

MULTIMEDIA RIGHTS AGREEMENT

by and between

**THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL,
for its Department of Athletics,**

and

**TAR HEEL SPORTS MARKETING, LLC,
d/b/a Tar Heel Sports Properties,
and
LEARFIELD COMMUNICATIONS, INC.**

Effective as of July 1, 2008

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MULTIMEDIA RIGHTS AGREEMENT

This Multimedia Rights Agreement (this "Agreement") is made and entered into effective as of the 1st day of July, 2008, by and between The University of North Carolina at Chapel Hill, for its Department of Athletics ("University"), Tar Heel Sports Marketing, LLC, d/b/a Tar Heel Sports Properties, a Missouri limited liability company registered to do business in North Carolina ("THSP"), and Learfield Communications, Inc., a Missouri corporation registered to do business in North Carolina ("Learfield", and collectively with THSP, the "Contractor").

WITNESSETH:

WHEREAS, the University maintains and operates an athletics program which includes football, men's basketball, women's basketball, baseball, and other sports teams that participate in intercollegiate events;

WHEREAS, the University desires not only to arrange for radio broadcasts of baseball, football, and men's and women's basketball games in which its teams participate, but also to arrange for the promotion of the goodwill associated with the University's intercollegiate athletic programs through various promotional opportunities, including internet-based opportunities; production of television shows of its football and men's basketball coaches; signage and print opportunities; and other similar activities;

WHEREAS, Contractor is in the business of and possesses experience in sports marketing;

WHEREAS, University and Contractor desire to enter into this Agreement to extend and replace their existing Promotions, Sponsorships, and Broadcast Rights Agreement, dated as of December 17, 2002;

NOW, THEREFORE, in consideration of the premises, the mutual promises and undertakings herein contained, and for other good and valuable consideration, the receipt of which is hereby acknowledged, University and Contractor agree as follows:

1. Defined Terms. Whenever used in the Agreement, including in the Schedules and Exhibits hereto, the following terms shall have the meaning ascribed to them below. Other capitalized terms used in the Agreement are defined in the context in which they are used and shall have the meanings ascribed therein. The terms defined below include the plural as well as the singular.

"Adjusted Gross Revenue" means the sum of:

- (i) all revenues received or collected by Contractor from performing its obligations with respect to the Inventory;
- plus (ii) the Wholesale Value of all in-kind/trade goods and services derived from Inventory received by the Contractor in excess of \$100,000 (in Wholesale Value) in any contract year;

minus (iii) the Wholesale Value of all in-kind/trade goods and services, including cell phone goods and services, derived from Inventory received by the University in excess of \$100,000 (in Wholesale Value) in any contract year;

minus (iv) the dollar amount of agency commissions paid to or retained by advertising agencies;

minus (v) the dollar amount paid to other universities for sponsorship inventory fees so long as Contractor received advance consent from the University to make such purchase;

minus (vi) the dollar amount of any Contractor purchase of promotional space or promotional time in publications or other marketing outlets that are not controlled by the Contractor (e.g., purchases of promotional space in the General Alumni Association Alumni Review or in the Daily Tar Heel student newspaper), so long as Contractor received advance consent from the University to make such purchase; and

minus (vii) to the extent Contractor has included in subsection (i) above amounts received or collected which are subsequently refunded or paid over to the University, the dollar amount of any refunds made by Contractor to sponsors and any amounts collected by Contractor on behalf of University that have been paid over to University.

No other expenses, charges, fees, or any other diminutions are deductible from Adjusted Gross Revenue.

“Annual Rights Fee” has the meaning provided in Section 4.01.

“Annual Video Board/LED Board Signage Fee” has the meaning provided in Section 4.02.

“BCS Institution” means any institution of higher education that, as of the Effective Date, is a member of the Atlantic Coast Conference, Big 10 Conference, Big 12 Conference, Big East Conference, Pacific-10 Conference, or the Southeastern Conference.

“Contractor General Manager” means the general manager of THSP.

“Contractor Percentage” means (i) 49% between the Effective Date and June 30, 2011, and (ii) 43% between July 1, 2011 and the Expiration Date.

“Effective Date” means July 1, 2008.

“Event of Default” has the meaning provided in Section 11.01.

“Exclusivity Reduction” has the meaning provided in Section 4.05.

“Expiration Date” means June 30, 2021.

“Guaranteed Rights Amount” has the meaning provided in Section 4.01.

"Key Employee" means the Contractor General Manager, and each of Contractor's on-radio talent, on-television talent, and full-time sales staff that will perform obligations of the Contractor under this Agreement, regardless of whether such individuals serve as employees or independent contractors of Contractor.

"Inventory" means those rights granted to Contractor, as set forth on SCHEDULE A (as amended or modified in writing from time to time). Such rights are granted to the Contractor on an exclusive basis solely to the extent expressly stated on SCHEDULE A.

"Multimedia Agreement" has the meaning provided in Section 2.03.

"Olympic Sports" means all University intercollegiate sports teams, other than football and men's basketball.

"Revenue Share Amount" has the meaning provided in Section 4.01.

"University Contract Manager" means the University's Associate Athletic Director for Marketing and Promotions, or other designee of the University's Director of Athletics.

"University Percentage" means (i) 51% between the Effective Date and June 30, 2011, and (ii) 57% between July 1, 2011 and the Expiration Date.

"University Trademark Manager" means the University's Director of Trademarks and Licensing.

"Wachovia Sponsorship Agreement" means that certain Sponsorship Agreement, dated as of November 21, 2005, by and between the University and Wachovia Corporation, involving Wachovia Corporation's purchase of venue signage sponsorship rights and certain other sponsorship benefits for the period from November 21, 2005 through June 30, 2013.

"Wholesale Value" means 70% of fair market value.

"Works" has the meaning provided in Section 18.

2. Rights Granted.

2.01 Inventory Granted. Subject to the terms and conditions set forth in this Agreement, Contractor shall have the rights and obligations with respect to the Inventory that are described in SCHEDULE A, as amended from time to time. The terms and conditions on SCHEDULE A, including the Exhibits referenced therein, are incorporated herein by reference. In December of each contract year, the University Contract Manager and Contractor shall meet to review the Inventory and mutually agree on any amendments to such Inventory, which amendments shall be reduced to writing in accordance with Section 25.

2.02. Other University Promotions. Contractor acknowledges and agrees that the rights herein granted shall neither preclude nor prohibit the University from engaging in other promotional activities, sponsorships, or marketing activities which are related to University programs and activities, including activities and personnel of the University Athletics Department not specifically listed on SCHEDULE A, so long as such University programs and activities are not inconsistent with the rights granted to Contractor on SCHEDULE A. Contractor shall have the "First Right to Acquire" described in Section 6.03.

2.03. Copies of Multimedia Agreements. Upon request, Contractor shall allow the University or its authorized representatives to inspect a copy of any agreement the Contractor enters into in performing its obligations with respect to the Inventory (any such agreement, a "Multimedia Agreement").

3. Contract Term.

3.01. Term. The term of this Agreement shall be for thirteen (13) contract years beginning on the Effective Date and ending on Expiration Date, unless terminated at an earlier date as provided for herein. The first contract year shall begin on the Effective Date and end on June 30, 2009; the second contract year shall begin on July 1, 2009, and end on June 30, 2010; and so on until the contract ends on the Expiration Date, unless earlier terminated as provided herein. Although this Agreement may be executed on a date other than the Effective Date, the parties intend that the Agreement shall commence on the Effective Date.

