



Board of Trustees Special Meeting

Board of Trustees

Virtual Meeting

Aug 26, 2021 5:00 PM - 5:30 PM EDT

Table of Contents

I. Agenda.....2

II. New Business

A. BOT - 1 Naming of the UCF Football Stadium.....3



**Board of Trustees Special Meeting
August 26, 2021
5:00 p.m.
Virtual Meeting**

Livestream: <https://ucf.zoom.us/j/91772724530?pwd=M1BOdDQ1ZHB4TnR4WGFBHRpK0V2UT09>

Webinar ID: 917 7272 4530 Passcode: 255932

Conference Call number: 1 (929) 205-6099 Meeting ID: 917 7272 4530

AGENDA

- | | |
|------------------------------|--|
| 1. Call to Order and Welcome | Alex Martins, <i>Chair, UCF Board of Trustees</i> |
| 2. Roll Call | Karen Monteleone, <i>Assistant Vice President, Board Relations</i> |
| 3. Public Comment | Karen Monteleone |
| 4. New Business | Chair Martins |
| | BOT – 1 |
| | Naming of the UCF Football Stadium
Terry Mohajir, <i>Vice President and Director of Athletics</i> |
| 5. Adjournment | Chair Martins |



Board of Trustees Special Meeting | August 26, 2021

BOT-1: Naming of the UCF Football Stadium

Information Discussion Action

Meeting Date for Upcoming Action: _____

Purpose and Issues to be Considered:

Consider changing the name of the UCF Football Stadium to “3MG Stadium” for the term of the qualified sponsorship between UCFAA and 3MG Roofing, LLC.

Background Information:

The Stadium is currently without a named sponsor. UCF Athletics Association (“UCFAA”) has been in negotiation with 3MG, a current sponsor of UCFAA, regarding naming rights of the Stadium. Recently a Letter of Intent (“LOI”) was executed for a twelve-year, \$20 million agreement to name the Stadium the “3MG Stadium.” The terms of the LOI are outlined in the attached Summary of Agreement.

The terms of this transaction will be a qualified sponsorship, so a substantial component of the sponsorship is considered philanthropic. The request to rename will be reviewed by the University Stadium Corporation, UCF Athletics Association, and UCF Foundation boards prior to the request of the Board of Trustees. UCF Advancement and the UCF Foundation is responsible for reviewing, vetting, and recommending the applicable donor recognition of gifts made to benefit the University.

Recommended Action:

Approve renaming the Football Stadium “3MG Stadium” for the term of the Agreement between UCFAA and 3MG Roofing, LLC.

Alternatives to Decision:

Do not approve the naming of the Stadium and request that UCFAA search for a different stadium naming partner.

Fiscal Impact and Source of Funding:

3MG will pay \$20 million to UCFAA over the twelve-year term.

Authority for Board of Trustees Action:

Board of Governors Regulation 9.005, Naming of Buildings and Facilities
UCF Board of Trustees Policy, Naming of Buildings and Facilities
UCF Foundation Policy 2.00, Naming Opportunities Policy

Contract Reviewed/Approved by General Counsel N/A

Committee Chair or Chair of the Board has approved adding this item to the agenda



Board of Trustees

Agenda Memo

Submitted by:

Terry Mohajir, Vice President and Director of Athletics

Supporting Documentation:

Attachment A: Summary of Agreement

Facilitators/Presenters:

Terry Mohajir, Vice President and Director of Athletics

Brad Stricklin, Senior Executive Associate Athletics Director, CFO

Jordan Clark, Associate General Counsel, UCF

Summary of Agreement

Purpose/Background	UCFAA has secured a sponsor, 3MG Roofing, LLC to name the football stadium "3MG Stadium." A letter of intent (LOI) has been signed by the sponsor and the general terms set forth in the LOI are outlined below. A formal agreement, based on the terms of the LOI and any conditions noted in the approvals, will be entered into between the parties after the necessary approvals and due diligence has occurred.
Parties	UCF Athletics Association, Inc (UCFAA) and 3MG Roofing, LLC
Term	Twelve (12) years, commencing on September 1, 2021
Obligations of UCFAA	Payment for initial stadium signage Sponsorship benefits and activations at UCFAA events and competitions
Obligations of other party	Annual payment to UCFAA for a period of 12 years
Financial terms	\$20 million over 12 years. Annual sponsorship payment escalates over payment schedule.
Termination rights	UCFAA shall have the absolute right to terminate the Agreement in the event 3MG breaches warranty regarding assignment of benefits business practices. Terms outlined below.
Additional terms	<p>UCFAA will provide 3MG right of first refusal on future naming.</p> <p>3MG has the right to request evaluation of the future value of the Agreement in writing in 2027 and 2030.</p> <p>45-calendar day due diligence period for a third-party financial consultant to review available funds to fulfill the pledge.</p> <p>A clause in the LOI limits 3MG from utilizing assignment of benefits as a business practice. The language from the agreement is included below:</p> <p style="padding-left: 40px;">Business Practices: 3MG represents and warrants that during the term of the Agreement that assignment of benefits work, as that practice is commonly known, on behalf of roofing customers shall not be part of 3MG's business practices. UCFAA shall have the absolute right to terminate the Agreement in the event 3MG breaches this representation and warranty.</p>

	<p>3MG shall be the exclusive roofing contractor sponsor of UCF Athletics. 3MG may compete for UCFAA capital projects and participate if selected following a competitive process. The language from the agreement is included below:</p> <p>Sponsorship Exclusivity: 3MG shall be the exclusive roofing contractor sponsor of UCFAA and shall be invited to participate and compete for all UCFAA roofing capital projects during the term of the Agreement. Accordingly, UCFAA agrees that it shall not enter any sponsorship opportunity or offer to sell sponsorship and/or advertising to any other roofing companies, distributors or manufacturers be it residential, commercial, or otherwise. This shall in no way prohibit UCFAA from soliciting sponsorship opportunities from businesses or service providers who may use products from a competitor of the sponsor (i.e. residential or commercial developers), provided however, such businesses shall be prevented from promoting or mentioning such associations with 3MG competitors in any marketing or sponsorship materials used in the Stadium.</p> <p>3MG will actively support the educational mission of the university by providing access to high impact learning experiences for our students, as outlined below:</p> <p>Student/Academic Integration: 3MG will be integrated into the UCF College of Business Professional Selling Program as a Platinum Plus Partner. This will include interaction with current UCF students for professional development and internship opportunities. 3MG will also be integrated into the UCF Athletics Knights Leadership Academy to include “Discovery Days” and “Shadow Days” to educate student-athletes on employment duties and responsibilities. Finally, 3MG will participate in the UCF Young Alumni Program.</p>
<p>Link to agreement</p>	<p>N/A</p>