

AU-MADspo01

## **Sponsorship agreement: single event**

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## Sponsorship Agreement [title of event]

Date: [Date]

Parties:

[Name of event organiser]

of

[Address of event organiser] ("the Organiser")

And

[Name of sponsor]

of

[Address of sponsor] ("the Sponsor")

[And

[Name of venue owner]

of

[Address of sponsor] ("the Owner")]

**It is now agreed as follows:**

### 1. Definitions

In this agreement, the following words shall have the following meanings, unless the context requires otherwise:

- |                         |  |
|-------------------------|--|
| "Event"                 | means the [Sydney Kitchens and Bathrooms Event 2015].  |
| "Event Manager"         | means the person appointed by the Organiser to manage the Event and co-ordinate all contractors, sponsors, concessionaires and other participants  |
| "Intellectual Property" | means intellectual property of every sort, whether or not registered or registrable in any country, including intellectual property of kinds coming into existence after today; and including, among others, patents, trademarks, unregistered marks, designs, copyrights, |

software, domain names, discoveries, Know-how, creations and inventions, together with all rights which are derived from those rights.

“Fee” means the price for the Sponsorship agreement.

"Term" means the period from today until the date [seven] days after the last day of the Event, now scheduled to be [date].

“Venue” means primarily the [Sydney Arena], but includes all of land around the Arena which is directly associated with its use and any other buildings and land which will be used in conjunction with the Event.

## 2. Interpretation

In this agreement unless the context otherwise requires:

- 2.1 A reference to a person is a reference to one or more individuals, whether or not formally in partnership, or to a corporation, government body, or other association or organisation.
- 2.2 any agreement by any party not to do or omit to do something includes an obligation not to allow some other person to do or omit to do that same thing;
- 2.3 [except where stated otherwise], any obligation of any person arising from this agreement may be performed by any other person;
- 2.4 in this agreement references to a party include references to a person to whom those rights and obligations are transferred or pass as a result of a merger, division, reconstruction or other re-organisation involving that party.
- 2.5 the headings to the paragraphs and schedules (if any) to this agreement do not affect the interpretation;
- 2.6 all money sums mentioned in this agreement are calculated net of GST, which will be charged when payment is due.

## 3. Warranties for authority

Each of the parties warrant:

- 3.1 that it has power to enter into this agreement [and has obtained all necessary approvals to do so].
- 3.2 that it is not aware of anything within its reasonable control which might or will adversely affect its ability to fulfil its obligations under this agreement.
- 3.3 that it is not insolvent and knows of no circumstance which would entitle any creditor to appoint a receiver or to petition for winding up or to exercise any other right over or against its assets.

#### **4. Relationship of parties**

- 4.1 Nothing in this agreement shall create a partnership or agency [or the relationship of employer and employee], or other relationship between any of the parties, other than the contractual relationship expressly provided for in this agreement.
- 4.2 Neither party shall have, nor represent that it has, any authority to make any commitment on the other party's behalf.

*OR*

- 4.3 [party] enters into this agreement as agent for [name of principal] and warrants that it has full authority to do so.

#### **5. Entire agreement**

- 5.1 This agreement contains the entire agreement between the parties and supersedes all previous agreements and understandings between the parties.
- 5.2 Each party acknowledges that, in entering into this agreement, he does not rely on any representation, warranty, information or document or other term not forming part of this agreement.

#### **6. The Venue Owner**

The Owner joins in this agreement only to agree that:

- 6.1 he accepts and approves of the terms so far as they affect his venue;
- 6.2 he will not obstruct the performance of the agreement by either party;

## 7. Grant of sponsorship rights

- 7.1 The Organiser now warrants that he owns and/or controls the Event and that accordingly the rights and licences granted by this agreement will not infringe the rights of any third party.
- 7.2 The Organiser now grants to the Sponsor the [exclusive] rights and licences set out in this agreement for the Term and for the Fee and subject to the terms and conditions set out below.
- 7.3 The rights and licences granted by this agreement extend only to the [industry sectors / product ranges] [and for the countries listed in Schedule 4].
- 7.4 If this agreement is renewed for a future Event, the obligations of the parties created by this agreement shall continue for so long as a future agreement shall last.

## 8. Sponsorship Fee and payment

- 8.1 As payment for the rights and licences granted by this agreement, the Sponsor will make the following payments to the Organiser, namely:
- 8.1.1 by [on signing this agreement];
- 8.1.2 by [date];
- 8.1.3 by [date];
- 8.2 All sums due under this agreement:
- 8.2.1 shall be made in full, without any set-off or counter claim and without deduction of or withholding for any tax now or subsequently imposed by or in any country.
- 8.2.2 shall be made by the due date, failing which the Organiser may charge the Sponsor interest on late payments on a daily basis at a rate equivalent to [5]% above the base lending rate of [HSBC] Bank plc from time to time;
- 8.2.3 shall be paid in Australian Dollar by cheque made payable to ['Organiser Special Business Account'].

