November 26, 2018

TO: The Board of Trustees of the University of Oregon

FR: Angela Wilhelms, Secretary of the University

RE: Notice of Board Meeting

The Board of Trustees of the University of Oregon will hold a meeting on the date and at the location set forth below. Topics at the meeting will include: standing reports, consideration of seconded motions from December 3 committee meetings, and discussions about federal and state government affairs, the upcoming FY20 tuition-setting process and cost drivers, the Institute for Health and the Built Environment, and the Knight Campus for Accelerating Scientific Impact.

The meeting will occur as follows:

**Tuesday, December 4, 2018 – 10:00 a.m.**
Ford Alumni Center, Giustina Ballroom

The meeting will be webcast, with a link available at [www.trustees.uoregon.edu/meetings](http://www.trustees.uoregon.edu/meetings).

The Ford Alumni Center is located at 1720 East 13th Avenue, Eugene, Oregon. If special accommodations are required, please contact Jennifer La Belle at (541) 346-3166 at least 72 hours in advance.
Tuesday, December 4 – 10:00 a.m.: Convene Public Meeting
- Call to order, roll call, verification of quorum
- Approval of September 2018 minutes (Action)
- Public comment

1. **ASUO and University Senate Reports**
   - ASUO President Maria Gallegos
   - University Senate President Bill Harbaugh

2. **President’s Report**

3. **Resolutions from Committee (pending December 3 committee action)**
   3.1 Seconded Motion from FFC: Licensing Agreement with Fanatics
   3.2 Seconded Motion from FFC: Capital Improvement Project – Matthew Knight Arena
   3.3 Seconded Motion from FFC: Gift of Real Property

4. **Government Affairs – 2018 Recaps and 2019 Initiatives:** Libby Batlan, Associate Vice President for State and Community Affairs; Hans Bernard, Assistant Vice President for State Affairs; Betsy Boyd, Associate Vice President for Federal Affairs

[Lunch Break in Room 403 – Estimated 12:15-12:45]

5. **Tuition-Setting Preparatory Discussion:** Jamie Moffitt, Vice President for Finance and Administration; Kevin Marbury, Vice President for Student Life (Co-Chairs of the Tuition and Fee Advisory Board)

6. **Academic Area in Focus – Institute for Health and the Built Environment:** Kevin Van Den Wymelenberg, Associate Professor of Architecture

7. **Knight Campus for Accelerating Scientific Impact – Report:** Bob Guldberg, Vice President and Executive Director of the Knight Campus

*Meeting Adjourned*
Agenda Item #1

ASUO and University Senate Reports
Dear Trustees:

At your September meeting we presented a comprehensive description of the Senate’s plans and goals for 2018-2019. This is a brief update.

_Strengthening shared governance and the Senate’s role in it, Review of Senate committees, Policies for the Hiring and Review of Academic Administrators, Policy Regarding New Programs and Reorganization of Existing Programs:_

As part of this package of goals, the Senate and selected administrators held a retreat meeting in October facilitated by Carol Cartwright, a former President of Kent State and Bowling Green now working as a consultant for the Association of Governing Boards. This retreat included facilitated small group discussions and reporting out, on the topics of improving shared governance with the administration and improving Senate and committee procedures.

This retreat was timely as it coincided with the creation of a task force by the President and Provost to consider the reorganization of the College of Arts and Sciences, perhaps into two colleges, one including the Sciences and perhaps joined with the Knight Campus, and another composed of the current CAS Humanities and Social Sciences Departments. Unfortunately this task force was developed with little Senate input into its charge, composition, and membership, and this has led to some distrust about the administration’s goals with this reorganization. We hope the committee’s work during winter will dispel this and lead to a good result with buy-in from the faculty and staff.

We will follow up on the retreat with specific action items.

_Online Sports Product Management:_

In response to a request from the Lundquist College of Business, the Senate approved a new online delivery method for their MS in Sports Product Management, using an accelerated process. This made it possible for the program to be quickly approved by our NWCCU accreditors - who apparently insisted on Senate approval - and start enrolling students in January. We feel that we were able to give this proposal due diligence despite this accelerated timeline, in no small part due to the thorough background preparation done by the LCB. Online delivery has now been approved by the NWCCU and students are being recruited.
**Teaching Evaluations:**

In cooperation with Sierra Dawson from the Provost’s office and Lee Rumbarger from the Teaching Enhancement Program the Senate has established a committee and two working groups on the improvement and evaluation of teaching. We are jointly sponsoring campus meetings by USC professor and their past faculty senate chair Ginger Clark on Nov 28th. Clark led USC’s efforts to reform their practices. We are hearing from many other universities that are interested in similar reforms and want to learn from what we’ve been doing.

We are currently piloting new “Student Evaluations of Teaching” and faculty course reflection tools in 5 departments, and are developing new frameworks for defining excellent teaching and protocols for peer evaluations of teaching in other departments. We expect these to be rolled out campus-wide by Fall 2019, though we also expect this will be an ongoing process of improvement.

**Core / General Education and Multicultural Requirements:**

Last year we made changes to simplify our multi-cultural requirements without narrowing them, and to encourage students to take more core education classes earlier, as part of residence hall based “learning communities” and other first year programs. The Senate Core Education Council, chaired by past Senate President Chris Sinclair, has been meeting regularly, charged to “Convene an ongoing campus dialog on the purpose, value, assessment, evaluation and improvement of the core education at the university.”

**Conflict of Interest and Commitment policy:**

Quoting from our September report:

VP Skowron will work together with Associate Vice President for Research Cass Moseley to co-chair this ad hoc committee to develop a clear, simple policy that can be understood and followed by all employee groups. Policy revisions will be made available to the university community for an open comment process, with delivery of final recommendations to University President Schill and Senate President Harbaugh near the end of the calendar year for a Senate vote on the new policy.
The committee has prepared a draft policy and is currently collecting feedback.

**Sexual and Romantic Relationships Policy:**

From September:

The university’s policy on “Conflicts of Interest and Abuses of Power: Sexual or Romantic Relationships with Students” is outdated and needs revision. The Senate has worked with the administration to make minor changes and extend these as a temporary measure, with the goal of having a permanent policy in place by the end of the academic year.

The committee has drafted a new policy, held town halls, collected survey responses, and expects to have the new policy to the Senate for discussion and vote by the end of January.

**Concluding remarks:**

We’ve had a productive fall and enjoy working with President Schill and Provost Banavar and their staff.
Good morning, I hope everyone is doing well. I am looking forward/grateful for the ASUO and BOT breakfast. I think it’s important you all take the time to listen to the students of this university and I think they will enjoy getting to meet all of you as well.

Updates:

1. We gave the UO health center $19,000 for HIV testing so it would be zero out of pocket cost for students. We encouraged the health center to make STD testing a priority and to tact it on to their fees for upcoming years as the rate at which health coverage costs rise is not sustainable for ASUO to continue funding this vital resource for students.

2. We have rolled out a few of our food insecurity alleviation programs,
   a. two produce drop this term and all the food are running out in short among of time, first time we gave away 400 pound of food and roughly 80 people in 45 min.
   b. Ducks Feeding Ducks has been successful in getting students register(roughly 200 applications), and ⅓ of them already reach the 3 times’ limit.
   c. Text system will launch in Winter term.
   d. We also will start the proposal for the food pantry move

3. ASUO and the government affairs have partnered together to begin planning for our UO lobby day at the capital. It is March 8th and I hope to see you all there as well.

4. Next term I will begin working with the fundraising department to ensure there is a priority on fundraising projects for student success such as food insecurity alleviation, emergency funds, and scholarship programs.

Closing remarks!
Agenda Item #2

President’s Report

There are no materials for this section.
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Agenda Item #3

Seconded Motions from Committee
**Background**
The University of Oregon wishes to enter into a multi-year licensing agreement with Fanatics Apparel, LLC to help manage and protect the UO’s brand while also maximizing revenue generation from trademark licensing agreements for products which use the UO’s logos, marks, and graphics. The vendor and agreement were vetted by University Communications, the Department of Intercollegiate Athletics, General Counsel, Purchasing and Contracting, and Finance and Administration.

**Additional Material**
The guiding principles for the partnership, licensing revenue sources and history, and motivating factors for a third-party relationship such as the one proposed are included in the slide deck in the December 3 FFC meeting.

**Board Approval**
Board of Trustees’ approval is sought in accordance with the UO’s delegation of authority policy, requiring Board approval for contracts where the anticipated value to the university exceeds $5,000,000.

**Key Provisions**

- **Contract Term:** Ten years -- January 1, 2020* through December 31, 2029
  
  *A January 1, 2020 start provides ample lead time to work with existing partners

- **Existing Licensees:** 40 local companies with existing licenses will maintain those rights for three years

- **Guaranteed Royalties:** $21.5 million over the next decade
  
  (Note: royalties are split 50/50 between Athletics and the E&G fund)

- ** Signing Bonus:** $1,500,000
Board of Trustees of the University of Oregon

Seconded Motion: Approval of Licensing Partnership Agreement

Whereas, the University of Oregon (“University” or “UO”) wishes to enter into a partnership with Fanatics Apparel, LLC for purposes of managing license agreements for certain goods and products;

Whereas, the proposed agreement (attached hereto as Exhibit A) is for a period of ten (10) years—January 1, 2020 through December 31, 2029—and stipulates a guaranteed minimum in royalty payments of $21.5 million to the UO over the ten-year period;

Whereas, such agreements provide revenue to the UO to help offset costs through a fifty-fifty split between Intercollegiate Athletics and the institution’s Education and General fund;

Whereas ORS 352.087(c) authorizes the Board of Trustees of the University of Oregon (“Board”) to make any and all contracts and agreements it deems necessary or appropriate;

Whereas, section 1.7.8 of the University’s Policy on the Retention and Delegation of Authority requires Board approval of the execution of an instrument where anticipated value to the University of Oregon exceeds $5 million, which this agreement does; and,

Whereas, the Finance and Facilities Committee has referred this matter to the full Board as a seconded motion, recommending approval.

NOW, THEREFORE, the Board of Trustees of the University of Oregon hereby authorizes the President, or his designee(s), to enter into the partnership agreement between Oregon Athletics and Fanatics Apparel, LLC attached hereto as Exhibit A. The Board of Trustees also hereby ratifies all prior actions taken on behalf of the University related to the negotiation and execution of the aforementioned agreement.

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Record here if no roll call vote was taken: ________________

Date: ________________  Recorded: ________________
November 19, 2018

Doug Park
Office of the General Counsel
1226 University of Oregon
Eugene, OR 97403-1226

Re: Binding Agreement between the University of Oregon and Fanatics Apparel, LLC for Licensed Product Rights

Dear Doug,

This letter, together with the terms outlined in the “Key Partnership Provisions” and associated exhibits attached hereto (the “Key Provisions”), incorporated herein by this reference, set forth the legally binding terms agreed to by the University of Oregon (“Licensor”) and Fanatics Apparel, LLC (“FA” and, collectively with Licensor, the “Parties”), in connection with the rights granted to FA to use certain collegiate trademarks in the production, distribution, advertisement, marketing, sale, and promotion of licensed products (collectively, the “Agreement”). Capitalized terms used but not defined in this letter shall have the meanings ascribed thereto in the Key Provisions.

It is contemplated by the Parties that the terms of this Agreement will be supplemented by a more detailed license agreement (“Retail License”) that is consistent with the Key Provisions. The Parties will negotiate the terms of the Retail License in good faith for at least sixty (60) days after execution of this Agreement, with the intent to sign the Retail License no later than February 28, 2019. The foregoing notwithstanding, and upon approval by the University of Oregon’s Board of Trustees, when countersigned by the Parties, this Agreement shall constitute a legally binding and enforceable contract between the Parties. By signing, each Party confirms that: (i) it intends to be legally bound by this Agreement; (ii) this Agreement (including the Key Provisions) contains all terms material to the license of the rights granted hereunder; (iii) it has the full power and authority to enter into this Agreement; and (iv) no further approvals or consents are required in order for the Agreement to be legally binding.

This Agreement may be executed via facsimile or PDF, and/or in counterparts, each of which shall constitute an original, and all of which taken together shall constitute one and the same instrument. Please acknowledge your receipt of, and agreement to, this Agreement by countersigning below.

Sincerely,

Fanatics Apparel, LLC

AGREED TO AND ACCEPTED BY:          AGREED TO AND ACCEPTED BY:
FANATICS APPAREL, LLC                  UNIVERSITY OF OREGON

By:                                   By:
Title:                                Title:
Date:                                 Date:
# Agreement

## Overview

These Key Partnership Provisions ("Key Provisions") reflect the key terms that, upon execution by the parties, are mutually-agreed between and binding upon the University of Oregon ("UO") and Fanatics Apparel, LLC ("FA"), to be reflected in, and supplemented by other mutually-agreed terms memorialized in, a long-form license agreement (the “Retail License” and, together with these Key Provisions, the “Agreement”).

## Term

Effective upon execution by UO and FA, with rights and obligations effective for a term of 10 years, beginning January 1, 2020 and expiring December 31, 2029 ("Term").

## Grant of Rights

### Product Rights Granted to FA

UO grants FA the sole, sublicensable right to use the UO Licensed Property (as defined below) to manufacture, offer for sale, promote, and distribute products in all categories, including apparel, clothing, clothing accessories, headwear and hard goods, in men’s, women’s, and children’s sizes ("Licensed Products") in all distribution channels, wholesale or retail, including the Fanatics Network (e-commerce sites that FA and its affiliates own and/or operate) and other retail channel categories to include each category in Schedule “A”, as defined in the Retail License, exclusive to FA except as set forth below for Retained Rights, Columbia Rights, and Sideline Rights (with FA’s rights collectively defined as, "Product Rights").

**UO Licensed Property**

"UO Licensed Property" means all UO registered names, logos, images, and trademarks, except (1) for apparel, headwear, and footwear, UO Licensed Property excludes Exclusive Nike Property, and (2) the Disney Duck Property, each as further described below.

**Exclusive Nike Property**

UO’s current sideline partner, Nike, will maintain exclusive usage of UO’s Primary "O" logo, the “O” with OREGON logo, the WINGED “O” MARK, WIN THE DAY, the FIGHTING DUCK logo, the COMBAT DUCK logo, the AUTHENTIC SELF DUCK, WOMEN IN FLIGHT, STOMP OUT CANCER, and any additional new special marks created by Nike for use on UO team uniforms or sideline apparel for apparel, headwear, and footwear categories only ("Exclusive Nike Property") with the understanding that FA (along with Nike) shall have full rights to use Exclusive Nike Property in product categories outside of apparel, headwear, and footwear (e.g., hard goods), to the extent that does not conflict with any current contract between UO and Nike.

**Sole Right**

The Product Rights shall be exclusive to FA, i.e., no other party (except UO as outlined below), or any third-party shall have any of the same rights to use the Licensed Property in Licensed Products) throughout the Term except: (1) the Retained Rights, Columbia Rights, and Sideline Rights shall be an exception to FA’s sole license, and (2) FA’s Products Rights in the International Territories shall be non-exclusive.

**Territory**

United States of America, its territories and possessions, the Commonwealth of Puerto Rico, and U.S. military bases abroad ("United States"); other territories around the world in which UO holds a valid and current trademark registration for the Licensed Property in the applicable class(es) of goods and services, subject to UO maintaining such registration(s), and limited to only the trademark(s) registered in the applicable territory ("International Territories").

**Sideline Exclusion**

The rights UO has granted to its sideline partner (currently Nike), and any of Nike’s current/future subsidiaries and/or its current/future co-brand sub-licensees (and any other successor sideline companies) ("Sideline Entities") for closed-back headwear,
jerseys, performance apparel (apparel items that have unique construction and/or fabrications that assist the wearer during exercise and athletic tasks and whose special characteristics are marketed as a feature of the product through hang-tags, jock tags, or other labels on the product), as well as apparel, headwear, and footwear products featuring the Exclusive Nike Property (collectively, “Sideline Products”), are excluded from the Product Rights granted to FA. UO and FA both acknowledge that FA will have the ability to produce apparel that features performance fabrics and capabilities, but cannot market them as such, pursuant to Nike’s exclusivity on Sideline Products. UO shall have the right to approve any additional future sideline subsidiaries and/or co-brand sub-licensees of the Sideline Entities for Sideline Products (subject to the terms of its agreement with Nike), which will also be excluded from FA’s Product Rights or made non-exclusive to FA.

**Columbia Rights**

The rights UO has granted to Columbia Sportswear and/or its current/future co-brand sub-licensees for apparel product categories set forth in Schedule “B” (“Columbia Rights”) shall be an exception to FA’s sole license and the Sublicensee procedure/credit set forth below. UO may enter into a direct license with Columbia for the Columbia Rights with distribution, product rights, and compensation terms to be set independently by UO and Columbia, and not by FA.

**Disney Duck Property**

UO will continue to directly manage the use of the “Disney Duck” logo (“Disney Duck Property”) through its co-licensing agreement with Disney, and not through FA. UO will use best efforts to expand FA’s Product Rights to include the right to use the Disney Duck Property during the Term of the Agreement. Royalties generated by FA from use of the Disney Duck Property, if any, will count towards the Term Guarantee.

**Retained Rights**

UO will retain the rights to license to other parties in addition to FA rights to use the Licensed Property in the manufacture and sale of the following products (“Retained Rights”): (1) in combination with the marks of UO’s Conference, the NCAA, a Bowl Game, or the College Football Playoff (or successor versions of these entities) for Licensed Products associated with post-season events (“Grouped Rights”) to the extent that UO continues to lack control over use of the Licensed Property in such products; (2) limited apparel and hard goods products for internal sales (not for resale) to UO campus departments, student organizations, alumni or donor groups, or similar (e.g., UO staff apparel, limited run t-shirts, and student group apparel); (3) products to support occasional special initiatives for important UO projects (e.g., UO grown/produced wine, environmentally friendly apparel, socially responsible apparel, or other politically sensitive situations), with the understanding that this Retained Right shall be limited (e.g., total volume) in that it will not present an opportunity for traditional standard apparel licensees to obtain a license with UO that they otherwise could not obtain given FA’s sole license; and (4) a commercially reasonable number of premium or promotional products for UO sponsors or official partners co-branded with sponsor/partner names/logos (for which FA may bid to provide).

**Grouped Rights**

The following additional terms apply to Grouped Rights: (1) FA recognizes that UO does not generally control Grouped Rights; (2) UO will grant a license to FA for Grouped Rights whenever it has such rights to grant; (3) royalties generated from sales of licensed products under Grouped Rights are subject to the respective licensing parameters of those third party entities and shall not count towards the Term Guarantee (as defined below); (4) when UO controls any Grouped Rights, such as for CFP national champions or NCAA champions licensing, then FA will be granted sole apparel and hard goods licensing rights that UO controls, subject to the following parameters: (a) FA’s royalty rate will be lower than that of any licensee (other than that of Nike or Columbia) including any licensee that might be grandfathered into the champions licensing program by virtue of the licensing
policies of the NCAA, CFP, or any successor organizations; (b) any licensees (that are not existing Sublicensees as defined herein) that are grandfathered into such a champions licensing program (by virtue of their NCAA/CFP/conference rights) will be managed in accordance with the same parameters outlined under Sublicensing section below, except that they will be limited to use of UO word marks only (e.g., “Oregon” or “Oregon Ducks” in generic fonts) on designs and shall have no rights to use other Licensed Property; (c) UO will use good faith efforts to make any special national champions logo that is created by or on behalf of UO available for use by FA (and Sublicensees) and any approved hard goods licensees along with Nike, or UO’s then-current sideline partner; provided that, if UO uses its good faith efforts to secure Nike’s approval, UO’s failure to make such logos available for use by FA shall not be deemed a breach of this Agreement; and (d) in the event of a conference or national/CFP/NCAA champions scenario, UO’s share of royalties generated from those programs shall count towards the Term Guarantee. Any royalties generated from Grouped Rights shall not accrue towards the Term Guarantee except if UO wins a conference or national championship (PAC-12, NCAA, CFP, or similar), in which case royalties generated from such sales (whether by FA, Sublicensees, or grandfathered licensees) will accrue towards the Term Guarantee.

FINANCIAL TERMS

Term Guarantee

$21,500,000 in the aggregate over the Term. (“Term Guarantee”). If Royalties earned through Contract Period 7 exceed the Term Guarantee, UO and FA will negotiate in good faith to establish increased Minimum Guarantee Benchmarks (in excess of the Term Guarantee amount) to be effective for the remaining Contract Periods in order to incentivize additional sales of Licensed Products and provide UO with additional, guaranteed upside for the remainder of the Term.

Payment Schedule

Royalties payable within sixty (60) days after the end of each calendar quarter. Within 60 days after the end of each Contract Period (as defined below), FA will calculate the actual Total Payments (defined as Royalties plus any True-Up Payments as defined below) paid to UO for the preceding Contract Years on a cumulative basis (collectively, the “Aggregate Payments”). If the Aggregate Payments for the Contract Period are less than the Minimum Guarantee Benchmark (as such amount may be adjusted) for the Contract Period, then FA will pay UO the difference between the Aggregate Payments and the Minimum Guarantee Benchmark (a “True-Up Payment”) within 30 business days thereafter. If the Aggregate Payments equal or exceed the Minimum Guarantee Benchmark, no True-Up Payment will be due.

