

Attachment A



WeatherTech®
Raceway
LAGUNA SECA

HAGERTY®

2023-2025 SPONSORSHIP AGREEMENT

SPONSORSHIP AGREEMENT

This Sponsorship Agreement ("**Agreement**") is made on March 14, 2023 (**the "Effective Date"**) between COUNTY of MONTEREY ("**County**") with offices at 1441 Schilling Place, South, 2nd Floor, Salinas, California 93901 and HAGERTY EVENTS, LLC ("**Sponsor**") with primary address of 121 Drivers Edge, Traverse City, MI 94684, regarding sponsorship of WeatherTech Raceway at Laguna Seca ("**WeatherTech Raceway**") located at 1021 Monterey-Salinas Highway, Monterey, CA 93942 and the year-round sponsorship and specific events IMSA Motul Course de Monterey, Rolex Monterey Motorsports Reunion, and INDYCAR Firestone Grand Prix of Monterey known to herein as the "**Events**".

1. **Term:** The term of this Agreement shall commence on the Effective Date and conclude December 31, 2025 ("**Term**"), unless earlier terminated as provided below or extended by written mutual agreement of the parties. Sponsor shall have an exclusive period of First Right of Renewal for a 30-day period beginning August 1, 2025 through August 31, 2025 for the renewed Sponsorship Rights detailed in **Exhibit A**, for the Events. Should Sponsor advise County during the First Right of Renewal period that it is interested in sponsoring the Event, the parties shall engage in timely good faith negotiations towards a renewal of this Agreement. If the two Parties do not come to agreement on extension prior to the end of the First Right of Renewal period, County shall have full rights to approach other potential sponsors with regard to the title sponsorship of the Event.

2. **Sponsorship Benefits:** County agrees to provide the Sponsorship Rights and sponsorship benefits outlined in **Exhibit A**, attached to and incorporated by reference in this Agreement, during the Term in connection with the Event in a manner reasonably satisfactory to Sponsor.

3. **Consideration:** In consideration of County providing the 2023 Sponsorship Rights and benefits listed on **Exhibit A**, Sponsor agrees to pay the County: Two Hundred Thousand Dollars (\$200,000 USD) (the "**Payment**"), subject to County's submission to Sponsor of invoices. Payment shall be made by Sponsor as follows: 50% on or before April 1st and 50% on or before July 1st, annually. Sponsorship Rights for 2024 and 2025 shall be as detailed under Sponsorship Provisions on **Exhibit A** with adjusted Payment provisions, attached to and incorporated by reference in this Agreement.

4. **Compliance with the Law:** The County is solely responsible for the administration, management, and fulfillment of the Event and represents and warrants that all elements of the Event will be conducted in full compliance with all applicable laws, rules, and regulations (including all laws, rules, regulations and orders pertaining to Coronavirus/Covid-19). The County will abide by best practices, guidelines and protocols (including those pertaining to health and safety) relating to Coronavirus/Covid-19, including, without limitation, those issued by federal, state and local authorities (including, without limitation, California Department of Public Health and the Monterey County Health and Emergency agencies) and the CDC (including, without limitation, those related to social distancing, hygiene and wearing of personal protective equipment).

5. **Termination.** Either party shall have the right to terminate this Agreement upon written notice to the other party a) if the other party has committed a breach of this Agreement, which has not been cured within fifteen (15) days after receiving written notice of such breach, or b) if the other party becomes insolvent or becomes involved in bankruptcy proceedings. In the event Sponsor terminates this Agreement pursuant to this paragraph, shall promptly refund to Sponsor all payments made by Sponsor during the current year of the Agreement less any hard costs incurred by County in order to fulfill its obligations under the Agreement prior to its receipt of the termination notice.

6. **Independent Contractors:** Each party shall be an independent contractor relative to the other party hereto. Nothing in this Agreement shall be construed as creating a partnership, employer/employee, principal/agent, nor joint venture relationship between County and Sponsor. None of the parties shall have any right to obligate or bind any other party in any manner whatsoever without prior written approval.

