



**Football Queensland Ltd** ACN 063 925 333  
Level 3, Queensland Sports and Athletic Centre  
Kessels Road Nathan Qld 4111  
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Email [admin@footballqueensland.com.au](mailto:admin@footballqueensland.com.au)  
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12<sup>th</sup> July 2011

Dr Richard Chadwick  
General Manager  
Adjudication Branch  
ACCC  
23 Marcus Clarke St  
Canberra

Dear Richard

**YOUR REFERENCE C2008/678**

**RE Football Queensland Ltd – exclusive dealing notification N93402**

Dear Richard,

We acknowledge receipt of your letter 23<sup>rd</sup> June and your most recent email advice dated 5<sup>th</sup> July permitting additional time to respond.

Football Queensland Ltd is a Company Limited by guarantee which has as its' primary function, to provide the orderly conduct of soccer football in the State of Queensland. It is a not for profit and its' Board understand and embrace their role as trustees and custodians and that wealth creation is not one of the 'Objects of the Company'. Clause 1.1 in our Constitution (Objects paragraph (h)) appropriately records objects to include "to facilitate the provision and maintenance of grounds, playing fields, materials, equipment and other facilities for Soccer in the State".

The Board delivers this through a hierarchical structure of Member Zones determined geographically who have Member Clubs who in turn have Player Members. We host regular meetings of Members and attend club forums in the regions on a regular basis to ensure we are informed as to their needs and make our decisions acknowledging their needs and opinions. As required, electronic communication is direct to the participants and their direct feedback is encouraged. The Board assesses the Third Line Forcing as a significant contributor to its' objects in servicing the ambitions of the sport and argues that it provides net public benefit.



We detail below our response to questions raised in Attachment A and offer further information as we consider appropriate;

1. The Licence Agreements were most recently issued having effect from 1<sup>st</sup> October 2010. Prior to issue, the Company maintained a register of interested non participating suppliers for the previous three years. Prior to awarding new licenses, we invited applications from three groups as follows:
  - 1.1 existing licence holders (see Attachment 1A);
  - 1.2 those who had contacted us in the previous three years (Attachment 1B) and
  - 1.3 an open invitation to any other party interested in supplying via the web site.
 As a consequence, a total of twenty one expressions of interest were received and all were invited to apply for a licence.
2. Copy of Licence Agreement supplied 5<sup>th</sup> July 2011.
3. With each application, a range of apparel and balls were submitted for assessment of quality and price. New applicants were interviewed during which we confirmed their ability to service a geographically diverse market, commitment to quality, and asked of additional benefits offered that were not specifically requested in the agreement.
4. Quality is monitored most efficiently by the end user, who is encouraged to lodge directly with Football Queensland, any concerns raised over quality so that we may investigate. Our experience records a high level of satisfaction other than with some batches of balls. By negotiating with Licensees, we arranged replacement free of charge and that range was subsequently withdrawn from sale.
5. Please see Attachment 5C, Supply Chain.

Items caught as "Licensed Commodities" can be categorised as teamwear and balls. We recognise that items such as playing boots, shin pads, mouth guards and protective undergarments should be a matter of personal preference and these are largely acquired by the player through the traditional 'retail' supply chain. We do not include in this program, the much larger market which supplies supporters apparel. Our experience is that the teamwear which by nature demands consistency of design, quality and presentation is managed by the Clubs or Zones, who own the brand and are purchased generally by the Clubs and 'direct' from the Licensee.

In that process, we have thirteen Licensees competing for the Club dollar as well as the occasional retailer. Some competition administrators have established their own retail outlet to service the needs of their Member Clubs. Some Licensees offer additional incentive to Clubs including sponsorship as per   example (Attachment 5D). Of course these are optional to the Clubs but demonstrate the competitive nature within the supply chain and benefits available to the Clubs. It is commonly understood that even though the

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published price is regularly better than a retail equivalent, even that is negotiable. Question 11 is testament to where the Clubs identify opportunity and value.

