

This Team Agreement (this “Agreement”) is entered into between adidas America, Inc., an Oregon corporation (“adidas”), and [Ballyshannon Middle School] (“School”), of Union, KY, effective as of the first day of the Term (as defined below). The parties agree as follows:

1. **Term.** This Agreement starts on July 1, 2018 and ends June 30, 2022, and shall automatically renew for one year each time unless adidas or School terminates according to this Agreement. This is a binding agreement. This agreement includes but is not limited to the following sports and their participants: ALL.
2. **adidas Products**. During the Term, adidas will provide School with merchandise listed below, during each School Year (defined as July 1 through June 30) of the Term. Promotional Merchandise” means orders from the adidas Team Sales Catalog. Unused promotional merchandise amounts, as of 5:00 PM EST June 30, are forfeited by School. As a result, promotional merchandise cannot be carried from one School Year to the next. For each School Year, during the Term, adidas shall provide the following types and values of Promotional Merchandise:
3. **Products Included**: Team adidas Footwear, Apparel, Equipment and Accessories
4. **Promotional Products** provided in exchange for exclusive product purchases as outlined above:
   1. In each year of this Agreement, the School will receive:

$5,000 in retail promotional product annually for Athletic Program.

* 1. Promotional merchandise allocation is the sole responsibility of the Program.
  2. Unused promotional merchandise amounts, as of 5:00 pm on 6/30 each year of this Agreement, are forfeited. As a result, promotional merchandise cannot be carried from one school year to the next.

1. **Bonus compensation** (merchandise):
2. If school spends over $50,000 in adidas product in a school calendar year (July 1- June 30) school will receive 10% back in retail promotional product over the $50,000 purchases. For example, if school spends $75,000 in a school year, school would receive an additional $2500 in retail promotional product.
3. **Pricing:**
   1. During the term of this Agreement, The School will be eligible to purchase adidas at the following discounts:
      1. adidas Footwear 35% off retail price
      2. adidas Apparel + Accessories 40% off retail price
      3. adidas Hardgoods 25% off retail price
4. **Exclusive Use…**During the Term, School shall ensure that each Team (including all students, staff, coaches, and athletic administrative staff, which are individually defined as “Participant”) exclusively uses and wears adidas Products whenever engaged in any competition events, being photographed or filmed by motion picture or video tape, posting to social media, and conducting or participating in camps or clinics.
5. **Rights of First Refusal**. School shall not enter into an endorsement or similar agreement with a third party without first giving adidas an opportunity to enter into an agreement with School for such rights on the third party terms and conditions, measured solely in terms which are material, measurable and matchable (“Third Party Terms”). School shall notify adidas of the Third Party Terms it receives for any Third Party Deal. Evidence of such an offer must be on the third party’s letterhead and a copy thereof must be supplied to adidas. adidas shall have 30 days from its receipt of the Third Party Terms to match such Third Party Terms. If adidas matches the Third Party Terms, then School shall enter into a new agreement with adidas consistent with the Third Party Terms.
6. **Miscellaneous.**

* Confidentiality. Subject to applicable state public records law, the terms of this Agreement are strictly confidential and neither party may disclose the terms hereof to any third party without the prior written consent of the other party.
* Compliance with Law. Each party shall comply with all laws, rules and regulations applicable to it in the performance of its obligations under this Agreement.
* Severability. If any provision of this Agreement is held to be invalid or unenforceable in any respect for any reason, the validity and enforceability of such provision in any other respect and of the remaining provisions of this Agreement will not be in any way impaired.
* Binding Effect. This Agreement will be binding on and inure to the benefit of the parties and their respective heirs, personal representatives, successors and permitted assigns.
* Assignment. School may not assign, sell or transfer this Agreement or any of its rights, interests or obligations under this Agreement without adidas’s prior written consent.
* Construction. The captions used in this Agreement are provided for convenience only and will not affect the meaning or interpretation of any provision of this Agreement.
* School/adidas Relationship. Nothing contained in this Agreement shall be construed as establishing an employer/employee, agency, partnership or joint venture relationship between the parties.
* Entire Agreement. This Agreement, together with the terms and conditions of the adidas Team Sales catalog and of the account or credit application completed in connection with execution of this Agreement, all of which are incorporated into this Agreement by reference, constitutes the entire understanding between the parties with respect to the subject matter hereof and cannot be amended or modified except by an agreement in writing, signed by each of the parties. All previous understandings or agreements between the parties related to the subject matter herein shall have no further force and effect.
* Warranties. adidas shall not be liable for any injury or damage suffered by School or its students from wearing or using adidas Products, and School hereby expressly knowingly and irrevocably waives all such liability, except to the extent such injury or damage is caused by adidas’s gross negligence or willful misconduct. **ALL GOODS PURCHASED OR OTHERWISE ACQUIRED BY SCHOOL PURSUANT TO THIS AGREEMENT ARE TRANSFERRED AS-IS. ADIDAS HEREBY DISCLAIMS ANY AND ALL IMPLIED WARRANTIES, INCLUDING THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND THOSE THAT MAY ARISE BY COURSE OF DEALING, COURSE OF PERFORMANCE OR USAGE OF TRADE.**
* Representations and Warranties. Each party represents and warrants that such party (i) is not party to any agreement, contract or understanding, whether oral or written, that would prevent, limit or hinder the performance of any of its obligations under this Agreement; and (ii) has the due and proper authority to enter into and perform its obligations under this Agreement
* Mutual indemnification. Each party agrees to indemnify and hold harmless the other party together with their successors, assigns, directors, officers and employees from and against any claim, loss, damages, costs or expenses, including reasonable attorney fees, arising out of or related, directly or indirectly, to this Agreement or the products referred to herein, except for those claims arising from the negligence, act or omission of the other party.

1. **Termination.** adidas may, in its sole discretion, reduce the amount of Promotional Merchandise if the School fails to wear adidas Products as required or spats. The right of termination under this Agreement is not exclusive and is in addition to any and all other rights and remedies available to the parties under applicable law. The termination of this Agreement shall not relieve a party from liability for a prior breach of this Agreement. The provisions of this Agreement that by their context or nature are intended to survive the expiration or termination of this Agreement, including Sections 5 and 6 shall survive the expiration or termination of this Agreement.

IN WITNESS WHEREOF, the undersigned individuals hereby certify that they are duly authorized to execute this Agreement on behalf of the parties.

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| adidas America, Inc.  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Name: Greg Beckwith  Title: adidas East Regional Manager | BAllyshannon middle SCHOOL  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Name:  Title: |
| Erika bowles, principal  Pat pidgeon, athletic director  7515 Shamrock Drive  Union, ky 41091 |
| \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Name: Jim Watkins |  |
| Title: adidas Team Services Rep |  |