7. **Assignment:** Neither Sponsor nor County shall assign this Agreement or any of the rights or responsibilities hereunder without prior written approval of the other party. Any other attempt to assign this Agreement shall be void and unenforceable.

8. **Waiver/Breach:** Waiver of any breach of this Agreement shall not constitute a waiver of any other prior or subsequent breach of this Agreement. No waiver shall be effective unless made in writing and signed by an authorized representative of the non-breaching party. The failure of any party hereto to insist upon strict compliance with this Agreement, or any of the terms and conditions hereof, shall not be deemed a waiver of any rights or remedies that such party may have.

9. **Severability:** In the event that any provision of this Agreement shall be held invalid or unenforceable, such provision shall be severed and the remainder of the Agreement shall continue in full force and effect.

10. **Representations and Warranties:** Each Party represents and warrants to the other that: (a) the execution, delivery, and performance of this Agreement have been duly authorized by all necessary actions; (b) this Agreement is a valid and binding obligation of each Party enforceable against it in accordance with its terms; and (c) each Party has sole and exclusive authority to grant the rights to the other Party that are the subject of this Agreement. Further, each Party represents and warrants that it will comply with any and all federal, state, and local laws, rules and regulations governing their respective performance obligations pertaining to, in the case of producer, the Event, including, without limitation, obtaining all governmental permits and authorizations required to produce the Event, and in the case of Sponsor, activation and usage of the Sponsorship Rights detailed under Exhibit A, as provided by County hereunder.

11. **Liability:** Except with regard to indemnity claims arising hereunder, neither party shall be liable to the other party for any indirect damages including lost profits or for special, indirect, incidental, consequential or punitive damages arising out of or in connection with this Agreement or the subject matter hereof, regardless of the form of action (including, without limitation, breach of warranty, breach of contract, tort (including negligence), strict liability or statutory), and whether or not the other party has been advised of the possibility of such damages.

12. **Insurance/Indemnity:** At their own expense, Sponsor shall secure and maintain the following insurance policies in full force and effect throughout the Term of this Agreement:

- **Commercial General Liability** with \$1,000,000 per occurrence and \$2,000,000 aggregate, and
- **Business Automobile Liability** covering all owned, hired, and non-owned vehicles with limits of \$1,000,000 combined single limit per occurrence, and
- **Workers' Compensation** with statutory limits or a State Certificate of self-insurance and Employer Liability coverage limits of \$1,000,000 per occurrence.
- **Commercial Umbrella** with a limit of \$5,000,000.

Sponsor may satisfy the coverage limits above through a combination of its underlying policies and its umbrella/excess liability insurance policy. Sponsor shall name the County of Monterey, its agents, employees, and contractors as additional insured and shall be primary and non-contributory to any other policies in effect, for its activities only.

(a) At its own expense, the County shall maintain a program of self-insurance as follows: The County maintains a reserve fund to cover occurrences within a self-insured retention level of \$2.5 million. Above the self-insured retention, the County maintains a primary excess layer up to \$10 million (total layers up to \$50 million) through a Joint Powers Authority agreement with other counties called Public Risk, Innovations, Solutions, and Management ("PRISM") (formerly CSAC – EIA). This

policy and its limits are inclusive of Employment Practice Liability (EPL), Errors and Omissions Liability (E&O), and property damage. The County is self-insured for purposes of Workers' Compensation with statutory limits. Upon execution of the Agreement, the County will provide Sponsor with a letter certifying the self-insurance program.

(b) Sponsor shall indemnify, defend, and hold harmless County, its officers, agents and employees against all liabilities, judgments, and all expenses and costs including reasonable attorneys' fees, arising out of third party claims to the extent arising out of or resulting from: (i) the material breach by Sponsor of any representation, warranty, covenant or agreement made expressly by Sponsor hereunder; (ii) the use of any Trademark of Sponsor as expressly authorized by Sponsor; (iii) any promotional or publicity materials produced by or supplied by Sponsor (except with respect to approved County Trademarks contained therein); and (iv) the negligence or willful misconduct of Sponsor, its officers, directors, agents or employees.