For clarity, the Minimum Guarantee Benchmark amount acts as a “floor” not “ceiling” in that if the Royalties earned during a Contract Period exceed the Minimum Guarantee Benchmark for that Contract Period, FA shall pay such higher earned Royalty amount (except that FA first may offset against such excess Royalties any prior True-Up Payment amount(s), if applicable). “Contract Period” and “Minimum Guarantee Benchmark” mean:

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<td><strong>Signing Bonus</strong></td>
<td>$1,500,000 payable by 6/1/19 by Fanatics to the UO designee.</td>
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<td><strong>Royalty Rate</strong></td>
<td><strong>TRADE SECRET:</strong> UO shall receive (1) Sales of apparel Licensed Products unless the Wholesale Growth Bonus applies, and (2) Sales of hard goods, headwear, and clothing accessories that are Licensed Products.</td>
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<td><strong>Marketing Spend</strong></td>
<td>During the Term, FA will spend a total of $300,000 (&quot;Marketing Spend&quot;) on marketing over the Term through marketing activities intended to support the wholesale sale by FA and Sublicensees of UO merchandise, including catalogs, signage, fixtures, retail promotions, consumer research, brand storytelling, and other consumer and trade marketing programs, as documented in an annual summary of expenditures.</td>
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<td><strong>Wholesale Growth Bonus - Apparel</strong></td>
<td>If, during any five contract years (i.e., 1/1 – 12/31) (each a “Contract Year”) of the Term, total net wholesale apparel sales by FA (including by Sublicensees) of Licensed Products (excluding any Grouped Rights, NCAA or CFP related sales) average $12,000,000 per year during such five-year period (the “Bonus Threshold”), then, beginning one year after the Bonus Threshold is achieved, the Royalty Rate for the future apparel sales of Licensed Products shall increase from 20% to 22%. For clarity, sales by Sideline Entities (Nike or any successor sideline supplier), Columbia, Retained Rights, hard goods, headwear, or clothing accessories shall not count towards the Bonus Threshold.</td>
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<td><strong>Licensing Management Services</strong></td>
<td>To the extent that UO contracts with FA or its affiliate (e.g., Fermata Partners) to be its licensing agent to provide licensing management services (&quot;Licensing Agent&quot;) throughout the Term, (1) royalties applicable to the sale of Licensed Products (including those payable by FA and Sublicensees) will be paid to UO without any fees for licensing management services deducted, or (2) other amounts payable to UO under this Agreement will be increased to offset any Licensing Agent fees that were deducted, in each case to make UO whole. For clarity, licensing management fees shall remain payable to Licensing Agent by Nike and Columbia, and by any Sublicensee for hard goods, headwear, or clothing accessories. The parties will negotiate in good faith the annual revenue share thresholds for these commission-eligible royalties.</td>
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**SUBLICENSING; LOCAL MARKET CONSIDERATIONS**

| **Sublicensing** | FA may sublicense its Product Rights to one or more authorized sublicensees (each, a "Sublicensee") through a sublicense agreement between FA and the sublicensee, directly or indirectly through FA's licensing affiliate or licensing agent. All Sublicensees and FA's form of sublicense must receive prior written approval of UO, not to be unreasonably withheld, conditioned or delayed. It will not be considered unreasonable for UO to withhold approval of sublicensees to entities that seek to place UO marks on political messages, or on message or products that implicate reputational concerns, such as tobacco products, marijuana products, firearms, pornographic sites, and similar products. UO may revoke its approval of a sublicense based on a material product quality, design, or |
reputational concern that is not promptly remedied. FA agrees to review, in good faith, all sublicensing requests received from UO within thirty (30) days of receipt and, where commercially reasonable, expedite approval of such sublicensees, as applicable. Specific sublicensing opportunities envisioned by the parties (without limitation to others that may be agreed upon) include McKenzie Sew-On, Richardson Sports (headwear), Cowbucker, Alta Gracia, League, and Tommy Bahama, as well as all existing Oregon-based licensees at the time of transition.

**Sublicensee Royalties**

Sublicensees will pay royalties to FA or its affiliate/agent and, in turn, FA shall pay UO the Royalty Rates set forth above for such sales. FA retains the right to charge Sublicensees a royalty in excess of the FA Royalty Rates, including an additional 3% for marketing.

**Oregon-based Licensees**

Given the importance of supporting Oregon-based licensees in all product categories, the following parameters will apply for Oregon-based Sublicensees: (1) all current Oregon-based licensees operating in good standing with UO that UO reasonably requests be considered as Sublicensees will have the opportunity to apply to be a Sublicensee, to include those Oregon-based Licensees in Schedule “C”; (2) for such entities, any existing category and channel rights will be automatically approved for a two-year term with standard royalties and marketing fees (i.e., 20% apparel, 12% hard goods, plus, in each case, a 3% marketing fee payable to FA); and (3) all other standard sublicensing provisions will apply to such entities, including the opportunity to apply for annual renewal following the initial two-year term.

**Local Retailer Acknowledgement**

FA will enter into agreements with Sublicensees to manufacture and sell to The Duck Stores apparel, headwear, clothing accessories, and hard goods necessary for such stores to maintain a comprehensive apparel assortment for consumers, with the framework for such sublicenses to be consistent with the language set forth above for other Sublicensees.

**Local Vendor Consideration**

FA recognizes the potential need to align with a prevalent local screen-printer to support this relationship with UO. Upon UO’s request, FA will seek to form a strategic relationship with one or more local printers, which may include a direct licensing relationship through UO, for select designs and/or select retail accounts, contract screen printing, local market service expertise, and hot market fulfillment.

**OTHER TERMS**

**Annual Business Review**

FA will meet with UO and at least once per calendar year to review its UO product line and recap the prior year’s business performance and plans for the year ahead. This review will take place in a location that is mutually agreeable to the parties.

**Official Online Store**

FA will continue to sell University of Oregon licensed products through the Fanatics Network and other retail, including the official UO online store, as specified in its agreement for such store. If such agreement is terminated during the Term of this Agreement, UO acknowledge that FA shall continue to have rights to sell UO products to/through the Fanatics Network and other retail.

**Marketing Benefits**

FA shall receive tickets to home games (and neutral site or away games as indicated below) for each of the following UO Athletic Programs: Football Home (4), Football Neutral/Away (2), Men’s Basketball (4), Women’s Basketball (4), and Baseball (4); and further, FA shall have access to up to thirty (30) tickets to one mutually agreed-upon UO home football game annually to host a retailer reception in conjunction with UO.

**Campus Engagement**

FA will work closely with UO throughout the Term to provide internship opportunities for UO students throughout Fanatics. Additionally, Fanatics personnel will be available to support speaking engagements and other academic projects on campus as part of the partnership.

**Timeline**

UO and FA shall use commercially reasonable and good faith efforts to negotiate and execute the Retail License or before 2/28/19, or if necessary, despite such efforts, as soon
as commercially reasonable thereafter. To the extent of any direct conflict between the Retail License terms and these Key Provisions, the Retail License shall control.

**Announcement Strategy**

Unless required by applicable law, no public statements regarding the existence, negotiation, or terms of the Agreement shall be made by a party without prior approval of the other party/parties. UO, and FA shall work jointly with UO’s internal communications team on all announcement strategies which may include a proactive media strategy around the partnership announcement. Further, if requested by UO, FA will work with UO and to conduct regular business review meetings with local and campus retailers to explain the new partnership and address concerns in a cooperative, proactive manner. The parties also agree to jointly address the transition strategy related to the public announcement timing and the subsequent apparel licensee rights expirations during the course of 2018-19 to minimize the negative impact of product dumping by expiring licensees.

**Breach/Termination**

To be set forth in the Retail License such that the Agreement may be terminated only upon written notice from the non-breaching party to the other upon a breach of a material provision of this Agreement that is not cured within 30 days of receipt of such written breach notice, with the understanding that non-payment of undisputed amounts or repeated and frequent failures to obtain prior approval of Licensed Products shall be considered a breach of a material provision.

**Financial Adjustments**

**TRADE SECRET:** If any of the following occurs prior to or during the Term, then UO and FA shall agree upon an equitable reduction to the Term Guarantee, Minimum Guarantee Benchmarks, and/or Royalty Rate, that is proportional to the reduction of sales of Licensed Products that is caused by the following event(s): (1) a material breach of this Agreement, (2) UO plays in less than the regularly scheduled number of season games, (3) UO becomes subject to any sanctions, fines or penalties of any kind, loses accreditation or status as a member of any league or conference, or becomes ineligible to, or elects not to, participate in post-season games, (4) a Force Majeure Event (to be defined in the Retail License) occurs, (5) UO implements a code of conduct that deviates beyond the industry standard for collegiate licensors, (6) the historical sales and royalty data shared with FA on 2/1/18 contained errors or omissions that overstated such sales/royalties, or (7) the value of FA’s association with UO is materially diminished or such association may cause harm to FA or its reputation as a result of UO or any of its officers, directors or employees or a UO student-athlete (a) committing a crime involving moral turpitude or engaging in any conduct that brings UO into public disrepute, contempt, scandal, or ridicule, or which shocks or offends reasonable purchasers of Licensed Products, or (b) being found by an external regulatory or law enforcement agency to have committed conduct that is unlawful, unethical, or otherwise harmful to the reputation of UO or FA. In addition, if there is any “death penalty” sanction imposed by the NCAA or any similar or successor organization if this Agreement is terminated, or if UO no longer plays at a Division I level for any reason, then the Term Guarantee no longer shall apply.

The reduction to any Term Guarantee, Minimum Guarantee Benchmarks, and/or Royalty Rate referenced above in this section shall last only for as long as mutually agreed is necessary to account for a reduction in sales of Licensed Products reasonably attributable to such event(s). After that time, the Term Guarantee, Minimum Guarantee Benchmarks, and/or Royalty Rate shall revert back to the regular rates outlined in these Key Provisions.

**Reputational Adjustment**

If the value of either party’s association with the other party is materially diminished, or continuing such association may cause harm to a party’s reputation as a result of the other
party or any of its officers, directors or senior-level employees (a) committing a crime involving moral turpitude or engaging in any conduct that brings it into public disrepute, contempt, scandal, or ridicule, or which shocks or offends reasonable purchasers of Licensed Products, or (b) being found by an external regulatory or law enforcement agency to have committed conduct that is unlawful, unethical, or otherwise harmful to its or the other party’s reputation, then the parties will agree upon an equitable adjustment to the Agreement that is proportional to the reduction of sales of Licensed Products that is caused by the misconduct referenced in this section.

The equitable reduction referenced above in this section shall last only for as long as mutually agreed is necessary to account for a reduction in sales of Licensed Products reasonably attributable to the misconduct outlined in this section. After that time, the Term Guarantee, Minimum Guarantee Benchmarks, and/or Royalty Rate shall revert back to the regular rates outlined in these Key Provisions.

Other Adjustments

TRADE SECRET: In addition to the financial adjustments set forth above, if any of the following occurs prior to or during the Term, then UO and FA shall agree upon an equitable reduction to the Term Guarantee, Minimum Guarantee Benchmarks, and/or Royalty Rate, that is proportional to the reduction of sales of Licensed Products that is caused by the following event(s): (1) Columbia Rights or Columbia’s exercise of such rights expands beyond their current scope (e.g., in product categories or distribution channels), and/or (2) UO permits the Disney Duck Property exception to be used by a traditional standard apparel licensee to circumvent or lessen FA’s rights under this Agreement.

Representations, Indemnification, Liability Limits

Each party represents and warrants that it has the right and authority to enter into and perform under this Agreement. FA and FP/UO shall mutually agree to other terms under the Retail License for Representations, Indemnification, and Liability Limits that are materially similar to industry standard language for such provisions, to include indemnification for losses resulting from third-party claims arising out of the other party’s breach of this Agreement and a reasonable limit on types and amount of damages that can be awarded for claims other than indemnifiable claims.

Confidentiality

The parties agree that this Agreement is highly confidential in nature and agree not to disclose to any person (other than directors, employees, advisors and representatives, all
on a strict need-to-know basis) any party of this Agreement, or any discussions or information furnished in connection therewith, without the consent of the other party(ies) in each case except as required by applicable law or UO policy.

This Agreement may be executed via facsimile or PDF, and/or in counterparts, each of which shall constitute an original, and all of which taken together shall constitute one and the same instrument.

<table>
<thead>
<tr>
<th>AGREED BY:</th>
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<tr>
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<td>UNIVERSITY OF OREGON</td>
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**Schedule “A”**  
*Product Categories*  

While the list below is exhaustive, the spirit and intent of this Agreement is that UO is granting FA all product category rights, subject to the specific exceptions included in the body of this Agreement.

<table>
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**Schedule “B”**
**Columbia Product Categories & Retail Channels**

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8
CONFIDENTIAL; FOR DISCUSSION PURPOSES ONLY
BINDING TERM SHEET
Apparel - Dress Tops - Other Dress Tops - Youth
Apparel - Dress Tops - Sweaters - Youth
Apparel - Headwear - Knit Caps - Men's
Apparel - Headwear - Other Headwear Styles - Men's
Apparel - Outerwear - Jackets - Men's
Apparel - Outerwear - Jackets - Women's
Apparel - Outerwear - Jackets - Youth
Apparel - Outerwear - Polar Fleece (non-performance) - Men's
Apparel - Outerwear - Polar Fleece (non-performance) - Women's
Apparel - Outerwear - Polar Fleece (non-performance) - Youth
Apparel - Outerwear - Rainwear - Women's
Apparel - Outerwear - Rainwear - Youth
Apparel - Outerwear - Vests - Women's
Apparel - Outerwear - Vests - Youth
Apparel - Outerwear - Warm-ups & Windsuits - Women's
Apparel - Outerwear - Warm-ups & Windsuits - Youth
Apparel - Outerwear - Windshirts - Women's
Apparel - Outerwear - Windshirts - Youth
Apparel - Specialty Apparel - Dresses - Women's
Apparel - Specialty Apparel - Swimwear/Beachwear - Men's
Apparel - Specialty Apparel - Swimwear/Beachwear - Women's
Apparel - Sweatshirts - Sweatshirts - Men's
Apparel - Sweatshirts - Sweatshirts - Women's
Apparel - T-Shirts - T-Shirts - Men's
Apparel - T-Shirts - T-Shirts - Women's
Apparel - T-Shirts - T-Shirts - Youth
Hard Goods - Bags & Luggage - Backpacks & BookBags - Adult
Hard Goods - Bags & Luggage - Backpacks & BookBags - Children's

Retail Channels

Campus/Local – Campus Area Fan Shops, Off Campus Bookstores, On-Campus University Affiliated Retailer
Department Stores – Mid-Tier Department Stores, Upper-Tier Department Stores
E-Commerce & Media – App Stores, Discount E-commerce, Mail Order, Online Retail, Television Shopping
Golf – Golf Specialty, Pro Shops
Licensee Direct
Specialty – Airport Stores, Book/Gift/Jewelry/Party Supply Stores/, Children's Specialty, Clothing and Footwear
Specialty, Farm & Fleet, Fashion Boutiques, Government and Military, Health & Beauty Stores, Home Furnishing
Stores, Off Price Close-Out, Technology Stores, Temporary Retail
Sporting Goods – Big Box, Footwear Specialty, Outdoor Specialty, Team Licensed Specialty,
### Schedule “C”

#### Oregon-based Licensees

<table>
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<td>Pendleton</td>
<td>Food &amp; Beverage</td>
<td>Campus.Local, Department Stores, E-Commerce &amp; Media, Food and Drug, Specialty, Sporting Goods</td>
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<tr>
<td>Cashel, Inc.</td>
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*In accordance with the instruction, the rights for post-production fulfillment are reserved.*

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**Note:** The backstore rights are only for the in-store program.

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**Packet Page 30 of 179**
The Board of Trustees is asked to consider approval of a license and lease agreement (“Agreements”) for purposes of making certain physical enhancements to Matthew Knight Arena (“MKA”). The project, which would commence in December 2018, would be funded entirely through private philanthropy and the improvements shall be given to the university in the form of a capital gift once completed. The scale and scope of the Agreements and resulting gift are such that Board approval is required. The attached resolution includes a copy of the Agreements (see Exhibits A and B to the resolution). A summary follows.

Third Party Agreement
The University of Oregon would enter into the Agreement with PHIT TOO, LLC (“PHIT TOO”). The Agreements and related projects allows for physical enhancements and expansions in Matthew Knight Arena to improve spaces dedicated to student athletes and improve operational facilities such as coaching and administrative spaces.

Consistent with previous similar projects, PHIT TOO will execute the project and, upon completion of the project, contribute to the University any increase in value to MKA resulting from the project. The third party is responsible for financial payments, establishing a schedule approved by the University and adhering to all required contracting laws (e.g., prevailing wage).

Project Overview
There are two primary components to this project:

Graphics/Visual Refresh
Matthew Knight Arena (MKA) opened eight years ago in January 2011. MKA is home to the Oregon men’s basketball, women’s basketball, volleyball, and acrobatics & tumbling (for competitions only) programs, and is also the host of many University-wide events, concerts and shows throughout the year. This portion of the project will upgrade the graphics and visual experience in several areas of MKA which have a significant impact on the day-to-day student-athlete experience. These areas include the player/recruit entry, practice courts, weight room, training room, hydrotherapy area, nutrition area, court-level corridors, equipment O-Hub, pre-game O-Hub, and the men’s basketball locker room, team lounge and film rooms. The enhancement of the visual experience throughout these areas will provide MKA with a fresh, attractive, and innovative look for our current and prospective student-athletes. The fan experience will also be enhanced as cameras will be installed in the O-Hub to film the team huddle prior to entering the arena floor, and this can be projected onto the MKA center hung video board.

MKA Extension/Office Complex
As mentioned above, MKA is the practice and competition home to the men’s basketball, women’s basketball and volleyball programs. The support services for the student-athletes in these sports are based primarily out of MKA and the Jaqua Center. The final design and construction of MKA did not include office and meeting spaces to house the coaching and support staffs of these programs. The staffs of these three programs are currently based out of the Casanova Center next to Autzen Stadium, which is located across the river from MKA. The distance between facilities creates challenges for the staffs of these programs in building strong
relationships, supporting and communicating with their student-athletes. This portion of the project will construct a three floor office building connected to the MKA practice courts (building will be located between the MKA practice courts and Villard Street). Each floor will consist of approximately 5,000 sq. ft. with each of the three sports occupying a similarly designed floor. Within each floor will be areas dedicated to coach/support staff offices, meeting rooms, break room, restrooms, storage, common/sitting areas, and a reception area. The relocation of these staffs to the new MKA office complex will make them more accessible to their student-athletes throughout the day, not just during practice, and will positively impact their efficiency, productivity, and the ability to build a championship program culture. This new office space at MKA will also free up office space at the Casanova Center, which will enable athletics to address existing space challenges.
Board of Trustees of the University of Oregon

Seconded Motion: Authorization to Enter into Lease and License Agreements

Whereas, private philanthropists wish to donate the University of Oregon ("the University") enhancements to Matthew Knight Arena ("the Arena") that would improve training, office and operational space for athletic programs housed within the Arena;

Whereas, renovations of and enhancements to the Arena associated with this project will be supported by private philanthropy and not through the University’s operating budget;

Whereas, to facilitate the work on the Arena relative to these enhancements, the University wishes to enter into a lease agreement and a license agreement (collectively, “the Agreements”) with PHIT TOO, LLC ("PHIT TOO"), attached hereto as Exhibit A and Exhibit B, respectively;

Whereas, the Agreements stipulate certain contractor requirements, including provisions pertaining to competitive bidding, prevailing wage, and other requirements applicable under policy and law;

Whereas, Sections 1.7.2 and 1.9 of the University of Oregon’s Policy on the Retention and Delegation of Authority requires approval by the Board of Trustees (the “Board”) for the execution of instruments relating to real property where the anticipated value exceeds $5,000,000 and for the acceptance of a gift of real estate and/or gifts that create obligations on the part of the University for which there is no established funding source, respectively; and,

Whereas, the Finance and Facilities Committee has referred this matter to the full Board as a seconded motion, recommending adoption;

Now, therefore, the Board of Trustees of the University of Oregon hereby:

1. Authorizes the President or his designee(s) to take all actions necessary and proper to enter into the Agreements attached hereto as Exhibit A and Exhibit B, or into substantially similar Agreements as negotiated by the University, for purposes of managing the construction of enhancements to Matthew Knight Arena;

2. Authorizes acceptance of any gift of property (real or personal) to the University which would come in the form of any increased value to the property resulting from the Agreements and the related project; and,

3. Authorizes all prior actions taken on behalf of the University related to the effectuation of the Agreement and the acceptance and use of the aforementioned property.

Vote recorded on the following page.
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Record here if no roll call vote was taken: ____________________

Date: ________________    Recorded: ________________
EXHIBIT A

LEASE

This Lease (“Lease”) is entered into by the University of Oregon (“UO”) and PHIT TOO, LLC, an Oregon limited liability company (“PHIT”), effective the date of last signature of this Lease.

RECITALS:

A. UO is the owner of the land and improvements known as Matthew Knight Arena (“Arena”).

B. PHIT is a single-member limited liability company, the sole member of which is the University of Oregon Foundation (“Foundation”).

C. The Foundation is an independent, nonprofit public benefit corporation established under Oregon law, ORS Chapter 65. The Foundation is recognized as a tax-exempt public charity under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended. The Foundation’s purpose is to raise, manage, distribute, and steward private resources to support the mission and priorities of UO. The Foundation Board of Trustees is responsible for overseeing the mission, leadership, and operations of the Foundation.

D. The Foundation, through PHIT, desires to undertake certain development, construction, alteration, and improvement projects to enhance the Arena (the “Arena Construction Project”; also referred to hereafter as the “Project”).

E. PHIT intends to hire contractors and subcontractors (“Contractors”) to perform the Project as described herein.

E. To allow PHIT and its Contractors to perform the Arena Construction Project, UO is willing to lease portions of the Arena and adjacent UO property depicted on the documents attached hereto as Exhibit A, as amended from time to time (the “Premises”), after which the Project will be given to UO as a gift-in-kind to assist UO’s students and employees.

AGREEMENT:

UO leases the Premises to PHIT on and subject to the following terms, conditions, and provisions:

1. LEASE TERM AND SCOPE

1.1 Term. UO leases the Premises to PHIT commencing on [START DATE] or such earlier date as the parties may agree (the “Start Date”), subject to all conditions described in this Lease. On the Start Date, UO will deliver to PHIT exclusive possession of the Premises, the lease term will begin, and it will end on the earlier of: (1) [END DATE], or (2) or the date on which the Project is tendered to UO after substantial completion, as described in Section 2.14.1 (the “End Date,” and the entire period from Start Date to End Date referred to as the “Term”). This Lease may be extended for reasonable cause upon written approval of both parties, which approval will not be unreasonably withheld.
1.2 **Uninterrupted Use.** UO will continue to use those portions of the Arena not included in the Premises of this Lease throughout the Term. PHIT and its Contractors will confine their presence and work to the Premises and will coordinate with UO pursuant to Section 2.11 to temporarily reduce or stop Project work to accommodate large UO campus events (for example, without limitation, UO commencement events) to the extent reasonably necessary. PHIT and its Contractors will not enter any other portion of the Arena or the UO campus except as otherwise authorized under the terms of this Lease or specifically authorized by UO. PHIT and its Contractors will coordinate authorized use of any other portion of the Arena or UO campus with UO pursuant to Section 2.11 to avoid interference with any event, activity, or use of the Arena and UO property by UO and its lessees and licensees.