3.02. Multimedia Agreements. Upon the early termination of this Agreement, the rights herein granted to Contractor shall survive such early termination through assignment of any Multimedia Agreements held by Contractor to another sports marketing company approved by University, or if no such other sports marketing company suitable to the University can be found, to the University. Contractor shall not enter into any Multimedia Agreement unless it includes a provision to the effect that the rights and obligations granted under such Multimedia Agreement shall survive any early termination of this Agreement through assignment of the Multimedia Agreement by Contractor to another sports marketing company approved by University, or if no such other sports marketing company suitable to the University can be found, to the University. Contractor shall not enter into any Multimedia Agreement with a term that extends beyond the Expiration Date. Contractor agrees to execute any and all documents and take any and all actions necessary to execute the assignments contemplated by this paragraph.

4. Royalty Fees. In consideration of the rights and privileges granted to Contractor by the University under this Agreement, Contractor shall pay the University Athletics Department the following royalty fees.

4.01. Annual Rights Fee. Commencing on the Effective Date, and in each contract year thereafter, Contractor shall pay the University Athletics Department an annual rights fee (the "Annual Rights Fee") in accordance with the table set forth below in an amount equal to the greater of (a) the guaranteed annual rights fee ("Guaranteed Rights Amount"), or (b) the dollar

amount equal to the applicable revenue share percentage multiplied by the Adjusted Gross Revenue for such contract year (“Revenue Share Amount”).

Annual Rights Fee		
Contract Year	Guaranteed Rights Amount	Revenue Share Percentage
July 1, 2008 – June 30, 2009	\$5,780,000	51%
July 1, 2009 – June 30, 2010	\$6,324,000	51%
July 1, 2010 – June 30, 2011	\$6,567,856	51%
July 1, 2011 – June 30, 2012	\$6,661,565	57%
July 1, 2012 – June 30, 2013	\$6,755,122	57%
July 1, 2013 – June 30, 2014	\$6,848,525	57%
July 1, 2014 – June 30, 2015	\$6,941,770	57%
July 1, 2015 – June 30, 2016	\$7,034,852	57%
July 1, 2016 – June 30, 2017	\$7,127,769	57%
July 1, 2017 – June 30, 2018	\$7,220,515	57%
July 1, 2018 – June 30, 2019	\$7,313,087	57%
July 1, 2019 – June 30, 2020	\$7,405,481	57%
July 1, 2020 – June 30, 2021	\$7,497,693	57%

The Annual Rights Fee shall be due and payable by Contractor as follows: (a) the Guaranteed Rights Amount shall be payable in two equal installments on or before December 31 and June 30 of each contract year, with the first semi-annual installment of the Guaranteed Rights Amount being due and payable on December 31, 2008; and (b) no later than thirty (30) days following the end of each contract year, Contractor shall provide an accounting of all Adjusted Gross Revenue for the immediately preceding contract year and shall remit payment to the University Athletics Department for the amount, if any, that the Revenue Share Amount exceeds the Guaranteed Rights Amount for such contract year.

4.02. Annual Video Board/LED Board Signage Fee. In addition to the fee described in Section 4.01, Contractor shall pay the University Athletics Department an annual video board/LED board signage fee (“Annual Video Board/LED Board Signage Fee”) equal to: (i) \$250,000 for the first contract year, and (ii) \$300,000 for each contract year thereafter while this Agreement is in effect. The Annual Video Board/LED Board Signage Fee shall be payable in two equal installments on or before December 31 and June 30 of each contract year, with the first semi-annual installment to be due and payable on December 31, 2008. The Annual Video Board/LED Board Signage Fee is intended for the use of the University Athletics Department to support the continued enhancement or expansion of video board and LED fascia board installations at athletic venues, actions likely to lead to incremental promotional inventory (including, for example, at the Smith Center, Kenan Stadium, Carmichael Auditorium, Boshamer Stadium and Fetzer Stadium).

4.03. Contract Renewal Incentive Fee. In addition to the other fees described in 4.01 and 4.02, Contractor agrees to pay the University Athletics Department a one-time contract

renewal incentive fee of \$1,000,000 to be paid within thirty (30) days of the date this Agreement is fully executed.

4.04 Payments. The amounts to be paid by the Contractor to the University Athletics Department under this Agreement shall be made payable to The University of North Carolina at Chapel Hill and shall be delivered to the Director of Athletics, CB# 8500, Ernie Williamson Athletic Center, The University of North Carolina at Chapel Hill, Chapel Hill, North Carolina 27599-8500. If any payment is not made by Contractor within thirty (30) days of when due, such past due amount shall accrue a late charge of the lesser of (a) 1% per month or (b) the highest rate allowable by law, in each case compounded monthly to the extent allowable by law.

4.05 Exclusivity Reduction.

4.05.1 The parties agree that a non-recurring \$217,855 reduction in the Annual Rights Fee is warranted to compensate the Contractor for the net proceeds the Contractor was unable to capture due to certain exclusive sponsorship rights granted directly by the University Athletics Department prior to the date of this Agreement which foreclosed the Contractor from pursuing certain business opportunities (such reduction, the "Exclusivity Reduction"). The Exclusivity Reduction shall be made as follows. At the conclusion of the first contract year of this Agreement that the Revenue Share Amount exceeds the Guaranteed Rights Amount, the Annual Rights Fee for such contract year will be reduced by the lesser of (a) \$217,855 and (b) the difference between the Revenue Share Amount and the Guaranteed Rights Amount for such contract year. If the Revenue Share Amount exceeded the Guaranteed Rights Amount by less than \$217,855 for such contract year, then the amount of the shortfall shall be deducted from the Annual Rights Fee at the end of the following contract year (or contract years) in which the Revenue Share Amount exceeds the Guaranteed Rights Amount, until a cumulative reduction of \$217,855 in the Annual Rights Fee has been achieved.

4.05.2 The parties further agree that if, following the Effective Date, the University Athletics Department grants exclusive sponsorship rights to a for-profit entity, resulting in Contractor's being required to terminate or nonrenew any Multimedia Agreement held by Contractor at the time of such grant and reasonably expected to continue in effect through the term of this Agreement, then during each remaining full contract year of this Agreement that the University Athletics Department's grant of exclusive sponsorship rights remains in effect, the Annual Rights Fee shall be reduced by an amount equal to (a) the Contractor Percentage, multiplied by (b) the average annual revenue received or collected by Contractor over the term of such Multimedia Agreement. Contractor agrees that, if the University Athletics Department advises Contractor that it is considering granting an exclusive sponsorship right, Contractor will, within seven days thereafter, provide University with a list of each Multimedia Agreement held by Contractor that Contractor believes would have to be terminated or non-renewed as the result of such grant and with the average annual revenue that Contractor would otherwise expect to receive or collect from such Multimedia Agreement.

4.06 Reduction to Annual Rights Fee. Notwithstanding anything contained in this Agreement to the contrary, the Contractor and University will negotiate in good faith a fair and

equitable reduction in the Annual Rights Fee if any one or all of the following events occur, directly causing Adjusted Gross Revenue to drop more than five (5) percent below its average for the three (3) contract years immediately preceding such event:

4.06.1. The University's football or men's basketball team incurs sanctions which prohibits any of them from appearing in conference championship games or post season conference, NCAA, or NIT tournaments (basketball) or playoff/bowl games (football) or materially reduces the number of scholarships that can be offered, or games that can be played; or

4.06.2. The University's football or men's basketball program is no longer a member of the Atlantic Coast Conference (or any subsequent conference); or

4.06.3. The football or men's basketball program is eliminated; or

4.06.4. Should any acts of terrorism, acts of state or the United States, strikes, labor shortages, epidemics or any natural disaster, including, but not limited to, flood, fire, earthquake, tornado, hurricane or extremely severe weather condition, drought or loss of power (whether or not resulting from University negligence) prevent more than one (1) home football game or more than two (2) home men's basketball games from being played in any one season and such game(s) is not rescheduled.

5. Miscellaneous Contractor Obligations. As further consideration for the rights granted to Contractor herein, Contractor agrees to perform the requirements below.

