

VARSITY GROUP

Contract

It is agreed between City High School of Iowa City and Varsity Group Sports Marketing (formerly known as All-Iowa Score Tables) as follows:

WHEREAS, the parties executed a contract on November 5, 2007 to establish an advertising program at City High School;

WHEREAS, Varsity Group furnished the high school with two (2) rear-illuminated, 3-foot by 8-foot, wall-mounted "scrolling" cabinets on the terms of a \$0 lease for the purpose of displaying advertising beneath the score boards in the main gymnasium;

WHEREAS, City High School authorizes Varsity Group to sell advertising space on the equipment described above, and the parties share revenue collected from the sale of advertising;

WHEREAS, the parties wish to continue the advertising program;

The following terms and conditions apply:

Advertising Services

1. Varsity Group shall be sole vendor authorized to place advertising at the City High School athletic facilities.
2. Varsity Group shall handle all communication and other activity with advertisers, including negotiations, executing written agreements, issuing invoices, collections, and design, production and installation of advertising displays.
3. Varsity Group shall perform any necessary maintenance and/or repair of the "scrolling" cabinets.
4. Advertisers shall be subject to approval by the City High School administration. All advertising must be tasteful and must not advertise products or services that are illegal for minors.
5. City High School agrees to display advertisers who contract for space on the "scrolling" cabinets during all school-sponsored events at the gymnasium.
6. In the event there are changes to the athletic facilities at City High School during the term of the contract, which require relocation of the "scrolling" cabinets or if new or additional equipment may be needed to display advertising, it shall be mutually agreed upon in writing by the parties.

Term

7. The term of the Contract shall extend through July 1, 2020, with City High School having the option to renew. City High School may exercise its option to renew by providing Varsity Group with written notice of renewal sixty (60) days prior to the end of the term. If no renewal notice is provided, this Contract shall automatically renew for successive

one-year terms unless City High School or Varsity Group gives notice to the other at least sixty (60) days in advance of the start of the new one-year term that it is not renewing this Contract.

Allocation of Advertising Revenue

8. Advertising revenue generated and actually received by Varsity Group pursuant to work under this Contract shall be allocated as follows:

- (a) Varsity Group shall pay to the City High School athletic department an amount equal to fifty percent (50%) of "*Net Advertising Revenue*" collected for each school year of the Contract. "*Net Advertising Revenue*" is defined as gross advertising revenue less (1) the cost of designing and producing new advertising panels for the "*scrolling*" cabinets; (2) the cost of installing and/or removing advertising panels; and (3) the cost of maintenance and/or repair of the "*scrolling*" cabinets.

Payments

9. Varsity Group will make payments to the City High School athletic department on or about May 1 of each year, representing the school's share of revenue collected for advertising displayed during that school year. Varsity Group will provide an annual accounting of advertisers and revenue collected and costs associated with the advertising equipment, as requested.

The parties sign this Contract, effective the 8 th day of April 2014.

Varsity Group Sports Marketing

By Scott Hale Date 4/8/2014
Scott Hale, Representative

Address P.O. Box 7853, Urbandale, IA 50323 Phone 515-967 5500

City High School of Iowa City

By Sally Hoelscher Date 4/8/14
Print Name Sally Hoelscher Title School Board President

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