



MEMORANDUM

TO: NHRA Member Tracks
FROM: Ice Miller (Mark J. Richards)
DATE: December 23, 2002
RE: National Hot Rod Association ("NHRA") Member Track Form Agreements

At the request of NHRA, we have prepared the following form agreements for your use in your marketing and promotional efforts:

- (1) Track/Event Sponsorship Agreement;
- (2) Advertising Sales Agreement; and
- (3) Display Site License Agreement (collectively, the "Form Agreements").

This memorandum will provide you with an overview of those agreements and how to use them.

Form Agreements

The Form Agreements were drafted to be easily adaptable to each NHRA Member Track ("Track") and with the interests of the Track in mind. The front page of each agreement identifies all of the information that you need to complete in order to use the agreement. The following briefly describes the purpose of each of the agreements:

1) *Track/Event Sponsorship Agreement*

The Track/Event Title Sponsorship Agreement is designed to document a Track's relationship with a Sponsor of the Track or of a specific event. The Track/Event Sponsorship Agreement should be used whenever a Sponsor desires to use the logos and trademarks of the Track (the "Track Owner Marks") in holding itself out as a sponsor of such Track or an event held at the Track. The Track/Event Title Sponsorship Agreement provides for a description of the Track Owner Marks to be used and the Promotional Opportunities and Privileges to be granted to the Sponsor by the Track. While both the Advertising Sales Agreement and the Display Site License Agreement contain limited provisions governing the use of the Track Owner Marks, the provisions in the Track/Event Sponsorship Agreement protecting the Track Owner Marks are more extensive and provide greater protection for the Track Owner Marks. Therefore, it is desirable to use the Track/Event Sponsorship Agreement whenever a Sponsor desires to use the Track Owner Marks, including when an Advertiser or Licensee wish to use the Track Owner Marks in connection with the execution of the Advertising Sales Agreement or the

Display Site License Agreement. The Track/Event Sponsorship Agreement also requires that the Sponsor maintain comprehensive general liability insurance coverage in order to protect itself and the Track from any claims arising from Sponsor's exercise of its rights under the Track/Event Sponsorship Agreement. The limits of coverage set forth in the Insurance provision are set forth in bold and brackets so that the individual Track may determine the appropriate limits of such insurance coverage.

2) *Advertising Sales Agreement*

The Advertising Sales Agreement is designed to document a Track's relationship with an Advertiser desiring to advertise at such Track. The Advertising Sales Agreement provides for a description of the size and location of the Advertising Space to be used, the Display Date(s), and the amount and due date of any Fees. As a default provision, the Advertising Sales Agreement allocates the costs of production, installation, maintenance and removal of the advertising content with the Advertiser. In the event that another arrangement is negotiated, such arrangement should be indicated in the Other Terms section.

3) *Display Site License Agreement*

The Display Site License Agreement is designed to document a Track's relationship with a Licensee who desires to use Display Space at such Track. The Display Site License Agreement provides for a description of the location, size and company/product(s) to be represented in the Display Space and the amount and due date(s) of the License Fee. As a default provision, the Display Site License Agreement provides that the Display Space will not be reserved in the Licensee's name until the License Fee is paid in full. In the event that another arrangement is negotiated, such arrangement should be indicated in the Other Terms section. The Display Site License Agreement also requires that the Licensee maintain comprehensive general liability insurance coverage in order to protect itself and the Track from any claims arising from Licensee's exercise of its rights under the Display Site License Agreement. The limits of coverage set forth in the Insurance provision are set forth in bold and brackets so that the individual Track may determine the appropriate limits of such insurance coverage.

Caution: The Form Agreements should be extremely useful to you in most instances as they serve to cover deal points commonly involved in race track contracts of these types. Having said that, form contracts have limitations. There is no "one size fits all." Laws vary from state to state and circumstances vary for contract parties, and each transaction may have unique facts and circumstances. In the event that a Track has questions regarding the Form Agreements, such Track may contact Ice Miller as provided below.

Frequently Asked Questions

If a Company becomes an official sponsor and receives the right to have a display at the Track because of this sponsorship, does the Company need to fill out both the Track/Event Sponsorship Agreement and the Display Site License Agreement? Does the display need to be

mentioned in the Promotional Opportunities & Privileges Section of the Track/Event Sponsorship Agreement?

In the event that a Company desires to enter into a relationship with a Track that includes the substance of any of the Form Agreements, it is desirable that each such Form Agreement is entered into by the parties with the appropriate information completed in each respective applicable agreement.

In the example above, the Track and the Company should enter into both the Track/Event Sponsorship Agreement and the Display Site License Agreement in order to gain the benefit of the specific protections offered by each agreement. We have included a section on Page 1 of each of the Form Agreements to be marked by the Track to indicate which agreements are applicable to the Company. Further, language is included in each agreement providing that the Track may terminate an agreement upon notice to Company in the event that one of the agreements entered into by the parties designated on Page 1 expires or is terminated for any reason other than a breach of the agreement by the Track.

How should a Track complete the blanks in the Form Agreements that describe items such as the location of a Display Site, other consideration, and/or Promotional Opportunities and Privileges?

As a rule, the Track should provide as much detail as would be necessary to document the agreement of the parties. The goal is to provide enough detailed information to minimize any misunderstandings as to expectations of the parties, as well as minimize the risk of potential disputes amongst the parties.

What if there is nothing to be included in one or more of the blank sections of the Form Agreements?

If the parties have nothing to include in one or more of the blank sections, they should so indicate by writing "N/A," "None" or an equivalent phrase. This prevents an issue as to whether something was "inadvertently" left out, and also prevents an addition to a blank section following execution of the Form Agreement that is not a part of the deal reached by the mutual agreement of the parties.

Is there a preferred form for writing dates in the Form Agreements (for example, 9/4/02 or September 4, 2002)?

Generally, there is no preferred form with respect to writing dates in the Form Agreement so long as the month, day and year are provided.

Do the Form Agreements have to be printed on legal size paper?

The Form Agreements do not have to be printed on legal size paper in order to be fully effective. However, the Form Agreements have been formatted to fit legal size paper, and,

therefore, when printed on legal size paper, all blanks appear on the front pages of the Form Agreements.

Do contracts need to be notarized to become official?

Generally, agreements of this type do not need to be notarized, but simply need to be signed and dated by appropriate representatives of the parties in order to be effective. However, this could be a question of the laws of a particular state.

Ice Miller Contact Information

We hope that the Form Agreements prove useful to you. In the event that you need electronic copies of the Form Agreements, have inquiries regarding the Form Agreements or other matters, such inquiries may be directed to me or any of the other Ice Miller Motorsports team members on the attached contact sheet. Best of luck!

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This memorandum is solely for informational purposes and is not intended as legal advice. Recipients are encouraged to consult their own legal advisors with respect to any transaction using the form agreements discussed in this memorandum. Ice Miller does not represent any recipient of any copy of these materials solely by reason of receipt of that copy by such recipient.