive right to supply Products to each Covered Program and to use the appropriate Designations.
 - (2) The license rights granted in this Paragraph 3 do not extend to the manufacture and/or sale of Celebration Apparel. In instances where the UNIVERSITY has the right to control the manufacture and/or sale of Celebration Apparel, upon learning of the potential need for Celebration Apparel for a Covered Program in a given Contract Year (which may be prior to the finally determinative game), the UNIVERSITY shall inform NIKE of its potential need for such Celebration Apparel. If NIKE does not agree to supply the Celebration Apparel for the Covered Program in that Contract Year as specified by the UNIVERSITY within five (5) business days after receiving the notice from UNIVERSITY, UNIVERSITY may enter into an agreement with a third-party to supply such Celebration Apparel provided (i) such third-party is not also engaged primarily in the manufacture or sale of athletic footwear or competition apparel, and (ii) UNIVERSITY shall ensure that any Celebration Apparel provided to Team members, Coaches or Staff for their immediate post-game wear or use (or for any official victory celebration either immediately post-game or upon return to the Minneapolis campus) shall not bear any camera-visible brand or manufacturer identification incorporated within either the garment's graphic design, labels, hangtags or otherwise. If NIKE agrees to provide the Celebration Apparel, it shall have the exclusive right to supply the Celebration Apparel for that Covered Program in that Contract Year subject to the terms of any Exclusive License Agreement between NIKE and CLC on behalf of UNIVERSITY that may then be in effect ("Exclusive License Agreement") and the non-exclusive right and license to manufacture and sell such Celebration Apparel subject to the terms of that certain Exclusive License Agreement between NIKE and CLC on behalf of UNIVERSITY. (The "Exclusive License Agreement").
 - (3) The right to manufacture and sell (subject to the "Standard License Agreement") NIKE Product bearing or incorporating the UNIVERSITY Marks displayed on Exhibit D and to conduct promotions with and through NIKE retail accounts and over the Internet. Internet promotions and sales may take place only through NIKE Web Sites, unless otherwise contemplated in the Standard License Agreement.
 - (4) The right to use in Internet Content on NIKE Web Sites on the Internet (but not sell), in accordance with the terms of this Agreement and the Standard License Agreement, and subject to applicable NCAA rules and regulations with respect to the depiction of eligible athletes, game photographs, video, audio, text, graphics, film footage and/or any other data, materials or information (e.g., statistics, biographical profiles, archival materials, etc.) of any and all Covered Programs whether created by NIKE (or its agent) or controlled by UNIVERSITY (collectively, "UNIVERSITY Content"). In connection therewith, at NIKE's request, UNIVERSITY shall permit NIKE to utilize, consistent with this Paragraph 3, UNIVERSITY Content (owned and/or controlled by UNIVERSITY or created by NIKE (or its agent)), without a use fee, other than reasonable search and

edit charges.

4. RETAIL LICENSING RIGHTS.

All retail licensing rights, exclusive and non-exclusive, shall be governed by any Exclusive License Agreement that may be in effect from time to time and the Standard License Agreement.

5. INTERNET RIGHTS.

Each Contract Year, UNIVERSITY shall, and without limiting any other rights granted hereunder, provide NIKE with certain sponsorship benefits including the benefits described in Sections 7 and 8 and the following benefits in connection with the Internet:

- (a) NIKE shall receive recognition as one of UNIVERSITY's official on-line partners, which includes a sponsorship acknowledgement banner on the main page and logo exposure on all pages of the University Athletics Web Site. In addition, NIKE will receive the opportunity to create a link from the University Athletics Web Site to a NIKE Web Site; provided, however, that any NIKE Web Site page that enables the user to purchase Licensed Product shall appear at least two (2) "clicks" away from the University Athletics Web Site. The appearance, location and size of the acknowledgement and the link shall be subject to final determination by UNIVERSITY.
- (b) Notwithstanding the foregoing grant of rights with respect to the Internet, UNIVERSITY represents and warrants that, during the term of this Agreement, it shall not treat NIKE less favorably in connection with the University Athletics Web Site than any other official on-line partner or other commercial sponsor or commercial entity to which UNIVERSITY has granted any rights with respect to the University Athletics Web Site.

6. NIKE PRODUCT SUPPLY & LOGO USE ON PRODUCT.

- (a) (1) Each Contract Year, NIKE shall supply to UNIVERSITY, as an in-kind royalty payment for the exclusive brand exposure provided under this Agreement, for use by (or in connection with) the Covered Programs, Varsity Club Sports and intramural sports (and, in the discretion of the Athletic Department, for Department-Related Activities [e.g., outfitting game operations staff], UNIVERSITY golf tournaments, individual coach merchandise allotments, and coach-operated camps) a mutually determined product supply package (consisting of footwear, apparel, accessories, balls, eyewear, equipment and such other product offerings as described on Exhibit A hereto) and allocable on a per program basis in the Athletic Department's discretion. The retail value of supplied product for each Contract Year shall be as set forth in the table below (each, an annual "Supplied Product Limit") unless otherwise adjusted as provided under this Paragraph.

1st Contract Year (2007-08)	\$1,300,000
2nd Contract Year (2008-09)	\$1,000,000
3rd Contract Year (2009-10)	\$1,000,000
4th Contract Year (2010-11)	\$1,000,000
5th Contract Year (2011-12)	\$1,000,000
6th Contract Year (2012-13)	\$1,000,000
7th Contract Year (2013-14)	\$1,000,000

Notwithstanding the annual Supplied Product Limit set forth above,

- (i) Each Contract Year UNIVERSITY shall be permitted to carry-over up to one hundred thousand dollars (\$100,000) credit for unordered annual allotment of

merchandise from such Contract Year to the next immediately subsequent Contract Year provided that, at the time UNIVERSITY places its annual product order, it confirms in writing to NIKE such election and the amount of the credit it desires to take. Such carry-over credit shall be non-cumulative (i.e., if not used in the immediately subsequent year, it shall be deemed forfeited).

- (ii) If during the Term, UNIVERSITY shall add any additional varsity intercollegiate athletic programs with full-time coaches and scholarship athletes, NIKE shall increase the annual Supplied Product Limit set forth above to provide such additional program with a mutually determined sufficient annual supply of appropriate Product.
- (iii) On an annual basis commencing upon the conclusion of the 1st Contract Year, if UNIVERSITY determines in good faith that the agreed annual Supplied Product Limit is not sufficient to meet the reasonable quantity of product needs of the Covered Programs, upon UNIVERSITY's written request to NIKE, the parties will confer in good faith to determine whether an appropriate increase in the annual Supplied Product Limit is needed to maintain UNIVERSITY at a level of product supply consistent with other elite intercollegiate athletic programs.
- (iv) UNIVERSITY shall be entitled to purchase direct from NIKE additional football footwear on a "2-for-1" basis after it places an order for a minimum of 325 pair of football shoes. For purposes of this subparagraph, "2-for-1" shall mean that for every two (2) pairs of football shoes purchased from NIKE, UNIVERSITY shall receive from NIKE, at no additional charge, one (1) pair of football shoes.

UNIVERSITY acknowledges that, except for game uniforms, such product may, at NIKE's discretion, be NIKE "in-line" product (i.e., product that does not bear UNIVERSITY Marks) and may or may not bear any NIKE Marks, provided that such product may not bear the marks of any other college or university. The exact styles, quality, sizes and delivery dates and, where appropriate, quantities of such NIKE Products shall be mutually determined by NIKE and UNIVERSITY (and subject to subparagraph (c) below) for each Contract Year.