6. The number and variety of retail stores tends to vary proportionately to population. In our supply chain where both retail and direct are available to Clubs, even the smallest regional club has direct access to thirteen Licensees, assuming they meet the trading conditions. Even the largest of retailers is not likely to offer this range of brands as they chase volume and margin. This is an efficient distribution model which provides cost benefit to Clubs and distribution savings to Licensees.
7. Financial reports for years ended 31<sup>st</sup> December provided 5<sup>th</sup> July. As the accounts do not immediately provide the detail requested, we refer you to our answers provided in Question 11 provided 5<sup>th</sup> July to revenues generated. Our estimation of cost to administer the program for 2008 – 2010 is \$74227.
8. Programs funded through the program are included in attachment 8A. Revenues from the program are held in the consolidated accounts and the Board make annual determination on "Special Initiatives" they will fund. Those dollar commitment to those initiatives are determined by trading performance, which includes net revenues from the program.
9. Refer 8
10. The Board considered replacing the licence program with a player levy prior to renewal in both October 2010 and 2007. Cost of participation has been identified as a significant deterrent to growing numbers both in Queensland and Nationally. Football (soccer) does not enjoy the flow of funds from National Sporting Organisation to Clubs as other football codes and we operate in a price sensitive market. The Board has recognised the need to identify income streams other than through player levies and this program is evidence that funds can be generated outside of a player levy but retaining benefit through the whole supply chain from Licensee to participant.

The Board contends that net public benefit is provided to Clubs and participants through competitive price, service to Clubs, available range, access to all areas, presentation of the game and importantly, a quality guarantee. It notes that competitive conditions may change and has provided for that in Clause 2.4 of the License Agreement but on periodic review, finds this program to be the most efficient of its' options. It also notes that other football codes operate similar programs with considerably less choice of suppliers and more than double the royalty percentage. Even in those circumstances, the Licensees demonstrate their confirmation that the process is efficient. Business is driven by profit and thirteen licensees is indicative that the model is strategically efficient for them whilst many Clubs report they pay less for their team apparel purchases now, than they did four years ago when the program changed to include open invitation to supply. We believe the balance is right.

We also meet regularly with our affiliate clubs and confirm that the program is well received. As we



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introduce commercial partnerships and sponsorships providing better margins and rebates with common use requisites, Clubs are directly benefiting from bulk or preferred supplier benefits. We trust that our submission will receive favourable consideration and invite your request for further detail if required.

Yours sincerely,

Geoff Foster  
Chief Executive Officer





# Constitution

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## **1 Objects of Company**

### **1.1 Objects**

The objects for which the Company is established are:

- (a) to be the Member of FFA in respect of the State and to comply with the constitution and by-laws of FFA;
- (b) to control Football (Soccer) throughout the State, prevent infringement of the constitution and by-laws of FFA and protect Football (Soccer) from abuse;
- (c) to foster friendly relations among the officials and players of Soccer by encouraging Soccer games in the State;
- (d) to prevent racial, religious, gender or political discrimination or distinction among Soccer players in the State;
- (e) to promote, provide for, regulate and manage Soccer tournaments and games in the State;
- (f) to promote, provide for, regulate and manage Soccer players representing the State;
- (g) to cooperate with FFA, other Members of FFA and other bodies in the promotion and development of, or otherwise in relation to, Soccer, the Statutes and Regulations and the Laws of the Game;
- (h) to facilitate the provision and maintenance of grounds, playing fields, materials, equipment and other facilities for Soccer in the State; and
- (i) any other object which, in the opinion of the Directors, is in the best interests of Football.

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## **2 Income and payments**

### **2.1 Company's Application of Income**

All the Company's profits (if any), other income and property, however derived, must be applied only to promote its objects.

### **2.2 No dividends, bonus or profit to be paid to Members**

None of the Company's profits or other income or property may be transferred to the Members, directly or indirectly, by any means.

### **2.3 Payments in good faith**

Subject to Rule 10.15, Rule 2.2 does not prevent the payment in good faith to an officer or Member, to a firm of which an officer or Member is a partner or to a company of which an officer or Member is a director or shareholder:



1A  
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7<sup>th</sup> September 2010

All Existing Licence Holders

Dear Licencee

As you are aware the current Football Queensland's Marketing Program licence expires on the 30<sup>th</sup> September 2010.

Due to the ACCC regulations, we must seek expressions of interest from the community, to apply for a licence for the next 3 year period. For this reason we have today formally advertised on the website for those expressions of interest and forwarded details to 13 businesses who have already expressed an interest.

We advise that the program has not altered from the previous program and full details of licenced property and payment schedules are shown on the enclosed Licence Agreement.

If you wish to re-apply for a licence, please complete the attached agreement and return to this office by COB 24<sup>th</sup> September 2010.