OR

- 8.2.4 [specify method of payment and due date]

- 8.3 If any applicable law requires any tax or charge to be deducted before payment, the amount due under this agreement shall be increased so that the payment made will equal the amount due to (party) as if no such tax or charge had been imposed.
- 8.4 Any sum due under this agreement not expressed in Australian Dollar shall be converted into Australian Dollar at the official rate of exchange in Australia at the close of business on the last day before the payment became due.
- 8.5 Where credit has been agreed in writing between the parties, all invoices shall be paid by the Customer within 30 days of the date of invoice.
- 8.6 No right of set off shall arise.
- 8.7 In addition to payment of the Fee, the Sponsor will provide the following [goods / products / food / services] for [use / consumption] by the teams taking part, namely:
- [list products].*

## 9. Sponsorship rights granted

In consideration for the payment by the Sponsor of the Fee, the Organiser hereby grants to the Sponsor the following Sponsorship Rights

- 9.1 to be designated as an "Official Sponsor" of the ["Sydney Kitchens and Bathrooms Event"] throughout the Term.
- 9.2 of access by its employees and contractors at reasonable times after notifying the Organiser, to the Venue, for the purposed of setting up and later, dismantling, any promotional structure or material permitted by this agreement.
- 9.3 to use the Intellectual Property of the Organiser so far as it relates to the Event, in all its marketing and promotional materials in any format or medium inside and outside of the Venue.
- 9.4 to advertise at the Venue:
- 9.4.1 [size, place, specification, text, etc of banners or other advertisements]
- 9.4.2 [specification of adverts on scoreboards];
- 9.4.3 [specification of adverts on visible to other cameras]

- 9.4.4 [other advertising and promotion on site]
- 9.5 to receive free editorial, advertisements and accreditation with the Official Status in:
  - 9.5.1 the Event programme, to the detailed specification set out in Schedule 1;
  - 9.5.2 every item of paper information handed out or sold by the Organiser in advance of or during the Event;
- 9.6 to receive [number] entry tickets to [each day of] the Event free of charge [and an entry tickets to each side function at the Event].
- 9.7 to host corporate hospitality functions at the Event in the terms set out in Schedule 2.
- 9.8 the exclusive right for the Sponsor to offer for sale during the Event the [services / products] specified in Schedule 3.
- 9.9 to organise and stage press conferences at the Venue, subject to advance approval by the Organiser.
- 9.10 [to television promotion as set out in Schedule?]

## 10. Joint obligations

Each of the parties agrees and undertakes to the other that he will:

- 10.1 co-operate fully and in good time with the other so as to ensure that the rights granted in this agreement are delivered to the reasonable expectations of the Sponsor.
- 10.2 not make a press announcement in respect of this agreement or any effect of it without the agreement of the other of them as to medium, time and text.
- 10.3 not do anything which prejudices or defames the other of them whether related to the Event, the game of [bowls] or any aspect of this agreement.

## 11. Obligations of Sponsor

The Sponsor now acknowledges and undertakes that he will:

- 11.1 provide whatever information the Organiser reasonably requires in order to approve the promotional material of every sort which the Sponsor intends to use in connection with the Event.
- 11.2 offer for sale in connection with the Event only [services / goods] of at least as high a standard as he offers for sale elsewhere in the normal course of business.
- 11.3 insure all [products / services] sold in connection with the Event against risks usual to [that product / service].
- 11.4 comply at all times with the reasonable requests of the Event Manager.
- 11.5 exercise all rights granted in this agreement in accordance with the law.

## 12. Obligations of Organiser

The Organiser undertakes to the Sponsor that he will:

- 12.1 stage the Event in accordance with the Event programme set out in Schedule 1.
- 12.2 permit access to the Sponsor to erect and place structures and materials at the Venue and to remove them at the end of the Term.
- 12.3 arrange for the Sponsor to be given access and space for vehicles and men to place structures and materials as above and ensure that every employee and contractor working in connection with the Event, is aware of the obligations of the Organiser in the general terms of this agreement.
- 12.4 not allow to be sold at the Event any [product / service] which is competitive with the [product / service] of the Sponsor.
- 12.5 to take out a policy of insurance with a substantial insurer to cover all risks usually covered at Events like this Event.

## 13. Indemnity

The Organiser agrees to indemnify the Sponsor against any loss, damage or liability, suffered by the Sponsor at any time and arising out of:

- 13.1 any act, neglect or default of the Organiser or his agent or employee;

- 13.2 failure by the Organiser to comply with any law or requirement relating to health or safety of any person;
- 13.3 any act, including a criminal act, of any spectator;
- 13.4 any other circumstance, including liability to any third party for death or injury, other than the negligence of the Sponsor.

