

## SPONSORSHIP/ADVERTISING AGREEMENT

This Sponsorship/Advertising Agreement (“Agreement”) is entered into by and between Independent School District No. 726, Becker Public Schools (“School District”), located at 12000 Hancock Street, Becker, Minnesota 55308 and Vonco II, LLC, 15301 140<sup>th</sup> Avenue SE, Becker, MN 55308 (“Sponsor” or “VONCO II, LLC”), together referred to as the “Parties.”

WHEREAS, the School District seeks to purchase and install a ticket booth/entrance at Dwight Lundeen Stadium located at or about 12000 Hancock Street, Becker, MN 55308 (the “Ticket Booth”); and

WHEREAS, the Sponsor seeks to enter into an Agreement to sponsor the Ticket Booth and have advertising opportunities.

NOW, THEREFORE, in consideration of the sponsorship provided herein, the mutual covenants, terms and conditions, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. **Term.** This Agreement shall be effective on the date of full execution by the Parties and shall remain in force for six (6) years following the effective date, unless terminated by either party or by mutual agreement as set forth herein.

2. **Sponsorship.** During the term of this Agreement or until the date of termination, whichever occurs first, the Ticket Booth shall be identified by the School District as the “Vonco Entrance” The School District shall make reasonable efforts to identify the Ticket Booth by that name in communications or materials disseminated by the School District, including:

(a) Announcing the location of the Ticket Booth prior to each game, including identifying the Ticket Booth as the “Vonco Entrance.”

3. **Advertising.**

(a) The Ticket Booth at Dwight Lundeen Stadium shall include signage on the front that states: “Vonco Entrance.”

(b) Signage shall be placed on the Ticket Booth with a logo as designated by Vonco II, LLC.

(d) This Agreement does not create an exclusive advertising right for the Sponsor. However, the School District shall include the Sponsor in any invitations or requests for proposals extended by the School District.

All advertising shall comply with School District policies and shall be under the control of the School District. The School District shall at all times retain final authority to accept or reject advertising submitted by the Sponsor. All signage and advertising content shall be at the Sponsor’s sole cost and expense. Signage will be installed, at the Sponsor’s expense, at least thirty (30) days before the opening home football game of the season. The School District shall have no obligation to display signage or other advertising containing the Sponsor’s name or other advertising in violation of applicable law, including, without limitation, city ordinances.

4. **Sponsorship Fee.** The Sponsor shall pay the School District a total sponsorship fee of \$100,000 (the “Fee”). An initial payment of \$20,000 shall be paid within ten (10) days after full execution and approval of this Agreement. The remainder of the Fee will be paid in annual installments of \$16,000 due on or before June 1 of each year for the remaining five (5) years of this Agreement. Checks shall be made payable to Independent School District No. 726 and shall be sent to or delivered to the Superintendent at the School District’s address on or before the due date.

5. **Default and Termination.**

A. **Default by Sponsor.** The following shall constitute a default by the Sponsor:

- (i) The Sponsor fails to fulfill any of its monetary obligations under this Agreement for thirty (30) days after receiving written notice from the School District;
- (ii) The Sponsor fails to perform or observe any of its non-monetary obligations or agreements for thirty (30) days after receiving written notice from the School District, provided that if such performance or observance cannot reasonably be accomplished within the thirty (30) day period, a default shall not be deemed to have occurred if the Sponsor begins to cure the breach within the thirty (30) day period and thereafter diligently and in good faith continues to cure the breach until cured;
- (iii) The Sponsor makes a general assignment for the benefit of creditors or takes the benefit of any insolvency act;
- (iv) A receiver or trustee is appointed for the Sponsor or the Sponsor's property;  
or
- (v) The Sponsor ceases or takes material steps to cease to carry on its business.

In the event of the Sponsor's default, the School District has the right to take the following actions, which are not exclusive:

- (i) Remove all signage or materials containing or displaying the Sponsor's name, wherever located on District real and personal property with associated costs to be billed to the Sponsor;
- (ii) Seek and obtain injunctive or other legal relief including but not limited to specific performance of the terms of this Agreement; and/or
- (iii) Immediately terminate the Agreement by written notice to the Sponsor.

B. **Default by School District.** The following shall constitute a default by the School District:

The School District fails to perform or observe any of its non-monetary obligations, conditions or agreements to be performed or observed under this Agreement for thirty (30) days after written notice from the Sponsor; provided that if such performance or observance

cannot reasonably be accomplished within the thirty (30) day period, a default shall not be deemed to have occurred if the School District begins to cure the breach within the thirty (30) period and thereafter diligently and in good faith continues to pursue the cure of the breach until cured.

In the event of the School District's default, the Sponsor has the right to take the following actions, which are not exclusive:

- (i) Require the School District to remove all signage or materials displaying the Sponsor's name, wherever located on School District real and personal property, and require the School District to cease and desist any use of the Sponsor's name;
- (ii) Seek and obtain injunctive or other legal relief including but not limited to specific performance of the terms of this Agreement; and/or
- (iii) Immediately terminate this Agreement by written notice to the School District.