- (2) If in any Contract Year UNIVERSITY requires additional NIKE Products for use by any Covered Program(s), or Athletic Department- or Coach-operated and/or licensed football, basketball, or hockey sports camp, and in amounts that exceed the annual Supplied Product Limit, then Athletic Department shall purchase any and all such Products directly from NIKE, or such authorized NIKE dealer as designated by NIKE, and in no event shall Athletic Department purchase such Products from any third-party. NIKE sale of such Products to Athletic Department shall be at NIKE published wholesale price.
- (3) All product to be supplied by NIKE hereunder shall be delivered F.O.B. to UNIVERSITY. Only properly submitted orders from UNIVERSITY's Athletic Director or any authorized representative of UNIVERSITY's Athletic Director shall be filled by NIKE. No carry-over of unordered annual allotments of merchandise from one Contract Year to another shall be allowed except as otherwise provided under subparagraph 6(a)(1)(i) above. If an order (or orders) for any entire annual allotment of merchandise for any designated Covered Program is (or are) not received by NIKE prior to the conclusion of any Contract Year, then such program shall be deemed to have waived any right to the unordered portion thereof except as otherwise provided under subparagraph 6(a)(1)(i) above. Provided UNIVERSITY places its complete annual product orders on a timely basis in accordance with NIKE's standard ordering deadlines

(which UNIVERSITY acknowledges are typically 9-12 months in advance of the desired delivery date), the annual product allotments for each upcoming season shall be delivered to UNIVERSITY generally by July 1st with respect to football, and October 15th with respect to basketball. (Notwithstanding the foregoing, UNIVERSITY acknowledges that product delivery may be staggered in accordance with a mutually agreed priority schedule. By way of example, with respect to football product, footwear and practice wear would be delivered by July 1st, game uniforms by photo day, and cold weather wear by October 1st.)

NIKE shall not be liable to UNIVERSITY, any Team member, Coach, or Staff for any injury or damage suffered from wearing or using NIKE Products, except such injury or damage resulting from NIKE's negligence. *To the extent permitted under the laws of the State of Minnesota, UNIVERSITY specifically waives, only as against NIKE, all express warranties, and implied warranties of merchantability and fitness for a particular purpose.*

- (b) UNIVERSITY acknowledges that the placement of the NIKE logo, as it is currently permitted by the NCAA and now placed by NIKE (in terms of size, location placement, color contrast/prominence and/or number of placements), on Authentic Competition Apparel is a bargained for material benefit contemplated by NIKE under this Agreement and that such continued degree of manufacturer logo prominence on competition product is of the essence of this Agreement. Accordingly, during the Term, UNIVERSITY shall take no action that shall have the effect of relocating (except for a more favorable placement should a subsequent relaxation in rules so permit), reducing, or restricting NIKE's logo placement rights on product as such logo now appears and is permitted by current relevant NCAA rules or regulations including, but not limited to, NCAA Rule 12.5.5. Notwithstanding anything contained in this subparagraph, UNIVERSITY further acknowledges that nothing herein shall be construed as a restriction of any right of NIKE to avail itself of such more favorable presentation or placement of its logo (e.g., size, color contrast, number of placements, location of placement, etc.) as may be currently permitted under NCAA, Conference and/or other applicable rules, or hereafter permitted by any subsequent relaxation in NCAA, Conference and/or other applicable rules.

7. NIKE SPONSOR BENEFITS.

Each Contract Year, in addition to other amounts payable under this Agreement, NIKE shall pay to UNIVERSITY a cash payment of \$100,000 (in two equal semi-annual installments of \$50,000 on August 1 and February 1), in exchange for which UNIVERSITY shall provide NIKE with a package of sponsorship benefits including the internet rights described in Section 5 and other sponsorship benefits the mix of which will be mutually determined on an annual basis but to include at a minimum the elements described in this Section 7 and in Section 8

- (a) NIKE shall receive season tickets to home games (and neutral site games as indicated below) for each Covered Program in accordance with the following:

PROGRAM	No. TICKETS
Football (home)	10 "VIP" tickets and 2 sideline passes
Football (away)	8
Football (if applicable, Conference Championship)	14
Bowl Game (or playoff game, if applicable)	20
Basketball (M)	8
Basketball Tournament (M) (Conference & NCAA or NIT, if applicable)	12 (per round)

Basketball (W)	8
Basketball Tournament (W) (Conference & NCAA or NIT, if applicable)	12
Ice Hockey	8
Ice Hockey Tournament	12 (per round)
Other Ticketed Programs	4

Each Contract Year, NIKE shall receive: (i) fifty (50) tickets (i.e., 40 tickets in addition to NIKE's 10 season tickets and 2 sideline passes) to one mutually agreed upon football game; (ii) thirty (30) tickets (i.e., 22 tickets in addition to NIKE's 8 season tickets) to one mutually agreed upon men's basketball game, and one mutually agreed upon women's basketball game; and (iii) twenty-five (25) tickets (i.e., 17 tickets in addition to NIKE's 8 season tickets) a piece to two (2) mutually agreed upon ice hockey games. UNIVERSITY shall use best efforts so that all tickets provided under the foregoing provisions shall be for adjacent seats. UNIVERSITY shall use best efforts to provide tickets in prime locations. NIKE may not resell any tickets received from UNIVERSITY. UNIVERSITY shall use best efforts to fulfill NIKE's purchase requests for such additional quantities of tickets as it may reasonably request, such tickets to be best available and at face-value.

- (b) Four (4) "VIP" parking passes at all football, basketball and ice hockey games.
- (c) At the mutually agreed football game for which NIKE receives the fifty (50) tickets under subparagraph (a)(i) above, if requested by NIKE and upon reasonable advance notice, the right to host an appropriate hospitality event on, or adjacent to, the grounds of Minnesota Stadium (set-up and catering to be at NIKE's sole expense).
- (d) At Williams Arena and the HHH Metrodome (and, commencing in 2009, TCF Bank Stadium), subject to the terms of UNIVERSITY's agreement(s) with other parties to sell merchandise in any of such venues NIKE shall receive a suitable, high-traffic, location within or at each venue at which NIKE may, at its option and expense, set-up a merchandise display and sell NIKE Product.
- (e) NIKE shall receive venue signage in which it may prominently display the NIKE logo, NIKE.com and/or other NIKE trademark or message as NIKE and UNIVERSITY may agree from time-to-time. UNIVERSITY shall be responsible for producing and installing the signs and all costs associated with such activity. Any costs relating to changes to the installed signage initiated by NIKE more frequently than once every two (2) years shall be the sole responsibility of NIKE. The NIKE logo identification or message shall comply with the requirements of 26 USC 513 to qualify the payment to the UNIVERSITY as a "qualified sponsorship payment" and as such NIKE shall not have the right to display a message that contains a comparative or qualitative description of NIKE Product, price information or other indications of savings or value, an endorsement, or an inducement to purchase, sell or use NIKE Product. All copy and graphics proposed for display by NIKE are subject to reasonable approval by the UNIVERSITY.
- (f) At each home game of each Covered Program (excluding football unless UNIVERSITY grants to any third party such rights on a non-exclusive basis) at which a public address system and/or electronic message board (or other electronic messaging systems) is used, as applicable, suitable in-game P.A. announcements and/or board messages recognizing NIKE as the exclusive Products supplier and sponsor of the applicable program. The announcement/acknowledgement shall comply with the requirements of 26 USC 513 to qualify the payment to the UNIVERSITY as a "qualified sponsorship payment" and as such NIKE shall not have the right to display a message that contains a comparative or qualitative

description of NIKE Product, price information or other indications of savings or value, an endorsement, or an inducement to purchase, sell or use NIKE Product. All copy and graphics proposed for display by NIKE are subject to reasonable approval by UNIVERSITY.