5.01. Internship. Contractor agrees to provide a paid internship for each academic year during the term of this Agreement to be served in Chapel Hill for one University graduate student to be selected by Contractor, in consultation with the University Contract Manager. Each such intern shall be financially compensated by Contractor at the then-current intern rate set by the University Athletics Department.

5.02 Fulfillment of Obligations to Sponsors. Contractor agrees that University shall not be responsible for fulfilling obligations to individuals or entities that are party to any Multimedia Agreement with Contractor, unless the University has expressly agreed in writing to be so responsible. For purposes of illustration and not by way of limitation, the Contractor shall be responsible, with the assistance of the University Athletics Department staff, for providing its employees to fulfill or perform in-game promotions pursuant to Multimedia Agreements entered into by Contractor.

5.03 Financial Reports.

5.03.1 Preliminary Contract Year-End Report. On or before each June 30 occurring during the term of this Agreement, Contractor shall provide the University Contract Manager a preliminary contract year-end report, including the following information: (i) Annual Rights Fee payments made during the contract year then ending, (ii) detail of Adjusted Gross Revenue calculation for the contract year then ending, (iii) other payments, reimbursements and

credits made during the contract year then ending, and, and (iv) a schedule of accounts receivable with detail showing the amounts invoiced to each sponsor, amounts collected and outstanding balances.

5.03.2 Contract Year-End Reconciliation Reports. On or before each September 30 and December 15 occurring during the term of this Agreement and no later than six (6), twelve (12) and eighteen (18) months after the termination of this Agreement, Contractor shall provide the University Contract Manager with an updated reconciliation report for the contract year most recently ended, including the following information: (i) Annual Rights Fee payments made during the contract year most recently ended, (ii) detail of Adjusted Gross Revenue calculation for contract year most recently ended, (iii) other payments, reimbursements and credits made during the contract year most recently ended, and (iv) a schedule of accounts receivables with detail showing the amounts invoiced to each sponsor, amounts collected and outstanding balances.

5.03.3 Progress Reports. Promptly after each April 30 occurring during the term of this Agreement, Contractor shall provide the University Contract Manager a progress report with respect to the then current contract year, including the following information: (i) Annual Rights Fee payments made during the period then ending, (ii) detail of Adjusted Gross Revenue calculation for the period then ending, (iii) other payments, reimbursements and credits made during the period then ending, and, and (iv) a schedule of accounts receivables with detail showing the amounts invoiced to each sponsor, amounts collected and outstanding balances.

5.04 Wachovia Agreements.

5.04.1. The Contractor shall enter into an assignment agreement with the University to be effective as of the Effective Date, pursuant to which the University shall assign to the Contractor the University's rights and obligations under that certain Agreement with Wachovia Corporation, dated as of November 21, 2005, relating to Wachovia Corporation's purchase of radio broadcast spots and certain other sponsorship benefits for the period from July 1, 2011 through June 30, 2013.

5.04.2. Contractor acknowledges that the University is a party as of the Effective Date to the Wachovia Sponsorship Agreement. Contractor represents and warrants that it has received a copy of this agreement and understands the University's rights and obligations thereunder. Contractor shall not take any action that would cause the University to violate or breach any of the terms of the Wachovia Sponsorship Agreement.

6. Rights Excluded.

6.01. Rights Excluded Generally. Contractor acknowledges and agrees that any rights not expressly granted to Contractor under this Agreement are retained by the University and are not conveyed to Contractor. The following rights and activities are, without limitation, among those not conveyed by this Agreement.

6.01.1. Rights for post-season or other special athletic events involving a University athletic team or athletes that are sponsored by or hosted by the National Collegiate Athletic Association ("NCAA"), Atlantic Coast Conference ("ACC"), or any other non-University organization, whether held in University athletic facilities or non-University athletic facilities; provided, however, that Contractor shall have the right to produce and broadcast on radio post-season football, men's basketball, women's basketball, and baseball games and to sell and secure promotional support for such broadcasts.

6.01.2. Talent, personal service, endorsement, and merchandising rights of coaches and the athletic director;

6.01.3. All athletic shoe, apparel, and equipment rights for University intercollegiate sports;

6.01.4. Promotions and personal appearances by the University's mascot, band, and cheerleaders;

6.01.5. Activities of any University unit other than the Department of Athletics or activities of any non-University organization (including University-affiliated foundations and student organizations);

6.01.6. Promotion of sports camps and clinics organized and conducted by either the University through its Department of Athletics or by any of its coaches;

6.01.7. Delivery of public speeches or public appearances by coaches (other than those described on SCHEDULE A);

6.01.8. Licensing of University trademarks pursuant to the University's licensing program, which shall continue to be separately administered by the University Trademark Manager, and promotions developed or produced by The Collegiate Licensing Company, Inc. or any other designated licensing agent of the University;

6.01.9. Sideline rights agreements for isotonic type sports beverages;

6.01.10. The University promotions and activities described in Section 2.02;

6.01.11. The rights granted to Wachovia Corporation and its successors and assigns under the Wachovia Sponsorship Agreement;

6.01.12. Concessions sales, vending machine sales, parking rights, apparel and merchandise sales at venues, and equipment leases at venues; and

6.01.13. Naming rights for University facilities.

6.02. Sales Outside Scope of Agreement. Contractor acknowledges and agrees that its rights with respect to the Inventory are limited to the rights expressly granted under this Agreement. If Contractor grants rights to third parties that the Contractor does not have the authority to grant under this Agreement or contracts with third parties without fulfilling Contractor's obligations pursuant to Section 12.02 of this Agreement, then the University, at its sole discretion, shall have the right to either (a) disavow and nullify the grant to such third parties by providing written notice of the same to the Contractor and the third party, or (b) honor the grant of such unauthorized rights, subject to payment by the Contractor to the University of a penalty fee equal to 25% of the revenues received or collected by Contractor from such third party relationship, in addition to including such revenues in the calculation of the Annual Rights Fee due the University Athletics Department pursuant to Section 4.01.

6.03. First Right to Acquire.

6.03.1 Subject to Sections 6.03.2 and 6.03.3 below, if, during the term of this Agreement, the University Athletics Department decides to offer to third parties promotional rights pertaining to the Athletics Department which are within the control of the Athletics Department and which are not included in the Inventory, then the University Athletics Department shall have the right to offer such promotional rights directly to one or more third parties without using the services of Contractor or any other sports marketing firm.

6.03.2 If the University Athletics Department wishes to offer such promotional rights directly to third parties without using the services of the Contractor or any other sports marketing firm, the University Athletics Department agrees that it will first consult with the Contractor and will give good faith consideration to any proposals offered by the Contractor.

6.03.3 If the University Athletics Department elects to use the services of a sports marketing firm to sell or market such promotional rights, then Contractor shall have a first right to acquire such promotional rights on terms and conditions that are no less favorable to Contractor than the terms and conditions to be offered to the other sports marketing firm. If, thirty (30) days after the University Athletics Department has offered such promotional rights to Contractor, Contractor has not agreed in writing to acquire such newly available rights from University, then the University Athletics Department shall be free to offer such promotional rights to other sports marketing firms so long as the terms and conditions offered to the other sports marketing firms are no more favorable than the terms and conditions that were offered to Contractor.

