

## COMMERCIAL CONTRACT ALLOCATION GUIDELINE

- a. 100% of compensation for television advertising services;
- b. 90% allocation for combined television and radio services, subject to adjustment based on proportion of television to radio usage. May accept 80% or lesser allocation in some television/radio cases based on contract specification of usage;
- c. As a minimum, 50% of compensation for multi-service contracts which involve television commercial services;
- d. The 50% allocation for multi-service contracts has an exception developed for Nike and other advertisers with similar products or services closely associated with an "Athlete-Consultant" who has an endorsement/consulting agreement involving "advertising services" for the product. The Nike exception requires a strong association between the athlete and the advertisers' signature product or corporate image, such as Tiger Woods wearing the Nike "Swoosh" symbol.
- e. 40% of compensation for print and fashion models advertising beauty products, clothing, etc;
- f. 40% of compensation for commercials aired exclusively in a contiguous regional foreign market (such as East Asia), but which is short of worldwide. Any distribution for territories greater than regional market remains subject to the 50% allocation.
- g. 50% of compensation for multi-services contracts for inactive athletes who are sufficiently connected with the entertainment community that the Nike formula is no long applicable. Example include George Foreman, Rick Fox, John Elway, etc;
- h. 20-40% of compensation for recording artists with multi-service concert/endorsement contract for a product or services of the sponsor of their tour.
- i. 20-40% of compensation for racecar drivers with multi-service racecar tour/endorsement contract for an automotive product or services of the sponsors of the tour.