- (g) One full-page, 4-color NIKE advertisements (camera-ready ad to be produced and provided by NIKE at its cost) in every game program published for each Covered Program.
- (h) Prominent NIKE name and/or logo recognition in the media guides and mutually agreeable other collateral materials for each Covered Program. The NIKE name or logo identification shall comply with the requirements of 26 USC 513 to qualify the payment to the UNIVERSITY as a "qualified sponsorship payment" and as such NIKE shall not have the right to display a message that contains a comparative or qualitative description of NIKE Product, price information or other indications of savings or value, an endorsement, or an inducement to purchase, sell or use NIKE Product. All copy and graphics proposed for display by NIKE are subject to approval by the UNIVERSITY.
- (i) Reasonable access to Covered Program activities, for NIKE (or its agent) to create and use in accordance with the terms of this Agreement and with the prior written approval of UNIVERSITY in each instance, and subject to applicable NCAA rules and regulations with respect to the depiction of eligible athletes, UNIVERSITY Content, including but not limited to conducting and taping post-game interviews or filming "Midnight Madness", Team practices, or their participation in a domestic or international tournament/tour.
- (j) NIKE Product placement in campus stores (e.g., UNIVERSITY bookstores) system-wide, and/or to establish NIKE Shops and/or NIKE concept shops therein and, subject to the terms of UNIVERSITY's agreement(s) with UNIVERSITY bookstores and/or other parties, the right to display and sell NIKE Products at UNIVERSITY's football stadium, and basketball and ice hockey arena concessions stands and/or stores during all games (regardless of the sport) held therein.
- (k) NIKE shall be permitted, upon its reasonable request and agreement to pay any actual operating costs and upon execution of all documentation required by UNIVERSITY, to use free of any lease or use fees mutually agreed upon Athletic Department-controlled facilities in connection with community based programs and events held by the NIKE Foundation (formerly the "P.L.A.Y." program).

In addition to the above, UNIVERSITY shall afford NIKE advance notice and the opportunity to consider participation, upon mutually agreeable terms, in any and all additional appropriate advertising opportunities, in any media, made available by UNIVERSITY during the Term.

8. APPEARANCES, NIKE EVENTS & COMMUNITY SERVICES.

The sponsorship benefits provided to NIKE under this Agreement shall, in addition to those provided in Sections 5 and 7, include the following:

- (a) In connection with the promotion of NIKE Products and/or NIKE brands:
 - (1) In an effort to promote sports participation and the values associated with such participation and to promote the UNIVERSITY's athletic programs generally, each Contract Year, upon reasonable prior notice and subject to the limitations of the terms of any Coach's contract with the UNIVERSITY and any coaching commitment, if so requested by NIKE, UNIVERSITY shall make the Coach of each Covered Program available for up to three (3) personal appearances on behalf of NIKE. No single appearance shall exceed twenty-four (24) hours in duration, including travel time, unless otherwise agreed upon in advance. Such appearances may include, but are not

limited to, photo shoots for posters, brochures or in-store displays, production sessions related to filming commercials and/or video productions and/or advertising, internet chat sessions, retail store appearances, trade shows, speaking engagements, appearances at sports clinics, celebrity events and other public appearances. NIKE shall pay all reasonable out-of-pocket expenses for accommodations, meals and travel incurred by the Coach, Staff and Team members. NIKE shall be solely responsible for complying with all federal and state tax payments applicable to NIKE and reporting obligations associated with such reimbursed expenses. UNIVERSITY shall receive no additional compensation for such appearances.

- (2) Upon reasonable prior notice and subject to any other playing commitments and compliance with any applicable NCAA and/or Conference rules or regulations, UNIVERSITY shall make its men's and/or women's basketball and/or soccer team available to participate in a NIKE-sponsored tournament not more frequently than once per team within any 3-year period. The team's participation shall be limited to a maximum of two (2) games in each such tournament. NIKE shall pay all reasonable out-of-pocket expenses for accommodations, meals and travel incurred by the Coach, Staff and Team members. NIKE shall be solely responsible for complying with all federal and state tax payments applicable to NIKE and reporting obligations associated with such reimbursed expenses.
- (b) At least once during the Term, NIKE shall sponsor and provide sufficient funding and Product (that shall not be counted against the Supplied Product Limit) for a football skills camp to be hosted by the UNIVERSITY at a UNIVERSITY facility on a date mutually agreed upon by the parties. If during the Term, NIKE elects to conduct additional skills camps to be hosted by other Big Ten Conference institutions on a rotating basis, NIKE shall include the University of Minnesota within such rotation to ensure that UNIVERSITY has the opportunity to host another NIKE skills camp.

9. USE OF NIKE PRODUCTS.

- (a) Throughout the Term, UNIVERSITY shall make NIKE Products available on an exclusive basis to each Covered Program to be worn and/or used by Team members, Coaches and Staff during the following activities so long as a governing body does not have a predominant right to control apparel worn and equipment used (such condition, the "Control Condition"): practices, games, exhibitions (including during locker room activities), clinics and/or sports camps (that receive UNIVERSITY resources, e.g., playing field/court use, on-campus lodging, dining hall privileges), locker room and/or sideline/courtside celebrations and/or presentations, and other official or UNIVERSITY sanctioned activities (including but not limited to photo sessions and interviews) during which Team members, Coaches and Staff wear and/or use Products except as otherwise provided under this Paragraph 9(a). Subject to the Control Condition, UNIVERSITY shall require all such Coaches and Team and Staff members to wear and/or use exclusively NIKE Products (as provided above) during such activities. Notwithstanding the foregoing, (i) in the event any Team member is unable to wear NIKE footwear due to a bona fide medical condition as evidenced by a certification by the Team's physician, then such Team member shall be permitted to wear non-NIKE footwear provided all visible manufacturer's identification is taped over or otherwise covered so as to completely obscure such manufacturer's identification; and (ii) NIKE acknowledges that any Coach's wearing of non-athletic footwear and apparel in connection with his or her official coaching duties, as appropriate, shall not constitute a breach of this Paragraph. NIKE further agrees to work with any Team member experiencing problems in connection with fit or performance of NIKE footwear.

- (b) UNIVERSITY shall ensure that no Team member, Coach or Staff member shall:
 - (1) Alter or permit the alteration of any NIKE Product worn or used by them to resemble a non-NIKE Product; or
 - (2) Wear any non-NIKE Products which have been altered to resemble NIKE Products.
- (c) UNIVERSITY represents and warrants that, except as set forth in Schedule 1, as of the date hereof it is not party to any pre-existing agreement with any third-party that would prevent, limit or otherwise restrict any Covered Program's exclusive use of NIKE Products as required by this Agreement, and, subject to such disclosed contracts and to the Control Condition, UNIVERSITY shall ensure that during the activities of each Covered Program no Team member, Coach or Staff member shall wear and/or use any athletic footwear, or other Products, manufactured by companies other than NIKE except as permitted by the medical condition provision under Paragraph 9(a)(i) above.
- (d) UNIVERSITY acknowledges that "polishing-out", "spatting" or otherwise taping, so as to cover or obscure any portion of any NIKE logo, the NIKE athletic shoes worn by members of the Teams during open practices, games, exhibitions, clinics, sports camps and other occasions (including photo day) during which Team members wear athletic shoes, is inconsistent with the purpose of this Agreement and the benefits to be derived from it by NIKE and is a material breach of this Agreement. (i) Notwithstanding the foregoing, occasional, isolated spatting or taping as is deemed to be a bona-fide medical necessity for the particular ankle/foot that is injured (which shall not include the spatting or taping of the footwear on the other ankle/foot if such other ankle/foot is not also injured), and so evidenced by a prior written opinion from a physician or athletic trainer and confirmed in writing to NIKE prior to the relevant game by the Coach in the form of a list of the players/feet that are the subject of such opinion(s) (except in instances where such determination is made in-game/in-training in response to a then-sustained injury), shall not be deemed a breach of this Agreement. This subparagraph does not apply to interior taping (i.e., taping under or over the sock but inside the shoe) of players' feet and/or ankles.
- (e) Subject to the Control Condition, UNIVERSITY shall not permit the trade name, trademark, name, logo or any other identification of any person, company or business entity other than NIKE, or UNIVERSITY if approved by NIKE, to appear on NIKE Products (specifically including product supplied for camp use) worn or used by Coaches, Staff or Team members except for the name or logo of the Conference, an NCAA post-season logo, or a bowl sponsor (that is not a NIKE competitor).