## **14. Protection of intellectual property of Organiser**

The Sponsor acknowledges that he has no right nor interest in the Intellectual Property of the Organiser and that this agreement gives him no rights beyond those strictly specified in this agreement and agrees that he will :

- 14.1 indemnify the Organiser for any liability to third parties arising from his misuse of the Intellectual Property;
- 14.2 not to use any name or mark similar to or capable of being confused with any used by the Organiser.

## **15. Right to renew**

If the Organiser holds an Event similar to this Event in any year between now and 2018, he shall offer sponsorship to the Sponsor in the terms of this agreement, except that:

- 15.1 the fee shall increase each year by the percentage amount published in the last previous month by which retail prices have increased (the Retail Price Index).
- 15.2 if the Event is televised, the fee shall be increased by a sum reasonably calculated as the increased value of the sponsorship to the Sponsor.

## **16. Termination**

Either party may terminate this agreement before the expiry of the Term if the other party:

- 16.1 commits a material breach of this agreement;
- 16.2 ceases to carry on business, has a receiver or administrator appointed over all or any part of its assets or undertakings, enters into any

compromise or arrangement with its creditors or takes or suffers any similar action in consequence of a debt or other liability.

## **17. Consequences of termination**

After this agreement terminates:

- 17.1 the licences granted directly and indirectly by this agreement terminate and accordingly, the Sponsor may no longer use the Intellectual Property of the Organiser nor exploit in any way the relationship created by this agreement;
- 17.2 the Sponsor shall immediately stop using the Intellectual Property;
- 17.3 each party shall give back to the other all physical goods, including paper goods, previously supplied by the other of them;
- 17.4 rights, liabilities and obligations accrued under this agreement shall not terminate.

## **18. Assignment**

- 18.1 Neither party may assign, delegate, sub-contract, mortgage, charge or otherwise transfer any or all of its rights and obligations under this agreement without the prior written consent of the other party, except that:
- 18.2 a party may assign and transfer all its rights and obligations under this agreement to any person to which it transfers all of its business, provided that the assignee undertakes in writing to the other party to be bound by the obligations of the assignor under this agreement.

## **19. Miscellaneous matters**

- 19.1 The schedules, if any, to this agreement are part of the agreement and have the same force and effect.
- 19.2 No amendment or variation to this agreement is valid unless in writing, signed by each of the parties or his authorised representative.
- 19.3 The parties acknowledge and agree that this agreement has been jointly drawn by the parties and accordingly it should not be construed strictly against either party.

- 19.4 So far as any time, date or period is mentioned in this agreement, time shall be of the essence.
- 19.5 If any term or provision of this agreement is at any time held by any jurisdiction to be void, invalid or unenforceable, then it shall be treated as changed or reduced, only to the extent minimally necessary to bring it within the laws of that jurisdiction and to prevent it from being void and it shall be binding in that changed or reduced form. Subject to that, each provision shall be interpreted as severable and shall not in any way affect any other of these terms.
- 19.6 No failure or delay by any party to exercise any right, power or remedy will operate as a waiver of it nor indicate any intention to reduce that or any other right in the future.
- 19.7 Any communication to be served on either of the Parties by the other shall be delivered by hand or sent by first class post or recorded delivery or by fax or by e-mail.

It shall be deemed to have been delivered:

if delivered by hand: on the day of delivery;

if sent by post to the correct address: within 72 hours of posting;

If sent by fax to the correct number: within 24 hours;

If sent by e-mail to the address from which the receiving party has last sent e-mail: within 24 hours if no notice of non-receipt has been received by the sender. *[Take care before agreeing to accept service by e-mail. It may be convenient, but you could miss or accidentally delete the message]*

- 19.8 In the Event of a dispute between the parties to this agreement, then they undertake to attempt to settle the dispute by engaging in good faith with the other in a process of mediation before commencing arbitration or litigation.
- 19.9 In the Event of any conflict between any term of this agreement and the provisions of the articles of a limited company or any comparable document intended to regulate any other corporate or collective body, then the terms of this agreement shall prevail.
- 19.10 Each party shall bear its own legal costs and other costs and expenses arising in connection with the negotiation and drafting of this agreement.
- 19.11 The validity, construction and performance of this agreement shall be governed by the laws of the State of [\[State\]](#). Any dispute arising in

connection with this agreement shall be subject to the exclusive jurisdiction of the [State] courts.