(c) County shall indemnify, defend, and hold Sponsor, its affiliates, officers, directors, and employees, harmless from and against any and all claims, damages, liabilities, suits, losses, government actions, judgments, and actual costs incurred (including reasonable attorneys' fees) arising out of: (1) any claim or action for injury, death, property damage, or otherwise, suffered by participants, spectators, or others at the Evens to the extent caused by the negligence or willful misconduct of County; (2) any breach by County of the terms of this Agreement; (3) any misrepresentation or breach of the warranties provided herein by County; (4) any violation by County of federal, state or local laws and regulations; or (5) any third party's claim against Sponsor for Sponsor's use of any County Trademarks or Intellectual Property furnished by County to Sponsor, including but not limited to libel, slander, disparagement, defamation, invasion of privacy, or infringement of any copyright, patent, trademark, trade secret or other intellectual property right of any third party.

13. Advertising. During the term of this Agreement, each party hereto shall have the right to use photographs (and Sponsor shall have the right to take photographs at the Event), Trademarks (as defined below), and/or other representations of the other party hereto only in connection with the promotion, advertising or publicity of the Event, and only with the prior written consent of such other party, which consent shall not be unreasonably withheld. Each party hereto shall provide its written approval or disapproval of such promotion, advertising, or publicity materials within three (3) business days after its receipt of such materials from the other party. In no event shall either party hereto use the other party's Trademarks in any way without in each instance obtaining the other party's prior written consent. Upon termination of this Agreement for any reason, each party's right to use the other party's Trademarks and/or trade names shall immediately cease. Notwithstanding the foregoing, Sponsor may use Raceway's Trademarks after the Term on its corporate and PR websites to factually refer to Sponsor's participation in or sponsorship of the Event for PR or informational purposes.

14. Trademarks. Trademarks, trade names, service marks, logos and symbols ("Trademarks") are, and shall remain, the sole and exclusive property of the respective party hereto ("Trademark Owner"). Each party recognizes the value of the goodwill associated with the Trademark Owner's Trademarks and acknowledges that all rights therein belong exclusively to the Trademark Owner, and that the other party has not acquired, and shall not acquire, any right, title or interest in any of Owner's Trademarks. Any and all goodwill and rights under trademark and copyright law, and all other intellectual property rights, that arises in favor of Trademark Owner as a result of this Agreement or otherwise shall inure to the sole and exclusive benefit of Trademark Owner. Neither party hereto shall, during or after the Term of this Agreement, do anything which could in any way conflict with the Trademark Owner's use or ownership of Trademark Owner's Trademarks and shall not attack, dispute or challenge the Trademark Owner's right, title and interest in and to Trademark Owner's Trademarks or assist others in so doing. Sponsor Trademarks shall be used by County in the exact form, style and type then prescribed by Sponsor solely as needed to provide Sponsor with the Sponsorship Rights and benefits.

Notwithstanding the above, Sponsor hereby grants County the non-exclusive license and right to use trademarks, trade names, service marks, insignias or logos owned by Sponsor

("collectively, "Marks"), subject to Sponsor's approval. The limited license and right granted hereunder is non-assignable and shall not be sub-licensed with exception for (1) promoters of Major Race Events and others as necessary to perform the terms of this Agreement and (2) the County shall have the right to sublicense Sponsor's marks to third parties to include its name and trademarks in product placement agreements, other promotional and advertising materials, and any other agreements or relationships entered into by the County in support of the use and promotion of Laguna Seca Raceway.

15. General: The parties to the Agreement consent to the use of electronic signatures via DocuSign to execute this Agreement. The parties understand and agree that the legality of electronic signatures is governed by state and federal law, 15 U.S.C. section 7001 et seq.; California Government Code Section 16.5; and California Civil Code section 1633.1 et seq. Pursuant to said state and federal law as may be amended from time to time, the parties to this Agreement hereby authenticate and execute this Agreement, and all Exhibits to this Agreement, with their respective electronic signatures, including any and all scanned signatures in portable document format (PDF). This Agreement, including all Exhibits is the entire agreement between the parties relating to the Event and may only be modified by written agreement signed by both parties. Each person signing below represents to the other party that they are authorized to sign this Agreement and bind their respective companies to fulfill the obligations contained herein. Nothing in this Agreement is intended to create any rights in or confer any benefits upon any person or entity other than the parties to this Agreement.

