

# CONTRACT

## FOR the provision of a sponsorship and matters incidental thereto

IT is determined by the parties to this Contract as follows:-

### Parties

1. The parties to this contract are -

(a) [insert name of club/association here], herein represented by [insert name of signatory here] in his/her capacity as [insert capacity of signatory here]; and

(b) [insert name of sponsor here], herein represented by [insert name of signatory here] in his/her capacity as [insert capacity of signatory here].

### Definitions

2. In this Contract, unless the context otherwise indicates -

"Association/Club" means the party mentioned in clause 1 (a);  
[Delete whichever is not applicable]

"marketing material" includes, without limitation to the generality of the expression, t-shirts, stationary, printed programs, banners, pop-up banners, advertising boards, background boards, triangular cushions, leaflets, stickers, souvenirs, key rings and other material; and

"Sponsor" means the party referred to in clause 1 (b).

### Sponsorship

3. (1) The Sponsor shall annually, for the duration of this Contract, sponsor the Association/Club as set out in this Contract and the Association/Club shall, in return for the sponsorship -

(a) allow the sponsor per occasion to place advertisements and marketing material on the [Association/Club](#)'s facilities, as set out in the Annexure;

(b) recognise the contribution made by the Sponsor by naming the [Association/Club](#) after the Sponsor;

[(c) add more obligations of [Association/Club](#) here, if required].

(2) The sponsorship contemplated in subclause (1), shall consist of -

(a) an amount of R[insert amount in figures here] ([insert amount in words here] Rand Only) for the first year of sponsorship; and

(b) for each successive year of sponsorship, an amount equal to the amount for the preceding year plus 10% (Ten Percent),

which shall be payable annually in two equal installments before or on [31 January](#) and [30 June](#) of each year of sponsorship.

[Determine the appropriate dates for payment]

(3) Apart from the sponsorship contemplated in subclause (1), the Sponsor shall, to the extent that the Sponsor deems necessary, provide the [Association/Club](#) with marketing material.

## **Marketing**

4. In return for the sponsorship as contemplated in clause 3, the Sponsor may -

(a) arrange opportunities to market its products to [Association/Club](#) members;

(b) erect a notice board, to be known as the [insert name of sponsor here] Notice Board, at a suitable location, on which all official [Association/Club](#) announcements and results shall appear.

## Reporting

5. The [Association/Club](#) shall, as soon as possible after each event and on a quarterly basis, report to the Sponsor concerning the utilisation of funds received by the [Association/Club](#) from the Sponsor in terms of this Contract.

## Exclusivity

6. (1) Subject to subclause (2), the [Association/Club](#) shall, for the duration of this Contract, not allow any other institution to sponsor the [Association/Club](#), unless the prior written consent of the Sponsor has been obtained, which permission may only be withheld if such entity is in direct competition with the Sponsor or if such further sponsorship will impact negatively on the rights of the Sponsor in terms of this Contract.

(2) If any other institution offers a sponsorship to the [Association/Club](#), the [Association/Club](#) agrees to -

- (a) inform the Sponsor without delay of such offer; and
- (b) afford the Sponsor the first opportunity to enter into a sponsorship with the [Association/Club](#) on terms that are no less favourable than those proposed by the other institution.

(3) The [Association/Club](#) hereby grants to the Sponsor a preferential right at the expiry of this Contract, to enter into a new sponsorship agreement, similar to this Contract, with the [Association/Club](#).

(4) If any provincial, regional, national or international tournament takes places on any of [Association/Club](#)'s facilities -

- (a) the limitations in subclauses (1) and (2) shall not apply in respect of such tournaments; and
- (b) it shall be deemed not to be a breach of this Contract if the main or co-sponsor of such tournament distributes or displays marketing material at such tournament.

(5) The [Association/Club](#) shall timeously inform the Sponsor of any provincial, regional, national or international tournament which takes place on any of

the [Association/Club](#)'s facilities.

### **Arbitration**

7. (1) In the event of any dispute or difference arising between the parties relating to or arising out of this agreement, including the implementation, execution, interpretation, rectification, termination or cancellation of this agreement, the parties will immediately meet to attempt to settle such dispute or difference, and failing such settlement within a period of 14 (fourteen) days, the dispute or difference will be submitted to arbitration in accordance with the provisions of the Arbitration Act 42 of 1965.