1.3 **Consideration and Taxes.** PHIT will pay UO a fee of one dollar in exchange for this Lease, which will be due and payable before the Start Date. The parties do not anticipate this Lease to result in any property tax liability. If any property tax is assessed on the Premises as a result of this Lease, UO will pay all taxes and, to the fullest extent not prohibited by applicable law, defend, indemnify, and hold PHIT harmless and its agents, employees, Contractors, members, representatives, and directors from all costs, expenses, and other liabilities arising out of such assessment. As used in this paragraph, the term “property tax” will include all ad valorem real property taxes, ad valorem personal property taxes (not including any such taxes on the personal property of any Contractors), special assessments, deferred ad valorem taxes, local improvement district assessments, and any other similar tax or assessment.

2. **ALTERATIONS AND IMPROVEMENTS**

2.1 **Design.** PHIT will perform the Project to benefit UO’s students and employees. UO approves the Project design concepts presented to UO on [PRESENTATION DATE] and depicted in Exhibit A to this Lease (the “**Approved Project Design**”). PHIT may make revisions to the design unless the revisions are, by UO’s determination, substantially inconsistent with the Approved Project Design. If the revisions are not substantially consistent with the Approved Project Design, the revisions will be subject to UO’s review and approval, which approval shall not be unreasonably withheld, conditioned, or delayed.

2.2 **Authorization for Improvements.** During the Term, PHIT will have the right to (a) demolish any and all improvements, landscaping, and hardscaping located within the Premises to the extent necessary to perform the Project, (b) unless UO has, to extent consistent with applicable law, provided prior reasonable instructions regarding specific materials, remove, haul away, dispose of, and reuse any and all materials resulting from the demolition of any and all improvements, landscaping, and hardscaping located within the Premises, and (c) cause certain Project repairs, alterations, and improvements to be constructed, installed, and performed on the Premises to complete the Approved Project Design.

2.3 **Ancillary Improvements.** The Project may require certain repairs, alterations, and improvements to be made to facilities, land, and structures owned by UO that are not located on the Premises but that contain utility, network, and other connections essential to the Project ("**Ancillary Improvements**"). PHIT will coordinate with UO pursuant to Sections 1.2 and 2.11 regarding the need for any such Ancillary Improvements and obtain UO’s consent, which consent shall not be unreasonably withheld, conditioned, or delayed, prior to constructing, installing, or performing any such Ancillary Improvements. PHIT will restore any portion of the UO’s property affected by the Ancillary Improvements to substantially the condition it was in immediately prior to such Ancillary Improvements (subject to the installed Ancillary Improvements).
2.4 **Access.** To facilitate the Project, UO grants to PHIT a nonexclusive right of access, ingress, and egress to, over, and through the following areas during the Term to the extent reasonably necessary to perform the Project: (1) UO property adjacent to the Premises; and (2) pursuant to Sections 1.2, 2.3, and 2.11, UO facilities, land, and structures to perform approved Ancillary Improvement. PHIT will work together with UO to designate and coordinate the method and timing of use of access routes for this purpose. UO is responsible for coordinating any relocation of UO employees or UO property necessary to perform the Project. To the extent UO unreasonably refuses to grant PHIT the right to use any portion of the UO property reasonably necessary for the installation of the Ancillary Improvements, UO shall be responsible for all additional costs and expenses incurred by PHIT as a result of the need to re-design the Project including, without limitation, any costs arising out of the delay in completion of construction of the Project.

2.5 **Project Performance.** During this Term, PHIT will have the right to (a) demolish, remove, or replace improvements located within the Premises as necessary to perform the Project, (b) unless UO has, to the extent consistent with applicable law, provided prior reasonable instructions regarding specific materials, remove, haul away, dispose of, and reuse any and all materials resulting from the demolition, removal, or replacement of any improvements as part of the Project, and (c) cause certain Project repairs, alterations, and improvements to be constructed, installed, and performed to complete the Approved Project Design in the Premises.

2.6 **Post-Project Restoration.** PHIT will restore any portion of the UO’s property affected by the performance of the Project to substantially the condition they were in immediately prior to such installation (subject to the modifications necessary for the Project’s improvements).

2.7 **Access.** To facilitate the Project, UO grants to PHIT a nonexclusive right of access, ingress, and egress to, over, and through UO property adjacent to the Premises for the duration of the Lease to the extent reasonably necessary to access the Premises and perform the Project. PHIT will work together with UO to designate and coordinate the method and timing of use of access routes for this purpose. UO is responsible for coordinating any relocation of UO employees or UO property necessary to perform the Project.

2.8 **Parking.** [to be determined].

2.9 **Labor and Service Fees.** UO agrees to waive any and all labor and service fees, interdepartmental charges, mark ups, and service charges for UO’s services related to the Project including, without limitation, facility management, IT services, security services, and lock shop. However, PHIT will pay for the actual cost of any materials provided by UO, such as locks required and provided by UO.

2.10 **Contractor Requirements.** In connection with Project work:

2.10.1 PHIT will use only Contractors that are properly licensed in Oregon and will keep the Premises free from any liens arising out of any work performed, materials furnished, or obligations incurred by or for PHIT. Any Project work performed, materials furnished, or obligations incurred will be at PHIT’s sole request and cost and not at the instance of or as agent for UO. PHIT will be solely responsible for obtaining and paying for any and all permits and licenses, but UO will cooperate with PHIT and use best efforts to assist PHIT with the process of obtaining the required permits and licenses.
2.10.2  PHIT will require its Contractors of all tiers to pay applicable prevailing wages as required by law for the Project. The Project is subject to Oregon’s prevailing wage law, and PHIT will comply with all applicable prevailing wage statutes, regulations, and other requirements set forth in Exhibit B.

2.10.3  PHIT will require its Contractors to competitively bid or procure the work as appropriate. This procurement may include, without limitation, bidding of the intended scope of work, interviewing selected bidders, negotiating with selected bidders, and awarding to the bidders, in PHIT’s sole discretion, that are best able to perform the work, based on price and other relevant factors. The selection need not be based solely on price. PHIT reserves the right not to competitively procure any aspect of the Project if, in PHIT’s sole discretion, it is in the best interest of the Project. PHIT has the right to make direct and sole-source purchases for any aspect of the Project without competitive procurement.

2.10.4  PHIT will require its Contractors to use good faith efforts in the solicitation of minority, women, and veteran-owned businesses as well as emerging small businesses for the Project and will maintain records of such efforts and the actual usage of such businesses.

2.10.5  PHIT is not and will not, in any way, be acting as a public agency with respect to the Project nor will any provision of this Lease require PHIT to act as a public agency. However, the parties understand that the prevailing wage requirements in ORS 279C.800 to 279C.870 apply to the Project and that, for purposes of prevailing wage requirements, the Project is a “public works” pursuant to ORS 279C.800. Except as provided in the foregoing sentence, it is the intent of the parties that the Project is not and will not be deemed a public project or public improvement.

2.11 Coordination Committee. UO shall appoint a representative who shall be PHIT’s primary point of contact with respect to the construction of the Project (the “UO Project Representative”). The UO Project Representative will initially be Mike Harwood, but UO may change the UO Project Representative at any time at its sole discretion by providing written notice to PHIT. The UO Project Representative, PHIT, and a representative of PHIT’s general contractor shall meet regularly and in no circumstance less often than monthly to discuss the progress of the Project, UO’s reasonable needs for use and access to the Arena and Premises, any other Project coordination issues, and any approvals required hereunder for the Project.

2.12 Emergency and Disability Access Requirements. If PHIT’s use of the Premises causes a violation of the Americans with Disabilities Act of 1990 (“ADA”) or if the Eugene Springfield Fire Marshal’s Office or the UO Fire Marshal’s Office deems there to be a life safety event violation, UO and PHIT shall reasonably cooperate to identify a means of resolving the violation.

2.13 Safety Signage. PHIT agrees to provide clear and consistent directional signage for all sidewalks, roads, entrances, and other public right of ways that are unavailable due to the Project.

2.14 Surrender of Premises with Improvements; Close-Out Procedures.

2.14.1 On or before the End Date: (a) PHIT will remove and cause its Contractors to remove their personal property from the Premises (except to the extent reasonably necessary to complete punch-list items and otherwise complete Project close-out as provided below in this Section
and Exhibit C); and (b) PHIT will surrender the Premises to UO with the Project, including all Ancillary Improvements, substantially completed such that the Arena can be used for its intended purpose subject only to so-called “punch-list” items for final completion of the Project.

2.14.2 At and after the End Date, Project close-out will occur as provided in Exhibit C attached hereto, and PHIT will execute an Assignment and Assumption Agreement in the form included as Attachment 1 to Exhibit C, which includes the assignment of all retainage or bonds and securities deposited pursuant to Section 1 of Attachment 1 to fulfill the payment obligations of Attachment 1. UO shall have sole responsibility for all maintenance and repair of the Premises after the End Date, and PHIT is completely released by UO from all responsibilities under this Lease, except as otherwise stated in this Lease.

3. CONDITION OF PREMISES. Except as otherwise provided in this Lease, PHIT accepts the Premises in its “AS-IS” condition with all faults, including both latent and patent defects. UO and UO’s agents, employees, and trustees do not make, have not made, and expressly disclaim any representations or warranties, express or implied, with respect to the Premises. However:

3.1 Hazardous Materials. PHIT is not responsible for the existence of any hazardous materials at, on, or under the Premises prior to the Start Date. If any hazardous material is discovered in the Premises and if it is possible to remediate the hazardous material condition in a way that does not substantially and materially change the design, engineering, or construction timeline for the Project, or substantially and materially increase the Project construction cost, then UO will undertake and be responsible for the cost of remediation of the hazardous material condition (including any action required by applicable environmental law to: (a) clean up, remove, treat or in any other way address hazardous material, (b) prevent the release or minimize the further release of hazardous material, or (c) investigate and determine if remediation is required). As used in this Lease, hazardous material includes: (a) any material, substance, chemical, waste, product, derivative, compound, mixture, solid, liquid, or gas, whether naturally occurring or manmade, that is defined as hazardous, toxic, a contaminant, or words of similar import or regulatory effect under any environmental law; and (b) any petroleum or petroleum by-products or degradation products, radon, radioactive materials or wastes, lead paint, asbestos in any form, urea formaldehyde foam insulation, methane-generating wastes (such as wood chips and other wood wastes), and polychlorinated biphenyls. Also as used in this Lease, environmental law includes federal, state or local statutes, laws, rules, ordinances, codes, regulations, permits, authorizations, judgments, directives, and orders applicable to the Premises and relating to protection of human health or the environment (including ambient and indoor air, surface water, ground water, drinking water, wildlife, plants, land surface or subsurface strata), and including any statutes, regulations, binding administrative decisions or orders relating to releases or threatened releases of hazardous materials or otherwise relating to the manufacture, processing, distribution, use, generation, treatment, storage, disposal, transport, remediation or handling of hazardous materials.

3.2 Easements and Encumbrances. PHIT is not responsible for any easements and other encumbrances, including, without limitation, exceptions to title shown on the [insert date] title report attached as Exhibit D, to the extent that such encumbrances affect the Premises and adversely affect the Project ("Encumbrances"). UO, at its sole expense, will take all action necessary, or reimburse PHIT for all action necessary, to remove or relocate any such Encumbrances so that they do not delay or otherwise affect the Project. UO will commence, or authorize PHIT to commence, such removal or relocation of any Encumbrances the existence of which would delay or otherwise affect the Project within thirty (30) days of receipt of written notice requesting such removal or relocation. In the event
UO does not use PHIT’s contractor for the Project for such removal or relocation, UO and PHIT will, before UO commences such work, negotiate a completion date consistent with the overall Project schedule.

3.3 Irreparable Conditions. If any hazardous material, latent condition, or Encumbrance (a “Irreparable Condition”) is discovered at the Premises and if it is not possible to remediate the Irreparable Condition in a way that does not substantially and materially change the design, engineering, or construction timeline for the Project, or substantially and materially increase the Project construction cost, either party may terminate this Lease upon notice to the other party. If either party terminates this Lease pursuant to this Section, PHIT will restore the Premises to a condition that is the same or better condition than it presently exists at the effective date of this Lease, but only if and after UO, at UO’s and not PHIT’s expense, promptly remediates the Irreparable Condition, if necessary to complete the restoration, such that PHIT may undertake the restoration work without incurring any liability or obligation for the Irreparable Condition. UO will, to the fullest extent not prohibited by applicable law, indemnify, defend, and hold PHIT harmless for, from, and against any and all liability, damages, expenses, judgments, proceedings, and causes of action based on the presence of hazardous materials on the Premises that are not introduced by PHIT or its Contractors.

4. INSURANCE AND INDEMNITY.

4.1 PHIT’s Indemnity of UO. To the extent of its insurance on the Project, PHIT will indemnify, defend, and hold UO, including its employees and trustees, harmless from and against any and all liability, damages, expenses, judgments, proceedings, and causes of action based solely on claims by third parties for injury to or death of any person or damage to or destruction of any property arising out of PHIT’s use or occupancy of the Premises, provided, however, such obligation only applies to the extent of PHIT’s or PHIT’s managers, officers or employees negligence, or willful or intentional misconduct. PHIT’s indemnification obligations under this paragraph will survive the expiration or termination of this Lease.

4.2 PHIT’s Insurance. PHIT or its Contractors will maintain the insurance specified on Exhibit E on the Premises for the duration of this Lease.

4.3 UO’s Indemnity of PHIT. UO will indemnify, defend and hold PHIT harmless as provided in Exhibit C.

5. ASSIGNMENT. PHIT may not assign this Lease or sublicense the whole or any part of the Premises without the prior written approval of UO, which approval UO may grant or withhold in UO’s sole and absolute discretion.

6. COMPLIANCE WITH LAW.

6.1 Applicable Law. During the Term, all obligations of PHIT under this Lease and actions taken by PHIT and its Contractors pursuant to this Lease will comply with all applicable statutes, regulations, rules, and other legal requirements of all federal, state, county and municipal authorities having jurisdiction over the Premises. This includes, but is not limited to, compliance with (a) the ADA; (b) applicable Oregon Building Codes; (c) all laws, regulations, rules, and policies established pursuant to the foregoing laws; and (d) all laws, regulations, rules, and policies specifically made applicable by reference in this Lease.

LEASE
Matthew Knight Arena
6.2 **Tax-Exempt Bonds.** Notwithstanding the requirements of Section 6.1, UO is solely responsible for performing all actions necessary to maintain the tax-exempt status of all bonds associated with the Premises.

7. **TERMINATION.** PHIT may, at any time and without cause, terminate this Lease and return the Premises to UO in the same or better condition than it presently exists as of the effective date of this Lease. In addition, in the event of a material breach of this Lease by PHIT or UO, the party not in breach may terminate this Lease. The right to terminate this Lease is not an exclusive remedy, and a party may singularly, successively, cumulatively, simultaneously or concurrently pursue all rights and remedies available to the non-breaching party at law or in equity.

8. **UO ACCESS TO PREMISES.** After obtaining PHIT’s consent, which will not be unreasonably withheld, conditioned, or denied, during the Term, UO and UO’s agents may enter the Premises: (a) to inspect the general condition of the Premises, (b) to perform such duties as UO is obligated to perform under this Lease or applicable law or policy, and (c) to engage in other activities coordinated with PHIT that will not interfere with the activities of PHIT (including PHIT’s Contractors) on the Premises. UO’s Police Department and other emergency response personnel may enter the Premises at all times without PHIT’s consent to respond to health or safety emergencies and to enforce controlling state and federal laws, municipal ordinances, and UO policies, rules, and regulations.

9. **CONDITIONS TO LEASE.**

9.1 **UO Board of Trustees Approval of Agreement.** This Lease is subject to the approval of UO’s Board of Trustees on or before [insert date]; if such approval is not obtained by this date, UO may terminate this Lease by written notice to PHIT given no later than [insert date].

9.2 **PHIT Board of Managers Approval of Lease.** This Lease is subject to the approval of PHIT’s Board of Managers on or before [insert date]; if such approval is not obtained by the date, PHIT may terminate this Lease by written notice to UO given no later than [insert date].

9.3 **PHIT Board of Managers Approval of Construction Contract.** This Lease is subject to the PHIT Board of Managers approval of the construction contract with its general contractor and design professionals on or before [insert date]; if such approval is not obtained by the date, PHIT may terminate this Lease by written notice to UO given no later than [insert date].

10. **MISCELLANEOUS**

10.1 **Mutual Cooperation.** The parties hereto will cooperate with each other to accomplish the Project and will use all reasonable efforts to cause the fulfillment of the conditions to the parties’ obligations hereunder and to provide, or obtain from any third party, as promptly as possible, all consents, authorizations, orders, or approvals required in connection with the Project and this Lease. The parties will execute such further documents and take such actions as may be necessary or convenient to accomplish the purposes of the Project and this Lease.

10.2 **Governing Law.** This Lease will be governed and construed in accordance with the laws of the State of Oregon without regard to principles of conflicts of law.
10.3 Force Majeure. Neither UO nor PHIT will be held responsible for delay or default caused by fire, riot, acts of nature, terrorist acts, or other acts of political sabotage, or war where such cause was beyond, respectively, UO’s or PHIT’s reasonable control. PHIT will, however, make all reasonable efforts to remove or eliminate such a cause of delay or default and will, upon the cessation of the cause, diligently pursue performance of its obligations under this Lease. However, if a default or delay due to a force majeure event continues for an unreasonable time, as determined by either party, then such party is entitled to terminate the Lease pursuant to the terms of Section 7. In the event it is commercially unreasonable for PHIT to commence or complete construction of the Project as a result of an event of force majeure, PHIT shall have no liability to UO therefor and, to the extent construction has already commenced, PHIT will restore the Premises to a condition that is the same or better condition than it presently exists at the effective date of this Lease.

10.4 Binding Effect. All of the provisions contained in this Lease are binding upon and inure to the benefit of the heirs, personal representatives, successors and assigns of the parties hereto.

10.5 Rules of Interpretation. All of the provisions of this Lease are to be construed as a whole and not strictly for or against any party.

10.6 No Partnership or Other Venture. This Lease is not intended to create, nor will it in any way be interpreted or construed to create, a joint venture, partnership, agency, or any other similar relationship, including a joint employer relationship, between the parties.

10.7 Waiver. Failure of UO or PHIT to enforce any provision of the Lease will not constitute a waiver or relinquishment of the right of performance in the future nor of the right to enforce any other provision of this Lease.

10.8 Counterparts. This Lease may be executed in several counterparts, each of which will be an original, all of which, together, will constitute one instrument.

10.9 Attorney Fees. In any dispute involving the interpretation or enforcement of this Lease or involving issues related to bankruptcy (whether or not such issues relate to the terms of this Lease), the prevailing party will be entitled to recover from the non-prevailing party reasonable attorney fees, paralegal fees, costs, disbursements, and other expenses incurred by the prevailing party in the dispute, including those arising before and at any trial, arbitration, bankruptcy, or other proceeding, and in any appeal or review thereof. In addition, the amount recoverable by the prevailing party will include an amount estimated as the fees, costs, disbursements, and other expenses that will be reasonably incurred in collecting a monetary judgment or award, or otherwise enforcing any order, judgment, award, or decree entered in the proceeding.

10.10 Authority. Each party represents it has full authority to sign this Lease.

10.11 Survival. All obligations of a party to this Lease which, by their nature, are continuing, will survive expiration or termination of this Lease (except to the extent that the party is released or the obligation is assumed pursuant to this Lease).

10.12 Notices. A notice or communication under this Lease by either party to the other party must be in writing and delivered by registered or certified mail, postage prepaid, return receipt requested and by regular first-class mail, or, subject to the provisions of the last paragraph of this
Section, via email, addressed as follows (or to such other address as a party may designate for itself by notice to the other party pursuant to this Section):

If to UO:
Vice President for Finance and Administration
1283 University of Oregon
Eugene, OR 97403-1283
Office: Johnson Hall, 103
Email: vpfa@uoregon.edu

If to PHIT:
c/o University of Oregon Foundation
Attn: __________________________
PO Box 3346
Eugene, OR 97403
Email: __________@______________

with a copy to:
Office of the General Counsel
1226 University of Oregon
Eugene, OR 97403-1226
Office: Johnson Hall, Room 219
Email: gcounsel@uoregon.edu

with a copy to:
Gleaves Swearingen, LLP
Attn: Patricia L. Chapman
975 Oak Street, Suite 800
Eugene, OR 97401-3156
Email: chapman@gleaveslaw.com

and to
Stoel Rives LLP
Attn: Dana L. Krawczuk
760 SW Ninth Avenue, Suite 300
Portland, OR 97205
Email: dana.krawczuk@stoel.com

Notice given by mail pursuant will be considered received on the earlier of (a) the date of actual receipt, or (b) three days after the date of mailing. Alternatively, a notice or communication under this Lease by any party to any other party may be sent by email, addressed to a party pursuant to this Section, but will be effective only if the sender receives a reply from the addressee confirming receipt, in which event it will be deemed effective the day the notice email is sent or, if the next day is a weekend or federal holiday, on the next business day after the notice email is sent.

10.13   **Recording Memorandum of Lease.** UO may elect that a recordable Memorandum of Lease, executed and acknowledged by both parties, be recorded in the public records of Lane County, Oregon. UO shall pay the recording costs.

10.14   **Entire Agreement.** This Lease (including its Recitals and Exhibits, which are incorporated in this Lease) constitutes the entire agreement of the parties with respect to the Project, supersedes all prior or contemporaneous oral or written agreements with respect to the matters set forth in this Lease, and may not be modified, amended or supplemented except in writing and signed by the parties.

**[SIGNATURE PAGE FOLLOWS]**
UO: University of Oregon

PHIT: PHIT TOO, LLC

By: _____________________________ By: _____________________________
Name: _____________________________ Name: _____________________________
Title: _____________________________ Title: _____________________________
Date: _____________________________ Date: _____________________________

Attachments:

Exhibit A: Description of Premises
Exhibit B: Prevailing Wage Rate Law Compliance
Exhibit C: UO Undertakings regarding Liability and Indemnity
(with Attachment 1 – Assignment and Assumption Agreement)
Exhibit D: Title Report
Exhibit E: PHIT’s Insurance Requirements
Exhibit A
Description of Premises

The Premises consist of those areas of the option, either “Option A” or “Option B”, approved by the UO Board of Trustees depicted in the attached Preliminary Concept document, dated November 2, 2018, that have not been constructed and incorporated into the Arena.