16. Survival: All obligations under this Agreement that are continuous in nature, including, without limitation, those relating to Trademarks, Indemnification, and Insurance, shall survive the expiration or termination of this Agreement.

17. Force Majeure: Neither party shall be liable to the other for delay in the performance of this Agreement, or for any delay, shortening or cancellation of any race event ("Altered Event"), or for any damages suffered by such other party, to the extent any delay, Altered Event or nonperformance is due to causes beyond the control of the first party, including but not limited to, acts of God, war, terrorism, civil strife, conditions of serious threat to health or safety, pandemic, rain, fire, strikes, boycotts or similar refusal to participate (included by Event participants), inclement or severe weather (including lightning strikes), power outages or inability to obtain necessary labor or materials. If any force majeure event results in the failure of the County to deliver any rights or benefits, in whole or in part, the County agrees to use best efforts to arrange for substitute benefits of comparable value, which substitution shall be subject to Sponsor's reasonable approval. If any force majeure event results in either a postponement of the Event for more than sixty (60) days or a full cancellation of the Event, Sponsor shall be entitled to a full refund of all monies paid prior to the cancellation for the specific year of the Agreement in which the cancellation occurs. If any force majeure event results in a cancellation of a portion of the Event, then the County shall reimburse Sponsor the pro rata portion of its fee paid for rights and benefits not delivered due to the force majeure event.

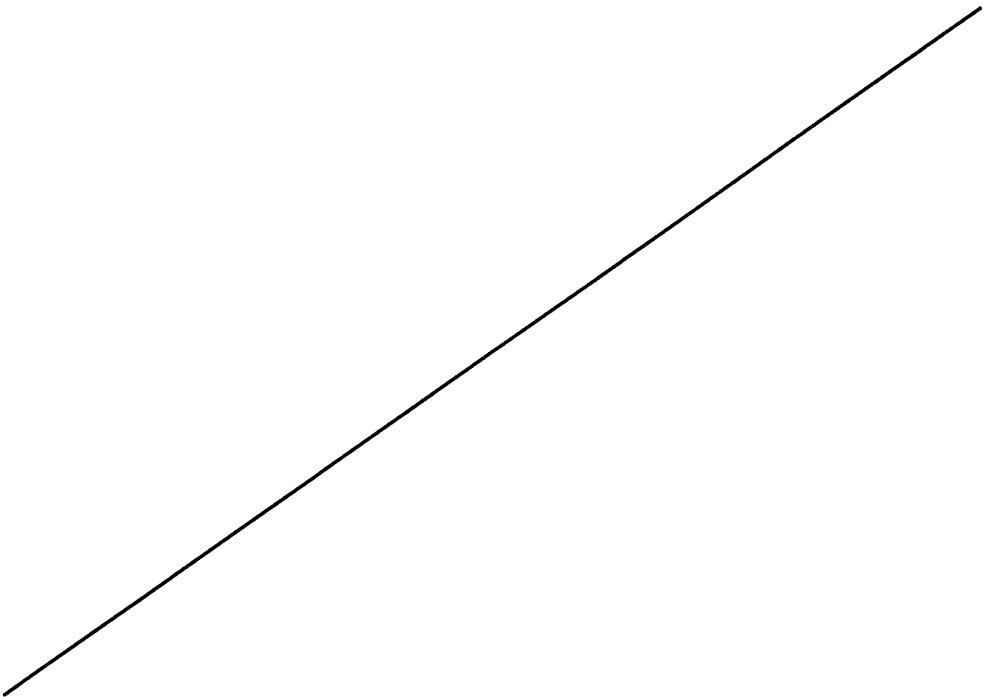
18. Notice: All notices, requests, demands, and determinations under this Agreement (other than routine operational communications), shall be in writing and shall be deemed duly given (i) when delivered by hand, (ii) one (1) day after being given to an express courier with a reliable system for tracking delivery, (iii) when sent by confirmed facsimile with a copy sent by another means specified in this Section, or (iv) five (5) days after the day of mailing, when mailed by United States mail, registered or certified mail, return receipt requested, postage prepaid, and addressed as follows:

HAGERTY EVENTS, LLC
121 Drivers Edge
Traverse City, MI 49684
Attn.: Maggie Hardy

WEATHERTECH RACEWAY
1021 Monterey-Salinas Highway
Salinas, CA 93908
Attn: Steve Fields

COUNTY OF MONTEREY
1441 Schilling Place, South, 2nd Floor
Salinas, CA 93901
Attn: Chief of Parks

INTENTIONALLY LEFT BLANK



Accepted and Agreed:

HAGERTY EVENTS, LLC

By: Collette Champagne
Collette Champagne (Mar 14, 2023 14:10 EDT)
Collette Champagne
Chief Operating Officer

Hagerty Events, LLC
121 Drivers Edge
Traverse City, MI 49684

Date: Mar 14, 2023

By: Peter K. Fink
Peter K Fink (Apr 4, 2023 10:24 EDT)
Peter Fink
VP of Events & Experiences

Date: Apr 4, 2023

COUNTY OF MONTEREY

By: Ryan Bell
Admin. Operations Mg. - LSRA

Public Works, Facilities, & Parks
1441 Schilling Place, 2nd Fl., So. Bldg.
Salinas CA 93901

Date: _____

Approved as to Form

Office of the County Counsel
Leslie J. Girard, County Counsel

DocuSigned by:
By: Michael Whilden
0598C5BE986F476
County Counsel

Date: 4/13/2023 | 3:31 PM PDT

***INSTRUCTIONS:**

If LICENSEE is a corporation, including non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two (2) specified officers per California Corporations Code Section 313.

If CONTRACTOR is a Limited Liability Corporation (LLC), the full legal name of the LLC shall be set forth above together with the signatures of two (2) managers.

If LICENSEE is a partnership, the full legal name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership.

If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement or Amendment to said Agreement.

¹ Approval by County Counsel is required

Exhibit "A"
Hagerty Sponsorship Entitlements

Hagerty shall receive the follow rights as the Official Classic Car Insurance of WeatherTech Raceway Laguna Seca:

1. Official Classic Car Insurance Provider of WeatherTech Raceway
 - a. Name Hagerty as the Official Category Sponsor – Classic Car Insurance Provider
 - b. Hagerty will have the right to utilize WeatherTech Raceway name and logo use
 - c. Two (2) Rotational web banner ads on Official Website
 - i. One (1) 10'x20' Vendor space for Rolex Reunion
 - i. Tent, 20amp power and Wi-Fi included
 - ii. As close to Tire Bridge as possible upon annual renewals
2. Presenting Sponsorship of the Participant Lounge at Rolex Reunion (formally the Drivers Club)
 - a. "The Rolex Reunion Participants Lounge Presented by Hagerty", or mutually agreeable name.
 - b. Full brand immersion in and surrounding the preeminent centerpiece of the Rolex Reunion.
 - c. Hagerty name associated with all facets of the Participant's hospitality area
 - i. Name/logo integration into all ~650 Participant information packets, including, but not limited to Entrance Passes, Wrist Bands, Parking Passes, Event Schedules, Registration packets, Registration confirmation emails, and more
 - d. Hagerty Brand integration into interior design elements
 - e. Opportunity for customer display cars in front of Drivers Club (subject to approval)
 - f. Twenty-four (24) Participants Lounge weekend access passes for Hagerty VIP Guests
3. Annual Hagerty Celebration of Motorsports Event
 - a. Tuesday of Rolex Reunion event week
 - b. On-Track activities: 4:30pm - 7:30pm
 - i. Approx. 180 minutes
 - ii. Lead-follow, Track-walk, instruction
 - c. Cocktail Reception Party: 6:30pm – 8:30pm
 - d. Cold Pit set-up location
 - e. Access to a maximum of 30 helmets, and a maxium of 10 radios from Raceway
 - f. All participants and drivers are required to sign liability waivers
 - g. Hagerty is responsible for costs of all safety services included but not limited to ambulance, tow, emergency dispatch, flaggers and race control
 - h. Program schedule and structure is subject to approval by WRLS Operations
 - i. Hagerty is required to have at least one (1) representative on radio comms for the entire duration of the on-track program. Failure to abide will result in having all cars black flagged and the program stopped.
 - j. 90db level vehicles only. Hot laps only.
 - k. Hagerty responsible for all catering and beverage needs
 - l. Hagerty will be provided with a track approved caterer and bar services for all food and beverage needs
4. Signage, Branding and Marketplace Entitlement – "Hagerty Marketplace"
 - a. Hagerty Marketplace: Entrance/Exit signage located at Tire Bridge and Mothers Bridge
 - i. Eight (8) 24" x 210" signs above arch crossings
 - b. Full Bridge interior branding of Tire Bridge and Medallia Bridge
 - i. Hagerty is responsible for production and installation of signage
 - c. Twenty (20) 3'x8' Spectator Signs
 - d. Hagerty Marketplace included on all Vendor Information and Facility Maps
 - e. Annual Branding and Signage Entitlements
 - i. One (1) 12'x24 Turn 11 Billboard
 - ii. Four (4) 7'x40' Turn 5 Billboards

- iii. Two (2) 4'x15' Pit Row Suite Fascia Signs – Year round
- iv. Eight (8) 4'x6' Pedestrian Bridge Spectator Signs
- v. Twelve (12) 3'x8' Trackside A-Frames during IMSA, Rolex Reunion and IndyCar Event Weekends
- vi. One (1) Full Page Program Ad in the Rolex Reunion event Official Program

5. Event Tickets and Passes

- a. Twenty (20) 2-Day Legends Club Hospitality passes
- b. Thirty (30) daily Rolex Reunion General Tickets
- c. Five (5) Rolex Reunion Lakebed Green Parking Passes per day
- d. Two (2) Executive Transport Shuttle Passes for Rolex Reunion

**“Exhibit B”
Hagerty Sponsorship Provisions**

1. In return for the Sponsorship Rights outlined in “Exhibit A”, Hagerty shall pay to the County the following Sponsorship Investment Fee:

2023 - \$200,000
2024 - \$210,000
2025 - \$225,000
2. Hagerty is fully responsible for the cost associated with production and installation of included Rolex Reunion Participants Lounge Presented by Hagerty exterior graphics, signage and additional Hagerty-specific interior design elements.
3. Hagerty will be provided with a full list of track-approved third-party vendors for assistance with rental equipment, electricity, internet, beverage services and catering.
4. Hagerty is fully responsible for the cost associated with catering and beverages offered at the Hagerty Tuesday night track program. Hagerty will be provided with a track-approved caterer to assist with these needs.
5. Hagerty is responsible for all costs associated with the production and installation of it’s signage and branding elements included in the agreement.
6. Hagerty will have the opportunity to provide any Hagerty Drivers Club Member a 15% discount on any individual day GA ticket to any major motorsports race event. Hagerty shall be given a promotion code for each event for distribution to Hagerty Drivers Club Members.
7. Hagerty to provide WeatherTech Raceway with marketing opportunities to Hagerty Drivers Club Members
8. Hagerty to provide WeatherTech Raceway ticket offer email to customer database, twice a year
9. Hagerty to provide one editorial piece in Hagerty Magazine about WeatherTech Raceway events
10. Hagerty will provide WeatherTech Raceway is a 10x20 footpring inside the Motorlux event on Wednesday of Monterey Car Week.
 - a. Access to Motorlux will include staffing passes, parking typical of event display exhibitors
 - b. Space allowance for a minimum of one (1) display car