Signed by

a duly authorised representative of the Organiser

Signed by

a duly authorised representative of the Sponsor

[Signed by a duly authorised representative of the venue Owner]

## **Schedule 1 The Event programme**

## **Schedule 2 Corporate hospitality functions**

**Schedule 3 [Services / products] the Sponsor may sell**

**Schedule 4 [industry sectors / product ranges] [and countries]**

## Explanatory notes:

### Sponsorship agreement: single event

## General notes

1. If the Organiser and the Sponsor have not worked together before, we advise that the Sponsor should be very precise as to what he wants out of the deal. It is all too easy to assume that the nice guy he is dealing with has the power and time to micro-manage his employees and contractors on site at the venue.

## Paragraph specific notes

Notes following the numbering of the document

### 1. Definitions

You should first decide on the contents of the document, then return to check what definitions are needed and whether they really fit the text you have left in place.

We have provided a suggestion for the term of the agreement. That is really a commercial matter. Do you want your deal to run from a date far in advance of the actual Event or is it limited to what is happening over a very short period?

### 2. Interpretation

Leave these items in place unless there is a good reason to edit or remove. The point on GST can be deleted for commercial transactions, when GST is assumed to be due.

### 3. Warranties for authority

This paragraph protects the sponsor in particular. If you are dealing with a company and do not know who has authority to do what, leave this paragraph in place. It also covers a situation where a sport management body owns some of the IP rights in some aspect.

### 4. Relationship of parties

This is a simple statement for the avoidance of doubt. Of course other documents may indeed create the relationships mentioned. For example, most directors will be employees. It is important however, that this document does not accidentally create other relationships. On the other hand, whilst it is

important that this document is not confused with any other, there is no reason why it should not refer to other relevant document.

## **5. Entire agreement**

This paragraph prevents a party from later saying he was relying on some other document or web site or what was said. If other documents are to be relied on, let them be listed here, so that both parties know the basis of the deal.

## **6. The venue owner**

This optional paragraph covers the possibility that there is one (or more) venue which is owned and controlled by a third party. The organiser will use the venue under the terms of his own contract with the venue owner. The sponsor should not have to be concerned with the terms of that agreement, but he does want to be sure that the venue owner will not cause problems for him.

## **7. Grant of sponsorship rights**

The last sub paragraph covers the possibility of future contracts. Consider carefully whether you want either side to be bound to one or more terms of the contract for the eleven months of the year between (annual) events. If not, use this agreement to compel the organiser to agree a new contract, but then, when agreed, draw a new deal and sign it afresh.

## **8. Sponsorship Fee and payment**

There are choices here. The last sub paragraph covers the possibility of the Sponsorship including provision of clothing, goods, food, or any other product or service.

## **9. Sponsorship rights granted**

This is the commercial centre of the agreement. Only you can decide what elements make up your contract. We can only provide ideas. However, it is important that the organiser grants rights of access and generally is obliged to avoid making it difficult for the sponsor to work.

## **10. Joint obligations**

These items are difficult to enforce or even to specify precisely. However, the fact that they are mentioned will provide an incentive to both sides to avoid conflict.

## **11. Obligations of Sponsor**

We have no comment. Edit as you require.

## **12. Obligations of Organiser**

These are the fundamental obligations of the organiser. The detail of what he has offered is set out under “Sponsorship rights granted”.

## **13. Indemnity**

This is essential protection for the sponsor. He has no control over what happens at a during the event. His material could in some way contribute to an accident. He should not risk being liable for matters over which he has no control.

## **14. Protection of Intellectual Property of Organiser**

IP is everywhere we look. Inevitably, the sponsor will use some of the IP of the organiser and maybe come across much more that he does not use. This provision makes clear the limit of what the sponsor may do.

## **15. Right to renew**

Sponsorship is often seen by a sponsor as a “hit-and-miss affair. Like much marketing expense, it is difficult to weigh the possibility of success. However, if the event proves worthwhile for the sponsor, he may wish to re-book for another event, or even several more without being in competition with others. How this provision is detailed is a matter for you. But it would be difficult for an organiser to refuse to renew the sponsorship next year, with this provision in place. An organiser will wish to delete this paragraph.

## **16. Termination**

We have no comment.

## **17. Consequences of termination**

We have no comment.

## **18. Assignment**

Give careful thought to this. Consider the circumstances on both sides which may require an assignment. You should not make rules and regret them later, but equally, you may not be happy to see the other side passing on either right or obligations under this contract.

## **19. Miscellaneous**

A number of points which should be included in the agreement in order generally to minimise disruption and expense.

## **Schedule 1 The Event programme**

It is most important that the sponsor can rely on what happens and when if he is to make the best of the deal.

### **Schedule 2 Corporate hospitality functions**

Same comment as for event programme.

### **Schedule 3 [Services / products] the Sponsor may sell**

Specify all that the sponsor may wish to sell or promote.

### **Schedule 4 [industry sectors / product ranges] [and countries]**

This is more precise information which is specified to protect the sponsor and avoid misunderstanding as to what the organiser will allow.

## **End of notes**