The Premises will include a set-back area enclosed by a fence at a distance required by applicable law and as reasonably necessary for public safety.
Exhibit B
Prevailing Wage Rate Law Compliance

As more particularly described in this Exhibit B, PHIT will comply with and will require all of PHIT’s construction contractors and subcontractors to comply with ORS 279C.800 through 279C.870. The Oregon Bureau of Labor and Industries (“BOLI”) prevailing wage rates that will apply to the Project under the Lease (and the construction contract that PHIT will enter into with PHIT’s construction contractor) are those that are in effect at the time the construction contract is executed, or if no construction work is authorized to be performed in the initial form of the construction contract, then those prevailing wage rates in effect at the time the construction contractor is under a contractual obligation to perform construction work on the Project. Once established, the prevailing wage rates will then be in effect for the remainder of the Lease and the construction contract between PHIT and PHIT’s construction contractor. The prevailing wage rates that will apply will be those set forth in the then current version of the following BOLI booklet, together with any amendments to that booklet: “PREVAILING WAGE RATES for Public Works Constricts in Oregon.”

PHIT will pay construction workers at not less than the specified minimum hourly rate of wage, and will include that requirement in all construction contracts and subcontracts pertaining to construction of the Project.

In accordance with ORS 279C.845, every contractor and Subcontractor performing work on the Project will submit written certified statements to the PHIT and UO, on the form prescribed by the Commissioner of BOLI, certifying the hourly rate of wage paid to each worker which PHIT’s contractors or subcontractors have employed on the Project, and further certifying that no worker employed on the Project has been paid less than the prevailing rate of wage or less than the minimum hourly rate of wage. The certificate and statement will be verified by the oath of the contractor or subcontractor that it has read the certified statement, that the contractor or subcontractor knows the contents of the certified statement, and that, to the contractor’s or subcontractor’s best knowledge and belief, the certified statement is true.

In order to comply with statutory requirements and administrative rules promulgated by the Commissioner of BOLI, the fee required by ORS 279C.825(1) will be paid by PHIT to UO, so the UO can pay the fee to the Commissioner of BOLI.
Exhibit C
UO Undertakings (Liability and Indemnity)

1. THIRD PARTY CONTRACTS. PHIT has already, or will following execution of this Lease, enter into (a) a construction contract with [contractor name] (as extended or otherwise amended from time to time, “Construction Contract”); (b) a consultant agreement with Rusty Sprocket, LLC (as extended or otherwise amended from time to time, “Consultant Contract”); and, to the extent applicable, (c) any other design services contract or architect’s contract in connection with the Project to be undertaken by PHIT during the Term. All contracts described in this Section are collectively referred to as the “Contracts.”

2. PROJECT CLOSEOUT. To complete close-out of the Project and the transfer of any work at expiration of the Lease, PHIT and UO will coordinate as follows:

2.1 UO shall coordinate with PHIT in all Project close-out processes required by this Lease and required by the terms and conditions of the Contracts, including without limitation review of any issues associated with the completion of the Project, the date of final completion, the date of substantial completion on or before the End Date, acceptance of the Project, adequacy of any transfer of assignment of warranties and Project documentation, any final pay applications, retainage requests, and back charges and claims.

2.2 PHIT may follow the directives of the UO with respect to such close-out matters.

2.3 PHIT and UO will execute an Assignment and Assumption Agreement upon substantial completion of the Project, upon termination of the Lease, or upon expiration of the Lease, whichever occurs first, in the form attached as Attachment 1 hereto.

2.4 UO will enter into a license with [general contractor] and any other contractors, subcontractors, or service providers to the extent necessary to facilitate the completion of punch-list work and other close-out procedures after the termination or expiration of the Lease.

3. DISCLAIMER OF ALL WARRANTIES BY PHIT ON TRANSFERRED WORK

PHIT makes no warranties or representations of its own to UO regarding (1) any design or other pre-construction services; (2) any construction services and work performed on the Project under this Lease; (3) any design issues associated with design services performed on the Project; or (4) any transferred work product under the Contracts or other contracts or subcontracts related to the Project. PHIT specifically disclaims any and all such warranties. All such services and work shall be transferred to UO AS-IS and without recourse to PHIT. UO agrees that any and all warranty rights it may have related to the Project’s (1) design services; (2) pre-construction services; and (3) construction services and work shall be solely against third parties, to the extent PHIT has any assigned warranties or independent rights against the designers, consultants, contractors, suppliers, or other parties performing the Project, including providing materials or services. PHIT assumes no special relationship with respect to any such services. To the greatest extent permitted by law, PHIT and its members shall have no liability to UO for incidental or consequential damages of any nature whatsoever. Except as set forth in Section 4 of this Exhibit, to the greatest extent permitted by law, UO shall, to the fullest extent not prohibited by applicable law, indemnify, defend and hold PHIT and its members harmless from and against any claims related to
the Project, including, without limitation, any claims related to the pre-construction work, the work performed under this Lease, and any design claims, unless arising in whole or in part from the negligence, recklessness, or willful or intentional misconduct of PHIT, its member, managers, officers or employees in performing its obligations under this Lease.

4. ASSIGNMENT AND ASSUMPTION

Upon termination or expiration of the Lease, unless UO and PHIT agree to the terms of an earlier assignment of the Project, any portion of the Project, or any of the Contracts with any required modifications to this Lease, PHIT shall assign to UO (1) the Contracts entered into by PHIT; (2) the Project, all Project-related work product, and all third party warranties related to the Project; and (3) all of PHIT’s contractual rights, obligations, and liabilities related to the Project, including all obligations and liabilities that predate the assignment. UO shall, if PHIT makes such an assignment, assume all such Contracts and all of PHIT’s rights, obligations and liabilities thereunder, including obligations and liabilities which predate the assignment provided. However, at the time of assignment, PHIT shall identify and notify UO in writing, by specific reference, each claim asserted in writing against PHIT arising out of the Contracts and the facts related to any such claim known to PHIT at the time of assignment as provided in the Assignment and Assumption Agreement attached hereto as Attachment 1. If PHIT fails to identify with specificity and in writing such claims that are known to PHIT at the time of assignment, all such claims and all costs and expenses arising from such claims (“Claim Costs”) will be retained by PHIT. Under no circumstances will the form of assignment include claims of any kind, including Claim Costs, arising from PHIT’s negligence, recklessness, or willful or intentional misconduct.

5. HOLD HARMLESS AND INDEMNIFICATION

To the greatest extent permitted by law the UO will indemnify and hold PHIT harmless and its managers, officers, directors, and PHIT’s member, the Foundation, and the officers and directors of Foundation, from and against any and all claims, actions, demands or litigation arising out of the acts or omissions of the UO’s officers, employees and agents that relate in any way to the Project.

6. FOUNDATION HOLD HARMLESS

UO will, under no circumstances and under no legal or equitable theories, make any claim under this Lease, in tort or otherwise, against the Foundation, except to the extent any such claims arise from the negligence, recklessness, or willful or intentional misconduct of the Foundation. UO acknowledges and agrees that this Lease constitutes a contract solely with PHIT and that Foundation, the sole member of PHIT, shall have no liability whatsoever under the Lease either directly or indirectly as a third-party beneficiary or otherwise.
ASSIGNMENT AND ASSUMPTION AGREEMENT

BETWEEN: PHIT TOO, LLC, an Oregon limited liability company (“PHIT”)  
AND: University of Oregon (“Owner”)  
DATED: [insert date]

RECITALS

A. On or about [insert date], PHIT and Owner (each individually referred to as a “Party,” and collectively the “Parties”) entered into that Lease (as amended to date, the “Lease”), pertaining to the enhancement of Matthew Knight Arena (the “Arena”), which provides that PHIT has the right to undertake certain development, construction, alteration, and improvement projects projects to enhance the Arena (the “Project”) and, at the conclusion of the Lease, make a gift of the Project to the Owner.

B. As permitted by the Lease, PHIT entered into certain contracts for design and construction of the Project including the following:

1. That certain Construction Contract between PHIT and [insert contractor] entered into on or about [insert date] and all amendments and change orders thereto;

2. A design services contract or architect’s contract between PHIT and [insert firm] entered into on or about [insert date] and all amendments and addenda thereto; and

3. That certain Consultant Agreement between PHIT and Rusty Sprocket LLC (“Rusty Sprocket”) entered into on or about [insert date] and amendments and addenda thereto.

C. The Lease provides that, upon completion of the Project, or prior to completion of the Project if the Parties mutually agree, PHIT shall assign the contracts listed in recital B and all other contracts related to the Project (collectively, “Contracts”), all work product and warranties related to the Contracts, and all of PHIT’s rights, obligations and liabilities thereunder to Owner, and Owner shall assume all such Contracts, subject to the limitations described more particularly below.

D. The Project is complete or nearing completion. The Parties have agreed to enter into this Assignment and Assumption Agreement as permitted by the assignment and assumption provisions of the Lease.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing Recitals, which are incorporated herein by this reference, and in consideration of the promises and agreements set forth herein and other valuable
consideration, the adequacy of which is hereby acknowledged, PHIT and the Owner hereby agree as follows:

1. **Assignment**

PHIT hereby assigns, transfers, conveys and grants to Owner, its successors, and assigns forever, (1) all of PHIT’s rights, title, and interest in and to the Contracts; (2) all of PHIT’s rights, title, and interest in and to the Project; (3) any and all work and work product under the Contracts, whether produced, performed, provided or developed directly by [general contractor], [architect], Rusty Sprocket, or [any other contractor] or by or through their respective subcontractors; and (4) all of PHIT’s other rights, title, interests, benefits, assets, warranties and other entitlements of every kind and nature under or arising from the Contracts. The foregoing includes but is not limited to all plans, drawings, specifications, manuals, construction documents, Project documentation, pre-construction and construction services and work and work product therefrom, materials, equipment, structures, fixtures, improvements, completed or in progress, and property rights of every kind and nature and the right of occupancy and use and rights regarding all retainage or bonds and securities deposited in lieu of retainage under the Contracts to fulfill the payment obligations of Section 6.3 to final completion of the Project.

2. **PHIT Confirmations**

PHIT hereby makes the following confirmations to Owner, based upon PHIT’s current knowledge and belief, with the intent of having Owner rely on them: (i) PHIT has paid the invoices received to date arising from Contracts, except [insert if applicable]; and (ii) PHIT has specifically informed Owner in writing of any currently known and asserted outstanding claims or liabilities that have arisen under the Contracts.

3. **Delegation and Assumption**

PHIT hereby delegates to Owner and Owner, to the full extent permitted by Oregon law, hereby assumes all of PHIT’s contractual obligations, duties, and liabilities under the Contracts, including contractual obligations and liabilities under Contracts (including subcontracts) that predate this assignment and assumption, except for any PHIT obligations and liabilities which Owner is not permitted to accept under applicable Oregon law. However, through this Assignment and Assumption Agreement, Owner does not assume any tort liability, statutory obligation, or other obligations, liabilities, claims, costs or expenses of any kind arising from the negligence, recklessness, or willful or intentional misconduct of PHIT or its member, managers, officers, employees, agents, or contractors in performing PHIT’s obligations under the Lease.

4. **Implementation of Agreement Terms**

This Assignment and Assumption Agreement is entered into by the Parties to effectuate the intent of the Lease; however, this Assignment and Assumption Agreement does not replace any obligations of Owner or PHIT under the Lease.
5. Disclaimer of All Warranties by PHIT on Transferred Work

As provided in Section 3 of Exhibit C of the Lease, PHIT makes no warranties or representations of its own to UO regarding (1) any design or other pre-construction services; (2) any construction services and work performed on the Project under the Lease; (3) any design issues associated with design services performed on the Project; or (4) any transferred work product under the Contracts or other contracts or subcontracts related to the Project. PHIT specifically disclaims any and all such warranties. All such services and work are hereby transferred to UO AS-IS and without recourse to PHIT. UO agrees that any and all warranty rights it may have related to the Project’s (1) design services; (2) pre-construction services; and (3) construction services and work shall be solely against third parties, to the extent PHIT has any assigned warranties or independent rights against the designers, consultants, contractors, suppliers, or other parties performing the Project, including providing materials or services. PHIT assumes no special relationship with respect to any such services. To the greatest extent permitted by law, PHIT and its members shall have no liability to UO for incidental or consequential damages of any nature whatsoever. Except as set forth in Section 4 of Exhibit C to the Lease, to the greatest extent permitted by law, UO shall, to the fullest extent not prohibited by applicable law, indemnify, defend and hold PHIT, its member, and agents harmless from and against any claims related in any fashion to the Project, including, without limitation, any claims related to the preconstruction work, the work performed under the Lease, and any design claims, unless arising in whole or in part from the negligence, recklessness, or willful or intentional misconduct of PHIT, its member, managers, officers, employees, agents or contractors in performing its obligations under the Lease.

6. Obtaining Consents and Releases, Continued Cooperation

6.1 PHIT shall use its best efforts, as soon as possible, through a letter agreement with each contractor, to obtain PHIT’s release from liability under the Contracts it has. PHIT shall include in each letter agreement the contractor’s consent to the assignment of PHIT’s contract rights to Owner and PHIT shall attach a signed copy of the letter agreement to this Assignment and Assumption Agreement. The consent language in each letter agreement shall expressly provide that the consent is provided to and for the benefit of both PHIT and Owner, with Owner named as an intended third-party beneficiary, and the terms of the letter agreements shall otherwise be acceptable to Owner. PHIT is required to use its best efforts to obtain such consent and release; however, if necessary, Owner will assist PHIT in obtaining them.

6.2 PHIT shall deliver to Owner all documentation, records, work product, manuals, warranties and other materials and documentation of every kind and nature that PHIT now has or later receives respecting the Project and the Contracts. If requested by Owner, PHIT shall assist Owner (at Owner’s expense) in obtaining documentation or having documentation transferred to Owner in Owner’s name, including but not limited to any warranties for materials, equipment, or systems, and PHIT shall assist Owner (at Owner’s expense) in asserting claims under such warranties if the party giving the warranty fails to recognize Owner as the owner or beneficial party under the warranty. PHIT shall also execute and deliver any
other documentation Owner may reasonably request to further document the assignment and assumption between PHIT and Owner.

6.3 If requested by Owner, PHIT shall assist Owner in processing any pending amendments and any pending or final invoices and payments under the Contracts and other documentation necessary to close out the Contracts, at least in the event the assignment and assumption and consent and release process has not been completed before final payment and closeout are to occur. Payments under the Contracts are the responsibility of Owner, except for payment obligations that have accrued and are due and payable prior to the date of this Assignment and Assumption Agreement or for any retainage due to a contractor under the Contracts other than retainage earned after the date hereof if this Assignment and Assumption Agreement is being entered into prior to substantial completion of the Project. PHIT agrees that with the exception of any funds necessary for payments under the Contracts (including any subcontracts), to the extent PHIT would still be involved in such payments, no compensation is due or owing to PHIT for the services or work PHIT has performed under the Lease.


7.1 This Assignment and Assumption Agreement may be executed in counterparts, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.

7.2 Time is of the essence of this Assignment and Assumption Agreement.

7.3 This Assignment and Assumption Agreement shall be interpreted under the laws of the State of Oregon.

7.4 Jurisdiction and venue for any claims or disputes arising from this Assignment and Assumption Agreement shall be the Circuit Court of Lane County for the State of Oregon; provided, however, if a claim or dispute must be brought in a federal forum, then it shall be brought and conducted solely and exclusively within the United States District Court for the District of Oregon. In no event shall this section be construed as a waiver by the State of Oregon of any form of defense or immunity.

7.5 No waiver of any provision of this Assignment and Assumption Agreement or waiver of a breach thereof shall be of any force or effect unless in writing, shall not be construed as a waiver of any other provision, and shall not be construed as a continuing waiver.

7.6 This Assignment and Assumption Agreement is the entire agreement between the Parties relating to the limited subject matter hereof and any modifications hereto shall be in writing executed by the Parties.
7.7 The Parties agree this Assignment and Assumption Agreement shall be effective as of the date first written above immediately upon execution by both Parties. Each Party hereby represents that it has obtained before execution any required approvals.

7.8 The Parties each acknowledge that it had the opportunity to and did engage separate legal counsel respecting advice for and the preparation of this Assignment and Assumption Agreement before executing it.

IT IS SO AGREED:

OWNER: University of Oregon
By: _____________________________  By: _____________________________
Name: _____________________________  Name: _____________________________
Title: _____________________________  Title: _____________________________
Date: _____________________________  Date: _____________________________

PHIT: PHIT TOO, LLC
By: _____________________________  By: _____________________________
Name: _____________________________  Name: _____________________________
Title: _____________________________  Title: _____________________________
Date: _____________________________  Date: _____________________________
Exhibit E
PHIT’s Insurance Requirements

During the Term, PHIT will provide and maintain commercial general liability (Occurrence Basis) insuring it against claims for personal injury, bodily injury or death, and property damage. Such insurance will be written with an insurer licensed to do business in the state of Oregon, will name UO as additional insured, and contain a waiver of subrogation endorsement in favor of UO. The initial limits of liability of all such insurance will be not less than $1,000,000 per occurrence and $2,000,000 general aggregate.

Either PHIT or PHIT’s prime contractor will purchase and maintain Causes of Loss-Special Form (formerly “all risk”) builder’s risk insurance in the amount of the prime contractor’s contract price for the construction of alterations, additions, or improvements to the Premises during the Term and the cost of materials furnished by others, comprising the total value of such alterations, additions, or improvements during the Term, on a replacement cost basis. The insurance will contain a waiver of subrogation in favor of UO.

PHIT will carry Commercial Business Automobile Liability Insurance (Occurrence Basis) with a $1,000,000 combined single limit coverage and naming UO as additional insured. Such insurance will be endorsed with a waiver of subrogation endorsement in favor of UO and include coverage for owned, hired, and non-owned vehicles.

All policies of insurance required hereunder will provide that the insurance represented by the certificates will not be cancelled without the giving of thirty (30) days’ prior written notice to the holders of the insurance required hereunder. If the parties agree, UO may obtain the same and keep the insurance in effect, and PHIT will pay UO the cost thereof within ten (10) days after receipt of an invoice. No policy (with the exception of earthquake and flood) will contain a deductible or self-insured retention in excess of $25,000 without UO’s prior written approval. If requested by UO, PHIT will promptly deliver to UO a certified copy of any certificate of insurance and insurance policies required by this License. The insurance carried by PHIT hereunder will be primary and not contributory with any other insurance which is maintained by UO. All insurance that PHIT is required to maintain hereunder may be provided under a blanket policy provided such policy otherwise complies with the requirements of this exhibit and is endorsed with an Aggregate Limits of Insurance (Per Location) endorsement.

The insurance required of PHIT above may be provided by PHIT or its contractors.
RECITALS:

A. UO is the owner of the land and improvements known as Matthew Knight Arena (“Arena”).

B. PHIT is a single member limited liability company, the sole member of which is the University of Oregon Foundation (“Foundation”).

C. The Foundation is an independent, nonprofit public benefit corporation established under Oregon law, ORS Chapter 65. The Foundation is recognized as a tax-exempt public charity under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended. The Foundation’s purpose is to raise, manage, distribute, and steward private resources to support the mission and priorities of UO. The Foundation Board of Trustees is responsible for overseeing the mission, leadership, and operations of the Foundation.

D. The Foundation, through PHIT, desires to undertake certain renovation, alteration, and improvement projects to enhance the Arena (the “Arena Enhancement Project”; also referred to hereafter as the “Project”).

E. To allow PHIT to perform the Arena Enhancement Project, UO is willing to grant a license to PHIT to use the necessary portions of the Arena and adjacent UO property, as generally described in Exhibit A (the “Licensed Area”) for the performance of the Project, after which the Project will be given to UO as a gift-in-kind to assist UO’s students.

AGREEMENT:

UO licenses the Licensed Area to PHIT on and subject to the following terms, conditions, and provisions:

1. LICENSE, DURATION, CONSIDERATION, AND SCOPE

1.1 Grant of License. UO grants to PHIT and its employees, officers, and agents, as well as its contractors and subcontractors (collectively, its “Contractors”), a non-exclusive, non-transferable license, terminable by UO on the conditions described in this Agreement, to use the Licensed Area. UO retains all and does not convey any real property rights to the Licensed Area throughout the duration of this Agreement. This License does not convey an interest in real property, but rather is a privilege granted to Licensee for the purposes stated in this Agreement. It is not the intent of the parties that this License Agreement will result in any property tax liability to Licensee.

1.2 License Period. The License will commence on [START DATE] or such earlier date as the parties may agree (the “Start Date”), subject to all conditions described in this Agreement. The License will terminate on the earlier of: (1) [END DATE], or (2) or the date on which the Project is tendered to
UO after substantial completion, as described in Section 2.11.1 (the earlier date being the “End Date”). This Agreement may be extended for reasonable cause upon written approval of both parties, which approval will not be unreasonably withheld.

1.3 Uninterrupted Use. Except as specifically described below, UO and its lessees and licensees shall have access to the Arena and the Licensed Area throughout the duration of this Agreement. PHIT will not unreasonably interfere with any event, activity, or use of the Arena by UO and its lessees and licensees without UO’s prior consent.

1.4 Consideration and Taxes. PHIT will pay UO a fee of one dollar in exchange for the license, which will be due and payable before the Start Date. The parties do not anticipate this Agreement to result in any property tax liability. If any property tax is assessed on the Licensed Area as a result of this Agreement, UO will pay all taxes and, to the fullest extent not prohibited by applicable law, defend, indemnify, and hold harmless PHIT and its agents, employees, Contractors, members, representatives, and directors from all costs, expenses, and other liabilities arising out of such assessment. As used in this paragraph, the term “property tax” will include all ad valorem real property taxes, ad valorem personal property taxes (not including any such taxes on the personal property of any Contractors), special assessments, deferred ad valorem taxes, local improvement district assessments, and any other similar tax or assessment.

2. PROJECT TERMS

2.1 Design. PHIT will perform the Project to renovate, alter, and improve the Arena to benefit UO’s students. UO approves the Project design concepts presented to UO on [PRESENTATION DATE] (the “Approved Project Design”). PHIT may make revisions to the design unless the revisions are, by UO’s reasonable determination, substantially inconsistent with the Approved Project Design. If the revisions are not substantially consistent with the Approved Project Design, the revisions will be subject to UO’s review and approval, which approval shall not be unreasonably withheld, conditioned, or delayed.

2.2 Project Performance. During this Agreement, PHIT will have the right to (a) demolish, remove, or replace improvements located within the Licensed Area as necessary to perform the Project, (b) unless UO has, to the extent consistent with applicable law, provided prior reasonable instructions regarding specific materials, remove, haul away, dispose of, and reuse any and all materials resulting from the demolition, removal, or replacement of any improvements as part of the Project, and (c) cause certain Project repairs, alterations, and improvements to be constructed, installed, and performed to complete the Approved Project Design in the Licensed Area.