(2) The arbitrator shall be, if the question in issue is -

(a) primarily an accounting matter, a practising independent chartered accountant of not less than 10 (ten) years' standing; or

(b) primarily a matter other than an accounting matter, a practising advocate or attorney of not less than 10 (ten) years' standing as such.

(3) If the parties cannot agree within 48 (forty-eight) hours after a hearing has been demanded in terms of this clause as to whether or not the question in issue is primarily an accounting matter, the matter shall be deemed not to be an accounting matter.

(4) If the parties are unable to reach agreement on the accountant or advocate or attorney, as the case may be, within 48 (forty-eight) hours after a hearing of the dispute has been demanded in terms of this clause, such person shall be appointed by the President for the time being of the South African Institute of Chartered Accountants or the President for the time being of the Johannesburg Association of Advocates, as the case may be.

(5) This clause shall continue to be binding on the parties notwithstanding any invalidity termination or cancellation of this Contract or any part thereof.

### **Non-Variation**

8. (1) This Contract constitutes the whole of the agreement between the parties relating to the subject matter hereof, notwithstanding any acceptance, order or other documentation or discussion to the contrary.

(2) No amendment or consensual cancellation of this Contract or any term of this Contract, including this clause, or of any agreement, bill of exchange or other document issued or executed pursuant to or in terms of this Contract, shall be binding unless recorded in a written document signed by a duly authorised representative from both parties.

### **Cession**

9. Neither party shall be entitled to cede or assign any rights and/or obligations which it may have in terms of this Contract to any third party unless the prior written consent of the other party has been obtained, which consent may not be unreasonably withheld.

### ***Domicillium Citandi et Executandi***

10. (1) The [Association/Club](#) chooses as its *domicillium citandi et executandi* the following addresses and fax number:

[insert physical address and fax number here]

(2) The Sponsor chooses as its *domicillium citandi et executandi* the following addresses and fax number:

[insert physical address and fax number here]

(3) Either party may from time to time decide to vary its *domicilium* by giving written notice to the other party and such notice must be posted by prepaid registered post or hand delivered to the other party's *domicilium* and shall be presumed, unless the contrary is proven, to have been received by that party on the tenth day after the date of posting or on the day of delivery, as the case may be.

(4) Any matters or other communication to be given to either of the parties in terms of this Contract shall be valid and effective only if it is given in writing.

(5) Any notice in terms of this Contract to either party which is -

(a) sent by prepaid registered post in a correctly addressed envelope to the address specified for it in subclause (1) or (2)

shall be deemed to have been received, unless the contrary is proved, within 14 (fourteen) days from the date on which it was posted;

- (b) delivered to the party by hand at the address specified for it in subclause (1) or (2), shall be deemed to have been received on the day of delivery, provided that it has been delivered to a responsible person during ordinary business hours; or
- (c) sent by fax to a party at the telefax numbers specified for it in subclause (1) or (2), shall be deemed to have been received, unless the contrary is proved, within 4 (four) hours of transmission if it is transmitted during normal business hours of the receiving party or within 12 (twelve) hours of the first business day of the receiving party after it is transmitted, if it is transmitted outside those business hours.

(6) Notwithstanding anything to the contrary contained in this clause, a written notice or other communication actually received by either party and for which written receipt has been obtained, shall be adequate written notice or communication to it notwithstanding that the notice was not sent to or delivered at its chosen address.

### **Breach**

11. If either party to this Contract -

- (a) breaches any material term of this Contract and fails to remedy such breach within 7 (seven) days after the receipt of a written notice from the other party;
- (b) commits any act of insolvency;
- (c) endeavours to compromise generally with its creditors or does or causes anything to be done which may prejudice the other party's rights hereunder or at all;
- (d) allows any judgement against it to remain unsettled for more than 10 (ten) days without taking immediate steps to have it

rescinded and successfully prosecuting the application for rescission to its final end; or

- (e) is placed in liquidation or under judicial management, whether provisionally or finally,

the other party may, without prejudice to any other right which it may have against that party, cancel this Contract.

**Commencement and Duration**

12. (1) This Contract shall come into operation on [insert effective date here] and shall continue in operation for a period of 3 (three) years from that date.

THUS done in two original copies and signed at .....  
on this ..... day of ..... 2001.

.....  
For Sponsor

.....  
For Association/Club

.....  
Witness

.....  
Witness

## Annexure