



Baseball



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Level 1

14th March 2006

7 Short Street

Southport QLD 4215

PO Box 10468

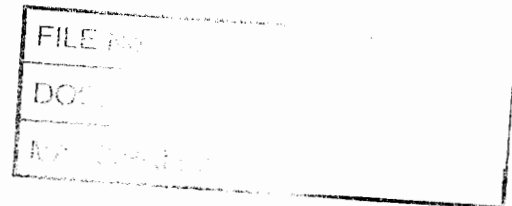
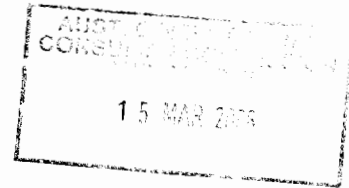
Southport BC QLD 4215

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ausbaseball@baseball.org.au

Mr Scott Gregson
General Manager
Adjudication Branch
Australian Competition & Consumer Commission
GPO Box 520
Melbourne VIC 3001



Dear Mr Gregson

RE: Notification N90853 lodged by the Australian Baseball Federation Inc. (ABF)

We refer to your letter of 14 February 2006 requesting additional information in relation to the review of the notification granted to the Australian Baseball Federation (ABF) for its Baseball Australia Licensing and Merchandising Enterprise (BALME) Program (the **Program**).

At the outset we provide some general comments on the Program. We then answer your specific queries.

Brief overview of Program operation

Inception

The idea of a "whole of sport" licensing program for Baseball to market the sport to potential sponsors and generate revenue for State and Territory member Associations was discussed within the sport in 2000.

Administration by Baseball Victoria

At that time Baseball Victoria was running a successful licensing program. The compliance rate by participants was very high ie 98% of participants in Victoria were wearing branded product which identified them as Baseball Victoria participants.

Experience with a successful program and producing a high level of compliance were the two main reasons why ABF delegated the administration of the Program to Baseball Victoria. ABF, at the time, did not have the resources or the experience to implement the Program. Baseball Victoria was appointed to administer the Program and was paid an administration fee to do this.



Australian Government

Australian Sports Commission



ASTARRA





Early difficulties

For a number of reasons, compliance at a national level proved to be far more difficult for Baseball Victoria than it had been within Victoria.

There was initial resistance from some elements within the States to the Program itself, some of which arose from the fact that one State Member was implementing and policing the Program.

Other resistance arose from the fact that it was difficult to explain the concept to the participants at grass roots level where communication channels within the sport were not well developed. Participants were often unaware that their State and Territory Associations would benefit from the Program, with resultant benefit to all.

The Program was also implemented at a time of significant corporate change for ABF. The Constitution had been amended, with the Board and executive restructured following a review undertaken in conjunction with the Australian Sports Commission (ASC). Adoption of an ASC governance model involved changes in the way the Members were represented within the organisation.

In 2005 the ABF subsequently won the major ASC governance award for "Sporting Organisation Performance Award" which followed a "Highly Commended Award" for the same category in 2003. However, significant organisational change within a largely volunteer sporting organisation takes time to consolidate.

During this initial period some original licensees became disenchanted with the value of the Program in light of initial poor levels of compliance and left the Program. This led to abandonment of the original license fees.

Despite these difficulties the Program returned a total of \$32,455 to State and Territory Member Associations over its first 4 years and the level of support for, and compliance with, the Program has increased significantly over that period.

ABF takes over administration

Following an "all of sport" Business Development workshop in 2004 the decision was made to bring the Program back to ABF administration. ABF now administers the Program without administration fee and without receipt of a share of royalties. This means that additional funds are available for distribution.

As is noted in more detail below, the unified image of baseball projected by initiatives such as the central control of the Program resulted in the procurement of an all of sport sponsor for baseball, Astarra/Financial Wealth. There is no doubt that the existence of a national program such as the Program was a significant factor in the achievement of the whole of sport sponsorship funding.



Member support for Program

The State and Territory Member Associations now fully support the Program and realise that by working together with the ABF the opportunities for leveraging additional revenue both through the Program and through other marketing and sponsorship initiatives is significantly increased. They are of course still able to obtain their own sponsorships.

ABF has a history of supporting its State and Territory Member Associations in periods of financial difficulty with both administrative and financial assistance and it is only through sponsorship and business development by the ABF that this can continue to occur.