2.3 Post-Project Restoration. PHIT will restore any portion of the UO’s property affected by the performance of the Project to substantially the condition they were in immediately prior to such installation (subject to the modifications necessary for the Project’s improvements).

2.4 Access. To facilitate the Project, UO grants to PHIT a nonexclusive right of access, ingress, and egress to, over, and through UO property adjacent to the Licensed Area for the duration of the Agreement to the extent reasonably necessary to access the Licensed Area and perform the Project. PHIT will work together with UO to designate and coordinate the method and timing of use of access
routes for this purpose. UO is responsible for coordinating any relocation of UO employees or UO property necessary to perform the Project.

2.5 **Parking.** This Agreement does not provide parking to PHIT and its Contractors.

2.6 **Labor and Service Fees.** UO agrees to waive any and all labor and service fees, interdepartmental charges, mark ups, and service charges for UO’s services related to the Project including, without limitation, facility management, IT services, security services, and lock shop. However, Licensee will, in its sole discretion, pay for the actual cost of any materials provided by UO, such as locks required and provided by UO.

2.7 **Contractor Requirements.** In connection with Project work:

2.7.1 PHIT will use only Contractors that are properly licensed in Oregon and will keep the Licensed Area free from any liens arising out of any work performed, materials furnished or obligations incurred by or for PHIT. Any Project work performed, materials furnished, or obligations incurred will be at PHIT’s sole request and cost and not at the instance of or as agent for UO. PHIT will be solely responsible for obtaining and paying for any and all permits and licenses, but UO will cooperate with PHIT and use best efforts to assist PHIT with the process of obtaining the required permits and licenses.

2.7.2 PHIT will require its Contractors of all tiers to pay applicable prevailing wages as required by law for the Project. The Project is subject to Oregon’s prevailing wage law, and PHIT will comply with all applicable prevailing wage statutes, regulations, and other requirements set forth in Exhibit B.

2.7.3 PHIT will require its Contractors to competitively bid or procure the work as appropriate. This procurement may include, without limitation, bidding of the intended scope of work, interviewing selected bidders, negotiating with selected bidders, and awarding to the bidders, in PHIT’s sole discretion, that are best able to perform the work, based on price and other relevant factors. The selection need not be based solely on price. PHIT reserves the right not to competitively procure any aspect of the Project if, in PHIT’s sole discretion, it is in the best interest of the Project. PHIT has the right to make direct and sole-source purchases for any aspect of the Project without competitive procurement.

2.7.4 PHIT will require its Contractors to use good faith efforts in the solicitation of minority, women, and veteran-owned businesses as well as emerging small businesses for the Project and will maintain records of such efforts and the actual usage of such businesses.

2.7.5 PHIT is not and will not, in any way, be acting as a public agency with respect to the Project nor will any provision of this Agreement require PHIT to act as a public agency. However, the parties understand that the prevailing wage requirements in ORS 279C.800 to 279C.870 apply to the Project and that, for purposes of prevailing wage requirements, the Project is a “public works” pursuant to ORS 279C.800. Except as provided in the foregoing sentence, it is the intent of the parties that the Project is not and will not be deemed a public project or public improvement.

2.8 **Coordination Committee.** UO shall appoint a representative who shall be PHIT’s primary point of contact with respect to the construction of the Project (the “**UO Project Representative**”). The
UO Project Representative will initially be Mike Harwood, but UO may change the UO Project Representative at any time at its sole discretion by providing written notice to PHIT. The UO Project Representative, PHIT, and a representative of PHIT’s general contractor shall meet regularly and in no circumstance less often than monthly to discuss the progress of the Project, UO’s reasonable needs for use and access to the Licensed Area, any other Project coordination issues, and any approvals required hereunder for the Project.

2.9 **Emergency and Disability Access Requirements.** If PHIT’s use of the Licensed Area causes a violation of the Americans with Disabilities Act of 1990 ("ADA") or if the Eugene Springfield Fire Marshal’s Office or the UO Fire Marshal’s Office deems there to be a life safety event violation, UO and PHIT shall reasonably cooperate to identify a means of resolving the violation.

2.10 **Safety Signage.** PHIT agrees to provide clear and consistent directional signage for all sidewalks, roads, entrances, and other public right of ways that are unavailable.

2.11 **Surrender of Licensed Area with Improvements; Close-Out Procedures.**

2.11.1 On or before the End Date: (a) PHIT will remove and cause its Contractors to remove their personal property from the Licensed Area (except to the extent reasonably necessary to complete punch-list items and otherwise complete Project close-out as provided below in this Section and Exhibit C); and (b) PHIT will surrender the Licensed Area to UO with the Project substantially completed such that the Arena can be used for its intended purpose subject only to so-called “punch-list” items for final completion of the Project.

2.11.2 At and after the End Date, Project close-out will occur as provided in Exhibit C attached hereto, and PHIT will execute an Assignment and Assumption Agreement in the form included as Attachment 1 to Exhibit C, which includes the assignment of all retainage or bonds and securities deposited pursuant to Section 1 of Attachment 1 to fulfill the payment obligations of Attachment 1. UO shall have sole responsibility for all maintenance and repair of the Licensed Area after the End Date, and PHIT is completely released by UO from all responsibilities under this Agreement, except as otherwise stated in this Agreement.

3. **CONDITION OF LICENSED AREA.** Except as otherwise provided in this Agreement, PHIT will have access to the Licensed Area in its “AS-IS” condition with all faults, including both latent and patent defects. UO and UO’s agents, employees, and trustees do not make, have not made, and expressly disclaim any representations or warranties, express or implied, with respect to the Licensed Area. However:

3.1 **Hazardous Materials.** PHIT is not responsible for the existence of any hazardous materials at, on, or under the Licensed Area prior to the Start Date. If any hazardous material is discovered in the Licensed Area and if it is possible to remediate the hazardous material condition in a way that does not substantially and materially change the design, engineering, or construction timeline for the Project, or substantially and materially increase the Project construction cost, then UO will undertake and be responsible for the cost of remediation of the hazardous material condition (including any action required by applicable environmental law to: (a) clean up, remove, treat or in any other way address hazardous material, (b) prevent the release or minimize the further release of hazardous material, or (c) investigate and determine if remediation is required). As used in this Agreement, hazardous material includes: (a) any material, substance, chemical, waste, product, derivative, compound, mixture, solid,
liquid, or gas, whether naturally occurring or manmade, that is defined as hazardous, toxic, a contaminant, or words of similar import or regulatory effect under any environmental law; and (b) any petroleum or petroleum by-products or degradation products, radon, radioactive materials or wastes, lead paint, asbestos in any form, urea formaldehyde foam insulation, methane-generating wastes (such as wood chips and other wood wastes), and polychlorinated biphenyls. Also as used in this Agreement, environmental law includes federal, state or local statutes, laws, rules, ordinances, codes, regulations, permits, authorizations, judgments, directives, and orders applicable to the Licensed Area and relating to protection of human health or the environment (including ambient and indoor air, surface water, ground water, drinking water, wildlife, plants, land surface or subsurface strata), and including any statutes, regulations, binding administrative decisions or orders relating to releases or threatened releases of hazardous materials or otherwise relating to the manufacture, processing, distribution, use, generation, treatment, storage, disposal, transport, remediation or handling of hazardous materials.

3.2 Irreparable Conditions. If any hazardous material or latent condition is discovered at the Licensed Area and if it is not possible to remediate the hazardous material or latent defect condition in a way that does not substantially and materially change the design, engineering, or construction timeline for the Project, or substantially and materially increase the Project construction cost, either party may terminate this Agreement upon notice to the other party. If either party terminates this Agreement pursuant to this Section 3.2, PHIT will restore the Licensed Area to the same or better condition than it presently exists at the effective date of this Agreement, but only if and after UO, at UO’s and not PHIT’s expense, promptly remediates the hazardous condition or latent defect, if necessary to complete the restoration, such that PHIT may undertake the restoration work without incurring any liability or obligation for the hazardous condition or latent defect. UO will, to the fullest extent not prohibited by applicable law, indemnify, defend, and hold PHIT harmless for, from, and against any and all liability, damages, expenses, judgments, proceedings, and causes of action based on the presence of hazardous materials on the Licensed Area that are not introduced by PHIT or its Contractors.

4. INSURANCE AND INDEMNITY.

4.1 PHIT’s Indemnity of UO. To the extent of its insurance on the Project, PHIT will indemnify, defend, and hold harmless UO (including its employees and trustees) from and against any and all liability, damages, expenses, judgments, proceedings, and causes of action based solely on claims by third parties for injury to or death of any person or damage to or destruction of any property arising out of PHIT’s use or occupancy of the Licensed Area, provided, however, such obligation only applies to the extent of PHIT’s or PHIT’s managers, officers or employees negligence, or willful or intentional misconduct. PHIT’s indemnification obligations under this paragraph will survive the expiration or termination of this Agreement.

4.2 PHIT’s Insurance. PHIT or its Contractors will maintain the insurance specified on Exhibit D on the Licensed Area for the duration of this Agreement.

4.3 UO’s Indemnity of PHIT. UO will indemnify, defend and hold PHIT harmless as provided in Exhibit C.

5. ASSIGNMENT. PHIT may not assign this Agreement or sublicense the whole or any part of the Licensed Area without the prior written approval of UO, which approval UO may grant or withhold in UO’s sole and absolute discretion.

LICENSE AGREEMENT
Matthew Knight Arena
6. COMPLIANCE WITH LAW.

6.1 Applicable Law. During the duration of this Agreement, all obligations of PHIT under this Agreement and actions taken by PHIT pursuant to this Agreement will comply with all applicable statutes, regulations, rules, and other legal requirements of all federal, state, county and municipal authorities having jurisdiction over the Licensed Area. This includes, but is not limited to, compliance with (a) the ADA; (b) applicable Oregon Building Codes; (c) all laws, regulations, rules, and policies established pursuant to the foregoing laws; and (d) all laws, regulations, rules, and policies specifically made applicable by reference in this Agreement.

6.2 Bond Status. Notwithstanding the requirements of Section 6.1, UO is solely responsible for performing all actions necessary to maintain the tax-exempt status of all bonds associated with the Licensed Area.

7. TERMINATION. PHIT may, at any time and without cause, terminate this Agreement and return the Licensed Area to UO in the same or better condition than it presently exists as of the effective date of this Agreement. In addition, in the event of a material breach of this Agreement by PHIT or UO, the party not in breach may terminate this Agreement. The right to terminate this Agreement is not an exclusive remedy, and a party may singularly, successively, cumulatively, simultaneously or concurrently pursue all rights and remedies available to the non-breaching party at law or in equity.

8. UO ACCESS TO LICENSED AREA. In addition to such access described in Section 1.3, UO and UO’s agents may enter the Licensed Area: (a) to inspect the general condition of the Licensed Area, (b) to perform such duties as UO is obligated to perform under this Agreement or applicable law or policy, and (c) to engage in other activities coordinated with PHIT that will not interfere with the activities of PHIT (including PHIT’s Contractors) in the Licensed Area. UO’s Police Department and other emergency response personnel may enter the Licensed Area at all times without PHIT’s consent to respond to health or safety emergencies and to enforce controlling state and federal laws, municipal ordinances, and UO policies, rules, and regulations.

9. CONDITIONS TO AGREEMENT.

9.1 PHIT Board of Managers Approval of Agreement. This Agreement is subject to the approval of PHIT’s Board of Managers on or before [insert date]; if such approval is not obtained by the date, PHIT may terminate this Agreement by written notice to UO given no later than [insert date].

9.2 PHIT Board of Managers Approval of Construction Contract. This Agreement is subject to the PHIT Board of Managers approval of the construction contract with its general contractor and design professionals on or before [insert date]; if such approval is not obtained by the date, PHIT may terminate this Agreement by written notice to UO given no later than [insert date].

10. MISCELLANEOUS

10.1 Mutual Cooperation. The parties hereto will cooperate with each other to accomplish the Project and will use all reasonable efforts to cause the fulfillment of the conditions to the parties’ obligations hereunder and to provide, or obtain from any third party, as promptly as possible, all consents, authorizations, orders, or approvals required in connection with the Project and this
Agreement. The parties will execute such further documents and take such actions as may be necessary or convenient to accomplish the purposes of the Project and this Agreement.

10.2 Governing Law. This Agreement will be governed and construed in accordance with the laws of the State of Oregon without regard to principles of conflicts of law.

10.3 Force Majeure. Neither UO nor PHIT will be held responsible for delay or default caused by fire, riot, acts of nature, terrorist acts, or other acts of political sabotage, or war where such cause was beyond, respectively, UO's or PHIT's reasonable control. PHIT will, however, make all reasonable efforts to remove or eliminate such a cause of delay or default and will, upon the cessation of the cause, diligently pursue performance of its obligation under this Agreement. However, if a default or delay due to a force majeure event continues for an unreasonable time, as determined by either party, then such party is entitled to terminate the Agreement pursuant to the terms of Section 7. In the event it is commercially unreasonable for PHIT to commence or complete construction of the Project as a result of an event of force majeure, PHIT shall have no liability to UO therefor and, to the extent construction has already commenced, PHIT will restore the Licensed Area to a condition that is the same or a better condition than it presently exists at the effective date of this Agreement.

10.4 Binding Effect. All of the provisions contained in this Agreement are binding upon and inure to the benefit of the heirs, personal representatives, successors and assigns of the parties hereto.

10.5 Rules of Interpretation. All of the provisions of this Agreement are to be construed as a whole and not strictly for or against any party.

10.6 No Partnership or Other Venture. This Agreement is not intended to create, nor will it in any way be interpreted or construed to create, a joint venture, partnership, agency, or any other similar relationship, including a joint employer relationship, between the parties.

10.7 Waiver. Failure of UO or PHIT to enforce any provision of the Agreement will not constitute a waiver or relinquishment of the right of performance in the future nor of the right to enforce any other provision of this Agreement.

10.8 Counterparts. This Agreement may be executed in several counterparts, each of which will be an original, all of which, together, will constitute one instrument.

10.9 Attorney Fees. In any dispute involving the interpretation or enforcement of this Agreement or involving issues related to bankruptcy (whether or not such issues relate to the terms of this Agreement), the prevailing party will be entitled to recover from the non-prevailing party reasonable attorney fees, paralegal fees, costs, disbursements, and other expenses incurred by the prevailing party in the dispute, including those arising before and at any trial, arbitration, bankruptcy, or other proceeding, and in any appeal or review thereof. In addition, the amount recoverable by the prevailing party will include an amount estimated as the fees, costs, disbursements, and other expenses that will be reasonably incurred in collecting a monetary judgment or award, or otherwise enforcing any order, judgment, award, or decree entered in the proceeding.

10.10 Authority. Each party represents it has full authority to sign this Agreement.
10.11 **Survival.** All obligations of a party to this Agreement which, by their nature, are continuing, will survive expiration or termination of this Agreement (except to the extent that the party is released or the obligation is assumed pursuant to this Agreement).

10.12 **Notices.** A notice or communication under this Agreement by either party to the other party must be in writing and delivered by registered or certified mail, postage prepaid, return receipt requested and by regular first-class mail, or, subject to the provisions of the last paragraph of this Section 10.12, via email, addressed as follows (or to such other address as a party may designate for itself by notice to the other party pursuant to this Section 10.12):

If to UO:
Vice President for Finance and Administration
1283 University of Oregon
Eugene, OR 97403-1283
Office: Johnson Hall, 103
Email: vpfa@uoregon.edu

with a copy to:
Office of the General Counsel
1226 University of Oregon
Eugene, OR 97403-1226
Office: Johnson Hall, Room 219
Email: gcounsel@uoregon.edu

If to PHIT:
c/o University of Oregon Foundation
Attn: __________________________
PO Box 3346
Eugene, OR 97403
Email: __________@______________

with a copy to:
Gleaves Swearingen, LLP
Attn: Patricia L. Chapman
975 Oak Street, Suite 800
Eugene, OR 97401-3156
Email: chapman@gleaveslaw.com

and to
Stoel Rives LLP
Attn: Dana L. Krawczuk
760 SW Ninth Avenue, Suite 300
Portland, OR 97205
Email: dana.krawczuk@stoel.com

Notice given by mail pursuant will be considered received on the earlier of (a) the date of actual receipt, or (b) three days after the date of mailing. Alternatively, a notice or communication under this Agreement by any party to any other party may be sent by email, addressed to a party pursuant to this Section, but will be effective only if the sender receives a reply from the addressee confirming receipt, in which event it will be deemed effective the day the notice email is sent or, if the next day is a weekend or federal holiday, on the next business day after the notice email is sent.

10.13 **Entire Agreement.** This Agreement (including its Recitals and Exhibits, which are incorporated in this Agreement) constitutes the entire agreement of the parties with respect to the Project, supersedes all prior or contemporaneous oral or written agreements with respect to the matters set forth in this Agreement, and may not be modified, amended or supplemented except in writing and signed by the parties.

[SIGNATURE PAGE FOLLOWS]
UO: University of Oregon

PHIT: PHIT TOO, LLC

By: _____________________________  By: _____________________________
Name: _____________________________  Name: _____________________________
Title: _____________________________  Title: ____________________________
Date: _____________________________  Date: _____________________________

Attachments:

Exhibit A: Description of Licensed Area
Exhibit B: Prevailing Wage Rate Law Compliance
Exhibit C: UO Undertakings regarding Liability and Indemnity
(with Attachment 1 – Assignment and Assumption Agreement)
Exhibit D: PHIT's Insurance Requirements
Exhibit A
Description of Licensed Area

Areas and rooms found in Matthew Knight Arena, including:

- Player and recruit entry areas,
- Practice courts,
- Weight rooms,
- Training rooms,
- Hydrotherapy areas,
- Nutrition areas,
- Court-level corridors and hallways,
- Equipment “O-Hub” areas,
- Pre-game “O-Hub” areas,
- Men’s basketball locker room,
- Team lounge areas, and
- Film rooms.
Exhibit B
Prevailing Wage Rate Law Compliance

As more particularly described in this Exhibit B, PHIT will comply with and will require all of PHIT’s construction contractors and subcontractors to comply with ORS 279C.800 through 279C.870. The Oregon Bureau of Labor and Industries ("BOLI") prevailing wage rates that will apply to the Project under the Agreement (and the construction contract that PHIT will enter into with PHIT’s construction contractor) are those that are in effect at the time the construction contract is executed, or if no construction work is authorized to be performed in the initial form of the construction contract, then those prevailing wage rates in effect at the time the construction contractor is under a contractual obligation to perform construction work on the Project. Once established, the prevailing wage rates will then be in effect for the remainder of the Agreement and the construction contract between PHIT and PHIT’s construction contractor. The prevailing wage rates that will apply will be those set forth in the then current version of the following BOLI booklet, together with any amendments to that booklet: “PREVAILING WAGE RATES for Public Works Constricts in Oregon.”

PHIT will pay construction workers at not less than the specified minimum hourly rate of wage, and will include that requirement in all construction contracts and subcontracts pertaining to construction of the Project.

In accordance with ORS 279C.845, every contractor and Subcontractor performing work on the Project will submit written certified statements to the PHIT and UO, on the form prescribed by the Commissioner of BOLI, certifying the hourly rate of wage paid to each worker which PHIT’s contractors or subcontractors have employed on the Project, and further certifying that no worker employed on the Project has been paid less than the prevailing rate of wage or less than the minimum hourly rate of wage. The certificate and statement will be verified by the oath of the contractor or subcontractor that it has read the certified statement, that the contractor or subcontractor knows the contents of the certified statement, and that, to the contractor’s or subcontractor’s best knowledge and belief, the certified statement is true.

In order to comply with statutory requirements and administrative rules promulgated by the Commissioner of BOLI, the fee required by ORS 279C.825(1) will be paid by PHIT to UO, so the UO can pay the fee to the Commissioner of BOLI.
Exhibit C
UO Undertakings (Liability and Indemnity)

1. THIRD PARTY CONTRACTS. PHIT has already, or will following execution of this Agreement, enter into (a) a construction contract with [contractor name] (as extended or otherwise amended from time to time, “Construction Contract”); (b) a consultant agreement with Rusty Sprocket, LLC (as extended or otherwise amended from time to time, “Consultant Contract”); and, to the extent applicable, (c) any other design services contract or architect’s contract in connection with the Project to be undertaken by PHIT during the performance of the Agreement. All contracts described in this Section are collectively referred to as the “Contracts.”

2. PROJECT CLOSEOUT. To complete close-out of the Project and the transfer of any work at expiration of the Agreement, PHIT and UO will coordinate as follows:

2.1 UO shall coordinate with PHIT in all Project close-out processes required by this Agreement and required by the terms and conditions of the Contracts, including without limitation review of any issues associated with the completion of the Project, the date of final completion, the date of substantial completion on or before the End Date, acceptance of the Project, adequacy of any transfer of assignment of warranties and Project documentation, any final pay applications, retainage requests, and back charges and claims.

2.2 PHIT may follow the directives of the UO with respect to such close-out matters.

2.3 PHIT and UO will execute an Assignment and Assumption Agreement upon substantial completion of the Project, upon termination of the Agreement, or upon expiration of the Agreement, whichever occurs first, in the form attached as Attachment 1 hereto.

2.4 UO will enter into a license with [general contractor] and any other contractors, subcontractors, or service providers to the extent necessary to facilitate the completion of punch list work and other close-out procedures after the termination or expiration of the Agreement.

3. DISCLAIMER OF ALL WARRANTIES BY PHIT ON TRANSFERRED WORK

PHIT makes no warranties or representations of its own to UO regarding (1) any design or other pre-construction services; (2) any construction services and work performed on the Project under this Agreement; (3) any design issues associated with design services performed on the Project; or (4) any transferred work product under the Contracts or other contracts or subcontracts related to the Project. PHIT specifically disclaims any and all such warranties. All such services and work shall be transferred to UO AS-IS and without recourse to PHIT. UO agrees that any and all warranty rights it may have related to the Project’s (1) design services; (2) pre-construction services; and (3) construction services and work shall be solely against third parties, to the extent PHIT has any assigned warranties or independent rights against the designers, consultants, contractors, suppliers, or other parties performing the Project, including providing materials or services. PHIT assumes no special relationship with respect to any such services. To the greatest extent permitted by law, PHIT and its members shall have no liability to UO for incidental or consequential damages of any nature whatsoever. Except as set forth in Section 4 of this
Exhibit, to the greatest extent permitted by law, UO shall, to the fullest extent not prohibited by applicable law, indemnify, defend and hold PHIT and its members harmless from and against any claims related to the Project, including, without limitation, any claims related to the pre-construction work, the work performed under this Agreement, and any design claims, unless arising in whole or in part from the negligence, recklessness, or willful or intentional misconduct of PHIT, its member, managers, officers or employees in performing its obligations under this Agreement.