10. DESIGN & MARKETING CONSULTATION.

- (a) NIKE shall continue its efforts to produce high quality Products through consultation with coaches and staff of successful athletic programs such as UNIVERSITY and whose full cooperation is important to NIKE, as such individuals have knowledge that can be useful in the research, development and production of NIKE Products, and is of the essence of this Agreement. Upon request by NIKE, UNIVERSITY shall request designated Coaches and Staff to provide NIKE with written or oral reports concerning the NIKE Products supplied to each through NIKE's product development and testing program. Such reports shall address the fit, wear characteristics, materials and construction techniques of such Products.
- (b) UNIVERSITY acknowledges that a material inducement to NIKE's entrance into this Agreement is to provide broad and prominent exposure for the NIKE brand and particular Product models and styles. Accordingly, UNIVERSITY shall require the use, in practices and games, by such Teams as NIKE may request, such specific models and/or styles of NIKE Products as NIKE may designate from time-to-time and UNIVERSITY further acknowledges

that this undertaking is a material term, and of the essence, of this Agreement; provided that for requests by NIKE made too late for inclusion of designated Products in the annual ordering process in accordance with Section 6(a)(3), NIKE Products designated for use shall be supplied at no additional cost to the UNIVERSITY.

11. CASH COMPENSATION.

- (a) Each Contract Year as royalty payments for the rights granted under this Agreement other than the sponsorship benefits provided under Sections 5, 7, and 8, NIKE shall pay to UNIVERSITY (subject to Paragraphs 12 and 22 below) Base Compensation in the amount set opposite the below-indicated Contract Year. All annual amounts payable under this Paragraph shall be paid in two (2) equal semi-annual installments to be made on August 1 and February 1 of each Contract Year, except that the first installment in the first Contract Year shall be paid on July 1, 2007:

1st Contract Year (2007-08)	\$150,000
2nd Contract Year (2008-09)	\$150,000
3rd Contract Year (2009-10)	\$150,000
4th Contract Year (2010-11)	\$150,000
5th Contract Year (2011-12)	\$200,000
6th Contract Year (2012-13)	\$200,000
7th Contract Year (2013-14)	\$200,000

- (b) In the event the Men's Basketball program achieves the following, NIKE shall pay UNIVERSITY a cash bonus as follows:

Final Four Appearance	\$25,000
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- (c) In the event the Women's Basketball program achieves the following, NIKE shall pay UNIVERSITY a cash bonus as follows:

Final Four Appearance	\$10,000
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- (d) In the event the Football program achieves the following, NIKE shall pay UNIVERSITY a cash bonus as follows:

BCS Game Appearance	\$25,000
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- (e) In the event the Men's Hockey program achieves the following, NIKE shall pay UNIVERSITY a cash bonus as follows:

Frozen Four Appearance	\$10,000
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- (f) In the event the Women's Hockey program achieves the following, NIKE shall pay UNIVERSITY a cash bonus as follows:

Frozen Four Appearance	\$5,000
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12. RIGHT OF REDUCTION, SET-OFF.

- (a) UNIVERSITY acknowledges that one of the principal inducements for NIKE's entrance into this Agreement is the prominent brand exposure NIKE receives through the placement of the NIKE logo, as it currently appears (in terms of location placement, number of placements, color prominence or size), on Authentic Competition Apparel and that such continued exposure is of the essence of this Agreement. Accordingly, if in any Contract Year a Covered Program is banned from television appearances or if, for any reason, NIKE's logo placement rights on Products as currently placed by NIKE and permitted under NCAA, Big Ten Conference, bowl organizers, bowl sponsor or broadcaster rules or regulations (or other third-party having jurisdiction of such matters) are materially diminished (in terms of location, placement, size, color prominence [i.e., prohibition of the use of a NIKE logo in a color that contrasts with a uniform's background color] and/or number of placements, with respect to a Covered Program, in lieu of NIKE's exercise of its termination right under Paragraph 22 below, then for such Contract Year NIKE shall have the right to reduce UNIVERSITY's scheduled Cash Compensation under this Agreement by the applicable percentage in the table set forth below. For purposes of this provision and Paragraph 6(b) above, (i) the relocation of the logo off the front upper chest (left or right) or front center neck position of the football game jersey (or off the front leg of the basketball game shorts or football pant leg); or (ii) a reduction in logo size that is readily discernible upon casual observation as opposed to one that is only discernible through actual measurement, shall be deemed a "material" diminution.

PROGRAM	% REDUCTION – TV APPEARANCE BAN OR REDUCED LOGO RIGHTS	% REDUCTION – BOWL OR POST-SEASON TOURNAMENT BAN
Football	30%	10%
Basketball (M)	15%	10%

If NIKE logo placement rights are materially diminished in a manner other than as enumerated above, NIKE and UNIVERSITY shall in good faith negotiate an equitable reduction in scheduled Cash Compensation to be paid UNIVERSITY prospectively taking into account the nature and extent of the diminution of rights.

- (b) UNIVERSITY further acknowledges that (i) the principal inducement for NIKE's entrance into this Agreement is the exposure that the NIKE brand receives through the prominent visibility of the NIKE Swoosh Design logo (or other NIKE logo) that appear on the side (and other locations) of the football shoes worn by members of the football team, (ii) such continued brand exposure is of the essence of this Agreement, and (iii) the "polishing-out", "spatting" or taping of football shoes in any manner so as to cover or obscure any portion of any NIKE logo is inconsistent with the purpose of this Agreement and the expected benefits to be derived from it by NIKE and is a material breach of this Agreement (other than as specifically permitted under Paragraph 9(d)(i) above). Accordingly, if after UNIVERSITY has been notified in writing by NIKE and such action has not been corrected in the game that immediately follows receipt of such notice, members of the football team shall polish-out, spat, or otherwise tape their NIKE footwear, in lieu of NIKE's exercise of its termination right under Paragraph 22 below (if any), NIKE in its exercise of discretion shall have the right to

reduce UNIVERSITY's annual scheduled Base Compensation (for the Contract Year in which such polishing-out, sparring or taping occurs) as follows:

- (1) For each and any game after notice has been received in which five (5) or more players' shoes appear on-field (in game action) polished-out, spatted, or taped for any reason (including as permitted under Paragraph 9(d)(i) above) [e.g., if both of a player's shoes are spatted then that counts as two such appearances], NIKE shall have the right to reduce UNIVERSITY's annual scheduled Base Compensation by one percent (1%) per shoe (in excess of five shoes) that has been so polished out, spatted or taped, up to a maximum of five percent (5%) per game.
- (2) For each player that shall appear on-field (in game action) with polished-out, spatted, or taped footwear in any season for any reason (other than as specifically permitted under Paragraph 9(d)(i) above) after NIKE has provided UNIVERSITY with written notice of such occurrence by such player, NIKE shall have the right to reduce UNIVERSITY's annual scheduled Base Compensation by two percent (2%) for the next occurrence following such notice, and an additional two percent (2%) for each occurrence by such player thereafter.