Yours Sincerely

Geoff Foster  
Chief Executive Officer





7<sup>th</sup> September 2010

Dear Sir/Madam

Thank you for expressing an interest in the Football Queensland's Marketing Program for the period 1.10.2010 – 30.9.2013.

We advise that the program has not altered from the previous period and full details of licenced property and payment schedules are shown on the enclosed Licence Agreement.

Due to current ACCC regulations we can not limit the number of licencees and therefore we strongly recommend that you complete normal due diligence when entering into the agreement.

If you wish to apply for a licence, please complete the attached agreement and return to this office by COB 24<sup>th</sup> September 2010.

Yours Sincerely



Geoff Foster  
Chief Executive Officer

## FOOTBALL QUEENSLAND LTD - Licence Agreement

THIS AGREEMENT is made on the date set out in Part 1 of the Schedule  
BETWEEN

FOOTBALL QUEENSLAND LTD of Level 3, Queensland Sport and Athletics Centre, Kessels Road, Nathan in the State of Queensland ("Licensor") of the one part and the party whose name and address is set forth in clause 2 of the Schedule and who is referred to in that clause and in this Agreement as "Licensee" of the other part.

### RECITALS

- A. The Licensor undertakes certain marketing activities whereby it licenses others to use in relation to goods and services, the Licensor logo, club names, symbols, emblems, designs and other indicia and trade marks including those referred to in clause 4 of the Schedule, which are the property of the Licensor.
- B. The Licensee is engaged inter alia in the business of the manufacture, sale, distribution, use and provision of the commodities more particularly described in clause 3 of the Schedule and is desirous of utilising the property of the Licensor more particularly referred to in clause 4 of the Schedule in connection with the manufacture, sale, distribution, use and provision of such commodities upon the terms and conditions hereinafter appearing.

NOW THIS AGREEMENT WITNESSES that in consideration of the premises and the mutual covenants herein contained it is agreed as follows:

### 1. DEFINITIONS

Unless the context otherwise requires, the following expressions shall bear the meanings ascribed to them:

- (a) "associated person" shall have the same meaning ascribed to it by ss 10-17 (inclusive) of the *Corporations Act 2001* (Clth).
- (b) "Affiliates" shall mean those entities that from time to time are registered with the Licensor directly or indirectly as members, competition management centres, or are otherwise affiliated to the Licensor.
- (c) "Clubs" shall mean the entities from time to time granted a Licence by the Licensor to field teams in the competitions conducted by the Licensor.
- (d) "Licensed Commodity" means the products or the services specified in clause 3 of the Schedule in or upon which or in connection with which the Licensed Property may be used and any additional articles or merchandise or products or services as the Licensee and the Licensor from time to time agree in writing should be subject to this Agreement.
- (e) "Licensed Property" means all or any of the Licensor logo, Club names, symbols, emblems, designs and other indicia and trade marks owned by the Licensor and specified in clause 4 of the Schedule.
- (f) "minimum royalty" means the amount set out in clause 8(b) of the Schedule.
- (g) "packaging" means the cartons, containers, wrapping and other means of packaging the Licensed Commodity and includes any labels, swing tickets and other sale or promotional signs or attachments.
- (h) "related corporation" means a corporation that is deemed to be related to Licensee by virtue of s 50 of the *Corporations Act 2001* (Clth) and includes any person or other entity (including a trust) that is connected with a Licensee in a similar manner.
- (i) "retail sales" means the amount of gross sales (including mail order) made to the public for private use or consumption and where the purchaser does not buy or hold himself out as buying in the course of a business.
- (j) "Schedule" means the Schedule to this Agreement.
- (k) "Term" or "Term of this Agreement" means the period referred to in clause 6 of the Schedule.
- (l) "Territory" means the territory or territories specified in clause 7 of the Schedule.
- (m) "wholesale sales" means the amount of the gross sales of Licensed Commodities after deducting any credits for returns actually made or allowed save as herein specifically excluded. In computing wholesale sales no costs incurred in manufacturing, selling, advertising (including co-operative and other advertising and promotion allowances) or distributing the Licensed Commodity or any direct expenses shall be deducted, nor shall any



deduction be made for bad debts, taxes of any kind (other than goods and services tax or similar taxes), other Government imposts, uncollectable accounts, cash discounts or similar allowances.

