MEMORANDUM OF UNDERSTANDING
Between
Department of Athletics, Central Administration
And
University Communications

This Memorandum of Understanding serves as an agreement between the Department of Athletics (DOA), Central Administration (CA) and University Communications (UC) relative to the sharing of net licensing revenues generated by the University of Oregon trademark licensing program. Below are the terms of this agreement.

Licensing Program Structure: The University has partnered with a third party to dramatically increase royalties derived from licensing agreements. UC has delegated 1 FTE to act as a liaison between the university and the vendor, as well as to provide administrative and operational support for the program, which includes Nike and Disney. If the university decides to adjust this structure, the terms of this agreement will be renegotiated.

Collaboration: DOA, CA, and UC will collaborate to build strong cultivation and stewardship of potential and existing business relationships.

The terms of this Memorandum of Understanding (MOU) replace the terms of any previous agreement or MOU between DOA, CA and UC relative to the sharing of university licensing revenues.

Term: This agreement is effective July 1, 2016 through June 30, 2017 (one fiscal year) and will be revisited in March 2017.

Revenue/Expense Sharing (in sequence order):

- Fermata Partners will collect and pay to the University a share of annual trademark licensing royalties as outlined in Appendix C of University's Agency agreement with Fermata. For purpose of this MOU, these payments are defined as "Net Licensing Revenues."
- UC will retain the first $350,000 of net licensing revenues. On an annual basis this amount shall be no less than $350,000 regardless of net licensing revenues generated.
- DOA and CA will evenly (50/50) split all net licensing revenue that is generated after the first $350,000, up to $4,350,000. At that threshold, DOA and CA would each earn $2,000,000.
- Any net licensing revenue collected between $4,350,000 and $4,500,000 will be distributed to DOA ($150,000 max extra revenue)
- All net licensing revenue generated beyond $4,500,000 will be split 50%/50% between DOA and CA
- DOA, CA and UC agree to the following exceptions to the above net licensing revenue splits:
    - Net licensing revenues generated by any of the following athletic achievements will be split 25% to CA and 75% to DOA: Any Bowl game; NCAA Men's Basketball Final Four Appearance; Women's Basketball Final Four Appearance; Baseball College World Series Appearance; Softball College World Series Appearance; NCAA National Championship in any sport sponsored by DOA.
    - Win The Day (WTD) merchandise currently earns an additional 4% licensing royalty. 100% of the additional 4% royalty earned by WTD will be allocated directly to DOA.

- UC will transfer DOA's & CA's share of net licensing revenue on a quarterly basis, as deposits are received.

- The DOA, UC and CA may choose to engage in additional activities related to the licensing program that incur expenses. The cost of extraordinary and mutually agreeable expenses related to the betterment of the licensing program will be negotiated at the time the initiative is approved.

Robert Mullens Director of Athletics	Kyle Henley VP University Communications	Jamie Moffitt VP Finance and Administration
7/18/16 Date	7/20/16 Date	7/24/16 Date