7. Notices. All notices and statements provided for herein shall be in writing and shall be deemed given if sent by registered or certified mail, postage prepaid, or by an overnight delivery service that provides for verification of delivery, addressed to the parties at their addresses set forth below or at such other addresses as either party may from time to time designate to the other:

If to the University:

Director of Athletics
CB# 8500, Ernie Williamson Athletic Center
450 Skipper Bowles Drive
The University of North Carolina at Chapel Hill
Chapel Hill, North Carolina 27599-8500

With Copies to:

Associate Athletic Director for Marketing & Promotions
CB# 8500, Ernie Williamson Athletic Center
450 Skipper Bowles Drive
The University of North Carolina at Chapel Hill
Chapel Hill, North Carolina 27599-8500

Vice Chancellor and General Counsel
CB# 9105
The University of North Carolina at Chapel Hill
Chapel Hill, North Carolina 27599-9105

With Copy to (for trademark approvals):

Director of Trademarks and Licensing
CB #1500, 15 Lenoir Hall
The University of North Carolina at Chapel Hill
Chapel Hill, North Carolina 27599-1500

If to Contractor:

General Manager
Tar Heel Sports Properties
6350 Quadrangle Dr
Chapel Hill, NC 27517

Greg Brown
Learfield Communications, Inc.
2400 Dallas Parkway, Suite 500
Plano TX 75093

With Copy to:

Phil Kaiser
The Kaiser Law Firm
12231 Manchester Road
St. Louis, MO 63131

8. Payment/Performance Guarantee.

8.01. Performance Bond. Commencing on the Effective Date and on July 1 in each contract year thereafter, Contractor shall furnish and deliver to the University Athletics Department a performance bond in form and content satisfactory to the University Athletics Department and in an amount equal to the Guaranteed Rights Amount for such year as security for the performance of this Agreement and as security for the payment of the Guaranteed Rights Amount. This bond shall be maintained in force and effect during the entire term of this Agreement, including any renewal terms. The University Athletics Department shall have the right to approve the issuing insurer and the form of the bond. Failure to deliver the required security or failure to maintain said security throughout the term of this Agreement shall be deemed a material breach pursuant to Section 11.01.2 and entitle the University to immediately terminate this Agreement upon expiration of the applicable cure period.

8.02. Non-Competitive Terms. On or before January 15, 2016 and each January 15 thereafter, the parties shall meet, if requested by the University Athletics Department, to review the terms of this Agreement and to share data with one another as needed to determine if the financial terms of this Agreement are such that this Agreement is one of the top three (3) multimedia deals in Contractor's portfolio in terms of both the Guaranteed Rights Amount and the effective Revenue Share, taking into account applicable thresholds, all contractually guaranteed payments, inventory offerings and other deal-specific terms. To that end, the following items will be recognized and considered during the comparative analysis: front-loaded guaranteed rights payments, the overall inventory offerings in the multi-media agreement (e.g., radio, television, print, official athletic website including on-line auctions and subscription based audio and video products, venue signage, promotions, luxury suites, coaches endorsements, concessions, pouring rights, isotonic beverage rights, etc.), and cultural tolerances for prohibited sponsorship categories. If there are fewer than ten (10) BCS Institutions in the Contractor's portfolio of multimedia deals at the time of such review, then the parties shall conduct this comparative review of the financial terms of this Agreement against the top three (3) multimedia deals in the nation. Contractor will provide information and appropriate documentation to the University Athletics Department or its authorized representative to substantiate the rights fee valuation provided. If the University Athletics Department does not agree with the valuation provided by Contractor, it may conduct its own review of the applicable multimedia sports marketing agreements and provide evidence of a different valuation if one is found. If after the aforementioned review, the financial terms of this Agreement are not deemed by both parties to be among the top three (3) of the applicable multimedia sports marketing agreements, both parties shall negotiate in good faith at that time an amendment to this Agreement. Should the parties not reach a mutually acceptable agreement by March 31 of the applicable contract year, then the University shall have the right to terminate the Agreement due to non-competitive terms effective at the end of that contract year, subject to the buyout provisions in Section 8.03.

8.03. Buyout Payment.

8.03.1 In the event the University elects to terminate this Agreement pursuant to Section 8.02, the buyout payment from University to Contractor will be calculated as follows, with payment to be made 60 days after the termination of this Agreement:

Buyout Amount = \$3,900,000 multiplied by X divided by 13, where "X" equals the number of contract years remaining under this Agreement.

8.03.2 In the event this Agreement is terminated pursuant to Section 11.05, the buyout payment from University to Contractor will be calculated in the same manner as in 8.03.1; provided, that (i) the buyout amount shall be capped at \$1,500,000 if the Agreement is terminated during the 2008-2009 contract year, (ii) the buyout amount shall be capped at \$2,000,000 if the Agreement is terminated during the 2009-2010 contract year, and (iii) the buyout amount shall be capped at \$2,500,000 if the Agreement is terminated during the 2010-2011 contract year.

9. Insurance/Indemnification.

9.01. Indemnity.

9.01.1. Contractor shall be responsible for and shall indemnify and hold harmless the University and its officers, agents, and employees from and against any and all loss, claims, damages, liabilities, judgments, penalties, fines, and costs related thereto, including attorney's fees, of any nature arising out of or resulting directly or indirectly from the performance of the Agreement by the Contractor, or by Contractor's employees, suppliers, and agents, including, without limiting the generality of the foregoing, all loss, claims, damages, liabilities, and costs of suit, including attorney's fees, for personal or bodily injury or death, damages to property, or liens of workmen and materialmen, proximately caused by the performance of this Agreement by Contractor and not caused by the negligence or willful act or omission of the University.

9.01.2. Subject to the limitations under North Carolina law, including the North Carolina Tort Claims Act (NCGS § 143-291, *et. seq.*), the University shall be responsible for and shall indemnify and hold harmless the Contractor and its officers, agents, and employees from and against any and all loss, claims, damages, liabilities, judgments, penalties, fines, and costs related thereto, including attorney's fees if the State of North Carolina declines to provide Contractor with counsel, of any nature arising out of or resulting directly or indirectly from the performance of the Agreement by the University, or by the University's employees and agents, including, without limiting the generality of the foregoing, all loss, claims, damages, liabilities, and costs of suit, including attorney's fees if the State of North Carolina declines to provide Contractor with counsel, for personal or bodily injury or death, damages to property, or liens of workmen and materialmen, proximately caused by the performance of this Agreement by the University and not caused by the negligence or willful act or omission of the Contractor.

9.02. Insurance. Contractor shall obtain and maintain throughout the term of the Agreement at least the following policies of insurance from an insurance company and licensed insurance agent duly authorized to do business in North Carolina:

9.02.1. Commercial General Liability Insurance - Broad Form, written on an occurrence basis, with defense cost provided in excess of the limit of liability, that will protect and defend the Contractor and any subcontractors, their employees or agents performing work covered by this Agreement accordingly. The limits of coverages shall, at a minimum, be \$2,000,000 General Aggregate (other than Products - Completed Operations), \$2,000,000 Products and Completed Operations Aggregate, \$2,000,000 personal and advertising injury per occurrence, \$2,000,000 Bodily Injury and Property Damage per person, per occurrence, \$50,000 any one fire and \$5,000 medical expense any one person.

9.02.2. Automobile insurance providing bodily injury, property damage, uninsured motorists, and under-insured motorists liability coverages and medical payments coverage when an automobile or other motor vehicle is used for any purpose directly related to the Agreement - including transportation of employees, supplies, or materials when provided at the expense or specific instruction of the Contractor, any subcontractor, or the employees or agents of either. Coverages shall extend to any auto, owned or non-owned, including hired vehicles, operated directly in conjunction with the terms of this Agreement. The limits of liability insurance shall, at a minimum, be \$1,000,000 combined single limit bodily injury and property damage per occurrence with comparable afforded Uninsured Motorists and Under-insured Motorists coverages and a minimum of \$5,000 per person Medical Payments coverage.

9.02.3. Statutory Workers' Compensation and a minimum of \$150,000 Employer's Liability Insurance covering all of the Contractor's and any subcontractors' employees while engaged in any work under this Agreement, as may be required by the State of North Carolina.

9.02.4. Broadcaster's Libel Insurance; Multi-Media coverage - \$2,000,000 each occurrence, \$5,000,000 annual aggregate.

9.02.5. Contractor agrees to maintain these insurance coverages in force during the entire term of this Agreement, including all renewal terms. The company or companies providing the foregoing insurance coverages must have at least an "A" Best Rating or rating equivalent and must be registered or qualified to do business in the State of North Carolina and must be registered with the State of North Carolina Department of Insurance.