- (n) Words importing the singular shall include the plural and vice versa.
- (o) Words importing any gender shall include each other gender.
- (p) Words referring to persons shall include their heirs, executors, administrators and assigns.
- (q) Words referring to any body corporate shall include its transferees, successors and assigns.
- (r) Clause headings shall not affect the interpretation or construction of this Agreement.
- (s) Any terms used herein which are defined in the *Trade Marks Act 1995*, the *Designs Act 1986* or the *Copyright Act 1968* shall bear the meaning ascribed to such terms in those Acts unless the context is inconsistent therewith.

## 2. GRANT OF LICENCE

### 2.1 Grant

The Licensor hereby grants to the Licensee the non-exclusive, non-transferable right and licence to use and make use of the Licensed Property in the Territory in on or in respect of the Licensed Commodities during the Term.

### 2.2 Limitations on Licence

- (a) The licence granted hereunder is for the use of the Licensed Property strictly and solely in connection with the Licensed Commodities and strictly for the Term. The Licensee hereby covenants and agrees not to use the Licensed Property for any other purpose or in connection with any goods or services other than the Licensed Commodities and for any period other than the Term.
  - (b) *The Licensee shall not distribute, offer for sale, sell or otherwise dispose of the Licensed Commodities other than to the retailers set out in clause 5 of the Schedule or as are otherwise approved of in writing by the Licensor from time to time.*
  - (c) The Licensee shall not distribute, offer for sale, sell or otherwise dispose of Licensed Commodities to any person for redistribution, resale or other disposition in combination with or as part of any other product, service or promotion unless such other product, service or promotion has also been licensed or approved by the Licensor or is otherwise consented to in writing by the Licensor. The Licensee agrees immediately upon the request of the Licensor to cease supplying Licensed Commodities to any person who shall cause the Licensee to be in breach of this clause.
  - (d) Save with the consent in writing of the Licensor first had and obtained, the Licensee shall not use the Licensed Property other than within the Territory.
- 2.3 Save as otherwise provided herein, the Licensor does not warrant to the Licensee that it has the consent of any Licensor player to the use of such Licensor player's name, photograph, likeness, reputation or identity in connection with the Licensed Commodities and the Licensee is required to observe the guidelines as set out by the Licensor in writing from time to time with respect to the seeking of such consent.
- 2.4 The Licensee acknowledges that the Licensor and the competitions organised by the Licensor are undergoing change and that the Licensor may make such changes to its structure or organisation and to the competitions organised by the Licensor as the Licensor thinks fit and the Licensee further acknowledges that the Licensor may make such changes to the Licensed Property as Licensor thinks fit. Licensee shall consult with the Licensor before undertaking any commodity development or production runs and the Licensor will use its best endeavours to notify the Licensee and keep the Licensee informed of any changes to the Licensed Property.
- 2.5 The Licensee shall carry stocks of the Licensed Commodities entirely at the Licensee's risk and the Licensee shall not be entitled to make any claim for compensation or damages against the Licensor if the Licensor makes any of the changes referred to in clause 2.4.
- 2.6 If the Licensor makes any changes to the Licensed Property after the date of this Agreement this Agreement shall apply mutatis mutandis to the new Licensed Property introduced in lieu of Licensed Property the subject of this Agreement.
- 2.7 Notwithstanding anything contained in this Agreement, the Licensee shall be wholly

responsible for determining and controlling the system or marketing plan pursuant to which the Licensee carries on the sale or distribution of Licensed Commodities.