13. ADVERTISING APPROVALS.

NIKE shall submit commercial material developed pursuant to Paragraph 3, to UNIVERSITY for approval prior to use for any commercial or external purpose. Within five (5) business days after receipt of such commercial material, UNIVERSITY will approve or disapprove the submitted commercial material in writing. If a submission is disapproved, UNIVERSITY's written notice thereof shall set forth in reasonable detail the basis for such disapproval. Once a submitted sample or concept is approved, NIKE shall not depart therefrom in any material respect without re-submission of the item and obtaining UNIVERSITY's further approval.

14. DEVELOPMENT OF NEW LOGO & TRADEMARK OWNERSHIP.

- (a) At UNIVERSITY's request, NIKE agrees to make available to UNIVERSITY the services of NIKE design services to develop, in consultation with the UNIVERSITY, an additional trademark, service mark, symbol and/or logographic for use by Covered Programs (collectively, "New Logo"). Should UNIVERSITY elect to have NIKE undertake such design assignment, NIKE shall provide such design services at no expense to UNIVERSITY except as provided below. In the event NIKE designs such New Logo and it is approved by UNIVERSITY, then UNIVERSITY shall be the sole owner of all right, title and interest in and to the New Logo and have the right to use it in connection with the UNIVERSITY for all purposes except that, for 1-year period commencing with the Contract Year in which such New Logo is introduced at retail, NIKE shall have the exclusive right to sell Products bearing the New Logo pursuant to the terms of Paragraph 4. Thereafter, UNIVERSITY shall be free to license to third parties the use of the New Logo. UNIVERSITY acknowledges that all trademark/copyright registration and maintenance expenses in connection with the New Logo shall be at its expense and NIKE agrees that it shall not incur any such expense on behalf of UNIVERSITY without UNIVERSITY's prior approval. Upon the request of UNIVERSITY, NIKE shall execute appropriate documentation confirming the UNIVERSITY'S rights in any New Logo.
- (b) NIKE recognizes the value of the UNIVERSITY Marks and acknowledges that the goodwill attached thereto belongs to UNIVERSITY and that nothing in this Agreement serves to assign, convey or transfer to NIKE any rights, title or interest in or to the UNIVERSITY Marks.

- (c) UNIVERSITY recognizes the value of the NIKE Marks and acknowledges that the goodwill attached thereto belongs to NIKE and that nothing in this Agreement serves to assign, convey or transfer to UNIVERSITY any rights, title or interest in or to the NIKE Marks.
- (d) Neither party shall apply to register or maintain any application or registration of any mark owned by the other party.

15. RIGHTS OF FIRST DEALING & FIRST REFUSAL.

- (a) At NIKE's request made no later than September 1, 2013, UNIVERSITY shall for a period of sixty (60) days negotiate with NIKE in good faith with respect to the terms of a renewal of this Agreement. The parties shall not be obligated to enter into an agreement if they cannot settle on mutually satisfactory terms. Prior to November 1, 2013 (the "Exclusive Negotiating End Date"), UNIVERSITY shall not (nor shall UNIVERSITY permit its agents, attorneys or representatives to) engage in discussions or negotiations with any third-party regarding product supply with respect to any Products, or sponsorship of any Covered Program (or similar supply or promotional arrangement) with respect to any Products ("Product Supply/Sponsorship Rights") after the Term.
- (b) During the Term and for a period of ninety (90) days thereafter, NIKE shall have the right of first refusal for Product Supply/Sponsorship Rights, as follows. If UNIVERSITY receives any bona fide third-party offer at any time on or after the Exclusive Negotiating End Date with respect to any Product Supply/Sponsorship Rights, UNIVERSITY shall submit to NIKE in writing the specific terms of such bona fide third-party offer. NIKE shall have fifteen (15) business days from the date of its receipt of such third-party offer to deliver to UNIVERSITY in writing a new contract with UNIVERSITY on terms no less favorable to UNIVERSITY than the material, measurable and matchable terms of such third-party offer. If UNIVERSITY agrees that the terms offered by NIKE are not less favorable to UNIVERSITY than the material, measurable and matchable terms of the third-party offer, UNIVERSITY shall enter into a contract with NIKE on the terms of NIKE's offer. If NIKE fails or declines to match or better the material, measurable and matchable terms of such third-party offer within such 15-day period, UNIVERSITY may thereafter consummate an agreement with any third-party on the terms of the third-party offer made to UNIVERSITY. Prior to the Exclusive Negotiating End Date, UNIVERSITY shall not solicit, consider or present to NIKE, and NIKE shall not be obligated to respond to, any third-party offer for any Product Supply/Sponsorship Rights.

16. RIGHTS FOR COMPETITION BALLS, ADDITIONAL & NEW PRODUCTS.

- (a) UNIVERSITY acknowledges that NIKE's current product line includes footballs, basketballs and golf balls and that it is NIKE's desire to have them used in intercollegiate competition by the relevant Covered Programs. On an annual basis, at least one hundred eighty (180) days prior to the commencement of each relevant regular season, NIKE shall provide UNIVERSITY advance opportunity to sample and field-test such relevant ball product. Subject to such existing contracts as are disclosed on Schedule 1, the reasonable satisfaction of the Athletic Department and the Coach of the affected Team as to the performance capabilities, quality and suitability of such competition balls (and compliance with NCAA equipment specifications, if applicable), if after good faith pre-season testing of NIKE brand balls products, UNIVERSITY is satisfied with the performance and quality of such product, then for that coming regular season (and all subsequent seasons during the balance of the Term) such product shall thereafter be deemed to be included in "Products" as defined in Paragraph 1(n) above and "NIKE Products" as defined in Paragraph 1(o) above and covered in all pertinent respects by the terms hereof and supplied to UNIVERSITY in such quantities as mutually agreed, it being understood that no additional compensation shall be payable to UNIVERSITY in connection therewith. To the extent NIKE

is unable to supply a competition ball that is approved for use under this Paragraph, UNIVERSITY agrees to limit any third-party ball supply agreement to a (i) company that is, as of the date hereof, principally known in the sporting goods industry as a ball manufacturer (e.g., Wilson, Rawlings and Spalding with respect to footballs and/or basketballs, or Titleist with respect to golf balls), (ii) merchandise only agreement (i.e., no cash compensation provided to UNIVERSITY or its Coaches as part of the consideration for use of a NIKE competitor's ball) that conveys no endorsement or advertising rights, and (iii) term of no longer than one playing season so that NIKE will have the opportunity, on an annual basis, to submit its ball product for consideration. UNIVERSITY acknowledges that a significant number of "Top 25" intercollegiate football and basketball programs with which NIKE is associated currently use, and have done so for a number of seasons, NIKE balls as their official competition ball and that the contemplated adoption of NIKE balls by the UNIVERSITY for competition use is a material inducement to NIKE's entrance into this Agreement and an expected benefit of this Agreement.