9.02.6. Contractor shall provide copies of insurance binders (or certificates in lieu thereof) with respect to each of the insurance policies to be maintained in compliance with the provisions of this Section 9 prior to the effective date of the Agreement. Each binder (or certificates in lieu thereof) and policy required to be obtained and maintained pursuant to this Section 9 shall provide that it may not be amended, modified, or canceled without a minimum of

thirty (30) days' notice to the University Athletics Department. Upon written request, Contractor agrees to provide the University Athletics Department with a copy of any or all policies.

9.02.7. Neither the failure of the Contractor to continually maintain the required minimum insurance or bonding coverages, nor applicable policy deductibles, shall relieve the Contractor of the responsibility for acts of the Contractor, any subcontractors, or the employees or agents of either.

9.03. Further Indemnity. The Contractor warrants that any exercise of any rights granted to it herein shall contain no libelous, obscene, or other unlawful matter, and that any content associated with the exercise of any right granted hereunder to Contractor does not and will not infringe upon the statutory or common law copyright or any other right of any person or property anywhere in the world. The warranties and agreements herein shall survive the termination for any reason of this Agreement. The Contractor agrees to indemnify and hold harmless the University for any claim against or damage suffered by the University as a consequence of the Contractor's violation of this provision.

10. Licenses/Taxes. Contractor at no expense to the University shall obtain all permits and licenses necessary and required for the performance of its activities hereunder. Contractor further agrees to pay all taxes, employee taxes and contributions, fees, and levies applicable to and incurred by Contractor in the performance of its activities hereunder.

11. Termination.

11.01. Default or Material Breach. The occurrence of any of the following actions or events shall constitute an event of default ("Event of Default") under this Agreement:

11.01.1. Payment Default. Failure of Contractor to timely pay any fee or other amount payable under this Agreement when due and continuation of such failure for a period of fourteen (14) days after written notice of such failure is received by Contractor; or

11.01.2. Performance Bond/Insurance. Failure of Contractor to deliver or to maintain throughout the term of this Agreement, including any renewal terms, the performance bond required by Section 8.01 hereof or any of the insurance coverages required by Section 9 hereof and continuation of such failure for a period of fourteen (14) days after written notice of such failure is received by Contractor; or

11.01.3. Breach. Failure or refusal by Contractor or the University to observe or perform any material covenant, condition, or agreement on its part to be observed or performed under this Agreement for a period of fourteen (14) days after receipt by the defaulting party of written notice from the other party specifying with particularity such failure and requesting that it be remedied; provided that there shall be no default or event of default if within fourteen (14) days after the date of receipt by the defaulting party of such written notice of default such party institutes steps to effectuate compliance with this Agreement and proceeds

diligently and continuously to effect compliance until the same is completed, the same to be completed within a period of not more than sixty (60) days.

11.01.4 Bankruptcy. Commencement of a bankruptcy filing by THSP or Learfield or commencement of any related action seeking to have THSP or Learfield adjudicated bankrupt or insolvent, or seeking reorganization, winding-up, liquidation, dissolution, or other relief with respect to the debts of THSP or Learfield.

11.02. Termination. Upon the occurrence of any Event of Default, or at any time thereafter during the continuation of such Event of Default, the University, or the non-defaulting party in the case of an Event of Default under Section 11.01.3 above, shall have the right to terminate this Agreement without penalty and without any right on the part of the defaulting party to waive the Event of Default by payment of any sum due or by other performance of any condition, term, obligation, or covenant broken, except as permitted herein. Such right of termination shall be exercised by providing written notice to the other party stating the effective date of termination.

11.03. Non Exclusive Remedy. No right or remedy herein conferred upon or reserved to either party hereto is intended to be exclusive of any other right or remedy herein or by law provided, but each shall be cumulative and in addition to every other right or remedy given herein or now or hereafter existing at law or in equity or by statute.

11.04. Injunctions. In addition to any other remedies permitted by law, should either party violate the terms set forth herein, the non-violating party shall be entitled to seek injunctive relief against the other to restrain any further violation of these provisions. The non-prevailing party shall pay, to the extent awarded by a court of competent jurisdiction and permitted by North Carolina law, all costs and expenses associated therewith, including reasonable attorney's fees.

11.05 Cancellation. The University reserves the right to cancel this Agreement without penalty if it is required to do so in order to comply with rules, regulations, or requirements of the NCAA or ACC or as a result of sanctions against the University imposed by the NCAA or ACC.

11.06. No Breach. The parties hereto agree that the termination of employment or the resignation of any University coach for any reason, including without limitation, death, disability, retirement, or termination for cause or without cause, shall not be deemed a breach or an Event of Default of this Agreement.

11.07. No Liability. In the event of any cancellation or termination of this Agreement by the University pursuant to this Section 11, except cancellation or termination resulting from an Event of Default by the University, Contractor hereby agrees that the University shall have no liability to Contractor for any costs, expenses, damages, loss of profits, or any indirect, consequential, or special damages arising from or proximately caused by such cancellation or termination. In the event of termination of this Agreement by the University pursuant to Section 8.02 or Section 11.05, Contractor hereby agrees that the University shall have no liability to Contractor for any costs, expenses, damages, loss of profits, or any indirect, consequential, or

special damages arising from or proximately caused by such cancellation or termination, other than the applicable buyout payment required by Section 8.03.

12. Further Undertakings. With respect to the rights granted to Contractor under Section 2 hereof, the following provisions and conditions shall apply:

12.01. Contractor Best Efforts / Production Costs.

(a) Contractor will use its best efforts to maximize Adjusted Gross Revenue by the active exercise of all rights granted Contractor under this Agreement.

(b) Costs and expenses associated with material, equipment, labor, and facilities that are required:

(i) for use solely by the Contractor to produce the Contractor's media productions under this Agreement, shall be the responsibility of the Contractor;

(ii) for shared use by the Contractor and the University to perform their respective media production obligations under this Agreement, shall be shared such that the Contractor will be responsible for the Contractor Percentage of such costs and the University will be responsible for the University Percentage of such costs; provided that the Contractor's obligation under this subsection (b)(ii) shall be limited to an annual cap equal to \$12,500 in year one of the Agreement, and in each contract year thereafter, 3% greater than the cap for the immediately preceding contract year; and

(iii) for use solely by the University to perform its media production obligations under this Agreement, shall be the responsibility of the University. The University will pay for the production costs relating to videoboard, LED boards and score boards, and shall pay for any maintenance and repair costs necessary to keep such equipment in working condition.

(c) Except as otherwise provided herein, Contractor, at its expense, shall be responsible for securing all rights, clearances, releases, and licenses as may be required with respect to the rights of all persons appearing in any promotions produced or authorized by Contractor and with respect to the use of copyrighted materials and music used in connection therewith. The University Athletics Department reserves the right to approve on-air talent, in addition to University head coaches, who may appear in any such promotions, which approval will not be unreasonably withheld.

(d) Contractor and the University Contract Manager shall meet on an annual basis to mutually agree on equipment needs and other needs relating to media production material, labor, and facilities, and to mutually agree on the parties' respective obligations to pay for such expenses pursuant to the terms of this Section 12.01.

12.02. Due Diligence with Respect to Third Parties. Before entering into or amending or extending any Multimedia Agreement with a third party, Contractor shall submit to the University Athletics Department the name of such third party, together with a brief due diligence report on any adverse public relations implications associated with the third party that would reflect poorly on the University or its Athletics Department.