4. ASSIGNMENT AND ASSUMPTION

Upon termination or expiration of the Agreement, unless UO and PHIT agree to the terms of an earlier assignment of the Project, any portion of the Project, or any of the Contracts with any required modifications to this Agreement, PHIT shall assign to UO (1) the Contracts entered into by PHIT; (2) the Project, all Project-related work product, and all third party warranties related to the Project; and (3) all of PHIT’s contractual rights, obligations, and liabilities related to the Project, including all obligations and liabilities that predate the assignment. UO shall, if PHIT makes such an assignment, assume all such Contracts and all of PHIT’s rights, obligations and liabilities thereunder, including obligations and liabilities which predate the assignment provided. However, at the time of assignment, PHIT shall identify and notify UO in writing, by specific reference, each claim asserted in writing against PHIT arising out of the Contracts and the facts related to any such claim known to PHIT at the time of assignment as provided in the Assignment and Assumption Agreement attached hereto as Attachment 1. If PHIT fails to identify with specificity and in writing such claims that are known to PHIT at the time of assignment, all such claims and all costs and expenses arising from such claims ("Claim Costs") will be retained by PHIT. Under no circumstances will the form of assignment include claims of any kind, including Claim Costs, arising from PHIT’s negligence, recklessness, or willful or intentional misconduct.

5. HOLD HARMLESS AND INDEMNIFICATION

To the greatest extent permitted by law the UO will indemnify and hold PHIT harmless and its managers, officers, directors, and PHIT’s member, the Foundation, and the officers and directors of Foundation, from and against any and all claims, actions, demands or litigation arising out of the acts or omissions of the UO’s officers, employees and agents that relate in any way to the Project.

6. FOUNDATION HOLD HARMLESS

UO will, under no circumstances and under no legal or equitable theories, make any claim under this Agreement, in tort or otherwise, against the Foundation, except to the extent any such claims arise from the negligence, recklessness, or willful or intentional misconduct of the Foundation. UO acknowledges and agrees that this Agreement constitutes a contract solely with PHIT and that Foundation, the sole member of PHIT, shall have no liability whatsoever under the Agreement either directly or indirectly as a third-party beneficiary or otherwise.
ASSIGNMENT AND ASSUMPTION AGREEMENT

BETWEEN: PHIT TOO, LLC,
an Oregon limited liability company ("PHIT")

AND: University of Oregon ("Owner")

DATED: [insert date] (the "Assignment and Assumption Agreement")

RECITALS

A. On or about [insert date], PHIT and Owner (each individually referred to as a "Party," and collectively the "Parties") entered into that License Agreement (as amended to date, the "Agreement"), pertaining to the enhancement of Matthew Knight Arena (the "Arena"), which provides that PHIT has the right to undertake certain renovation, alteration, and improvement projects to enhance the Arena (the "Project") and, at the conclusion of the Agreement, make a gift of the Project to the Owner.

B. As permitted by the Agreement, PHIT entered into certain contracts for design and construction of the Project including the following:

1. That certain Construction Contract between PHIT and [insert contractor] entered into on or about [insert date] and all amendments and change orders thereto;

2. A design services contract or architect’s contract between PHIT and [insert firm] entered into on or about [insert date] and all amendments and addenda thereto; and

3. That certain Consultant Agreement between PHIT and Rusty Sprocket LLC ("Rusty Sprocket") entered into on or about [insert date] and amendments and addenda thereto.

C. The Agreement provides that, upon completion of the Project, or prior to completion of the Project if the Parties mutually agree, PHIT shall assign the contracts listed in recital B and all other contracts related to the Project (collectively, "Contracts"), all work product and warranties related to the Contracts, and all of PHIT’s rights, obligations and liabilities thereunder to Owner, and Owner shall assume all such Contracts, subject to the limitations described more particularly below.

D. The Project is complete or nearing completion. The Parties have agreed to enter into this Assignment and Assumption Agreement as permitted by the assignment and assumption provisions of the Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing Recitals, which are incorporated herein by this reference, and in consideration of the promises and agreements set forth herein and other valuable

LICENSE AGREEMENT
Matthew Knight Arena
Exhibit C – Attachment 1 (Assignment and Assumption Agreement)

Packet Page 70 of 179
1. Assignment

PHIT hereby assigns, transfers, conveys and grants to Owner, its successors, and assigns forever, (1) all of PHIT’s rights, title, and interest in and to the Contracts; (2) all of PHIT’s rights, title, and interest in and to the Project; (3) any and all work and work product under the Contracts, whether produced, performed, provided or developed directly by [general contractor], [architect], Rusty Sprocket, or [any other contractor] or by or through their respective subcontractors; and (4) all of PHIT’s other rights, title, interests, benefits, assets, warranties and other entitlements of every kind and nature under or arising from the Contracts. The foregoing includes but is not limited to all plans, drawings, specifications, manuals, construction documents, Project documentation, pre-construction and construction services and work and work product therefrom, materials, equipment, structures, fixtures, improvements, completed or in progress, and property rights of every kind and nature and the right of occupancy and use and rights regarding all retainage or bonds and securities deposited in lieu of retainage under the Contracts to fulfill the payment obligations of Section 6.3 to final completion of the Project.

2. PHIT Confirmations

PHIT hereby makes the following confirmations to Owner, based upon PHIT’s current knowledge and belief, with the intent of having Owner rely on them: (i) PHIT has paid the invoices received to date arising from Contracts, except [insert if applicable]; and (ii) PHIT has specifically informed Owner in writing of any currently known and asserted outstanding claims or liabilities that have arisen under the Contracts.

3. Delegation and Assumption

PHIT hereby delegates to Owner and Owner, to the full extent permitted by Oregon law, hereby assumes all of PHIT’s contractual obligations, duties, and liabilities under the Contracts, including contractual obligations and liabilities under Contracts (including subcontracts) that predate this assignment and assumption, except for any PHIT obligations and liabilities which Owner is not permitted to accept under applicable Oregon law. However, through this Assignment and Assumption Agreement, Owner does not assume any tort liability, statutory obligation, or other obligations, liabilities, claims, costs or expenses of any kind arising from the negligence, recklessness, or willful or intentional misconduct of PHIT or its member, managers, officers, employees, agents, or contractors in performing PHIT’s obligations under the Agreement.

4. Implementation of Agreement Terms

This Assignment and Assumption Agreement is entered into by the Parties to effectuate the intent of the Agreement; however, this Assignment and Assumption Agreement does not replace any obligations of Owner or PHIT under the Agreement.
5. Disclaimer of All Warranties by PHIT on Transferred Work

As provided in Section 3 of Exhibit C of the Agreement, PHIT makes no warranties or representations of its own to UO regarding (1) any design or other pre-construction services; (2) any construction services and work performed on the Project under the Agreement; (3) any design issues associated with design services performed on the Project; or (4) any transferred work product under the Contracts or other contracts or subcontracts related to the Project. PHIT specifically disclaims any and all such warranties. All such services and work are hereby transferred to UO AS-IS and without recourse to PHIT. UO agrees that any and all warranty rights it may have related to the Project’s (1) design services; (2) pre-construction services; and (3) construction services and work shall be solely against third parties, to the extent PHIT has any assigned warranties or independent rights against the designers, consultants, contractors, suppliers, or other parties performing the Project, including providing materials or services. PHIT assumes no special relationship with respect to any such services. To the greatest extent permitted by law, PHIT and its members shall have no liability to UO for incidental or consequential damages of any nature whatsoever. Except as set forth in Section 4 of Exhibit C to the Agreement, to the greatest extent permitted by law, UO shall, to the fullest extent not prohibited by applicable law, indemnify, defend and hold PHIT, its member, and agents harmless from and against any claims related in any fashion to the Project, including, without limitation, any claims related to the preconstruction work, the work performed under the Agreement, and any design claims, unless arising in whole or in part from the negligence, recklessness, or willful or intentional misconduct of PHIT, its member, managers, officers, employees, agents or contractors in performing its obligations under the Agreement.

6. Obtaining Consents and Releases, Continued Cooperation

6.1 PHIT shall use its best efforts, as soon as possible, through a letter agreement with each contractor, to obtain PHIT’s release from liability under the Contracts it has. PHIT shall include in each letter agreement the contractor’s consent to the assignment of PHIT’s contract rights to Owner and PHIT shall attach a signed copy of the letter agreement to this Assignment and Assumption Agreement. The consent language in each letter agreement shall expressly provide that the consent is provided to and for the benefit of both PHIT and Owner, with Owner named as an intended third-party beneficiary, and the terms of the letter agreements shall otherwise be acceptable to Owner. PHIT is required to use its best efforts to obtain such consent and release; however, if necessary, Owner will assist PHIT in obtaining them.

6.2 PHIT shall deliver to Owner all documentation, records, work product, manuals, warranties and other materials and documentation of every kind and nature that PHIT now has or later receives respecting the Project and the Contracts. If requested by Owner, PHIT shall assist Owner (at Owner’s expense) in obtaining documentation or having documentation transferred to Owner in Owner’s name, including but not limited to any warranties for materials, equipment, or systems, and PHIT shall assist Owner (at Owner’s expense) in asserting claims under such warranties if the party giving the warranty fails to recognize Owner as the owner or beneficial party under the warranty. PHIT shall also execute and deliver any
other documentation Owner may reasonably request to further document the assignment and assumption between PHIT and Owner.

6.3 If requested by Owner, PHIT shall assist Owner in processing any pending amendments and any pending or final invoices and payments under the Contracts and other documentation necessary to close out the Contracts, at least in the event the assignment and assumption and consent and release process has not been completed before final payment and closeout are to occur. Payments under the Contracts are the responsibility of Owner, except for payment obligations that have accrued and are due and payable prior to the date of this Assignment and Assumption Agreement or for any retainage due to a contractor under the Contracts other than retainage earned after the date hereof if this Assignment and Assumption Agreement is being entered into prior to substantial completion of the Project. PHIT agrees that with the exception of any funds necessary for payments under the Contracts (including any subcontracts), to the extent PHIT would still be involved in such payments, no compensation is due or owing to PHIT for the services or work PHIT has performed under the Agreement.


7.1 This Assignment and Assumption Agreement may be executed in counterparts, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.

7.2 Time is of the essence of this Assignment and Assumption Agreement.

7.3 This Assignment and Assumption Agreement shall be interpreted under the laws of the State of Oregon.

7.4 Jurisdiction and venue for any claims or disputes arising from this Assignment and Assumption Agreement shall be the Circuit Court of Lane County for the State of Oregon; provided, however, if a claim or dispute must be brought in a federal forum, then it shall be brought and conducted solely and exclusively within the United States District Court for the District of Oregon. In no event shall this section be construed as a waiver by the State of Oregon of any form of defense or immunity.

7.5 No waiver of any provision of this Assignment and Assumption Agreement or waiver of a breach thereof shall be of any force or effect unless in writing, shall not be construed as a waiver of any other provision, and shall not be construed as a continuing waiver.

7.6 This Assignment and Assumption Agreement is the entire agreement between the Parties relating to the limited subject matter hereof and any modifications hereto shall be in writing executed by the Parties.
7.7 The Parties agree this Assignment and Assumption Agreement shall be effective as of the date first written above immediately upon execution by both Parties. Each Party hereby represents that it has obtained before execution any required approvals.

7.8 The Parties each acknowledge that it had the opportunity to and did engage separate legal counsel respecting advice for and the preparation of this Assignment and Assumption Agreement before executing it.

IT IS SO AGREED:

OWNER: University of Oregon
PHIT: PHIT TOO, LLC

By: _____________________________  By: _____________________________
Name: _____________________________  Name: _____________________________
Title: _____________________________  Title: _____________________________
Date: _____________________________  Date: _____________________________
Exhibit D
PHIT’s Insurance Requirements

During the Agreement, PHIT will provide and maintain commercial general liability (Occurrence Basis) insuring it against claims for personal injury, bodily injury or death, and property damage. Such insurance will be written with an insurer licensed to do business in the state of Oregon, will name UO as additional insured, and contain a waiver of subrogation endorsement in favor of UO. The initial limits of liability of all such insurance will be not less than $1,000,000 per occurrence and $2,000,000 general aggregate.

Either PHIT or PHIT’s prime contractor will purchase and maintain Causes of Loss-Special Form (formerly “all risk”) builder’s risk insurance in the amount of the prime contractor’s contract price for the construction of alterations, additions, or improvements to the Licensed Area during the Agreement and the cost of materials furnished by others, comprising the total value of such alterations, additions, or improvements during the Agreement, on a replacement cost basis. The insurance will contain a waiver of subrogation in favor of UO.

PHIT will carry Commercial Business Automobile Liability Insurance (Occurrence Basis) with a $1,000,000 combined single limit coverage and naming UO as additional insured. Such insurance will be endorsed with a waiver of subrogation endorsement in favor of UO and include coverage for owned, hired, and non-owned vehicles.

All policies of insurance required hereunder will provide that the insurance represented by the certificates will not be cancelled without the giving of thirty (30) days’ prior written notice to the holders of the insurance required hereunder. If the parties agree, UO may obtain the same and keep the insurance in effect, and PHIT will pay UO the cost thereof within ten (10) days after receipt of an invoice. No policy (with the exception of earthquake and flood) will contain a deductible or self-insured retention in excess of $25,000 without UO’s prior written approval. If requested by UO, PHIT will promptly deliver to UO a certified copy of any certificate of insurance and insurance policies required by this License. The insurance carried by PHIT hereunder will be primary and not contributory with any other insurance which is maintained by UO. All insurance that PHIT is required to maintain hereunder may be provided under a blanket policy provided such policy otherwise complies with the requirements of this exhibit and is endorsed with an Aggregate Limits of Insurance (Per Location) endorsement.

The insurance required of PHIT above may be provided by PHIT or its contractors.
The Board of Trustees is asked to consider a resolution authorizing the institution to accept a gift of real property being offered by a family with long-standing roots on the Oregon Coast. The property is approximately nine (9) acres of beach and dune property on the southern Oregon coast in Bandon, approximately thirty (30) minutes from the Oregon Institute of Marine Biology. The appraised value is $215,000.

Anticipated uses for the property include:
- Outdoor classroom for courses in Biology, Anthropology, Earth Science, and Environmental Science
- Field research, such as invasive species remediation, archeological excavation and analysis, coastal hazards, climate science, and a better understanding of ecological and biological changes
- Community outreach through the use of the site by visitors to the region

A summary prepared by the director of the Oregon Institute of Marine Biology is included in the December 3 Finance and Facilities Committee meeting packet.

**Board Approval**
The Board’s delegation of authority requires approval for the acceptance of gifts wherein the UO may be bound to future costs or obligations that are not part of the gift. Such obligations are anticipated as minimal for this particular gift, but the reality exists that some management costs may exist in any given year (For example, litter/trash mitigation, filing titles upon transfer, etc.). Thus, acceptance of the gift must be approved by the Board of Trustees.
Board of Trustees of the University of Oregon

Seconded Motion: Acceptance of a Gift of Real Property (Bandon, OR)

Whereas, the University of Oregon ("University" or "UO") wishes to accept a gift of real property located on the Oregon Coast in the City of Bandon and in close proximity to the Oregon Institute of Marine Biology (OIMB);

Whereas, the proposed gift includes approximately nine (9) acres of coastal and dune property at an appraised value of $215,000, which would be gifted outright to the UO;

Whereas, the property is gifted with the intent of use for teaching, research, and outreach;

Whereas, the property should require minimal management but may from time-to-time involve the incurrence of small expenses related to maintenance;

Whereas, section 1.9.1 of the University's Policy on the Retention and Delegation of Authority requires Board approval for the acceptance of gifts that create an obligation on the part of the University for which there is no established funding source; and,

Whereas, the Finance and Facilities Committee has forwarded the following resolution to the full Board with a recommendation for approval.

NOW, THEREFORE, the Finance and Facilities Committee of the Board of Trustees of the University of Oregon hereby authorizes the President, or his designee(s), to accept the gift of real property as generally described above and to take all steps necessary and proper for execution of the gift agreement and subsequent transfer. The Board of Trustees also hereby ratifies all prior actions taken on behalf of the University related to the negotiation and execution of the aforementioned agreement.

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Record here if no roll call vote was taken: ____________________

Date: ___________ Recorded: ______________
Agenda Item #4

Government Affairs Updates
2019 Legislative Agenda
Access, Affordability & Completion for Students

Operating Support

Public University Support Fund  $857 Million

$120 million increase above the 2017-19 biennium. Increased funding is required to keep tuition increases at or below 5% for the next two years for resident undergraduate students.

State Programs  $46.6 Million

8.4% increase in funding for state programs, which represents the universities’ calculation of maintaining current services. UO’s state programs include: Engineering & Technology Sustaining Funds, Labor Education Research Center, TallWood Design Institute, dispute resolution programs, Clinical Legal Education, and other signature research centers.
Student Scholarship Support

Oregon Opportunity Grant $253 Million

The state’s only need-based financial aid program for University students. This funding level will expand access to the grant to more than 16,000 additional students. 2,965 UO students were recipients of the OOG in 2017-18.

Sports Equity Lottery Scholarships $14 million

1% of net Lottery receipts, which provides funding for Title IX, women’s athletics, and is the state’s only source of funding for graduate scholarships. UO receives $1 million of these funds each biennium.
Capital Construction Investments

Renovation of Huestis Hall  
$54 Million

These Article XI-G bonds combined with $6 million of UO match will eliminate nearly $19 million of deferred maintenance and protect many of the UO’s K-12 pipeline and summer STEM programs as well as critical research and discovery in the sciences.
Capital Construction Investments

Capital Improvement and Renewal  $65 million

Distributed across seven universities this is the primary source of state funding for deferred maintenance needs.
Matching Fund for Sustainable City Year Program $300,000

Creates a state matching fund for the Sustainable City Year Program (SCYP), which embeds UO students and faculty members within an Oregon city, county, special district, or tribe for an entire academic year. Many communities—especially those in more rural areas—want to participate but cannot afford it. A matching fund would allow more Oregonians to be served.

Oregon Institute of Marine Biology – Replacement Vessel $500,000

A one-time investment to purchase a new ship for OIMB, which will add teaching and research capacity on Oregon’s Coast. The UO will match the state’s investment through philanthropic gifts.
2019 Legislative Agenda
Academic Excellence & Community Impact

Academic Excellence & Community Impact

Shake Alert / Alert Wildfire Multi Hazard Network   $12 Million

Support Governor Brown’s ‘Resilience 2025’ proposal that will fund the full build out of ShakeAlert by 2023. ShakeAlert is the earthquake early warning and wildfire monitoring seismic sensor network operated through the Pacific Northwest Seismic Network, of which UO is an active member with other West Coast universities.

State Support for UO’s Prison Education Program   $350,000

Investment in the UO’s prison education programming, Inside Out, which operates in conjunction with the Oregon Department of Corrections to bring credit-bearing courses to approximately 300 inmates each year. Programs like these help reduce recidivism rates in Oregon and broaden the student experience.
Partnerships for Economic Transformation

Cost Containment and Revenue Restructuring

Oregon continues to face significant structural budget challenges driven by retirement costs and an unstable and inadequate revenue structure. The UO will look to partner with legislative leaders to address these challenges and ensure that we have the resources needed to provide a world class education to those who study at the UO.

Support for 2021 World Track and Field Championships

In 2021, the International Association of Athletics Federations World Outdoor Track and Field Championships will be held in Eugene, the first time the event has ever been held in the United States. Continued state investment is needed to make the event possible. Building on the proceeds of a lodging tax increase approved in 2016; the UO will partner with the local organizing committee, Oregon21, to support an additional investment in the event.
What else are we tracking?
Your lobbyists track between 600-900 bills every session related to:

- Accelerated credit and transfer
- Pay equity
- Board of Trustee composition
- Employee retirement and health benefits
- Accreditation
- Collective bargaining
- Bonding
- Economic development
- Child care
- Housing
- Veterans services
- Public records
- Firearms
- Elections and ethics
- Public safety and police
- Title IX
- Public contracting and procurement
- Tuition equity
- AND A WHOLE LOT MORE!
Sign up to be an Advocate: Text “UOREGON” to 52886.

Attend UO Lobby Day at the Capitol on May 8, 2019.

Visit our website for info, news, and advocacy campaigns uoadvocates.com.

Follow us on social media @UOAdvocates.

Tell your friends!
Governor’s Recommended Budget
2019-21 Summary & Impact

Operating Support

Public University Support Fund

Base Budget

$736.9 million. Flat funding from the 2017-19 biennium. At this level, the UO will see a $2.7 million drop in our FY20 state allocation.

Investment + Cost Containment Budget

$856.9 million. A $120 million increase—or 16%-- over the 2017-19 biennium. At this level, the will see an $8 million increase in our FY20 state allocation.
## Operating Support

### State Programs

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<th>Base Budget</th>
<th>Investment + Cost Containment Budget</th>
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<td><strong>$14.8 million.</strong> Flat funding from the 2017-19 biennium of State Programs: LERC, Clinical Legal Education, TallWood Design Institute, Dispute Resolution programs, and Signature Research Centers.</td>
<td>Current service level increase for all State Programs.</td>
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<td><strong>Elimination of the Engineering &amp; Technology Sustaining Funds</strong> (a $25 million fund).</td>
<td><strong>$60 million</strong> for the Engineering &amp; Technology Sustaining Funds.</td>
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Governor’s Recommended Budget
2019-21 Summary & Impact

Student Scholarship Support

Oregon Opportunity Grant

**Base Budget**

$152 million. Flat funding from the 2017-19 biennium.

**Investment + Cost Containment Budget**

$273 million. A $121.5 million increase—nearly doubled—over the 2017-19 biennium.

Sports Action Lottery

**Base Budget**

Funding was eliminated.

**Investment + Cost Containment Budget**

$14.1 million. The full 1% of net Lottery proceeds.
Capital Construction

The Base Budget and the Investment + Cost Containment Budget are Identical

$65 million in Article XI-G bonds for Capital Improvement and Renewal

$225 million in capacity reserved for University capital projects. A project list was not included, and budget notes list that these funds will be allocated in February 2020.
Governor’s Recommended Budget
2019-21 Summary & Impact

Other Investments

Base Budget

$12 million for ShakeAlert & AlertWildfire. ShakeAlert is the earthquake early warning and wildfire monitoring seismic sensor network operated through the Pacific Northwest Seismic Network, of which UO is an active member with other West Coast universities.