### 3. LICENCE FEE

- 3.1 The Licensee covenants and agrees to pay the Licensor a Licence Fee in respect of all sales of the Licensed Commodities during the Term or any extension or renewal or period allowed pursuant to this Agreement, in the manner set out in Clause 8 of the Schedule.
- 3.2 Upon the execution of this Agreement, the Licensee shall pay to the Licensor the non-refundable advance payment specified in Clause 8(a) of the Schedule. Such advance payment shall not under any circumstances be repayable either in whole or in part by the Licensor to the Licensee and the Licensee expressly hereby abandons all and any claims in relation thereto.
- 3.3 The Licensee shall pay to the Licensor the minimum annual royalty specified in Clause 8(b) of the Schedule upon the dates and in the manner therein appearing.
- 3.4 On or before the 14th day of each month during the Term the Licensee shall provide to the Licensor a full and accurate statement showing the number, description and wholesale or other sales price of the Licensed Commodities manufactured, sold, distributed, used or provided during the preceding calendar month and the amount of stock on hand or in the process of manufacture at the end of that month. The statement shall be in the form from time to time prescribed by the Licensor. Simultaneously therewith the Licensee shall forward all royalty payments due thereon to the Licensor in accordance with Clause 8 of the Schedule and in the event that no Licensed Commodities have been manufactured, sold, distributed, used or provided such monthly statements shall state the same.
- 3.5 If the Licensee defaults in payment of the Licence Fee or any part or instalment thereof the Licensee shall pay to the Licensor, interest on the amount outstanding at the interest rate announced by the Reserve Bank from time to time plus 4% calculated daily from the date on which the payment fell due until the date on which payment is received by the Licensor.
- 3.6 If the Licensee sells, distributes, uses or provides any Licensed Commodity to any party affiliated with the Licensee including any associated person or related corporation or in any way directly or indirectly related to or under common control with the Licensee (whether by way of a distribution, agency or other agreement or otherwise), at a price less than the final wholesale price, the royalties payable to the Licensor hereunder shall be computed on the basis of the final wholesale price.
- 3.7 All royalties due to the Licensor other than the minimum royalty payable as aforesaid shall accrue upon the sale of the Licensed Commodities regardless of the time of collection by the Licensee. For the purposes of this Agreement, a Licensed Commodity shall be considered sold as of the date upon which such Licensed Commodity is billed, invoiced, shipped or paid for, whichever event occurs first. If any Licensed Commodities are consigned to a distributor by the Licensee, the Licensed Commodities shall be considered sold by the Licensee upon the date upon which the distributor bills, invoices, ships or receives payment for any of the Licensed Commodities, whichever event occurs first.
- 3.8 There shall be no deduction from any royalties due to the Licensor for uncollectable accounts or for taxes (save where otherwise provided herein), fees, assessments or other expenses of any kind which may be incurred or paid by the Licensee in connection with all sales of Licensed Commodities.
- 3.9 The obligation of the Licensee to make the payments herein referred to is an obligation which arises by reason of the Licensor entering into this Agreement and shall apply to all amounts payable by the Licensee to the Licensor on or before the date of termination or expiry of this Agreement.

### 4. VALUE OF LICENSED PROPERTY

- 4.1 The Licensee recognises the great value of the Licensed Property and acknowledges that the goodwill attached thereto and all right, title and interest therein including the copyright thereto vests in and belongs to the Licensor. The rights granted to the Licensee hereunder shall in no way prejudice the proprietary rights of the Licensor in and to the Licensed Property and



the Licensee's rights to and in respect of the Licensed Property shall be determined strictly in accordance with this Agreement.

- 4.2 The Licensee agrees that it will not at any time during the Term or thereafter do any act, matter or thing calculated to or which might otherwise have the effect of interfering with, restricting, limiting or challenging the proprietary rights of the Licensor in and to the Licensed Property.

## 5. CONFIDENTIAL INFORMATION

The Licensee covenants and agrees that all documentation and information pertaining to the Licensed Property and its use is confidential information and a trade secret of the Licensor. The Licensee covenants and agrees that unless authorised in writing by the Licensor, the Licensee shall not disclose any such confidential information to any external party for such period of time as such confidential information is not public knowledge. The Licensee acknowledges that it is the intention of the Licensor to produce and furnish to the Licensee if produced within the term of this Agreement, Licensing Guidelines. The Licensee agrees that such Licensing Guidelines are binding on the Licensee although to the extent of any inconsistencies between this Agreement and the Licensing Guidelines, the provisions of this Agreement shall be paramount. In the event that the Licensor provides a copy of such Licensing Guidelines to the Licensee (and nothing in this clause shall be construed as to require the Licensor to do so) the Licensee acknowledges that such Licensing Guidelines shall remain the property of the Licensor at all times. The Licensee further acknowledges that it shall not make any copies or extracts of the Licensing Guidelines and that the Licensor shall be entitled to require its immediate re-delivery at any time and that the same shall be promptly re-delivered to the Licensor upon the expiration or earlier termination of this Agreement.