12.03. Approval of Third Parties. For the purpose of protecting the name, goodwill, and reputation of the University, Contractor shall not enter into any Multimedia Agreement with a party described in Section 12.02 unless the Contractor has received pre-approval of such prospective sponsor from the University Athletics Department, which pre-approval shall not be unreasonably withheld. Contractor shall include a provision in each Multimedia Agreement entered into, amended, or extended after the Effective Date to the effect that Contractor may immediately terminate such agreement upon the University's request if the University determines, in its sole discretion, that association with the third party has or is likely to have a material adverse impact on the reputation or good name of the University. Contractor agrees to comply with any University request in this regard.

12.04. Prohibited Messages. For the purpose of protecting the name, goodwill, and reputation of the University and the University Athletics Department, the University Athletics Department reserves the right, upon request, to approve the editorial content and format of all third party messages developed or contemplated in connection with third parties' Multimedia Agreements with Contractor, such approval not to be unreasonably withheld. In this regard, the Contractor shall not permit the promotion of alcoholic beverages, gambling, sexually explicit matters, firearms, or tobacco with respect to any of the Inventory. Contractor shall also include in its affiliation agreements with local radio broadcasting stations a provision which prohibits any such messages during or in connection with the broadcast of University athletic events. Contractor also shall not permit any messages that imply endorsement by the University or the Athletics Department of a third party's product or service, beyond the designations of "official partner" or "official sponsor" of UNC Athletics or a substantially similar designation. The Contractor shall not permit endorsement of a product or service by a coach or other employee of the Department of Athletics without the written consent of University.

12.05. University Promotions. At the request of the University Athletics Department, Contractor will include in its broadcasts and promotional activities any announcements or other program material furnished by the University Athletics Department in accordance with Exhibit A, Section 12, and Exhibit B, Section 8. These announcements or materials will be for the purposes of encouraging attendance at University games, promoting the University and its programs, and emphasizing the scholastic standing of University student-athletes. Under no circumstances can such announcements or materials be used for any commercial underwriting or commercial marketing of any kind, other than for marketing products or services available in-stadium or in-venue, and the time allotted for such announcements or the space allotted for such materials shall in both instances be reasonable as mutually agreed upon by the parties.

12.06. Trademarks and Licensing Approval. With regard to any promotions which will involve the use of the University's name or registered trademarks, servicemarks, logos, and

symbols, Contractor agrees to submit the promotional proposal to the University Trademark Manager for review and approval, which approval shall not be unreasonably withheld or delayed. In most cases, the University Trademark Manager should be able to communicate a decision to Contractor within 15 business days after receiving a proposal from Contractor. If the proposal is approved by the University Trademark Manager, then the third party shall be required to execute the University's or its agents' standard licensing agreement or other appropriate licensing documents prior to any use of the University's indicia. In addition to any other fees which a third party may agree to pay to Contractor, the third party shall pay a royalty to the University or its agent, as directed by University Trademark Manager, for the use of its indicia, unless such royalty is waived by the University Trademark Manager. Also, the University gives Contractor permission to use, subject to approval by the University Trademark Manager, which approval shall not be unreasonably withheld or delayed, the University's trademarks and other indicia at no charge in connection with Contractor's activities hereunder with no right to sublicense or to license others; provided, however, that Contractor's use of the University's indicia shall be subject to those restrictions and conditions which may be established from time to time by the University Trademark Manager. It is understood that the University Athletics Department does not control the University's licensing rights. However, the University Athletics Department agrees that any time the University Athletics Department (a) considers, or (b) learns that the University Trademark Manager is considering making a corporation a licensed partner of the University for the purpose of establishing a promotional or advertising program in the marketplace focused primarily on University Athletics, the University will first discuss the proposed promotional relationship with the Contractor; provided, however, that this requirement does not apply with respect to apparel companies who have a significant contractual relationship with the University already in place as of the Effective Date of this Agreement.

12.07. Marketing Plan. No later than December of each contract year, Contractor shall make available to the University Athletics Department for review and consultation its plan for generating Adjusted Gross Revenue for the forthcoming contract year. The plan shall identify all projects which Contractor anticipates pursuing during the new contract year and plans for contacting those individuals and businesses who have been traditional supporters of the University and its athletic programs.

12.08. Meetings. After the execution of this Agreement, Contractor and the University Contract Manager shall meet at least quarterly, upon the University Contract Manager's request, for the purpose of reviewing and discussing new promotional opportunities, to review all Multimedia Agreements, both exclusive and non-exclusive, and otherwise discuss and review Contractor's performance hereunder.

12.09. Exclusive Contracts. The University Contract Manager and the University Trademark Manager shall each have the right to review and approve in advance all exclusive Multimedia Agreements entered into by Contractor, which approval will not be unreasonably withheld. Such Multimedia Agreements shall not exceed the rights granted to Contractor in Section 2 hereof. No exclusive Multimedia Agreement shall preclude the University's Office of Trademarks and Licensing from granting licenses to third parties, directly or through its agent, for the use of the University's marks and/or indicia in connection with the manufacture, sale,

distribution, or promotion of products, services, or businesses with respect to University units other than the Department of Athletics.

12.10. Personnel. No Key Employee may begin performing work under this Agreement without the prior written approval of the University Athletics Department, such approval not to be unreasonably withheld. Contractor recognizes and agrees that the selection and hiring of Key Employees who possess expertise and professional skills to carry out Contractor's obligations hereunder and in the course thereof to reflect positively on the name and reputation of the University is an essential condition to inducing the University to enter into this Agreement with Contractor. The Contractor shall not permit any Key Employee (a) to use information relating to the University's current or former coaches or student-athletes that was gathered in the course of the Key Employee's work for the Contractor for their personal financial gain (including without limitation, writing books, magazine or internet articles, or through speaker events or media appearances), or (b) to use generally available information relating to the University's current or former coaches or student-athletes for their personal financial gain (including without limitation, writing books, magazine or internet articles, or through speaker contracts or media appearances), or (c) to write generally for publications or internet sites that compete with the official publications or internet sites of the University's athletics program. Contractor agrees to remove from assignment to University projects any Key Employee of the Contractor whose work or performance under this Agreement is considered by the University Athletics Department to have a material adverse impact on the reputation or good name of the University, unless the basis for the University's objection is cured within fourteen (14) days (or lesser time as may be specified herein) following the date of the University's notice to Contractor of its dissatisfaction with or objection to such individual's performance or work hereunder.

12.11 Third Party Agreements Involving Coaches. If any Multimedia Agreement with a third party involves the services of a head coach by name, then such Multimedia Agreement shall provide for its automatic termination upon either the termination or cancellation of that head coach's employment contract with the University or reassignment of such coach to a position other than head coach.

12.12. Misleading Activity. Contractor agrees that if it is notified in writing that any products or services promoted on any radio or television program or in connection with any other promotion activity hereunder are being presented in a manner which is not factual and accurate, is misleading, or is in violation of any applicable law, rule, or regulation, or that orders placed by individuals are not being fulfilled in complete compliance with the terms of the applicable agreement within the time advertised, and such allegations are verified, Contractor will take prompt action otherwise not inconsistent with applicable law to prevent any such promotion from being aired or published again.

13. Facilities.

13.01. Parking. The University Athletics Department will provide Contractor with sufficient parking passes or privileges for its personnel who are required for the production and broadcast of all home games controlled by the University Athletics Department. Contractor's

working personnel will be issued "Working Passes" by the University Athletics Department at no charge for each game. Contractor shall be responsible for distributing, controlling, and accounting for these passes.

13.02. University Assistance. For away games, the University Athletics Department will assist Contractor in making the necessary arrangements for access and admission of Contractor's broadcast personnel to the broadcast facilities controlled by the home team.

13.03. Broadcast Facilities. For home games, the University Athletics Department shall make available to Contractor reasonable broadcast facilities for the origination of the radio broadcast. These facilities shall include pressbox access (or courtside broadcasting access in the Smith Center) for working broadcast personnel, appropriate parking spaces, and sports information services.