Other relevant revenue issues

Baseball has recently been affected by important worldwide developments. It has lost its place in the 2012 Olympics. While baseball will remain an Olympic sport in 2008 for Beijing its future participation in the Olympics is in doubt.

Reduced funding of the ABF by the Australian Olympic Committee (and possibly the ASC) for high performance players as a result of this exclusion will have an impact on the ABF and baseball in the future.

The shortfall will need to be made up in other ways. Performance at international level is important both to the image of the sport and to its continued funding at Government level.

The image of the sport is an essential factor in the recruitment and retention of young players. Baseball will need to continue to perform well at elite level in international competitions to ensure its ASC funding and to maintain its profile in the sporting community.

Continuing to develop the Program and other sponsorship opportunities will be even more important as a result of these developments.

Response to ACCC Issues

A response to each of the 10 queries raised is listed below.

1. Revenue generated 1st July 2005 to 31 December 2005

A statement of BALME Revenue for 1 July 2005 to 31 December 2005 is contained in Attachment 1. You will note that the surplus for that six month period was \$22,886. The major expense was the cost of logos which are supplied free of charge to licensees. As noted above, ABF administers the Program without an administration fee.



The deficit of \$10,146.70 for the period 1 July 2004 to 31 December 2004 was the result of uncollected licence fees being brought to account by Baseball Victoria, the administrators of the Program. This followed unsuccessful efforts over a period of time by Baseball Victoria to collect those debts. Licensing income for that period in fact totalled \$32,818.70.

ABF negotiated a reduced administration fee of \$25,000 with Baseball Victoria at around that time and brought the Program back to ABF administration.

2. Provide details of any National Royalty Payments made to state and territories in 2005 & 2006

Royalty payments are currently being made to Member States and Territory Associations for the calendar year 2005.

State and Territory Member Associations agreed to sign Memoranda of Understanding in a common form. They have also agreed to provide annual formal compliance statements to the ABF as a condition of receiving distributions from the Royalty Pool. The compliance statements involve a system of compliance statements from their individual clubs.

The Program generated \$44,000 to be distributed for the 2005 year. Moneys from the ABF whole of sport sponsorship arrangement with Financial Wealth have been added to the distribution pool which now totals \$100,000 and ABF is in the process of distributing the pool.

So far almost \$67,000 of the total pool has been paid or is scheduled to be paid to Member State and Territory Associations in 2006. (Attachment 2) More payments will be made to States on receipt of documentation on achievement of agreed benchmarks.

Payments to the other Member State and Territory Associations will be made as soon as their signed MOU's and Compliance Statements are received. Further details on receipt of Compliance Statements are set out at para. 8.

Although the Financial Wealth sponsorship is with ABF itself, ABF is working with the sponsor to create value by increasing awareness of the sponsor's products throughout the sport.

In ABF's view the State and Territory Member Associations should be rewarded for their involvement in co-operation with the sponsorship and in implementing other Board initiatives for a whole of sport approach. For that reason additional funds have been placed in the royalty pool to their benefit.

Now that the distribution policy has been agreed and implemented, the processing of royalty payments for the 2006 calendar year should be completed more quickly.



3. Identify the amount of any national Royalty Payments directly attributed to the BALME program

The amount of royalty payments attributed to the Program and currently being distributed to State and Territory Associations is \$ 44,000.

As discussed, this amount has been supplemented in the royalty pool by the injection of other sponsorship related funds.

4. Any other relevant information regarding the transfer of funds raised by the BALME program to states & territories

Once the funds are transferred to the State and Territory Member Associations there are no restrictions on their ability to choose where these are spent within their State or Territory sport.

With the expected introduction of a national professional baseball league next year in conjunction with Major League Baseball (**MLB**), it is projected that revenue from the Program will increase.

Significant work has been done on planning and implementation of a national league, which awaits final approval from MLB which is a partner in the enterprise. MLB has stated they support the existing Program which can be conducted in conjunction with the Licensing program for the new league.

5. How will the change in administration affect the BALME program

Endorsement by State and Territory Member Associations

The decision that ABF would take control of the administration of the Program was unanimously endorsed by all State and Territory Member Associations.

Introduction of systems by ABF

The change of administration has improved the management of the Program. Various systems have been put in place to assist with implementation of the Program by ABF. Quarterly reminders are sent to licensees in relation to submission of sales figures.