$5 million for the 2021 IAAF World Outdoor Track and Field Championships.
Governor’s Recommended Budget
2019-21 Summary & Impact

Other Investments

Investment + Cost Containment Budget

$15 million for campus public safety improvements through the creation of a statewide shared services training program for higher education institutions focusing on prevention, preparedness, incident response, continuity, and recovery.

$10 million to establish a Public University Innovation Fund at the Oregon Business Development Department to provide matching funds for university federal grant requests for innovation and economic development-focused research.
The 116th Congress
A Preview of Budget and Policy Issues (and a look back)

December 4, 2018 | University of Oregon Board of Trustees

Betsy Boyd, Associate Vice President, Federal Affairs
**The 45th President and 115th Congress**

2017 – Donald J. Trump takes office along with “unified government” (both chambers of Congress controlled by the same party as the president). Executive orders, some appointments, and a budget recommendation ensue.

2017 – By May, Congress sets aside the Administration budget recommendation. It finishes the FY17 budget, lifts budget caps for two years and gets to work on the FY18 budget. By November, Congress passes tax reform, turning back the provisions most onerous to students and families.

2018 – Multiple appropriations bills are finished including increases for NIH. The National Quantum Initiative is introduced. But adverse immigration actions continue. Mid-term elections bring a new majority to the US House.
“The partnership between the government and American research universities lies at the heart of the U.S. scientific and higher educational enterprise. This unique and historic partnership has advanced human health, enhanced national security, and produced human capital that has fueled technological innovation and economic growth, created entire new industries, and fundamentally changed the way we live.”

Mary Sue Coleman, President
Association of American Universities
The federal commitment to the research university was established with the passage of the Morrill Act of 1862 and the Act to Incorporate the National Academies of Sciences in 1863.

Post-World War II saw expanded research support and the development of a broad commitment to student aid with the passage of the GI Bill and later the Higher Education Act in 1965.

More than 200 institutions are classified as research universities.

About 4,000 institutions serve undergraduates ranging from two year degree programs to doctoral-granting institutions.

Student aid and funding for research are the heart of the partnership between universities and the federal government.
Advocacy case study: Immigration Actions

- More than 25 adverse immigration actions
- Coordination with AAU, APLU, ACE and others
- Grassroots advocacy
- Engaging the Oregon delegation

October 2017 - US Senator Ron Wyden meets with DACA enrollees and community leaders at the EMU
Preview of 116th Congress: What to Expect

Rep. Peter DeFazio is in line to become chair of the US House Transportation & Infrastructure Committee

Rep. Suzanne Bonamici sits on House Science and Education & Workforce
Tools for Advocacy and Engagement

Urbanism Next was the subject of a congressional briefing hosted by Rep. Earl Blumenauer

UO education research faculty present their findings at the Library of Congress
Engaging in Washington, D.C.

UO student research on advanced wood products was on display at the National Building Museum in 2017. The UO Museum of Natural and Cultural History won a National Medal in 2018.
...and on campus

Rep. DeFazio meets with SCORE students last year.

Graduate students take action in November 2017 to oppose taxing tuition waivers.
President Donald Trump's first full fiscal year in office has produced the nation's largest budget shortfall in six years, according to Treasury's yearly budget report. The U.S. deficit widened in fiscal 2018 to $779 billion, which is $113 billion more than the previous year. White House budget chief Mick Mulvaney acknowledged the rising tide of red ink as the result of Congress' appetite for increased spending and tax cuts this year.

Sources: Treasury, historical OMB budget data via Congressional Budget Office, POLITICO staff reports
What Else to Watch In 2019 and Beyond

- Budget
- Appropriations
- The return of earmarks?
- Infrastructure package
- Higher Education Act
- Immigration

Senator Jeff Merkley sits on the Senate Appropriations Committee
Cause for Celebration in the 115th

- Dr. Geri Richmond appointed to National Science Board
- OSTP and other agency appointments
- Champions stepped up

Prof. Geraldine Richmond was reappointed to the National Science Board
Questions?

Contact:

Betsy Boyd, Associate VP, Federal Affairs

eaboyd@uoregon.edu | 541-346-0946 | gcr.uoregon.edu
FEDERAL AFFAIRS
Review of the 115th Congress and a look ahead

INTRODUCTION
This report will look back at the 115th Congress and the first two years of the Trump Administration. The board presentation will focus on coalition activities involving the University of Oregon, higher education associations, and the Oregon delegation response to threats and opportunities in relation to the 115th Congress and the upcoming Congress that starts January 3, 2019.

As of November 19, 2018, Congress had not passed a full federal budget for FY19 which began October 1, 2018. Five of the twelve appropriations bills that make up the federal budget have been enacted into law including the bill governing funding for the National Institutes of Health and the US Department of Education (both student aid and education research funding). But the bill that funds the National Science Foundation is part of the vehicle that could be used to fund a wall on the border.

A continuing resolution (CR) freezes spending at current levels and assures continuity of operations until December 7, 2018. Meanwhile, the Trump Administration and congressional leadership have no agreement upon a path towards finishing the FY19 budget with the prospect of at least a brief partial government shut-down looming if no action occurs by December 7th.

Looking ahead, new majorities are expected to bring changes to both the budget and policy environment in the 116th Congress. Plans are currently afoot to possibly reform the federal budgeting process, moving to a two year budget cycle instead of an annual budget.

NEW ADMINISTRATION, 115TH CONGRESS - CHALLENGES AND OPPORTUNITIES
The change in administrations brought immediate attention to immigration related activities including “extreme vetting” and a budget proposal that, if it had advanced, would have greatly disrupted research funding. Appointments have been a mixed bag, but some significant research agency related appointments have advanced.

- **Twenty-six actions related to immigration, visas and travel** – To date, this Administration has proposed nine regulatory actions involving travel and/or the visa status of students and scholars, most of which are still in the proposed rule stage, and nine sub-regulatory actions and/or policy memos such as increased vetting and changes to process. There are three areas of litigation affecting higher education related to the Administration’s actions including challenges to the DACA decision and interpretations of unlawful presence (e.g., overstaying a visa). There are five other areas of policy concern including one-year visas for Chinese students in STEM fields, review of social media history as part of visa approval, and suspension of premium processing. This totals 26 actions related to immigration affecting higher education.

- **Facilities & Administration rate** – In its FY18 budget proposal, the new Administration proposed the elimination of the facilities & administration rate for National Institutes of Health awards. Congress did not advance the budget proposal. The entire Oregon delegation joined with other members of Congress to oppose the change. Along with the cuts to research agencies also contained in the FY18 budget, the proposal caused a bipartisan mix of Congressional champions to step up early in 2017 to support research priorities. This matters because the F&A rate is how institutions are reimbursed for maintaining research facilities.

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1 The federal fiscal year is October 1 thru the following September 30. This differs from the state and UO fiscal year, which runs from July 1 through June 30.
• **Tax reform** – By the end of 2017, Congress had enacted tax reform. The House proposal would have taxed graduate students on their tuition waivers and eliminated a number of tax benefits that make college more affordable to students and families. Those initiatives were turned back. But there were other consequences to the tax reform proposal that are concerning.

• **Science and Security** – On a bi-partisan basis, Congress took up the issue of science and security through a mix of actions, primarily through oversight activity. But some legislative action occurred, particularly as it relates to Confucius Institutes and US Department of Defense programs. The legislation resulted in a waiver process that is now required for Chinese flagship programs that are located on campuses that also host a Confucius Institute. Including UO, eight of twelve flagship programs are affected.

• **National Quantum Initiative** – With leadership from scientific societies and their members, including UO Professor Michael Raymer, Congress launched a bipartisan effort to develop a national strategy to advance quantum research. The National Quantum Initiative is awaiting final action by the Senate.

• **National Science Board** – President Trump announced his intent in early November to reappoint UO Professor Geraldine Richmond to the National Science Board, which governs NSF and serves as an independent body of advisors to both the President and Congress.

• **Appointments** – The Administration has left many positions vacant and has taken nearly two years to make other appointments. But some key appointments related to the Office of Science and Technology Policy and the education research agencies have pleased the community.

**LOOKING AHEAD TO THE 116th CONGRESS – BUDGET THREATS AND OPPORTUNITIES**

While the change in leadership in the House has been the focus of much attention, the Budget Control Act remains in effect. Early in the 45th Administration, Congress enacted a two-year deal to waive the Act, but the new Congress must take action in order to advance budgets. As the nation nears a return to record trillion dollar deficits, the challenge is immense.

• **Budget caps and the deficit** - Budget pressure will intensify in the new Congress after two years of relief. Since passage of the Budget Control Act of 2011, there have been limits set in law on discretionary spending through FY21 in the categories of both defense and non-defense. If discretionary spending exceeds statutory limits, then across-the-board budget reductions will be triggered in a process known as sequestration. The FY20 budget is again subject to sequestration unless Congress takes action to meet the targets or exempt the budget from spending caps as was the case with the FY18 and FY19. The Budget Control Act combined with possible annual budget deficits of nearly $1 trillion on a debt of more than $21 trillion creates very difficult budget pressures.

• **Biennial federal budget?** The Joint Committee on Budget Process and Appropriations Reform has developed recommendations to address the broken budget process. The central recommendation is to move to biennial budgeting. A vote on the legislation is pending.

• **Earmarks might be back** – The House Democrats are considering allowing “earmarks” which have been banned by caucus rule since 2011. An earmark is a term used to describe a congressional directive to spend funds on certain projects. Historically, earmarks are not used for competitive funding programs (like NIH or NSF).

• **House Education Act Reauthorization** – The House Education Act, governing the distribution of student aid and other activities that affect institutions of higher education, remains subject to reauthorization.
FEDERAL FUNDING FOR THE UO AND UPCOMING CHALLENGES

The federal government paid approximately $260 million in 2016-17 to UO researchers and students in the form of research grants and student aid.

STUDENT AID

Federal financial aid is the single largest source of student aid available to UO students. The US Department of Education also funds critical student success programs that support access and completion initiatives. The Pell Grant has broad bipartisan support in Congress. Completion, college costs and accountability will continue to be points of discussion, but free community college will be a theme as well.

The chart below shows FY19 student aid spending levels compared to FY18.

<table>
<thead>
<tr>
<th>Federal Student Aid ($1 in millions unless otherwise noted)</th>
<th>FY18 Final</th>
<th>FY19 President’s Request</th>
<th>FY19 AAU-APLU Request</th>
<th>FY19 Enacted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pell Grant – Max award ($ in thousands)</td>
<td>$ 6,095</td>
<td>$ 5,920</td>
<td>$ 6,230</td>
<td>$ 6,195</td>
</tr>
<tr>
<td>Includes both mandatory, discretionary funds (max award to individual)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Discretionary Funding</td>
<td>22,475</td>
<td>22,475</td>
<td>See note ²</td>
<td>22,475</td>
</tr>
<tr>
<td>Student Aid Programs</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Federal Work Study</td>
<td>1,130</td>
<td>500</td>
<td>1,206</td>
<td>1,130</td>
</tr>
<tr>
<td>SEOG³ grant</td>
<td>840</td>
<td>0</td>
<td>896</td>
<td>840</td>
</tr>
<tr>
<td>GEAR UP⁴ programs</td>
<td>350</td>
<td>0</td>
<td>375</td>
<td>360</td>
</tr>
<tr>
<td>TRIO⁵ programs</td>
<td>1,010</td>
<td>950</td>
<td>1,070</td>
<td>1,060</td>
</tr>
<tr>
<td>GANN⁶-Graduate Assistance</td>
<td>23</td>
<td>0</td>
<td>41</td>
<td>23</td>
</tr>
</tbody>
</table>

RESEARCH

The UO continues to advocate for key research accounts in coordination with the AAU and APLU, the two presidential-level higher education associations comprised of research universities. Congress took final action on the two budgets of greatest impact to UO – NIH and the Institute of Education Sciences.

<table>
<thead>
<tr>
<th>Selected Research Programs ($1 in millions)</th>
<th>FY18 Final</th>
<th>FY19 President’s Request</th>
<th>FY19 AAU-APLU’s Request</th>
<th>FY19 Enacted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Int’l Education Programs⁷</td>
<td>$ 72</td>
<td>0</td>
<td>76</td>
<td>72</td>
</tr>
<tr>
<td>Institute of Education Sciences</td>
<td>613</td>
<td>522</td>
<td>670</td>
<td>615</td>
</tr>
<tr>
<td>N’l Ctr for Special Ed Research⁸</td>
<td>54</td>
<td>53.1</td>
<td>n/a</td>
<td>56</td>
</tr>
<tr>
<td>National Institutes of Health⁹</td>
<td>37,084</td>
<td>34,767</td>
<td>39,300</td>
<td>39,084</td>
</tr>
</tbody>
</table>

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² Sums necessary to reach maximum award.
³ SEOG is a federal Supplemental Educational Opportunity Grant (SEOG) for undergraduates with exceptional financial need. While Pell funds every eligible student, SEOG funds are limited and eligibility may be determined by meeting early applications for aid.
⁴ GEAR-UP stands for “Gaining Early Awareness and Readiness for Undergraduate Programs”. It is an access and success pipeline program intended to increase the number of lower income students who are prepared to enter and succeed in post-secondary education.
⁵ TRIO is a federal program that began with Upward Bound in 1964. It is now a suite of eight federal outreach and student success programs, including McNair scholars, aimed at undergraduate student success. It serves lower income students, first generation students and/or students with disabilities.
⁶ GANN is an acronym for the Graduate Assistance in Areas of National Need. The program provides fellowships to students with need who plan to pursue the highest possible degree in demonstrated areas of national need.
⁷ Funded through the appropriations bill known as Labor, Health and Human Services, Education, and related programs.
⁸ Same as above.
⁹ Same as above.
Congress recommended increases to the budget for the National Science Foundation for a total proposed budget of $8 billion, but it is part of the appropriations bill that includes the US Department of Justice, making it a political target in these final days of the Congress.

SPECIAL BUDGET OPPORTUNITIES FOR OREGON

The UO continues to prioritize research projects where there is a positive collision of opportunity, clout, and impact. Those priorities include (1) maintaining funding for the National Center for Special Education Research; (2) ShakeAlert, the Earthquake Early Warning system that contributes to the strength of the Pacific Northwest Seismic Network that the university has operated for more than two decades with the University of Washington, and (3) Advanced Wood Products Manufacturing and Design, now known as the TallWood Design Institute, a collaboration with Oregon State University. All of these initiatives enjoyed success.

ENGAGEMENT

The University of Oregon works in close coordination with research universities and stakeholder groups to coordinate engagement with federal policy makers. As usual, University of Oregon faculty, staff, students, alumni and leaders engaged with federal policy makers throughout the 115th Congress. High points included:

- **Participation in national policy maker forums**
  - White House Summit on Quantum Research (September 2018)
  - Faculty lead congressional briefings on education research, Urbanism Next, and NSF-funded research;
  - Institute of Museum and Library Service National Medal of Service awarded to the Museum of Natural and Cultural History (May 2018);
  - College of Education dean and education research faculty engaged with policymakers throughout 2017-18;

- **Congressional delegation visits with students and faculty**
  - Frequent interactions with UO students through classroom talks and lectures.
  - Roundtables to talk with DACA enrollees, SCORE students, financial aid recipients, etc.

- **Oregon Members of Congress helping UO faculty research and scholarship**
  - Members of Congress engaged in campus discussions throughout the 115th Congress;
  - The Oregon delegation led appropriations advocacy for education research with Congresswoman Bonamici and Senator Merkley circulating “Dear Colleagues” in their respective chambers;
  - The entire delegation supported research funding and all of Oregon’s House members turned back a cut to the National Endowment for the Humanities in a 2018 floor vote;
  - Congressman Peter DeFazio and the rest of the delegation participated in ShakeAlert activities throughout the year including appropriations advocacy.
  - Regular advocacy by the Oregon delegation for research and student aid priorities through “Dear Colleague” letters and outreach to the Office of Management and Budget (OMB).
  - Regular visits by congressional staff to campus.

- **Coalition advocacy with national higher education and business associations**
  - Participation with the Science Coalition and LEARN Coalition.
SUMMARY

The federal environment for higher education remains challenging and uncertain, especially as it relates to students and scholars impacted by immigration activities, but the foundation for supporting research funding and student aid is enduring. UO remains engaged and active in sharpening the advocacy case for federal investment in student aid, research and priorities important to our community. UO enjoys productive relationships with university partners, higher education associations, the Oregon congressional delegation, federal officials, business coalitions, and local government stakeholders who actively engage in federal advocacy to improve resources or prevent the loss of resources.

Despite the uncertain environment, new opportunities, such as funding for quantum research, emerged in the last Congress. Changes in clout and committee leadership also create opportunities for the University of Oregon in the 116th Congress.
Agenda Item #5

Tuition-Setting Preview
## Summary – Major FY2020 E&G Fund Cost Drivers

<table>
<thead>
<tr>
<th>Cost Driver</th>
<th>FY18 Cost Increase</th>
<th>FY19 Cost Increase</th>
<th>FY20 Cost Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Faculty, Staff and GE Salary and Wages</td>
<td>$11.8 million</td>
<td>$10.8 million</td>
<td>$10.6 million</td>
</tr>
<tr>
<td>Medical Costs</td>
<td>$1.6 million</td>
<td>$1.8 million</td>
<td>$1.9 million</td>
</tr>
<tr>
<td>Retirement Costs</td>
<td>$7.1 million</td>
<td>n/a</td>
<td>$7.6 million</td>
</tr>
<tr>
<td>Institutional Expenses</td>
<td>$1.0 million</td>
<td>$600K</td>
<td>$1.0 million</td>
</tr>
<tr>
<td>Strategic Investments (includes $1 million for new faculty)</td>
<td>$2.0 million**</td>
<td>$2.0 million</td>
<td>$2.0 million</td>
</tr>
<tr>
<td>Investments in Tenure Track Faculty</td>
<td>$1.5 million</td>
<td>$1.5 million</td>
<td>n/a</td>
</tr>
<tr>
<td>Minimum Wage Increase</td>
<td>n/a</td>
<td>n/a</td>
<td>$1.0 million</td>
</tr>
<tr>
<td><strong>Total Projected Cost Increases</strong></td>
<td>$25.0 million</td>
<td>$16.7 million</td>
<td>$24.1 million</td>
</tr>
</tbody>
</table>
## Summary – Major FY2020 E&G Fund Cost Drivers

<table>
<thead>
<tr>
<th>Cost Driver</th>
<th>FY20 Cost</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Faculty, Staff and GE Salary and Wages</td>
<td>$10.6 million</td>
<td>E&amp;G employee increases per existing collective bargaining agreement for approximately 1,402 faculty. Also includes estimates of increases for 665 classified staff, 1,272 graduate employees, and approximately 1,034 unrepresented staff. Figures are for employees paid with E&amp;G funds only.</td>
</tr>
<tr>
<td>Medical Costs</td>
<td>$1.9 million</td>
<td>Assumed annual increase of 3.7%</td>
</tr>
<tr>
<td>Retirement Costs</td>
<td>$7.6 million</td>
<td>Based on new PERS rates released by PERS board in fall 2018.</td>
</tr>
<tr>
<td>Institutional Expenses</td>
<td>$1.0 million</td>
<td>Increases related to utilities, insurance, debt for academic buildings, assessments, and leases.</td>
</tr>
<tr>
<td>Strategic Investments</td>
<td>$2.0 million</td>
<td>Allocated via strategic investment process.</td>
</tr>
<tr>
<td>Minimum Wage Increase</td>
<td>$1.0 million</td>
<td>Increases per State of Oregon minimum wage increase to $11.25/hr</td>
</tr>
<tr>
<td><strong>Total Projected Cost Increases</strong></td>
<td><strong>$24.1 million</strong></td>
<td></td>
</tr>
</tbody>
</table>
### Summary – Major FY2020 E&G Fund Cost Drivers

<table>
<thead>
<tr>
<th>Cost Driver</th>
<th>FY19 Base</th>
<th>FY20 Cost Increase</th>
<th>FY20 % increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Faculty, Staff and GE Salary and Wages</td>
<td>$422.3 million</td>
<td>$10.6 million</td>
<td>2.5%</td>
</tr>
<tr>
<td>Medical Costs</td>
<td>$51.0 million</td>
<td>$1.9 million</td>
<td>3.7%</td>
</tr>
<tr>
<td>Retirement Costs</td>
<td>$54.4 million</td>
<td>$7.6 million</td>
<td>14.0%</td>
</tr>
<tr>
<td>Institutional Expenses</td>
<td>$36.6 million</td>
<td>$1.0 million</td>
<td>2.7%</td>
</tr>
<tr>
<td>Strategic Investments</td>
<td>$541.1 million</td>
<td>$2.0 million</td>
<td>0.4%</td>
</tr>
<tr>
<td>Minimum Wage Increase</td>
<td>$429.2 million</td>
<td>$1.0 million</td>
<td>0.2%</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>$541.1 million</strong></td>
<td><strong>$24.1 million</strong></td>
<td><strong>4.45%</strong></td>
</tr>
</tbody>
</table>
The Tuition and Fees Advisory Board (TFAB) is advisory to the president on matters related to tuition- and fee-setting for the University of Oregon. Appointments to TFAB are made in the fall by the president and include students, faculty, staff, and administrators. Each year TFAB produces an annual memo with advice and recommendations on tuition and fees that should be charged in the subsequent academic year. The president then solicits feedback from campus, and brings a final recommendation to the Board of Trustees for ultimate approval. Below is the proposed schedule for during Academic Year (AY) 2018-2019 for the tuition and fees that would be charged for AY 2019-2020.

The president has made a change to the tuition proposal schedule for this year given the significant uncertainty facing the institution. The president has asked that TFAB wait to provide him with a recommendation about resident undergraduate tuition rates until early May, when more information is available about projected enrollment and likely state appropriation.