- (b) From time-to-time during the term of this Agreement, NIKE may add to its Products line one or more items of sports equipment. If at any time during the Term NIKE shall have a bona fide intention to expand its Products line by adding any such item(s), then NIKE shall give UNIVERSITY six (6) months' advance written notice of the particular item(s) then in development by NIKE. NIKE shall provide UNIVERSITY with adequate opportunity to sample and field test the new item(s). UNIVERSITY agrees subject to the Athletic Director's and Coach's satisfaction as to quality and suitability and subject to mutually acceptable additional compensation that if UNIVERSITY has not already entered into or substantially negotiated a product supply or endorsement agreement with respect to such item(s) for a Covered Program, it will not do so during the one hundred eighty (180) day period next following the date on which UNIVERSITY receives such written notice from NIKE. If during such one hundred eighty (180) day period, NIKE shall notify UNIVERSITY that an item is commercially available, then (subject to the Athletic Director's and Coach's satisfaction as to quality and suitability and subject to mutually acceptable additional compensation) such item(s) shall thereafter be deemed to be included in "Products" as defined in Paragraph 1(n) above and "NIKE Products" as defined in Paragraph 1(o) above and covered in all pertinent respects by the terms hereof for a performance testing period of one full season. If after the completion of such season the Athletic Director and Coach are satisfied as to quality and suitability and subject to mutually acceptable additional compensation, the inclusion of such item(s) shall extend for the balance of the Term UNIVERSITY shall no longer be permitted to source such Products from a manufacturer other than NIKE. Thereafter, UNIVERSITY shall make such new Product item(s) available to Team members, Coaches and/or Staff members, NIKE shall supply UNIVERSITY, free of charge (and which shall be supplied in addition to and not counted against the Supplied Product Limit under Paragraph 6), with sufficient quantities for such purpose to be mutually agreed upon by the parties, including quantities equal to or greater than the quantities of any comparable item(s) which UNIVERSITY, Team members, Coaches and/or Staff members are then receiving from a third-party. NIKE shall remit the mutually acceptable additional compensation, if any, to UNIVERSITY on an agreed upon schedule, and UNIVERSITY shall thereupon distribute, as is appropriate, such new item(s) to Team members, Coaches and/or Staff members for use pursuant to the terms of this Agreement.

17. INDEMNIFICATIONS.

- (a) NIKE shall defend, indemnify and hold harmless UNIVERSITY, its regents, trustees, directors, officers, employees and agents (collectively, "UNIVERSITY Parties") from and against all suits, actions, claims, judgments, damages, losses, liabilities, costs and

expenses, including reasonable attorney fees, ("Claims") incurred by any UNIVERSITY Parties arising out of or relating to: (i) NIKE's breach of any material term of this Agreement; (ii) the acts or omissions of NIKE, or those of its employees and/or agents; or (iii) a claim that UNIVERSITY's use of NIKE products violates or infringes upon the patent, trademark, copyright or other property right of any third-party; provided NIKE is given prompt written notice of and shall have the option to undertake and conduct the defense of any such Claim. In any instance to which the foregoing indemnities pertain, UNIVERSITY Parties shall cooperate fully with and assist NIKE in all respects in connection with any such defense, and no UNIVERSITY Party shall enter into a settlement of such Claim or admit liability or fault on the part of NIKE without NIKE's prior written approval. NIKE shall not settle any claim without UNIVERSITY'S prior written consent unless that settlement includes a full and final release of all claims against UNIVERSITY and does not impose any obligations on the UNIVERSITY.

- (b) To the extent provided for by the Constitution and laws of the State of Minnesota, UNIVERSITY shall defend, indemnify and hold harmless NIKE, its directors, officers, employees, agents and assigns, from and against all Claims incurred by NIKE arising out of or relating to: (i) a Claim that NIKE's use of the UNIVERSITY Properties or any UNIVERSITY Mark violates or infringes upon the trademark, copyright or other right of any third-party; (ii) a Claim that NIKE's use of any Coach Properties violates the rights of publicity, right of privacy or any other right of any Coach; (iii) acts or omissions of UNIVERSITY or its employees or agents; or (iv) UNIVERSITY's breach of any warranty in or other term of this Agreement, provided UNIVERSITY is given prompt written notice of and shall have the option to undertake and conduct the defense of any such Claim. In any instance to which the foregoing indemnities pertain, NIKE shall cooperate fully with and assist UNIVERSITY in all respects in connection with any such defense, and NIKE shall not enter into a settlement of such Claim or admit liability or fault on the part of UNIVERSITY without UNIVERSITY's prior written approval. UNIVERSITY shall not settle any claim without NIKE'S prior written consent unless that settlement includes a full and final release of all claims against NIKE and does not impose any obligations on NIKE.

18. INSURANCE.

- (a) NIKE represents and warrants that the NIKE Group has the financial resources to honor NIKE's risk liability under this Agreement and that (i) it and/or its parent company NIKE, Inc. currently carries excess liability insurance over a one million dollar (\$1,000,000) self-insured retention ("SIR"); and (ii) NIKE losses under the SIR are paid from a funded reserve account. UNIVERSITY acknowledges that NIKE is a substantial publicly traded company that is self-insured in the manner set forth above and agrees that NIKE may continue to self-insure its risk under this Agreement so long as its net worth remains in excess of two billion dollars (\$2,000,000,000). In the event NIKE is unable to continue to self-insure at, or beyond, such levels as set forth above, or elects not to self-insure, it shall promptly notify UNIVERSITY of same and obtain standard product liability insurance as prescribed in subparagraph (b) below.
- (b) In the event NIKE elects not to, or is unable to, self-insure at, or beyond, such levels as set forth above, NIKE will obtain and maintain general liability, property damage, and product liability insurance issued by a company authorized to do business in the State of Minnesota and providing coverage of at least one million dollars (\$1,000,000) per occurrence for bodily injury or death of persons and damage to property that result directly or indirectly from any Supplied Product while being used for its intended purpose or from the negligent or intentional act or omission of NIKE or its officers or employees in the performance of this

Agreement. In addition, NIKE will obtain and maintain insurance with an aggregate limit of ten million dollars (\$10,000,000) providing excess coverage for such liability.

19. MATERIAL CHANGED CIRCUMSTANCES.

UNIVERSITY acknowledges that principal inducements for NIKE's entrance into this Agreement include (i) the widespread brand exposure that is expected to be derived from the prominent NIKE logo placement on Products to be supplied to UNIVERSITY hereunder, and, (ii) the brand exposure expected to be received as a result of the telecast of certain competitions involving Flagship Programs. UNIVERSITY further acknowledges that, notwithstanding UNIVERSITY's approval or consent to NIKE's exercise the rights granted to it under this Agreement, NIKE can be deprived of the material benefits contemplated by the parties as a direct consequence of changes in rules, guidelines or policies, or a change in the enforcement policy with respect thereto, by UNIVERSITY, or by third parties that have jurisdiction over and/or control UNIVERSITY's intercollegiate athletic programs or the broadcast of intercollegiate athletic competitions (e.g., the Regents of the University of Minnesota, the NCAA, the Big Ten Conference, bowl organizers, television networks, each such third-party an "External Authority"). In the event of any exercise of rights by UNIVERSITY or an External Authority has a material adverse affect upon NIKE's exercise of rights conveyed to it under this Agreement (e.g., prohibiting commercial identification on competition product, limitation on sponsor placement of camera-visible venue signage, use of virtual signage technology, etc.) in comparison to circumstances that existed (as mutually agreed upon by the parties) as of the date of this Agreement,, upon receipt of notice of any such changed circumstances, the parties agree for a period of sixty (60) days to in good faith negotiate a reasonable and appropriate substantial reduction in compensation and/or other support. If at the end of such 60-day period, the parties cannot agree on an appropriate reduction NIKE shall have the right to terminate this Agreement, such termination to become effective at the end of the then-current Contract Year or six (6) months after the date of NIKE's written notice of termination under this Paragraph, whichever is later. The UNIVERSITY shall have the right to solicit proposals and negotiate contract terms with any third-party immediately after receipt of the notice of termination from NIKE under the foregoing sentence. Thereafter, UNIVERSITY shall have the right to enter into a sponsorship and license agreement, with respect to the subject matter of this Agreement, with any third-party.

20. LABOR STANDARDS AND HUMAN RIGHTS POLICY.

The subject matter of this provision shall be governed by the Standard License Agreement.

21. RIGHT OF TERMINATION BY UNIVERSITY.

UNIVERSITY shall have the right to terminate this Agreement immediately upon written notice to NIKE if:

- (a) NIKE is adjudicated insolvent or declares bankruptcy;
- (b) NIKE fails to make payment to UNIVERSITY of any sum due pursuant to this Agreement within thirty (30) days following NIKE's receipt of written notice from UNIVERSITY that such payment is past due;
- (c) NIKE shall be in material breach of the Standard License Agreement or Exclusive License Agreement; or
- (d) NIKE shall be in material breach of this Agreement, which breach NIKE fails to cure within thirty (30) days of NIKE's receipt of written notice from UNIVERSITY specifying such breach.

