

P.R. Figure Skating Eligible Skater's Compensation Agreement Program

ESCA Program Overview

P.R. Figure Skating is recognized by the Puerto Rican Olympic Committee ("COPUR ") as the national governing body of figure skating in the Island of Puerto Rico. As such, P.R. Figure Skating is charged under the Ted Stevens Olympic and Amateur Sports Act of 1978 (Public Law 95-606) ("Amateur Sports Act") to develop outstanding competitors to represent Puerto Rico in the figure skating events of the ISU international competitions and events . To keep its athlete members eligible to compete in these events, P.R. Figure Skating enacts, administers and enforces sanctions and eligibility rules. The full text of these rules can be found in the P.R. Figure Skating Rulebook and should be studied carefully. (being Updated, please refer to the U.S. Figure Skating rulebook until further notice)

Generally speaking, under the sanctions and eligibility rules, skaters are prohibited from performing in unsanctioned competitions, exhibitions and tours. ("Exhibitions" include performing in an ice show or a club carnival.) Sanctions are necessary for these types of activities whether the skater has been offered compensation or not.

When compensation has been offered to a skater for an appearance, endorsement or exhibition performance, the skater cannot accept the compensation or perform in the activity without first receiving special permission from P.R. Figure Skating. Approval may come in the form of a sanction for the activity. The skater should confirm with the chair of P.R. Figure Skating Sanctions and Eligibility Committee that the sponsor of the activity has obtained a sanction and that the terms of the skater's offer of compensation have been properly disclosed on the sanction application. If the compensation has been offered for an activity that is not sanctioned, the skater must request special permission from P.R. Figure Skating to accept the offer. This request for permission must be accompanied by a completed draft of a special agreement between the skater and the person or entity who will be compensating the skater. The special agreement is called an Eligible Skater's Compensation Agreement or ESCA.

P.R. Figure Skating requires an ESCA for two reasons: (1) to safeguard the skater's eligibility to compete, and (2) to make sure that nothing the skater has been asked to do will conflict with existing P.R. Figure Skating obligations or with the many laws, rules, policies and provisions that P.R. Figure Skating is required to observe as national governing body for figure skating.

Approval of an ESCA is not automatic. Each ESCA submitted to P.R. Figure Skating for approval is reviewed carefully by P.R. Figure Skating. Many factors are examined, including the policy and compliance issues mentioned above. In addition, nothing the skater has been asked to do can impact a contractual obligation entered into by P.R. Figure Skating for the benefit of the sport as a whole. P.R. Figure Skating enters into contracts with third parties (for example, contracts to televise and sponsor major championships) in order to raise the necessary revenue to carry out its obligations under the Amateur Sports Act. These obligations include administering the sport, funding its member programs and developing its athletes from grassroots through elite. In order to fulfill this mission, P.R. Figure Skating must not imperil the sources of its revenue. If the activity for which the ESCA is sought is deemed by P.R. Figure Skating to conflict with its contractual obligations, the application for an ESCA will not be approved. While P.R. Figure Skating will do its best to approve applications for

ESCAs, please be aware that there are many considerations that go into review before an ESCA is entitled to receive approval.

If P.R. Figure Skating determines it can grant the skater permission to engage in the activity and receive compensation for doing so, it will sign the ESCA. Only then may the skater accept the offer and perform the requested activity.

Procedures for Submitting an ESCA

The draft ESCA document must be completed and signed by the “contractor” (the person or entity who will be retaining the services of the skater), the skater and the skater’s parent or guardian if the skater is under the age of eighteen. It must document the manner in which the identifications and/or abilities of the skater will be used to promote the contractor’s business, service or enterprise, and must set out the terms of compensation, including the amount of the compensation and whether it will be paid to the skater in money or the equivalent in goods or services. The draft ESCA must be submitted to P.R. Figure Skating Headquarters for review no later than two weeks prior to the activity for which the skater will be compensated is to occur. A processing fee equal to 10% of the compensation to the skater payable by the contractor to P.R. Figure Skating, shall be submitted by the contractor with the draft ESCA and is nonrefundable. The skater is not permitted to enter into a final binding agreement with a contractor, either verbally or in writing, without first receiving approval of the ESCA from P.R. Figure Skating. Under the rules governing eligible figure skaters, a skater is not permitted to participate in any appearance, endorsement or exhibition performance for compensation without approval of P.R. Figure Skating.

NCAA and High School Eligibility

While the ESCA Program is designed to protect an athlete’s eligibility to compete in events governed by P.R. Figure Skating and the International Skating Union (“ISU”), it is not designed to protect an athlete’s eligibility to compete or participate in events conducted under the auspices of other organizations or sports governing bodies, such as the NCAA. For example, the governing bodies of high school or college sports have eligibility rules different from those under which P.R. Figure Skating operates. P.R. Figure Skating has no authority to ensure a skater’s eligibility to compete in sports at the high school or college level. The NCAA, for instance, may consider a skater ineligible if the skater has participated in moneymaking activities pursuant to an approved ESCA or has signed with an agent prior to a certain point in time. This loss of eligibility could cause the skater to lose an athletic scholarship.