ABF offers licensees the opportunity to feature their product on the ABF website which has been updated and improved (see below). Licensees may also have a company profile which can be featured on E-News – a monthly electronic newsletter to all members. ABF has also discussed the possibility of creating a new on-line catalogue which would include all licensees.

Systems to improve compliance were discussed in para 3.



Additional resources

Reorganisation of ABF staff and gaining a whole of sport sponsor have lead to the employment of a Special Projects Manager who, among his other commercial duties, is able to oversee and further develop the Program.

Improved internal and external communication

Immediate access to the ABF Executive for decision making simplifies communication and decision making in relation to the Program. Location of the Program within the central office means that it is a bigger part of potential marketing opportunities.

In addition to the Program, ABF has implemented a whole of sport website and player registration system over the last two years.

State and Territory Member Associations, and their member clubs, are entitled to access this website free of charge to provide a focal point of information within the sport for all.

At grass roots level this provides a significant point of communication and information for local participants. ABF committed some \$150,000 to setting up the website and \$45,000 annually to its maintenance in the interests of providing information and communication to members at all levels.

The ABF continues to encourage take up of the opportunities which this website provides to all within the sport. It is a further example of presentation of a unified front within the sport and a unified identity to the marketplace. Take up has increased by 40% over the last year.

Importance of all of sport marketing and merchandising approach to profile of sport

The decision to bring the administration of the Program under the direct control of the ABF was made for several reasons following an 'all of sport' Business Development workshop held in 2004.

This workshop, conducted by a professional marketer, was attended by representatives of ABF as well as State Associations including Baseball Victoria, managers of the Program. It looked at ways to build the profile of the sport. The decision to bring the Program in-house was also made in the context of the loss made in 2004.

State and Territory Member Associations have little opportunity to obtain meaningful sponsorship, particularly following the demise of the National League when baseball tended to "slip off the radar" in terms of media coverage despite healthy participation at grass roots level.



In order to market and attract sponsorship to the sport of Baseball the Business Development Workshop concluded that the ABF would have more opportunities than State and Territory Member Associations.

It was also apparent that to promote the sport to prospective sponsors Baseball needed to present a united image and a unified front, and that central control of the licensing and merchandising program was one way to both unify the image in practical terms and to demonstrate co-operation at all levels of the sport.

It should be highlighted that as a direct result of all of the marketing initiatives undertaken by the ABF, and following centralisation of image and identity and the Program, an 'all of sport' sponsor was procured at the end of 2004.

Astarra/Financial Wealth, a funds investment company, has agreed to sponsor the Australian Baseball Federation for a minimum of two years. One of the reasons cited by Astarra/Financial Wealth for their involvement with Australian Baseball was the "best for baseball" attitude which transcends interstate rivalries.

The Program is a significant example of that attitude.

Positive feedback from licensees

Many licensees have commented that they feel more comfortable with the ABF in control of all aspects of the program as they believe the ABF can offer more incentives to states to become licensing compliant than a member state such as Baseball Victoria.

Increase in number of licensees

The number of licensees has increased since ABF has been administering the Program and has risen by 11 to 40. ABF is working to procure additional licensees for the Program in all States and Territories.

Increased Competition

The ABF has been encouraged by the opportunity for its Members and clubs to access a wide pool of tenderers for their needs. One example brought to our attention was from a Queensland club that sought a tender nationally from Program licensees and found a South Australian licensee could supply uniforms at a cheaper price than a local Queensland supplier.

Conclusion

The ABF believes that all of these factors should mean a significant increase in potential royalties for the State and Territory Member Associations. Experience with the Program has led to changes which have not increased the likely detriment of the Program but should significantly improve the return to Members.



The ABF does not receive an administration fee or any share of the Program royalties, nor does it expect to do so in the foreseeable future. This also increases the potential for returns to the Members.

6. What benefits do you consider will be provided by the BALME program in the future? Please include some detail as to how these benefits will be achieved.

As can be seen from the signed agreements (attachment 4) from State and Territory Member Associations, there is an expectation of greater compliance with the wearing of licensed uniforms in ABF sanctioned competitions. This compliance will result in more licensing revenue for the Program and increased attractiveness of the Program to potential licensees and other sponsors.