**TFAB – Meeting occurred October 9, 2018**
- Introductions
- Charge to group
- Calendar
- Historical and Comparative Info
- Background: UO Budget Information

**TFAB – Meeting occurred October 30, 2018**
- Background – UO Budget Information (continuation)
- Background on PUSF and funding mechanisms (including information on PERS)

**TFAB – Meeting occurred November 9, 2018**
- Growth initiative

**TFAB – Meeting occurred November 16, 2018**
- Cost drivers analysis
- UO Plan for Managing Costs
- Undergraduate – Tuition Calculator
- Planning for Student Forum

**TFAB Meeting – January 11, 2019, 4–5:30pm**
- Housing fee proposal
- Health and counseling fee
- Undergraduate tuition
- Planning Student Forum

**Student Forum – Early January (TBD)**
TFAB Meeting – January 18, 2019, 3–4:30pm
• Debriefing Student Forum
• Graduate tuition proposals
• Course Fees
• Undergraduate tuition

TFAB Meeting – January 25, 2018, 3–4:30pm
• EMU
• PE & Rec fee
• Undergraduate tuition
• Graduate tuition proposals (if more time is necessary)

TFAB Meeting – January 30, 2019, 8:30–10am
• Any other proposals we receive
• Undergraduate tuition

TFAB Meeting – February 1, 2019, 8:30–10am
• Finalize TFAB recommendations

Student Forum – Early / Mid February
• Forum with the President

Presidential Review & Feedback – Mid February
• President posts recommendations on website, reviews community feedback, and makes recommendation to the Board on tuition and fees (except for resident undergraduate tuition)

Board of Trustees Meeting – March 4 & 5
• Board sets non-resident undergraduate and graduate tuition and mandatory fee rates

Spring TFAB Meetings focused on resident undergraduate tuition (March, April and May)
• In early May after deposit information is available, TFAB provides written recommendations to President on undergraduate, resident tuition rate

Student Forum – Early / Mid May
• Forum with the President

Presidential Review & Feedback – Early May
• President posts recommendations on website, reviews feedback, and makes recommendation to the Board regarding undergraduate, resident tuition rate

Board of Trustees Meeting – May 22 and 23
• Board sets resident, undergraduate tuition rate. If total tuition and mandatory fees increase by more than 5% for resident undergraduates, rate increase must be approved by the Higher Education Coordinating Commission (HECC)
Agenda Item #6

Academic Area in Focus: Institute for Health in the Built Environment
WHO WE ARE

Kevin Van Den Wymelenberg
Associate Professor, Department of Architecture
Director, Energy Studies in Buildings Laboratory
Co-Director, Biology and the Built Environment

Jessica Green
Alice and Kay Keith Professor, Department of Biology
Co-Director, Biology and the Built Environment

G.Z. Brown
Founding Director, Energy Studies in Buildings Laboratory
Philip H. Knight Professor, Department of Architecture

Siobhan Rockcastle
Assistant Professor, Department of Architecture
Director, Baker Laboratory

Mark Fretz
Associate Director of Knowledge Exchange, Department of Architecture

Jeff Kline
Senior Research Associate
Energy Studies in Buildings Laboratory

Dale Northcutt
Senior Research Assistant II
Energy Studies in Buildings Laboratory

Jason Stenson
Senior Research Assistant I
Energy Studies in Buildings Laboratory

Ailen Mahic
Research Assistant
Energy Studies in Buildings Laboratory

Ashkaan Fahimipour
Research Assistant Professor of Computational Biology

Sue Ishak
Research Assistant Professor in Microbial Ecology

Roo Vandegrift
Research Assistant Professor of Fungal Ecology

Erica Hartmann
Assistant Professor of Civil and Environmental Engineering
Northwestern University

Curtis Huttenhower
Associate Professor of Computational Biology and Bioinformatics, Harvard
T.H. Chan School of Public Health

Gwynne Muireach
Graduate Research Fellow
Doctoral Candidate, Landscape Architecture

Paul Ward
Graduate Student in Architecture

Denise Blankenberger
Graduate Student in Architecture

Amir Nezamdoost
Graduate Student in Architecture

Andrew Lola
Graduate Student in Architecture

+15 Additional graduate and undergraduate students
IHBE Core Faculty
Kevin Van Den Wymelenberg
kevinvdw@uoregon.edu

Jessica Green (UO)
GZ Brown (UO)
Siobhan Rockcastle (UO)

Past Partners & Graduates
Brendan Bohannan (BioBE co-founder)
Adam Altrichter
Dan Aughenbaugh
Ashley Bateman
Clarisse Betancourt
Laura Cavin
Tom Fiorelli
Ashleigh Fischer
Keith Herkert
Roxana Hickey
Evan Jones
Steve Kembel
Ann Klein
Kate Laue

Co-Investigators
1. C. Minson – UO
2. S. Sokolowski - UO
3. E. Hartmann – Northwestern
4. C. Huttenhower - Harvard
5. R. Halden – ASU
6. D. Johnson-Sheltin - ORI
7. M. Riggio – OSU
8. A. Barbosa – OSU
9. F. Laleicke – OSU
10. Dr. B. Martindale – OHSU
11. Dr. L. Kiraly - OHSU

Students
1. Denise Blankenberger (M Arch)
2. Nathan Brown (UG Bio)
3. Chelsey Effinger (Env., M Arch)
4. Willem Griffiths (UG Bio)
5. Delaney Hetrich (UG Arch)
6. Daniel Hundley (M Arch)
7. Alen Lai (Physics, M.Arch)
8. Serena Lim (M Arch)
9. Andrew Loia (Civil Eng, M Arch)
10. Ryan McGowan (M Arch)
11. James Li (M Arch)
12. Mitch Rezzonico (M Bio)
13. Sam Rosenberg (M.Bio))
14. Daniel Roth (M Arch)
15. Maria Sarao (M Bio)
16. Samuel Svindand (UG Comp Sci)
17. Mira Zimmerman (UG Comm)
Humans spend >90% of our indoors!
Indoor air up to 5x more polluted than outdoor air!
50% of BTUs are consumed by buildings!
translating design practice

via project-based education

- 625 buildings consulted
- 50M ft² consulted
- 45.3 aMW (electric)
- 50 buildings saved > 50%

...through integrated design...
in every 25 hospitalized patients get an infection!

HAI spatial + temporal analysis

C-diff example 200+ cases

Healthcare Associated Infections (HAIs)
Spatial network? Does the Architecture Play Role? Can this be predicted?

> $2.7M lost revenue annually
By 2050

10M

deaths per year from multi-drug resistant bacteria
1935
Sulfanamide drugs are released, becoming the first antibiotics to be used systematically.

1943
Allied WW2 soldiers begin receiving supplies of antibiotics, saving thousands of lives.

1948
Penicillin-resistant staphylococcus becomes a global pandemic.

1949
Methicillin antibiotics are invented to combat penicillin-resistant staphylococcus.

1959
Daptomycin is invented. After this, no new classes of antibiotics are discovered for ~30 years.

1960
The first strains of methicillin-resistant staphylococcus aureus (MRSA) emerge.

2014
The British public vote for antibiotic resistance to be the focus of the £10m Longitude Prize.

2015
The World Health Organisation (WHO) Launches the first Antibiotics Awareness Week.

2017
Scientists produce improved form of Teixobactin: a new class of antibiotics with the potential to destroy superbugs.

Present Day
Individuals, researchers & policymakers are working together to fight antibiotic resistance.

Pre-20thC
In the pre-antibiotic age, it was common to die from minor infections.

1910
The first antimicrobial drug, Salvarsan, is synthesised from clothes dye & used to treat syphilis.

1928
Alexander Fleming discovers penicillin & begins investigating its antibiotic potential.

1941
Ernst Chain and Howard Florey begin first clinical trials of penicillin.

1953
Antibiotics are introduced to animal feed in Europe.
Life expectancy vs. health expenditure over time (1970-2014)

Health spending measures the consumption of health care goods and services, including personal health care (curative care, rehabilitative care, long-term care, ancillary services and medical goods) and collective services (prevention and public health services as well as health administration), but excluding spending on investments. Shown is total health expenditure (financed by public and private sources).

Data source: Health expenditure from the OECD; Life expectancy from the World Bank. Licensed under CC-BY-SA by the author Max Roser. The interactive data visualization is available at OurWorldinData.org. There you find the raw data and more visualizations on this topic.
Typically, architects and designers focus on designing physical space while scientists focus on understanding the unknown and unseen. Often, these lines of vision and discovery do not cross. In contrast, the Institute for Health in the Built Environment integrates designers, scientists and industry partners with diverse backgrounds to explore together the unseen elements of our built environment, including the indoor microbiome, air, chemistry, thermal and visual comfort, perception, psychologic and physiologic response, to understand how to better design for health, energy and evolution. We use science to design the unseen.
We understand and design for acute dangers in the built environment, such as requiring fire sprinklers; however, we don’t often design for chronic dangers, such as low dose effects of indoor chemicals and contaminants or increased carbon emissions, because they are unseen. The effects are subtle, but destructive. They affect us through increased risk of cancer, inflammation, immunological disturbances, cognition, stress and a warming climate. The Institute is investigating and impacting the design of unseen elements in the built environment, from energy use to microbial ecology, chemistry, comfort, psychological perception, acoustics and carbon balance to improve human health.
Our habitat is changing. In the developed world, we spend more than 90 percent of our lives indoors, often in urban areas with little connection to natural systems in which humans evolved. Our built environment has evolved to be highly engineered, segregated from nature, and even virtual. Human biology has not evolved as quickly as built environments, which results in what evolutionary medicine has termed “mismatch diseases,” diseases resulting from our ancient human biology adapting poorly to new environments. Examples include: allergies and autoimmune diseases due to reduced exposure of our immune system to good bacteria, diabetes and obesity due to environments in which we are more sedentary, or anxiety and depression from chronic stressors in our environment. The Institute is investigating our built environment to develop design strategies that reduce energy use while connecting us to an evolutionary past and healthy future.
DESIGN ON THE FRONTIER
INSTITUTE FOR HEALTH IN THE BUILT ENVIRONMENT

On the frontier, you work together to create new opportunities and possibilities. This pioneer ethos is the foundation of Oregon’s collaborative spirit and a reason we are successful at solving challenges. Climate change, population growth, diminishing resources and human health are challenges on the new frontier and we must continue to innovate solutions by working together to design for health, design for evolution and design the unseen. Collaborating with communities, municipalities, and academic and industry partners, the Institute for Health in the Built Environment advances, integrates, and applies new knowledge from diverse scientific disciplines to support a healthy, thriving community and planet.
Trace paper, thick black markers, wood models and coffee are indispensable in the genesis of an idea. However, many elements we experience in the built environment can’t be seen. Whether energy, microbes, chemicals, or sound, the unseen has a profound impact on our own health, experience and energy use in the built environment. It’s time we design for it. We have the unique toolsets to visualize, understand, simulate and shape it. These include: microbial DNA sequencing, metagenomics, gas chromatography, mass spectroscopy, climate chamber, wind tunnel, virtual reality and acoustic equipment.
Decisions we make about how buildings and cities are designed, constructed and managed have significant implications for our own health, and for the health of our planet. The Institute for Health in the Built Environment advances, integrates, and applies new knowledge from diverse scientific disciplines to support a healthy, thriving community and planet. Our mission is to develop new design concepts for the realization of healthy and sustainable inhabited space. We do this by forming unconventional collaborations that conduct research where architecture, biology, medicine, chemistry and engineering intersect and translate it into design practice through a consortium of invested industry partners with applied impact.
RECENT PUBLICATIONS
INSTITUTE FOR HEALTH IN THE BUILT ENVIRONMENT

VENTILATION | MICROBES


INDOOR VISUAL COMFORT | DAYLIGHT PERFORMANCE


Gormly, K., et al. (2016). Can we use smartphone-imaging sensors as low cost luminance mapping tools to support design processes, integrated lighting system control and human factors research? Presented at the IES Annual Conference, Orlando, FL.


DAYLIGHT | MICROBES


DESIGN | MICROBES


INDUSTRY CONSORTIUM
INSTITUTE FOR HEALTH IN THE BUILT ENVIRONMENT

UNCONVENTIONAL COLLABORATION
- Cross-disciplinary groups creatively re-examine larger problems and arrive at creative solutions
- Establish connections between world-renowned university researchers and leading industry partners
- Inform and help define research priorities
- Receive priority access to research results
- Translate research into products and services
- Accomplish more through synergistic skill sets and resources
- Develop research collaborations (Medicine, Chemistry, Engineering, Environmental Health Science)

MARKET DIFFERENTIATION
- Rapidly innovate and iterate to gain competitive advantage
- Differentiate your organization through association and access to knowledge and tools

COST EFFICIENCY
- Extend research investment through pooled research funds to improve ROI of new technologies, ideas, and practices
- Leverage university resources, industry partners, foundations, federal and state government
- Annual membership/sponsorship is less than the cost of a typical one year research project
- Potential benefit from federal tax credit
- Access to research grade scientific equipment

BECOME A PARTNER!
We can be hired as a consultant anytime; however consortium membership is an opportunity for partnership with ongoing dialogue and development of ideas ahead of your competition.
- Pioneer future research
- Attend consortium content meeting and board meeting
- Access to tools, calculators, guides and manuals
- Exclusive access to cutting-edge researchers and facilities
- Access to workshops, training and seminars

TECH TRANSFER
- Vet research by other industry members for likelihood of adoption and commercialization
- Manage Intellectual Property assignments and rights to benefit both industry partners and university researchers
- Patent rights & licenses - (negotiated) right to obtain a non-exclusive license on preferential terms to any invention conceived during the period of industry partner’s support

HUMAN RESOURCE DEVELOPMENT
- Access resumes for graduates already engaged in the Consortium’s work and projects
- Continuing education opportunities for staff

NETWORKING | BUSINESS RELATIONS
- Co-marketing opportunities
- Strategic networking and cooperation with other industries, companies, academia, and government agencies
- Long-term relationships and benefits that impact and outweigh specific project goals.

<table>
<thead>
<tr>
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<th>YEAR 1</th>
<th>YEAR 2</th>
<th>YEAR 3</th>
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</tbody>
</table>

1 Large/Small business designation determined by SBA Table of Small Business Standards
2 12% Multi-year discount available

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WHO WE ARE

Kevin Van Den Wymelenberg  
Associate Professor, Department of Architecture  
Director, Energy Studies in Buildings Laboratory  
Co-Director, Biology and the Built Environment

Jessica Green  
Professor, Department of Biology  
Co-Director, Biology and the Built Environment

G.Z. Brown  
Founding Director, Energy Studies in Buildings Laboratory  
Philip H. Knight Professor, Department of Architecture

Siobhan Rockcastle  
Assistant Professor, Department of Architecture  
Director, Baker Laboratory

Mark Fretz  
Associate Director of Knowledge Exchange, Department of Architecture

Jeff Kline  
Senior Research Associate  
Energy Studies in Buildings Laboratory

Dale Northcutt  
Senior Research Assistant II  
Energy Studies in Buildings Laboratory

Jason Stenson  
Senior Research Assistant I  
Energy Studies in Buildings Laboratory

Ashkaan Fahimipour  
Research Assistant Professor of Computational Biology

Sue Ishaq  
Research Assistant Professor in Microbial Ecology

Roo Vandegrift  
Research Assistant Professor of Fungal Ecology

Alen Mahic  
Research Assistant  
Energy Studies in Buildings Laboratory

Gwynne Mhuireach  
Graduate Research Fellow  
Doctoral Candidate, Landscape Architecture

Paul Ward  
Graduate Student  
Architecture

Denise Blankenberger  
Graduate Student  
Architecture

Amir Nezamdoost  
Graduate Student  
Architecture

+15 Other  
Graduate Students  
Architecture, Biology

Kevin Van Den Wymelenberg  
Associate Professor, Department of Architecture  
Director, Energy Studies in Buildings Laboratory  
Co-Director, Biology and the Built Environment

Jessica Green  
Professor, Department of Biology  
Co-Director, Biology and the Built Environment

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Architecture

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Architecture

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Graduate Student  
Architecture

+15 Other  
Graduate Students  
Architecture, Biology
Kevin Van Den Wymelenberg, PhD
Director, Institute for Health in the Built Environment
Director, Energy Studies in Buildings Laboratory
Co-Director, Biology and the Built Environment Center
Associate Professor of Architecture

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buildhealth.uoregon.edu
Agenda Item #7

Knight Campus for Accelerating Scientific Impact
Mission and Vision

**Mission**

Science advancing Society

**Vision**

Dramatically shorten the timeline between discovery and societal impact through world-class research, training and entrepreneurship in a nimble scientific enterprise
Goals

Redefine the modern research university by fostering world-changing research unfettered by traditional academic boundaries

Serve as the educational engine driving the new economy of Oregon

Transform student education through discovery-driven learning

Engage the public in the excitement and creativity of scientific research

Foster diverse perspectives and participation in scientific research

Improve the health and well-being of the citizens of Oregon, the nation, and the world
Leadership Team

Jim Hutchison
Knight Campus Educational Programs Director and Lokey-Harrington Chair in the Department of Chemistry and Biochemistry

Moira Kiltie
Knight Campus Associate Vice President and Chief of Staff

Andrew Nelson
Knight Campus Innovation Programs Director and Associate Vice President of Entrepreneurship and Innovation and Associate Professor of Management
Faculty Fellows

Karen Guillemin  
Professor of Biology;  
Director, META Center

Bill Cresko  
Professor of Biology;  
Director, Computational Science Program

Darren Johnson  
Professor of Chemistry and Biology;  
Director, Material Science Institute

Patrick Phillips  
Professor of Biology;  
Special Advisor to the President
INTERNAL ADVISORY BOARD

Andrew Nelson
Associate Vice President for Innovation, Associate Professor of Management

Bill Cresko
Professor of Biology

Darren Johnson
Professor of Chemistry and Biochemistry

David McCormick
Professor of Biology

Elizabeth Skowron
Professor of Counseling Psychology

Hal Sadofsky
Divisional Dean of Natural Sciences, Associate Professor of Mathematics

Janet Woodruff-Borden
Vice Provost and Dean of Graduate School

Jim Hutchison
Educational Program Director, Knight Campus, and Lokey Harrington Chair in Chemistry and Biochemistry

Joe Sventek
Department Head, Professor of Computer and Information Science

John Halliwill
Professor of Human Physiology

Karen Guillemin
Professor of Biology

Leslie Coonrod
Lecturer and Associate Director, Knight Campus Internship Program

Leslie Leve
Associate Vice President for Research, Professor of Family and Human Services, College of Education

Patrick Phillips
Professor of Biology, special advisor to the president

Raghu Parthasarathy
Professor of Physics

Shannon Boettcher
Professor of Chemistry

Ulrich Mayr
Department Head, Professor of Psychology

Vickie De Rose
Professor of Chemistry and Biochemistry
Internal Advisory Board Committees

FY19 IAB Committees and Working Groups:

• Tenure track faculty personnel committee
• Inclusion, diversity and outreach committee
• Tenure track faculty professional responsibilities committee
• Building User Group (space committee)
• Competitive proposal review committees (ad hoc)
• Tenure related faculty search committees (IAB and non-IAB members)
Strategic Planning Process

- Contracted with Nexight, LLC to facilitate process of determining initial 3-5 research focal areas
- Conducted 30 interviews with stakeholders state-wide in spring 2018
- Conducted workshop with 35 internal stakeholders in September 2018
- Conducted workshop with External Advisory Board members October 2018 and final workshop of community members expected in winter 2019
- Final report and recommendations anticipated spring 2019
Is a Video Slide Removed from Electronic Packet Intentionally
Building Timeline

Past

**Fall 2016**
- User group appointed
- RFP architect and CM/GC proposals

**Spring 2017**
- Conceptual building design and site layout completed for review
- Community engagement begins

**Fall 2017**
- Schematic drawings finalized
- Event for design unveiling

**Spring 2018**
- Site work on buildings
- Community meetings to prep for building

**Winter 2017**
- Design firm and CM/GC named and contracted
- Conceptual building design and site visits

**Summer 2017**
- Site investigation work
- Board of Trustees review and consideration
- Schematic design at 50 percent

**Winter 2018**
- Schematic designs move to working drawings

**Summer 2018**
- Building construction commences

Upcoming

**Fall 2018**
- Construction continues

**Spring 2019**
- Construction continues

**Fall 2019**
- Fitting out of first Knight Campus labs and cores

**Spring 2020**
- Formal move-in and opening celebration

**Winter 2019**
- Internal work begins in building
- Large equipment purchasing commences

**Summer 2019**
- Construction continues

**Winter 2020**
- Commissioning of building

**Summer 2020**
- Continue occupancy roll-out
Knight Campus Internship Program

Provides accelerated master’s level training and opportunities to earn real-world knowledge and skills in one year.

Currently offering four tracks:

- Photovoltaic & Semiconductor Device processing
- Optical Materials & Devices
- Polymer Science
- Bioinformatics and Genomics

New track in Molecular Sensors to be piloted in summer 2019
Career Acceleration

Fall 2018

- Lens of the Market Stage II – Collaboration with Materials Science Institute
- Science Communication: Workshop by Randy Olson on Science Communication – a collaboration with the Media Center for Science and Technology in the UO School of Journalism and Communication
Leadership at UO, OSU and OHSU are exploring a joint PhD program in biomedical engineering and hope to sign a joint Letter of Intent to activate the discussions by the end of the fall quarter.

This new tri-shield graduate program, expected to launch in FY20, will combine the complementary research and educational strengths of the three institutions.
Growing OHSU Collaboration

- Collaborative research seed projects administered via the OHSU-UO Collaboration working group
- Joint and adjunct academic appointments
- Proposed joint Biomedical Engineering graduate degree program
- Proposed joint UO/OHSU Knight Center for Biomedical Data Science
Programming

• Knight Campus Annual Distinguished Lecture Series initiated June 2018

• UO Innovation Panel November 2018 to kick off planned Innovation Seminar series

• Provided STEM student group program $81k support in two years

• Shared research equipment purchased and pledged in the amount of $2M over two years

• Knight Campus Undergraduate Scholar Program provides year long research experiences beginning January 2019
Two tenure-track faculty searches launched this fall:

- Open-rank search in the areas of bioengineering, regenerative medicine, applied science, computational science, genomics – campus candidate visits 11/26 through 12/14

- DeArmond endowed chair in neuro-engineering - senior rank search – search committee established and recruitment in first stage of activity
Financial Model

The Knight Campus was directed by the President to develop a baseline research and education program that can be entirely supported financially by the interest derived from the endowed dollars of the gift after the building and start-up costs are incurred.
# Knight Campus Budget

## Revenue FY17 FY18 Notes

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## Expenses FY17 FY18 Notes

| Project                        | FY17     | FY18     | Building One is estimated at $225M |
|-------------------------------|----------|----------|
| Capital Project               | $7,800,000 | $12,400,000 | |
| PS and OTPS (non building)    | $921,000  | $5,400,000 | |
An ambitious program in engineering and applied sciences needs significant resources. To date, we have received additional philanthropic support from:

- $10M gift from Robert J. DeArmond Trust supports Knight Campus senior faculty research
- $100K gift from Thermo Fisher Scientific aimed at increasing inclusion, diversity in the KCIP master’s program
- $10M Lorry I. Lokey for Knight Campus faculty chairs