General Disclaimer

The information in this Overview is not incorporated into the ESCA nor is it made a part thereof.

Puerto Rican Figure Skating ELIGIBLE SKATER'S COMPENSATION AGREEMENT (ESCA)

This AGREEMENT is entered into this _____ day of _____, 20____, between
 _____ (Hereinafter referred to as the "Skater"), and
 _____ (Hereinafter referred to as the "Contractor")
 located at _____.

Recitals

1. P.R. Figure Skating is the recognized national governing body ("NGB") for the sport of figure skating on ice in Puerto Rico and as such, is required to comply with the Ted Stevens Olympic and Amateur Sports Act of 1978 (36 U.S.C. § 371, *et seq.*) ("Amateur Sports Act"). The Amateur Sports Act requires P.R. Figure Skating to represent the Puerto Rico in the international federation ("IF") for figure skating. The IF for figure skating, as recognized by the International Olympic Committee, is the International Skating Union ("ISU"). P.R. Figure Skating and its members are subject to the eligibility requirements and rules of the ISU.
2. As NGB for the sport of figure skating on ice, P.R. Figure Skating prescribes rules and standards for competition in the sport; sponsors and sanctions local, regional, sectional and national competitions and exhibitions; provides financial and administrative assistance, and other services and support to assist in the training and development of eligible figure skaters from the grassroots to the elite levels; fields figure skating teams to compete in ISU international and World events; and generally promotes regulates, governs and fosters competitive figure skating in the United States.
3. The rules under which P.R. Figure Skating protects the eligibility of its skaters permit skaters to receive payments for appearances, endorsements and exhibition performances in accordance with conditions set by P.R. Figure Skating. As a condition concerning such payments for appearances, endorsements and exhibitions that have not been sanctioned by P.R. Figure Skating, P.R. Figure Skating requires its skaters to submit an Eligible Skater's Compensation Agreement ("ESCA") for approval by P.R. Figure Skating prior to any such appearance, endorsement or exhibition performance.
4. P.R. Figure Skating will review each application for an ESCA to determine whether it (1) complies with the laws, rules, regulations, policies or bylaws pertaining to P.R. Figure Skating or its skaters; or (2) presents a conflict with any outstanding P.R. Figure Skating contractual obligation.
5. The Amateur Sports Act requires that P.R. Figure Skating have the managerial and financial capability to carry out its obligations as NGB of figure skating on ice. In order to generate sufficient revenues to carry out those obligations, P.R. Figure Skating enters into contracts with third parties (for example, contracts to participate in third party shows and sponsor its major competitions). Should such a conflict exist, P.R. Figure Skating, for that reason, may deny the request for the ESCA or will determine whether to seek consent to approve the ESCA from the appropriate parties. P.R. Figure Skating approval of an ESCA may therefore be contingent upon, among other things, receipt of such third party consent.

6. Pursuant to the Amateur Sports Act, P.R. Figure Skating may also refuse to sanction certain competitive skating events if it determines they are detrimental to the sport of figure skating. P.R. Figure Skating will review each application for an ESCA to determine whether the ESCA is sought for such an activity; if so found, the ESCA will not be approved.

7. The Skater is an eligible person under the rules of P.R. Figure Skating, is a registered member of P.R. Figure Skating and requires the permission of P.R. Figure Skating to perform the activities contemplated under this Agreement and receive compensation for those activities.

8. The Contractor can utilize the skater's abilities and identifications for the purposes stated in this Agreement in order to assist and support the effort of the skater in his/her competitive figure skating career and to help foster the sport of figure skating.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants contained herein, the parties hereto agree as follows:

1. **P.R. Figure Skating Approval.** The Skater and the Contractor agree that P.R. Figure Skating must sanction and approve the compensation and participation of Skater in the activities contemplated herein and in the manner contemplated by this Agreement, as set forth in Appendices A and B. This Agreement is submitted for the purpose of obtaining such approval.

2. **Term.** The term of this Agreement shall be from _____, 20____, through _____ 20_____.

3. **Payment.** Contractor agrees to pay Skater the sum of \$_____ for participation as set forth in Appendix B.

4. **Restrictions on Sponsorship Rights.**

(A) **Prohibition and References to P.R. Figure Skating Sponsorship.** It is understood that although the Skater's participation is approved by P.R. Figure Skating through this Agreement for the activity described in Appendix A, no reference may be made by the Contractor that it is a sponsor of P.R. Figure Skating, nor shall any use be made of the name, logo, emblems or insignia of P.R. Figure Skating without the express written consent of P.R. Figure Skating.