14. Tickets. During each contract year, Contractor is guaranteed the opportunity to purchase at 50% of face value the following tickets up to the maximum number of tickets stipulated below. These tickets may be used by Contractor for promotional activities and/or any other purpose relating to this Agreement that is deemed in the best interest of the parties by the Contractor in consultation with the Athletic Director or his or her representative. Contractor must notify the University Athletics Department in writing of its ticket needs (within the maximums specified herein). Other than season basketball ticket locations specified below, tickets shall be from the best seats available, which are under the control of the Department of Athletics:

<u>Tickets</u>	<u># of tickets guaranteed by University for Contractor to purchase</u>
Season football tickets	Up to 400 (and unlimited number if game not sold out). Contractor to commit to final number by June 1 of each contract year.
Additional season football tickets (for legacy University Olympic Sports sponsors)	34 (at no cost) for the purpose of fulfilling obligations to Olympic Sports sponsors previously secured by the University. Such tickets shall be in the same general location as those previously assigned.
Individual game football tickets (Games for which individual tickets may be purchased will be determined by the University)	Up to 300 per game. Contractor to commit to final number for each game by July 1 of each contract year.
Football Bowl games (only for games in which University participates)	Up to 100. Contractor to commit to final number by 3 weeks before bowl game.

<u>Tickets</u>	<u># of tickets guaranteed by University for Contractor to purchase</u>
Season men's basketball tickets	<p>Up to 300. Contractor to commit to final number by September 1 of each contract year.</p> <p>43 shall be in the lower deck as follows:</p> <ul style="list-style-type: none"> • 12 seats in section 101 "courtside seats" • 11 seats in section 107, Row F • 4 seats in section 107, Row E • 4 seats in section 110, Row AA • 4 seats in section 128, Row BB • 8 additional seats in the lower deck for contract year 2008 – 2009 • Another 4 additional seats in the lower deck for contract year 2009 – 2010 thru contract year 2020-2021 (for a total of 47) <p>16 shall be no higher than row D, upper deck 12 shall be no higher than row B, upper deck 22 shall be no higher than row G, upper deck Remainder shall be the best available as determined by the athletic director</p>
Additional season men's basketball tickets (for legacy University Olympic Sports sponsors)	10 (at no cost) for the purpose of fulfilling obligations to Olympic Sports sponsors previously secured by the University. Such tickets shall be in the same general location as those previously assigned.
Individual game men's basketball tickets	Up to 100 per game except for NCSU and Duke home games. Up to 150 for NCSU and Duke home games. Contractor to commit to final number for each game by October 1 of each contract year. Use of Athletics Director's (AD's) booth for 2 games selected by AD, and 10 additional lower level seats for one additional game selected by AD from AD's allocation.
ACC Basketball Tournament tickets (complete sets)	Up to 70 if arena holds 25,000 or less. Up to 80 if arena holds more than 25,000. In each case, a minimum of 12 seats shall be in lower level.
NCAA Basketball Tournament tickets (Only for games in which University participates)	24 seats for 1 st & 2 nd round 36 seats for regional rounds 64 seats for Final 4 in each case, minimum of 25% in lower level
Men's Home Basketball Games in Greensboro and Charlotte	Up to 116. Contractor to commit to final number by October 1 of each contract year.
Women's Basketball season tickets	Up to 30.

<u>Tickets</u>	<u># of tickets guaranteed by University for Contractor to purchase</u>
Other Olympic Sports	Up to 20 complimentary season tickets (free of charge) per sport. Up to 20 additional complimentary (free of charge) individual game tickets per sport per game.

Contractor may purchase additional tickets at face value, if available.

15. Merchandising and Other Support. The University Athletics Department will provide to Contractor the following:

15.01. Other Merchandising. The University Athletics Department will provide to Contractor 30 footballs autographed by the football team and 30 basketballs autographed by the men's basketball team and 100 media guides for both football and men's basketball.

15.02. Contractor Space. The University Athletics Department will use its best efforts to fulfill all reasonable requests from Contractor to host events jointly sponsored by the University and Contractor in the Smith Center, such as the Memorabilia Room, for example, and in Kenan Stadium, such as the booths in the press box area, for example, for entertainment of promotional partners. Such requests shall be granted to the extent space is available. As part of these joint efforts, the University will provide the space and the contractor will pay for any associated out-of-pocket expenses.

15.03. Home Radio Booth. Contractor shall have exclusive use of the area in Kenan Stadium designated as the home radio booth, excepting all authorized University use and users. If the home radio booth in Kenan Stadium is relocated as a result of a stadium renovation or otherwise, then the University Athletics Department shall provide a new home radio booth in Kenan Stadium of similar size, field location and seating capacity as the home radio booth existing as of the Effective Date.

16. Auditing of Accounts.

16.01. Books and Records. During the term of this Agreement (including any renewal terms) and for seven (7) years after the date of expiration of any terms hereof, Contractor shall maintain separate, accurate, and complete business and accounting records reflecting all revenues, income, and expenses associated with Contractor's activities and operations undertaken pursuant to this Agreement. The University, its representatives, employees, and agents, shall have the right at its expense and at reasonable times to inspect and examine all or portions of such business and accounting records. Contractor, upon request, shall furnish to the University Athletics Department on an annual basis within forty-five (45) days of the end of each year a statement showing its revenues from and deductible expenses attributable to the rights granted to Contractor hereunder. The University acknowledges and agrees that such information is proprietary to Contractor and, if disclosed, could harm Contractor in its business relations with

its competitors. University, therefore, agrees that it will not disclose such information to third parties except as may be required to satisfy University's legal obligations. Contractor may exercise any legal rights it may have to intercede, timely object, and to pursue injunctive relief to keep the information confidential.

16.02. Contractor Assistance. Contractor agrees to cooperate and reasonably assist the University in the defense of any audit, levy, assessment, or challenge relating to or in connection any royalties received (including the Annual Rights Fee) by the University pursuant to this Agreement. This assistance includes, but is not limited to, the production of documents and making Contractor's personnel available for interviews, depositions, and hearings. If such cooperation and assistance requires a time expenditure by Contractor in excess of five (5) business days, then the University will reimburse Contractor for its reasonable out-of-pocket expenses incurred in connection with rendering such cooperation and assistance.

16.03. State Auditor Access. The State Auditor shall have access to persons and records as a result of all contracts or grants entered into by the University in accordance with General Statute 147-64.7.

17. Status of Parties.

17.01. No Agency. Nothing in this Agreement shall be deemed:

17.01.1. To constitute either party, or any employee, agent, or representative of either party, an employee, agent, or representative of the other party; or

17.01.2. To confer any express or implied right, power, or authority to enter into any agreement or commitment, express or implied, or to incur any obligation or liability on behalf of the other party. The parties agree that Contractor is a professional organization and that the relation created by this Agreement is an independent contractor relationship. Contractor will be solely responsible for its acts and for the acts of its agents, employees, and subcontractors, if any, during the performance of this Agreement.

17.02. Independent Contractor. The parties acknowledge that because Contractor is an independent contractor, Contractor has the sole responsibility and control of its activities and operations in the exercise of the rights granted to it by this Agreement. Any rights reserved herein to the University to approve any promotional activity, to approve the type of product or services which will be associated with the name of the University, to approve of talent appearing in or on any radio or television broadcast or in any promotional activity, or to approve of any other aspect of Contractor's activities or operations are solely for the purpose of protecting the name, goodwill, and reputation of the University and are not intended as a right on the part of the University to direct or control the manner in which Contractor conducts its activities and operations in exercising the rights granted to it by the University.