This and other factors noted above should result in an increase in funds available for distribution to State and Territory Member Associations to be used for development programs. We stress that even aside from the royalties payable from the Program, the whole of sport sponsorship would never have been gained without the creation of a unified identity for the sport which the Program enforces. ABF is committed to ensuring that State and Territory Member Associations receive some proportion of sponsorship obtained at ABF level. ABF continues to actively work to increase its total sponsorship.

One other tangible benefit of the Program which can be demonstrated is the increase in the number of smaller suppliers of baseballs from 3 to 8 under the Program. ABF believes that without securing this increase in competition the price of baseballs would have increased at a much greater rate.

7. What public detriment do you consider will be generated by the BALME program in the future? The ACCC is particularly interested in whether the BALME program has or will result in increased prices to and /or reduced product choice for consumers.

In its initial determination the Commission stated that it would allow the notification to stand as "any public detriment generated by the Program would be limited as:

- the license fees charged by the ABF did not appear to be excessive
- there was no limit on the number of suppliers that could take up a license under the [Program] to that product and price competition for the relevant products was likely to continue
- the costs of the [Program] to players were limited by a number of initiatives adopted by the ABF including that registered players will be issued with a set of interim logos to place on their existing apparel at no cost to the player."

As to these specific issues identified by the Commission in its initial determination, various factors have further decreased the possibility of public detriment:

- Following initial dissatisfaction with compliance levels by licensees, ABF dropped the up front licence fee and licensees now pay only royalties at the original percentage rate on goods supplied.



- No limits have been imposed on licensee numbers and numbers have grown. At the commencement of the Program there were approximately 19 licensees and there are now 40 licensees. ABF is actively seeking to increase licensee numbers.
- More than 190,000 licensing logos have been distributed to registered players and licensees since the beginning of the program. ABF continues to provide logos to licensees free of charge.
- Members have the opportunity to contact all of the Program's licensees and to obtain a competitive tender for their needs.

Continuing compliance should attract more suppliers resulting in more competition and therefore cheaper uniforms. The Program is different from other licensing programs in that the number of licensees is not capped. Prospective licensees simply apply for a license and pay a licensing fee only when they sell an item. This means it is cost effective for smaller and backyard operators to service their local area which is a benefit for clubs who are not forced to deal with a limited number of larger manufacturers but may continue to deal locally.

ABF does not believe that there is any significant public detriment arising from the conduct, but in any event believes that there is significant public benefit arising from it both in terms of actual and potential returns to State and Territory Member Associations and its part in maintaining a unified identity and sponsorship image for the sport.

8. Please provide details of the level of compliance with the BALME program in the various states & territories

All State and Territory Member Associations have or are in the process of getting signed Club Compliance statements from all clubs in their state or territory.

As at 10 March 2006 signed statements attesting to at least 90% compliance by clubs in the state have been received from the ACT Baseball, Baseball QLD, Baseball SA, & Baseball NT. Statements from Baseball VIC & Baseball WA are expected shortly. Baseball NSW could not attest to that level of compliance at the moment and are striving to achieve greater compliance in the very near future.

9. Does the ABF keep statistics regarding baseball participation in Australia? If so please detail these(including the source) for the years 2001 to 2006

Participation figures for Baseball are contained in Attachment 3.

These figures represent registration of players in ABF sanctioned competitions and are the numbers used by the ABF as part of the National Player Insurance Scheme.



Player numbers have increased in the past two years as a result of recruitment & retention policies implemented by the Australian Baseball Federation and member State Associations. This is at a time when participation rates in most sports are declining.

Figures are derived from the national on line registration program implemented in 2005 and discussed above, which means that they are likely to be far more accurate than those relied upon in the past.

10. Please include any other information you consider relevant to the current review of the ABF's notification regarding the BALME program

In its original submission seeking Notification ABF noted that the Program would:

"..demonstrate to others that Baseball has its act together and can deliver on a National basis. This has been the catch cry of potential sponsors etc which has lead to the downfall of our national league."

The Program is an integral part of significant governance, branding, communication and marketing initiatives undertaken by the ABF over the last few years which are designed to develop the commercial focus of the organisation and the sport.

These initiatives have been designed to reduce the sport's dependence on government funding at a time when funding authorities are demanding developments of this kind to justify their continued involvement. The provision of funds to State and Territory Member Associations is an important part of this commercial development.