22. RIGHT OF TERMINATION BY NIKE.

- (a) NIKE shall have the right to terminate this Agreement immediately upon written notice to UNIVERSITY if:
- (1) Either the football or men's basketball program is placed on NCAA probation resulting in a ban on television and/or post-season appearances for longer than a single playing season, or UNIVERSITY ceases for any reason to field a Division I team in either sport;
 - (2) Members of any Team fail to wear or use NIKE Products during practices, games, exhibitions, clinics, sports camps or other occasions during which Team members wear or use Products (including but not limited to on-field/on-court or locker room photo sessions and interviews), or wear NIKE Products altered, spatted or taped, in violation of the provisions of Paragraph 9 above; provided, however, that NIKE shall have first provided written notice to UNIVERSITY of any such violation and such violation shall then recur during the same Contract Year;
 - (3) Any Coach, Staff or Team member fails to perform any material obligations provided for in this Agreement and such failure is not cured within thirty (30) days of NIKE's delivery to UNIVERSITY of written notice describing the breach with particularity; or, if not curable within 30 days, if substantial efforts at cure have not been made within such period;
 - (4) UNIVERSITY, the NCAA, the Conference or any assignee thereof (including any licensing agent or broadcast partner of the foregoing) enacts, adopts or accedes to any regulation, restriction, prohibition or practice that materially deprives NIKE of the promotional benefits and/or product/brand exposure contemplated by this Agreement including, but not limited to, (i) any diminution of NIKE's logo placement rights as currently permitted by the NCAA (in terms of size, location placement, color prominence and/or number of placements as it is currently permitted) on Product or Licensed Product, including any total ban on the placement of camera-visible logo identification on Authentic Competition Apparel, (ii) "air brushing" NIKE identification from still photography or footage, or (iii) in circumstances within the control of UNIVERSITY, use of L-VIS technology or other "virtual signage" or electronic/computer imaging technology that alters, substitutes or replaces NIKE's stadium/arena signage related to UNIVERSITY (including NIKE logo identification that appears on uniforms) with other commercial identification that is seen by home television viewers;
 - (5) UNIVERSITY, the NCAA, the Conference or any assignee thereof (including any licensing agent or broadcast partner of the foregoing) enacts, adopts or accedes to any regulation, restriction, prohibition or practice, or takes any action, or causes or induces UNIVERSITY, the Athletic Department or any Team to take any action, that would materially adversely affect any rights conveyed to NIKE under this Agreement (e.g., limiting the right of NIKE to supply brand-identified footwear for Team use, requiring the use of competitive product or to display competitor-identification, etc.);
 - (6) The Exclusive License Agreement or the Standard License Agreement are not executed within one year of full execution of this Agreement, UNIVERSITY is in material breach of the Exclusive License Agreement or the Standard License Agreement, or either of such license agreements is terminated, or UNIVERSITY breaches any warranty or other material term of this Agreement, any of which breaches UNIVERSITY fails to cure, if curable, within thirty (30) days of NIKE's delivery of written notice to UNIVERSITY of any such breach.
- (b) In the event of termination under this Paragraph 22 or Paragraph 21, UNIVERSITY shall not be entitled to any further compensation under this Agreement, except any unpaid Base

Compensation earned prior to the effective date of termination, pro-rated (in the case of Base Compensation) over the entire Contract Year and calculated to the effective date of termination. Alternatively, NIKE shall have the right to receive from UNIVERSITY reimbursement for Base Compensation, if any, paid in excess of the amount to which UNIVERSITY would be entitled if the Base Compensation were pro-rated over the entire Contract Year, calculated to the effective date of termination. Any such payment shall be due within thirty (30) days of the date of termination.

23. NIKE POST-TERMINATION RIGHTS AND OBLIGATIONS.

Upon expiration or termination of this Agreement for any reason, NIKE shall have the right to:

- (a) Run any non-cancelable media involving the UNIVERSITY Marks and exhaust all advertising and promotional materials which were produced prior to the effective date of expiration or termination, provided that NIKE shall use best efforts to ensure no such media runs or materials are used after the date of expiration or the date that is six (6) months after termination, whichever is earlier.
- (b) For a period of six (6) months, complete and dispose of any Licensed Products which are on-hand or in-process and fulfill orders received prior to the effective date of expiration or termination, provided royalties thereon are paid and reported in accordance with the provisions of any applicable license; and
- (c) Use, in perpetuity, UNIVERSITY Content for in-house exhibition for historical, educational or commemorative purposes.

Upon expiration or termination of this Agreement for any reason, NIKE shall have the following obligations:

- (d) NIKE shall cease immediately all use of UNIVERSITY Marks except as provided in this Section 23.
- (e) NIKE shall pay all pro-rated amounts and provide all merchandise required under this Agreement to the effective date of expiration or termination.
- (f) NIKE shall return all season tickets, parking passes, and other tickets that have not already been distributed to third parties.

24. REMEDIES.

UNIVERSITY and NIKE agree that, in the event that either party breaches any material term or condition of this Agreement, in addition to any and all other remedies available to the other party at law or in equity, such other party shall be entitled to seek injunctive relief from such further violation of this Agreement, pending litigation as well as on final determination of such litigation, without prejudice to any other right of such other party. IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR ANY INDIRECT, CONSEQUENTIAL, INCIDENTAL, LOST PROFITS, OR LIKE EXPECTANCY DAMAGES ARISING OUT OF THIS AGREEMENT.

25. NOTICES.

All notices, statements and payments provided for herein shall be in writing and deemed given if sent postage prepaid via registered or certified mail, or by express courier service or facsimile with confirmed delivery, to the parties at the addresses given below, or such other addresses as

either party may designate to the other. Any written notice shall be deemed to have been given at the time it is sent addressed to the parties as set forth below. It is the obligation of UNIVERSITY to notify NIKE of any address change.

NIKE USA, Inc. One Bowerman Drive Beaverton, OR 97005-6453 Attn: Legal Dept., Contracts Administrator	University of Minnesota Athletic Depart. 516-15 th Avenue SE, Room 250 Minneapolis, MN 55455-0120 Attn: Director of Athletics
	cc: Office of the General Counsel (on any legal notice)

26. INDEPENDENT CONTRACTORS.

The performance of services for NIKE by UNIVERSITY is in the capacity of independent contractors. This Agreement is not intended to create nor shall it be construed to create any relationship between the parties other than that of independent entities contracting solely for the stated purposes. Neither UNIVERSITY nor NIKE or their respective officers and employees shall be considered to be, and they shall not represent to any third-party that they are, the agent, employee, or representative of the other party.

27. ASSIGNMENT/DELEGATION/PASS THROUGH.

- (a) This Agreement and the rights and obligations of UNIVERSITY hereunder are personal to UNIVERSITY and shall not be assigned or delegated by UNIVERSITY. Any assignment by UNIVERSITY shall be invalid and of no force or effect and upon any such unauthorized assignment, NIKE may, at its option, immediately terminate this Agreement upon written notice to UNIVERSITY.
- (b) The rights granted to NIKE by UNIVERSITY hereunder are personal to NIKE and shall not be assigned, delegated or passed-through outside of the NIKE Group, its bona fide media partner and its retail accounts without UNIVERSITY's prior written approval, which approval shall not be unreasonably withheld.

28. WAIVER.

The failure at any time of UNIVERSITY or NIKE to demand strict performance by the other of any of the terms, covenants or conditions set forth herein shall not be construed as a continuing waiver or relinquishment thereof, and either party may, at any time, demand strict and complete performance by the other party of such terms, covenants and conditions.