The foregoing remedies do not include a right of the Sponsor to enter School District property without permission; therefore, any removal of signage or other Sponsor property by the Sponsor must be arranged for and under the supervision of the School District.

C. **Costs.** The Parties agree that if any Party is successful in a court of competent jurisdiction in obtaining legal or equitable relief arising from a default by the other Party, the successful Party shall be entitled to recover its reasonable costs, fees and legal expenses.

6. **Termination for Reasons Other than Default.**

A. **School District.** The School District may choose to terminate this Agreement without cause if deemed in the best interests of the School District with sixty (60) days written notice to the Sponsor. In addition, if, in the School District's judgment, the rights granted the Sponsor will have a negative impact on the image or reputation of

the School District, it may immediately terminate this Agreement with written notice to the Sponsor. In the event the School District exercises its right of termination under this section, the School District will refund any amounts prepaid by the Sponsor beyond the sixty (60) day notice requirement on a pro-rata basis.

B. **Sponsor.** The Sponsor may terminate this Agreement if deemed to be in the best interest of the Sponsor with one year written notice to the School District. Such notice must be received at least 365 days prior to the due date for an annual installment. The Sponsor's sponsorship rights and advertising rights shall cease immediately upon receipt of the notice and the School District shall remove all signage or other materials displaying or containing the Sponsor's name, wherever located on School District real and personal property with associated costs to be billed to the Sponsor.

C. **Mutual Consent.** This Agreement may be terminated or modified by written agreement of both Parties, as authorized by the School Board of the School District and a duly authorized representative of the Sponsor.

7. **Miscellaneous.**

A. **Nature of the Agreement.** This Agreement does not constitute a lease or license. This Agreement does not form a partnership between the Parties, nor does it create any right, title, interest or claim of ownership of the Sponsor's name or the School District's property.

B. **Assignment.** The Sponsor shall not assign, transfer or convey this Agreement or its rights with any person or entity without the previous written consent of the School District.

C. **Force Majeure.** Neither Party shall be liable for any default or delay in the performance of its obligations under this Agreement if the default or delay is caused, directly or indirectly, from a cause beyond the Parties' reasonable control and without the fault or negligence of the Party claiming excusable delay or failure to perform, such as acts of God, acts of war or terrorism, fires, storms, floods, epidemics and pandemics, civil disorders, or other such similar causes. The Party whose performance is prevented or delayed shall promptly notify the other Party of the occurrence of the Force Majeure event. This provision does not prohibit the Parties from exercising their respective rights to terminate this Agreement.

D. **Mutual Defense and Indemnification.** The Sponsor and School District hereby agree to defend and hold harmless the other Party, their officials, agents, employees and board members from and against all liability, claims, losses, damages, suits, demands, or causes of action arising from any error, omission, or negligent act of the other Party, their officers, agents, employees, subcontractors, invitees, school board members or other person for whom the Sponsor or School District is legally liable related to the performance and implementation of this Agreement. This indemnification provision benefits only the Parties to this Agreement and their respective successors and assigns and nothing in this Agreement, expressed or implied, confers to any third party any legal or equitable right, benefit, or remedy of any nature whatsoever under or by reason of this Agreement. This indemnification provision does not constitute a waiver of the statutory limitations on School District liability or any of the immunities and defenses applicable to Minnesota school districts.

E. **Retention of Rights.** The only rights granted to the Parties are those described in this Agreement. The Sponsor hereby retains and does not grant any rights to the School District to use any of its logos, symbols, names or other marks or intellectual property.

F. **Choice of Law.** This Agreement shall be construed under and in accordance with the laws of the State of Minnesota. Any suit or action brought in connection with this Agreement shall have venue in Sherburne County, Minnesota.

G. **Counterparts.** This Agreement may be executed by the Parties in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same Agreement. All signatures need not be on the same counterpart.

H. **Notices.** Any notices or communications required or permitted to be given pursuant to this Agreement shall be in given in writing and delivered in person or by certified mail, return receipt requested to the Parties as indicated below. A Party may change its address by giving written notice to the other Party.

Independent School District No. 726  
Becker Public Schools  
Attn: Superintendent of Schools  
12000 Hancock Street  
Becker, Minnesota 55308

Vonco II, LLC  
Attn: Chris Guillemette, Vice President  
15301 140<sup>th</sup> Avenue Southeast  
Becker, MN 55308

I. **Authority.** Each Party attests that it has full power, authority and legal right to enter into this Agreement and to consummate the transactions contemplated hereby.

This Agreement has been duly authorized by requisite action by the School Board of the School District and the owner of Vonco II, LLC. Upon execution and delivery by each Party of this Agreement, it will be a valid and binding and obligation of each Party enforceable with its terms.

IN WITNESS WHEREOF, the Parties hereby execute and attest to this Agreement by their duly authorized representatives.

Dated: \_\_\_\_\_

Independent School District No. 726

By \_\_\_\_\_

Its \_\_\_\_\_

Approved by School Board

Action on \_\_\_\_\_ **[insert date]**

Dated: 6/19/2023

Vonco II, LLC

By *Chris Guillemotte*

Its Vice President