The Program has been successful for Baseball and is continuing to work for the benefit of all Members of the ABF. This is evidenced by the support from the State and Territory Member Associations and licensed suppliers.

Furthermore the Program provides tangible evidence of a unified sport enabling the ABF to secure an 'all of sport' sponsor who has contributed significant funds to the game. This whole of sport approach has allowed ABF to channel funds to its State and Territory Member Associations and also provide additional services free of charge such as on-line member registration and improved communications which would not otherwise have been financially feasible.

Should you require any further information or believe a meeting is appropriate please don't hesitate to contact me or our Special Projects Manager- Alan Weir, on (07) 5509 4144.



Yours sincerely

A handwritten signature in black ink, appearing to read 'Don Knapp', written in a cursive style.

Don Knapp
Chief Executive
Australian Baseball Federation

encl:

cc: Alan Weir
Geoff Pearce
Ron Finlay
Deborah Healey

Attachment 1

Australian Baseball Federation Inc
Trading as Baseball Australian Licensing & Merchandising Enterprise
ABN 18 610 026 404

Income & Expenditure Statement as at 31 December 2005
(trading period 1st July 2005 – 31 December 2005)

	2005 \$ Dr	2005 \$ Cr
<hr/>		
<u>BALME Income</u>		
Licensing Income		<u>\$27,667.59</u> \$27,667.59
<u>BALME Expenses</u>		
Airfares – domestic	\$ 467.27	
Ground transportation	\$ 90.02	
Licensing logos	\$ 4,135.00	
Bank Fees	<u>\$ 88.90</u>	
	\$ 4,781.19	
BALME Surplus/ (Deficit) for Year	\$22,886.40	

Attachment 2				
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NATIONAL ROYALTY DISTRIBUTION

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ATTN - ALAN WEIR.

National Royalty Policy

RECEIVED

State/Territory Association Compliance Agreement

27 FEB 2006



Please complete each item on this agreement, sign and date, and return to the ABF CEO at your earliest convenience in order to be eligible for National Royalty distribution payments in the 2005/2006 financial year.

1. State/Territory Association: Baseball Queensland

2. In consideration of the benefits to Baseball and to our Association, we the undersigned agree to:

- Take all necessary action and cooperate fully with ABF to assist and support the attainment of 100% Club and Regional Association compliance with the My Club data base registration and insurance scheme.
- Take all necessary action and cooperate fully with ABF to assist and support the attainment of 100% Club utilisation of the My Club website program.
- Take all necessary action and cooperate fully with ABF to assist and support the attainment of 100% Club and Regional Association compliance with the National Licensing and Merchandise Program (BALME). Further, it is understood that fines or other action can be taken against State/Territory Associations in the event of continued breaches or a failure to support and assist with Club and Regional Association compliance with the BALME Program. If appropriate, it is left to the discretion of the State/Territory Association as to whether or not fines or other action for non-compliance should be passed onto the offending Club or Regional Association.
- Take all necessary action and cooperate fully with ABF to support the National Sponsor (Financial Wealth) and other agreed national service providers. Additionally, take all necessary action to ensure that at State, Club and Regional Association levels, corporate entities that may be considered competitors to the National Sponsor or agreed national service providers are not advertised or promoted at State, Club or Regional Association levels.

Signed (State/Territory President).....

Name....Bob Heiler.....

Date.....1 January 2006.....

Please return to the attention of Don Knapp don.knapp@baseball.org.au or fax: 07 5509 4155, or post – PO Box 10468, South Port B.C. QLD, 4215

National Royalty Policy

State/Territory Association Compliance Agreement



Please complete each item on this agreement, sign and date, and return to the ABF CEO at your earliest convenience in order to be eligible for National Royalty distribution payments in the 2005/2006 financial year.