18. Copyright.

(a) Contractor agrees that the University shall own all rights, title, and interest in and to recordings, writings, photographs, audio, video, and other tangible property (collectively, "Works") which Contractor creates in connection with the performance of this Agreement. For purposes of illustration and not by way of limitation, the following property created under this Agreement is included in the definition of "Works": (i) radio play-by-play broadcasts, (ii) pre-game and post-game radio broadcasts, (iii) coaches' television broadcasts, (iv) internet, cellphone and other new media productions, and (v) game programs. The University grants Contractor permission to use the Works solely for the purpose of fulfilling its obligations arising out of this Agreement. Contractor and the University agree that the University by this Agreement has commissioned Contractor to create these Works and that each Work is intended to be a "work made for hire" in accordance with 17 United States Code Sections 101 and 201(b). For any Works that under the copyright laws of the United States may not be considered works made for hire, Contractor agrees at the request of the University to convey and assign all copyright interests which may subsist in such Works to the University. Contractor shall disclose information to the University and execute such documents as may be reasonably necessary to assist the University in securing and enforcing the University's rights in the Works and related tangible property. The parties further agree that the University owns all foreign and domestic copyright and moral rights in these Works.

(b) The University grants Contractor a license to copy, distribute, publicly perform, publicly display, and transmit the Works solely for the purpose of fulfilling its obligations arising out of this Agreement. This license shall expire or be terminated upon the expiration or termination of this Agreement. This license may not be assigned or subcontracted.

19. Learfield Unconditional Guaranty. Learfield unconditionally guarantees THSP's performance, obligations and requirements under this Agreement.

20. Force Majeure. In the event that either party cannot perform its obligations hereunder or telecast a coach's show or other covered activities due to public emergency or necessity, labor dispute or strike, boycott, or act of God, or because of any preemption of broadcasting to permit the broadcast of programming of overriding public importance, or because of any other cause beyond its reasonable control, such event shall not be deemed to be a breach of this Agreement.

21. Assignment. This Agreement shall be binding upon and inure to the benefit of the respective successors and assigns of the parties hereto; provided, that the Contractor shall not assign, delegate, or subcontract any duties under this Agreement, nor sell, convey, assign, or otherwise transfer this Agreement or any interest therein to a third party without the express prior written consent of University Athletics Department, such consent not to be unreasonably withheld.

22. Waiver. The failure at any time of either Contractor or University to demand strict performance by the other party of any of the terms, covenants, or conditions set forth herein

shall not be construed as a continuing waiver or relinquishment thereof, and either party may, at any time, demand strict and complete performance by the other of such terms, covenants, and conditions.

23. Equal Opportunity. Contractor agrees to abide by all applicable provisions relative to Equal Employment Opportunity for all persons without regard to race, color, religion, creed, sex, sexual orientation, national origin, age, veteran status, or disability.

24. University Information; Contractor Information. Contractor agrees that any information it receives during the course of its performance, which concerns the personal, financial, or other affairs of the University, its trustees, officers, employees or students will be kept confidential and in conformance with all state and federal laws relating to privacy. Subject to North Carolina law, including the North Carolina Public Records Act (NCGS § 132-1, *et. seq.*), University agrees that any information it receives from Contractor under this Agreement which concerns the personal, financial or other affairs of Contractor, its members, stockholders, officers, directors, employees and sponsors including, but not limited to, sales summaries, revenue sharing reports, settle-up documents and any other documents relating to the reporting of financial and sales information by Contractor to University which the University is permitted to hold in confidence under North Carolina law and in particular under NCGS § 132-1.2, dealing with "trade secrets" will be kept confidential and in conformance with all state and federal laws relating to privacy. Contractor acknowledges that this Agreement is a "public record" as that term is defined in the North Carolina Public Records Act (NCGS § 132-1, *et. seq.*).

25. Entire Agreement. This Agreement supersedes all prior written and verbal agreements between the parties including, without limitation, the 2002 Promotions, Sponsorships, and Broadcast Rights Agreement between the University and Learfield, all amendments thereto, and all side letters between the University, and Learfield, and/or THSP entered into prior to June 30, 2008. This Agreement, including SCHEDULE A and the various Exhibits hereto, constitutes the entire understanding between Contractor and University and cannot be altered or modified except by an agreement in writing signed by duly authorized representatives of both the University and Contractor.

26. Conflicts in Interpretation. In resolving any inconsistencies concerning the scope of the rights granted to Contractor, SCHEDULE A shall govern.

27. Best Efforts. The term "best efforts" as used herein shall mean the efforts that a prudent person desirous of achieving a result would use in similar circumstances to ensure that such result is achieved as expeditiously as possible; provided, however, that an obligation to use "best efforts" under this Agreement does not require the person subject to that obligation to take actions that would result in a materially adverse change in the benefits to such person of this Agreement and the contemplated transactions.

28. Governing Law. The validity, interpretation, and performance of this Agreement shall be controlled by and construed under the laws of the State of North Carolina. All claims

and actions brought under or arising from this Agreement shall be brought exclusively in the state or federal courts located in the State of North Carolina.

29. **Survivability.** The terms, provisions, representations, and warranties contained in this Agreement that by their sense and context are intended to survive the performance thereof by any of the parties hereunder shall so survive the completion of performance and termination of this Agreement, including the making of any and all payments hereunder.

[Signature Page Follows]




IN WITNESS WHEREOF, the University and Contractor by their duly authorized representatives have executed this Agreement on the dates indicated below their respective signatures.


Learfield Communications, Inc.,
a Missouri corporation


By: 
Its: President, Learfield Sports
Date: 07-25-08

Tar Heel Sports Marketing, LLC, d/b/a Tar Heel Sports Properties,
a Missouri limited liability company

By: 
Its: President, Learfield Sports
Date: 07-25-08

The University of North Carolina at Chapel Hill,
for its Department of Athletics

By: 
Its: Vice Chancellor for
Finance and Administration
Date: 8/1/08

By: 
Its: Director of Athletics
Date: 7/29/08

SCHEDULE A

INVENTORY RIGHTS

Contractor shall have the right and the obligation to provide the broadcasts, media shows, game programs, internet services, and other opportunities detailed below.

1. **Football and Men's Basketball Play-By-Play Radio Broadcasts.** Contractor will produce and broadcast on radio all men's basketball and football games, and shall have the exclusive right to sell and secure promotional support for such broadcasts, in accordance with specifications stipulated in Exhibit A.

2. **Women's Basketball and Baseball Play-By-Play Radio Broadcasts.** Contractor will produce and broadcast on radio all women's basketball and all baseball games, and shall have the exclusive right to sell and secure promotional support for such broadcasts, in accordance with specifications stipulated in Exhibit B.

3. **Head Football Coach, Head Men's Basketball Coach, and Head Women's Basketball Coach and Olympic Sports Television Shows.** Contractor shall have the exclusive right to produce and broadcast television shows featuring the head football coach, head men's basketball coach, and head women's basketball coach, and sell promotional support for such broadcasts, in accordance with specifications stipulated in Exhibit C.

4. **Football and Men's Basketball Coaches' Radio Shows.** Contractor shall have the exclusive right to produce and broadcast "Call-In" Radio Shows and Daytime Radio Shows featuring the men's basketball head coach and the football head coach, and sell and secure promotional support for such broadcasts, in accordance with specifications stipulated in Exhibit D.

5. **Women's Basketball and Baseball Coaches' Radio Shows.** Contractor shall have the exclusive right to produce and broadcast radio shows featuring the women's head basketball coach and the baseball coach, and sell and secure promotional support for such broadcasts, in accordance with specifications stipulated in Exhibit E.

6. **Game Programs.** Contractor shall have the exclusive right to publish and distribute football and men's basketball printed game programs, and sell and secure promotional support for such game programs, in accordance with specifications stipulated in Exhibit F.

7. **Internet Rights.** Contractor will have the right to produce and maintain one official internet site for the University Athletics Department and the exclusive right to sell and secure promotional support for such internet site, in accordance with specifications stipulated in Exhibit G.

8. **Electronic Venue Signage.** Contractor shall have the right to sell and secure promotional support for electronic venue signage in the Smith Center, Kenan Stadium,