29. SEVERABILITY.

Every provision of this Agreement is severable. If any term or provision hereof is held to be illegal, invalid or unenforceable for any reason whatsoever, such illegality, invalidity or unenforceability shall not affect the validity of the remainder of this Agreement or any other provision and the illegal, invalid or unenforceable provision shall be deemed by the parties as replaced by such substitute provision as shall be drafted by NIKE and acceptable to UNIVERSITY, in such form and substance as shall be legally valid, and as shall accomplish as near as possible the purpose and intent of the invalidated provision.

30. ADDITIONAL WARRANTIES.

- (a) UNIVERSITY represents and warrants that:

- (i) To the best of its knowledge, no agreement, contract, understanding or rule of any national or collegiate governing body exists which would prevent or limit performance of any of the obligations of either party hereunder.
- (ii) Except as set forth in Schedule 1 hereto, neither Athletic Department nor any Coach nor Staff member is party to any oral or written agreement, contract or understanding that would prevent, limit or hinder the performance of any obligations hereunder of Athletic Department, Coaches or Staff. Athletic Department further represents and warrants that during the Term UNIVERSITY will not:
 - (1) In connection with any Covered Program, enter into any sponsorship, endorsement, product supply, promotional, consulting or similar agreement (including the sale of signage or other media but specifically excluding license agreements) with any person or entity who manufactures, sells, fulfills or otherwise distributes Products (via the Internet or otherwise,) other than NIKE (each, a "Competitor") except as otherwise permitted below. Notwithstanding anything in this Paragraph 30(a) to the contrary, (i) NIKE agrees that any person or entity who only incidentally manufactures, sells, fulfills or otherwise distributes such Products and who does not actively market such Products shall not be considered a Competitor for purposes of this Agreement.
 - (2) Allow any Coach or Staff member of any Covered Program to, in violation of Paragraph 9(a) above, wear and/or use Products sold by any Competitor or enter into any sponsorship, endorsement, product supply, promotional, consulting or similar agreement with any Competitor;
 - (3) In connection with any Coach-operated and/or licensed football, basketball or hockey sports camp, allow any football, basketball, or hockey program Coach or Staff member to enter into any sponsorship, endorsement, product supply, promotional, consulting or similar agreement (including the sale of signage or other media) with any Competitor;
 - (4) Sell to any person or entity Products purchased or provided hereunder by NIKE or any other third-party except once per year;
 - (5) In connection with any Covered Program, enter into any agreement or allow any Coach or Staff member of any Covered Program to enter into any agreement with any Aligned Media Company; and
 - (6) Subject to the Control Condition, permit the trade name, trademark, name, logo or any other identification of any Competitor to appear on signage at practices, games, exhibitions, clinics, Coach-operated sports camps and other official or UNIVERSITY sanctioned Covered Program activities (including but not limited to photo sessions and interviews);
- (iii) All rights and licenses to the UNIVERSITY Content supplied by UNIVERSITY hereunder have been or will be obtained by UNIVERSITY and that such UNIVERSITY Content does not violate the personal or property right of any person or entity.
- (iv) During the Term, UNIVERSITY will not in connection with any Coach-operated and/or licensed sports camp (other than football, basketball and/or hockey sports camps, which are addressed in subparagraph (ii) above), enter into any sponsorship, endorsement, promotional, consulting or similar agreement (including the sale of signage or other media) with any Competitor. Notwithstanding anything contained in this subparagraph, the parties acknowledge that nothing herein shall be construed as a

restriction of any right of Athletic Department to purchase or obtain product from such person or entity for use by any of the aforementioned programs provided that Athletic Department in no event licenses such person or entity any right to use the UNIVERSITY Marks for any advertising or promotional use.

- (v) UNIVERSITY has the full legal right and authority to enter into and fully perform this Agreement in accordance with its terms and to grant the rights or render performance, as the case may be, as contemplated under this Agreement specifically including the right and authority to cause the performances and grant of rights with respect to Coaches as contemplated by this Agreement.

- (b) NIKE represents and warrants that:

- (i) To the best of its knowledge, no agreement, contract, understanding or rule of any national or collegiate governing body exists which would prevent or limit performance of any of the obligations of either party hereunder.

- (ii) All Products supplied to UNIVERSITY shall comply with NCAA Bylaw 12.5.4; and

- (iii) NIKE has the full legal right and authority to enter into and fully perform this Agreement in accordance with its terms and to grant the rights or render performance, as the case may be, as contemplated under

31. CONFIDENTIALITY.

UNIVERSITY shall not (nor shall it permit or cause its employees, agents or representatives to) disclose the financial terms of this Agreement, the marketing plans of NIKE, or other confidential material or information disclosed to UNIVERSITY (including information disclosed during audit), to any third-party, except to its trustees or as may be required by open records laws of the State of Minnesota.

32. CAPTIONS.

Paragraph captions and other headings contained in this Agreement are for reference purposes only and are in no way intended to describe, interpret, define or limit the scope, extent or intent of the Agreement or any provision hereof.

33. GOVERNING LAW; JURISDICTION.

This Agreement shall be governed by the laws of the State of Minnesota. Any claims, demands, or actions asserted against the UNIVERSITY shall be brought in a court of competent jurisdiction in the State of Minnesota. NIKE its successors and assigns, consent to the jurisdiction of the U.S. District Court for the District of Minnesota or the appropriate courts of the State of Minnesota located with respect to any claims arising under this Agreement.

34. EXECUTION BY FACSIMILE (FAX) MACHINE.

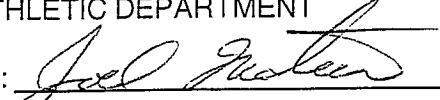
The parties specifically agree that their respective faxed signatures shall be legally binding. The parties also agree that after fax execution they will execute two hard copy originals with original signatures so that each party may have a hard copy original with original signatures for the file; however, the parties' failure to do so for any reason shall not affect in any way the validity or enforceability of this Agreement

35. ENTIRE CONTRACT.

As of the effective date hereof, this Agreement shall constitute the entire understanding between UNIVERSITY and NIKE and may not be altered or modified except by a written agreement, signed by both parties. Any previous agreements between UNIVERSITY and NIKE shall have no further force or effect.

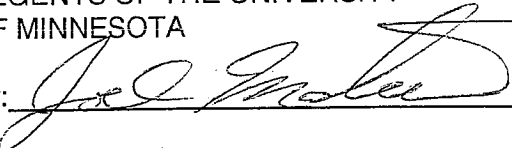
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date written below.

UNIVERSITY OF MINNESOTA
ATHLETIC DEPARTMENT

By: 
Joel Maturi

Its: Athletic Director

REGENTS OF THE UNIVERSITY
OF MINNESOTA

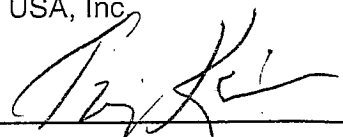
By: 

Its: Athletic Director

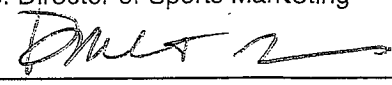
Dated: 11/8/07

Fed. Id. No: 41-6007513

NIKE USA, Inc.

By: 
Tommy Kahn

Its: U.S. Director of Sports Marketing

By: 
Peter Koehler, Jr.

Its: Regional Counsel, U.S.A. Region

Dated: 11.26.07

EXHIBIT A
NIKE Product Offerings

TBD

SCHEDULE 1
Pre-existing Agreements

SPONSORED PROGRAM	SUPPLIED OR LICENSED PRODUCT	SPONSORING COMPANY	CONTRACT EXPIRATION