1. State/Territory Association: Baseball NSW

2. In consideration of the benefits to Baseball and to our Association, we the undersigned agree to:

- Take all necessary action and cooperate fully with ABF to assist and support the attainment of 100% Club and Regional Association compliance with the My Club data base registration and insurance scheme.
- Take all necessary action and cooperate fully with ABF to assist and support the attainment of 100% Club utilisation of the My Club website program.
- Take all necessary action and cooperate fully with ABF to assist and support the attainment of 100% Club and Regional Association compliance with the National Licensing and Merchandise Program (BALME). Further, it is understood that fines or other action can be taken against State/Territory Associations in the event of continued breaches or a failure to support and assist with Club and Regional Association compliance with the BALME Program. If appropriate, it is left to the discretion of the State/Territory Association as to whether or not fines or other action for non-compliance should be passed onto the offending Club or Regional Association.
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Signed (State/Territory President) Glen Willott

Name GLEN WILLOTT

Date 13.3.06

Please return to the attention of Don Knapp don.knapp@baseball.org.au or fax: 07 5509 4155, or post – PO Box 10468, South Port B.C. QLD, 4215

National Royalty Policy

State/Territory Association Compliance Agreement



Please complete each item on this agreement, sign and date, and return to the ABF CEO at your earliest convenience in order to be eligible for National Royalty distribution payments in the 2005/2006 financial year.

1. State/Territory Association: VICTORIA (BU)

2. In consideration of the benefits to Baseball and to our Association, we the undersigned agree to:

- Take all necessary action and cooperate fully with ABF to assist and support the attainment of 100% Club and Regional Association compliance with the My Club data base registration and insurance scheme.
- Take all necessary action and cooperate fully with ABF to assist and support the attainment of 100% Club utilisation of the My Club website program.
- Take all necessary action and cooperate fully with ABF to assist and support the attainment of 100% Club and Regional Association compliance with the National Licensing and Merchandise Program (BALME). Further, it is understood that fines or other action can be taken against State/Territory Associations in the event of continued breaches or a failure to support and assist with Club and Regional Association compliance with the BALME Program. If appropriate, it is left to the discretion of the State/Territory Association as to whether or not fines or other action for non-compliance should be passed onto the offending Club or Regional Association.
- Take all necessary action and cooperate fully with ABF to support the National Sponsor (Financial Wealth) and other agreed national service providers. Additionally, take all necessary action to ensure that at State, Club and Regional Association levels, corporate entities that may be considered competitors to the National Sponsor or agreed national service providers are not advertised or promoted at State, Club or Regional Association levels.

Signed (State/Territory President)..... Steve Walker (CEO)

Name..... STEVE WALKER

Date..... 14/3/06

Please return to the attention of Don Knapp don.knapp@baseball.org.au or fax: 07 5509 4155, or post – PO Box 10468, South Port B.C. QLD, 4215

02 6247 7655

National Royalty Policy**State/Territory Association Compliance Agreement**AUSTRALIAN BASEBALL

Please complete each item on this agreement, sign and date, and return to the ABF CEO at your earliest convenience in order to be eligible for National Royalty distribution payments in the 2005/2006 financial year.

1. State/Territory Association: ACT Baseball Assoc. Inc.

2. In consideration of the benefits to Baseball and to our Association, we the undersigned agree to:

- Take all necessary action and cooperate fully with ABF to assist and support the attainment of 100% Club and Regional Association compliance with the My Club data base registration and insurance scheme.
- Take all necessary action and cooperate fully with ABF to assist and support the attainment of 100% Club utilisation of the My Club website program.
- Take all necessary action and cooperate fully with ABF to assist and support the attainment of 100% Club and Regional Association compliance with the National Licensing and Merchandise Program (BALME). Further, it is understood that fines or other action can be taken against State/Territory Associations in the event of continued breaches or a failure to support and assist with Club and Regional Association compliance with the BALME Program. If appropriate, it is left to the discretion of the State/Territory Association as to whether or not fines or other action for non-compliance should be passed onto the offending Club or Regional Association.
- Take all necessary action and cooperate fully with ABF to support the National Sponsor (Financial Wealth) and other agreed national service providers. Additionally, take all necessary action to ensure that at State, Club and Regional Association levels, corporate entities that may be considered competitors to the National Sponsor or agreed national service providers are not advertised or promoted at State, Club or Regional Association levels.

Signed (State/Territory President).....Theo Vassalakis

Name.....Theo Vassalakis

Date.....31 Jan 2006

Please return to the attention of Don Knapp don.knapp@baseball.org.au or fax: 07 5509 4155, or post — PO Box 10468, South Port B.C. QLD, 4215

National Royalty Policy

State/Territory Association Compliance Agreement



Please complete each item on this agreement, sign and date, and return to the ABF CEO at your earliest convenience in order to be eligible for National Royalty distribution payments in the 2005/2006 financial year.

