6.30.21

Purpose: To ensure that a student athlete may earn compensation for the use of his or her name, image, or likeness (NIL). Such compensation must be commensurate with the market value of the authorized use of the student athlete's name, image, or likeness. Such compensation may not be provided in exchange, in whole or in part, for a current or prospective student athlete to attend, participate, or perform at the university.

Policy & Procedure: Pursuant to Governor Andy Beshear's Executive Order Issued on June 24, 2021, student-athletes are permitted to use their name, image, and likeness for purposes of compensation beginning July 1, 2021. The EO will remain in effect until superseded by state or federal law. Consistent with the Executive Order, the University implements the following requirements on student-athletes who wish to receive such compensation.

Definitions:

Compensation.

Compensation is defined as any form of payment or remuneration, including but not limited to cash, gifts, in-kind items of value, social media compensation, digital currency, payments for licensing or use of publicity rights, payments for other intellectual or intangible property rights under federal or state law, and any other form of payment or remuneration.

Compensation is not defined as:

- i. Educational expenses or any financial aid, benefits or awards provided to a student-athlete in accordance with rules of an athletic association;
- ii. Federal or state grants or scholarships;
- iii. Payments of wages and benefits at a rate commensurate with prevailing rate for similar work in the locality of the institution to a student-athlete for work actually performed other than for athletic ability or participation in intercollegiate athletics.

Name. "Name" is defined as the first or last name, or the nickname, of the student-athlete when used in a context that reasonably identifies the student-athlete with particularity.

Image. "Image" is defined as a picture of the student-athlete.

Likeness. "Likeness" is defined as a physical, digital or other depiction or representation of the student-athlete.

Promotional Activity. A promotional activity shall be defined as any use of a student-athlete's name, image or likeness to promote the commercial endeavors of any entity, including media. Activities include but are not limited to:

- 1. In-person appearances;
- 2. Social media posts;
- 3. Media Appearances (e.g. appearance on a talk show);

4. Digital/printed materials (e.g. Billboard, online ad, etc.).

Representative of Athletics Interests. A representative of athletics interests (e.g. booster) is any individual who:

- 1. Has made a financial contribution to the institution;
- 2. Assisted in the recruitment of a prospective student-athlete;
- 3. Provided benefits of any kind to a current student-athlete.

Requirements.

1. Disclosure Requirements. A student-athlete must disclose any proposed contract or agreement between a student-athlete and third party 7 days prior to the proposed activity to the Athletics Compliance Office. The disclosure must be input into INFLCR Verified, which will trigger a notification to the UK Athletic Compliance Office to review and approve. This review and approval is solely for compliance with these requirements -- it does not constitute an arrangement of the contract or agreement by or at the direction of the University, nor is it a legal review on behalf of the student-athlete.

Until the Athletics Compliance Office reviews and approves, the student-athlete may not engage in the proposed activity. In the event the Athletics Compliance Office does not approve, the student-athlete may not undertake the proposed activity.

Failure to disclose any contract or agreement may result in loss of eligibility, including suspension from team activities or competition, and/or additional NIL education or training.

- 2. **Conditions of participation in a promotional activity for compensation**. Student-athletes may not receive payments, provision, or promise of any other consideration or benefits:
- (i) by the university or by any booster or any other person or entity acting on behalf of the university; or
- (ii) in exchange or as an inducement for athletic performance or attendance at the university.

A student-athlete may receive compensation to participate in promotional activities under the following conditions:

- a. The student-athlete shall not miss classes or other academic obligations (i.e. tutors) to participate in a promotional activity;
- b. The student-athlete shall not miss required team activities, including practice and competitions, to participate in a promotional activity.
- c. The student-athlete shall not use University Facilities.
- d. The student-athlete may not use the University's trademarks (e.g., logos, word marks (including, but not limited to, the University's name, nicknames, team names, mascot name, slogans, etc.), colors, and other identifying indicia) or copyrighted content unless an applicable agreement is secured granting the right to use such intellectual property consistent with the University's current licensing program.

- e. UK employees (including but not limited to Athletics staff and coaches) are not permitted to provide or arrange for compensation to student-athletes for their name, image, & likeness.
- 3. **Use of Agents.** Student-athletes are permitted use an athlete agent solely for purposes of assisting with contracts for compensation. The use of an "athlete agent" for purposes of assisting with contracts for compensation for the student athlete's name, image and likeness shall conform to KRS 164.6901-.6935 and comply with the Sports Agent Responsibility and Trust Act established in 15 U.S.C. Section 7801, et seq.
 - Any individual involved in assisting with promotional activities for student-athletes should be registered with the UK Athletics Compliance office and the Commonwealth of Kentucky.
- 4. Prohibited categories for compensation. Pursuant to the Executive Order, an institution is permitted to prevent compensation in exchange for a contract of endorsement, promotion or other activity that the postsecondary educational institution determines is in conflict with an existing contract of endorsement, promotional or other activity entered by the postsecondary educational institution.

The following have been determined to be impermissible forms of name/image/likeness compensation at the University of Kentucky and therefore, student-athletes are not permitted to enter into an arrangement with:

- a. Lotteries, Casinos, sports wagering facilities, online equivalents
- b. Products and establishments that market products exclusively to those 18 years of age or older.
- c. Adult entertainment (i.e. strip clubs, pornography, etc).
- d. Tobacco, marijuana, nicotine vapor products, etc.
- e. Apparel, sportwear, footwear, athleisurewear during all team activities (CARA & RARA).
- f. Providers of higher education (other colleges and universities), health care, and related services.

Failure to abide by these may result in loss of eligibility, including suspension from team activities or competition, and/or additional NIL education or training.

5. Involvement of UK Representative of Athletics Interests. Student-athletes may not receive payments, provision, or promise of any other consideration or benefits by the university or by any representative of athletics interests or any person or entity acting on behalf of the university in exchange or as an inducement for athletic performance or attendance at the university or to enroll at the institution. Student-athletes are not prohibited from entering into genuine NIL agreements with separate business entities that are operated by an individual who is also a booster, so long as the agreement is not a payment, provision, or promise of any other consideration or benefits by the university or by any representative of athletics interests or any person or entity acting on behalf of the university.

- 6. International Student-Athletes. UK international student-athletes should not enter into any compensation agreement without first checking with the UK Office of International Students to ensure it complies with Visa and Immigration requirements.
- 7. Impact of Pell grants and other financial aid. Pell grants and other need-based aid could be affected by name, image, and likeness compensation. Questions regarding aid should be directed to the UK Financial Aid Office.
- 8. Student-Athletes under 18: Any SA under the age of 18 at the time of agreement must have additional consent from a parent or legal guardian.