(B) **Prohibition on use of Olympic symbols, emblems, trademarks, and names.** The Contractor may use photographs and other skater identifications and make references to the Skater's athletic accomplishments in connection with Contractor's promotional activities under this Agreement. However, no references shall be made to the Olympic Winter Games themselves, nor shall the word "Olympic" or any derivative thereof (including "Olympiad", "Citius Altius Fortius", or "Pan American"), the symbol of the International Olympic Committee (IOC), consisting of five interlocking rings, the emblem of the United States Olympic Committee (USOC) or Puerto Rican Olympic Committee (COPUR) or any trademark, trade name, sign, symbol or insignia of either the IOC or COPUR, be referenced or used directly or indirectly in connection with such activities, unless the Contractor has prior written consent for such reference or use from the COPUR.

(C) **Release and Indemnification.** The Contractor releases and agrees to indemnify and hold harmless the Skater, P.R. Figure Skating, and the directors, officers, employees, agents and representatives of P.R. Figure Skating, jointly and individually, from and against any and all liabilities, losses, claims, damages, injuries (whether to person or property), costs and expenses, including reasonable legal and other professional fees, which Contractor, Skater, or P.R. Figure Skating may incur as a result of or arising out of the various arrangements, travel, accommodations and Activities agreed to between the Contractor and the Skater for purposes of fulfilling the obligations under the terms of this Agreement, and which either Skater or P.R. Figure Skating may incur as a result of or arising out of the Contractor's breach of any of its obligations, agreements, warranties or covenants contained in this Agreement, or the improper or unsolicited use by the Contractor of identifications of Skater or P.R.

Figure Skating, including as may pertain to or affect Skater's eligibility now or in the future.

5. Third Party Consent

Skater and Contractor acknowledge that P.R. Figure Skating may have agreements with third parties that may pose a conflict with Activities proposed in this Agreement. P.R. Figure Skating approval of the ESCA may therefore be contingent upon, among other things, receipt of such third party consent to approve the ESCA. If P.R. Figure Skating determines that such a conflict exists, Skater and Contractor agree that P.R. Figure Skating may deny the ESCA for that reason or may request such consent from third parties and may inform the third parties of the proposed Activities and the names of the Skater and the Contractor in order to do so. P.R. Figure Skating will not discuss details of the proposed skater compensation with third parties.

6. Processing Fee

The Contractor agrees to pay a processing fee to P.R. Figure Skating equal to ten percent (10%) of the amount of payment to the skater as provided in paragraph 3 of this Agreement. The processing fee must be received by P.R. Figure Skating before it will consider whether or not to approve the Agreement. The Contractor agrees that the processing fee is nonrefundable.

7. General Provisions.

. **(A) No Employment Status.** It is agreed and recognized that this Agreement conveys neither employment nor agency status as to either Skater or the P.R. Figure Skating. Any employment and related reporting obligations are solely between Skater and Contractor.

. **(B) Entire Agreement and Effect.** This Agreement constitutes the entire Agreement and understanding with respect to the subject matter hereof. All representations and negotiations relative to the matters contemplated by this Agreement are merged herein, and there are no contemporaneous understandings of agreements relating to the matters set forth herein other than those incorporated herein.

. **(C) Modification.** This Agreement will not be amended or modified in any respect except in writing, signed by the Skater and a duly authorized officer or agent of Contractor, and approved in writing by P.R. Figure Skating.

. **(D) Binding Effect.** This Agreement is binding upon and shall ensure to the benefit of each of the parties hereto and their respective heirs, personal and legal representatives, beneficiaries, successors, and assigns.

. **(E) Governing Law.** This Agreement shall be governed by and construed under the laws of the Commonwealth of Puerto Rico or State of Virginia.

Date: _____ Date: _____

Skater's name (print) Contractor's name:

Skater's signature: Contractor's address:

Skater's USFS #: Contractor's phone #:

Parent/guardian's signature: Contractor's signature: (If skater is a minor)

Approved by P.R. Figure Skating:

Executive Director Date:

Appendix A Schedule of Agreed Promotions/Activities

To be completed by the Contractor outlining the commercial uses of Skater's name, photographs, personal appearances, skating exhibitions, endorsements, etc., including dates and places of any photography or videotaping sessions and public appearances.

- 1. In what manner will the Contractor use the Skater's identification and/or skating abilities:**
- 2. Will the activities be televised? If so, provide details.**
- 3. Period of time (not to exceed one week in cases involving exhibitions or performances): From _____, 20____ to _____, 20 ____.**
- 4. Location(s):**

Appendix B Schedule of Payment