1. State/Territory Association: Baseball SA

2. In consideration of the benefits to Baseball and to our Association, we the undersigned agree to:

- Take all necessary action and cooperate fully with ABF to assist and support the attainment of 100% Club and Regional Association compliance with the My Club data base registration and insurance scheme.
- Take all necessary action and cooperate fully with ABF to assist and support the attainment of 100% Club utilisation of the My Club website program.
- Take all necessary action and cooperate fully with ABF to assist and support the attainment of 100% Club and Regional Association compliance with the National Licensing and Merchandise Program (BALME). Further, it is understood that fines or other action can be taken against State/Territory Associations in the event of continued breaches or a failure to support and assist with Club and Regional Association compliance with the BALME Program. If appropriate, it is left to the discretion of the State/Territory Association as to whether or not fines or other action for non-compliance should be passed onto the offending Club or Regional Association.
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Signed (State/Territory President).....

Name.....Michael Carter

Date.....21/2/06

Please return to the attention of Don Knapp don.knapp@baseball.org.au or fax: 07 5509 4155, or post – PO Box 10468, South Port B.C. QLD, 4215

National Royalty Policy

State/Territory Association Compliance Agreement

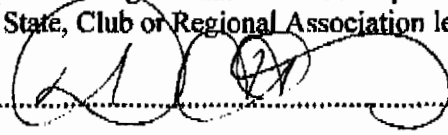


Please complete each item on this agreement, sign and date, and return to the ABF CEO at your earliest convenience in order to be eligible for National Royalty distribution payments in the 2005/2006 financial year.

1. State/Territory Association: BASEBALL WA LTD

2. In consideration of the benefits to Baseball and to our Association, we the undersigned agree to:

- Take all necessary action and cooperate fully with ABF to assist and support the attainment of 100% Club and Regional Association compliance with the My Club data base registration and insurance scheme.
- Take all necessary action and cooperate fully with ABF to assist and support the attainment of 100% Club utilisation of the My Club website program.
- Take all necessary action and cooperate fully with ABF to assist and support the attainment of 100% Club and Regional Association compliance with the National Licensing and Merchandise Program (BALME). Further, it is understood that fines or other action can be taken against State/Territory Associations in the event of continued breaches or a failure to support and assist with Club and Regional Association compliance with the BALME Program. If appropriate, it is left to the discretion of the State/Territory Association as to whether or not fines or other action for non-compliance should be passed onto the offending Club or Regional Association.
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Signed (State/Territory President).....

Name.....DAVID HAYES.....

Date.....23.2.06.....

Please return to the attention of Don Knapp don.knapp@baseball.org.au or fax: 07 5509 4155, or post – PO Box 10468, South Port B.C. QLD, 4215

National Royalty Policy

State/Territory Association Compliance Agreement



Please complete each item on this agreement, sign and date, and return to the ABF (ABF) at your earliest convenience in order to be eligible for National Royalty distribution payments in the 2016-2017 financial year.

1. State/Territory Association: Baseball Northern Territory Inc.

2. In consideration of the benefits to Baseball and to our Association, we the undersigned agree to:

- Take all necessary action and cooperate fully with ABF to assist and support the attainment of 100% Club and Regional Association compliance with the My Club data base registration and insurance scheme.
- Take all necessary action and cooperate fully with ABF to assist and support the attainment of 100% Club utilization of the My Club website program.
- Take all necessary action and cooperate fully with ABF to assist and support the attainment of 100% Club and Regional Association compliance with the National Licensing and Merchandise Program (NLM). Further, it is understood that fines or other action can be taken against State/Territory Associations in the event of continued breaches or a failure to support and assist with Club and Regional Association compliance with the NLM Program. If appropriate action is taken to the discretion of the State/Territory Association as to whether or not fines or other action for non-compliance should be passed onto the offending Club or Regional Association.
- Take all necessary action and cooperate fully with ABF to support the National Sponsor of National Wheelby and other agreed national service providers. Additionally, take all necessary action to ensure that at State, Club and Regional Association levels, corporate entities that may be considered competitors in the National Sponsor Group and national service providers are not advertised or promoted at State, Club or Regional Association levels.

Signed (State/Territory President):

Name: Murray Keason

Date: 5/10/16

Please return the signed and dated copy of this agreement to the ABF (ABF) at your earliest convenience in order to be eligible for National Royalty distribution payments in the 2016-2017 financial year.