## 6. PROTECTION OF RIGHTS

- 6.1 The Licensee shall not register any trade marks, company or business names, logos, symbols, emblems, designs or other indicia using the Licensed Property or any component thereof.
- 6.2 The Licensee agrees to notify the Licensor immediately of any improper or wrongful use of the Licensed Property or any infringement or threatened infringement of the Licensed Property that comes to the notice of the Licensee or if the Licensee is threatened with any claims, suits, actions, damages or demands as a result of the Licensed Property being affixed to or used in connection with the Licensed Commodities.
- 6.3 Notwithstanding anything to the contrary herein contained the Licensee hereby covenants and agrees with the Licensor as follows:
- (i) not to affix to or incorporate in or on the Licensed Commodities or any packaging relating thereto any label, trade mark, distinctive mark or brand unless the same shall be first approved of in writing by the Licensor such approval not to be unreasonably withheld;
  - (ii) not to alter the Licensed Property in any way nor to affix, incorporate or use part only of the Licensed Property in or on any Licensed Commodities nor to affix, incorporate or use the Licensed Property in connection with or as part of another trade mark, distinctive mark, name, brand or thing;
  - (iii) to properly affix to or incorporate in or on all products or services manufactured, sold, distributed, used or provided as Licensed Commodities or any packaging relating thereto such labels, trade marks, distinctive marks or brands as may be specified by the Licensor from time to time;
  - (iv) where appropriate to properly affix or attach to all Licensed Commodities and to any packaging relating thereto the swing ticket specified by the Licensor from time to time identifying the product as a Licensed Commodity;
  - (v) not to manufacture, sell, distribute, use or provide any Licensed Commodities without such labels, trade marks, distinctive marks and brands hereinbefore referred to; and
  - (vi) not to use the Licensed Property in any manner likely to deceive or cause confusion in trade or jeopardise the exclusiveness or distinctiveness thereof.
- 6.4 The Licensee shall not threaten to commence or commence any legal proceedings against any third party in relation to the Licensed Property or the Licensed Commodities or arising out of

the rights and licence granted pursuant to this Agreement or allege any infringement of such rights and licence without obtaining the prior written consent of the Licensor.

- 6.5 All rights in and to the Licensed Property are retained by the Licensor for its own use, except for the specific rights therein which are granted to the Licensee under this Agreement. The Licensor reserves the right to use and to license other parties to use the Licensed Property in the Territory for any purpose which the Licensor may determine.

## 7. INDEMNITY

- 7.1 The Licensee hereby agrees to be solely responsible for and to defend and indemnify the Licensor and its respective officers, agents and employees and to hold each of them harmless from all costs, expenses, claims, demands, suits, proceedings, causes of action or damages (but excluding consequential or indirect loss) including reasonable legal fees arising out of the use of the Licensed Property in connection with the manufacture, sale, distribution, use or provision of Licensed Commodities and any packaging relating thereto.
- 7.2 The Licensee will obtain and maintain a current policy or policies of product liability insurance with an insurer and for an amount approved by the Licensor. Such policy or policies shall provide protection for the Licensor and its respective officers, agents and employees against any expenses, claims, demands, suits, proceedings, causes of action or damages including legal fees arising out of any alleged defect in respect of the Licensed Commodity or any use thereof. The Licensee shall furnish to the Licensor a certificate of insurance of such policy or policies noting the interests of the Licensor in accordance with the terms and conditions of the policy within ten (10) days of the date this Agreement is duly executed on behalf of the Licensor. Such policy shall be renewed by the Licensee when due and shall provide that the same may not lapse or be cancelled or varied without at least ten (10) days written notice to the Licensor. The Licensee hereby further covenants and agrees to provide to the Licensor immediately upon request by the Licensor a Certificate of Currency in respect of such policy or policies.
- 7.3 The Licensor hereby agrees to indemnify the Licensee, its officers, agents and employees and to hold them harmless against any demands, causes of action or damages, including reasonable legal fees, for trade mark or copyright or passing off infringement arising out of the use of the Licensed Property as authorised in this Agreement or for breach by the Licensor of the warranty set out in clause 7.4 provided that the Licensor is given notice as soon as practicable of and shall have the option to undertake and conduct the defence of any such claim, demand or cause of action.
- 7.4 The Licensor warrants that it owns or is entitled to use all intellectual property which subsists in the Licensed Property and that the use of the Licensed Property by the Licensee under the terms of this Agreement will not result in a breach of any rights of any third party.

## 8. QUALITY AND PACKAGING

- 8.1 The Licensee warrants that the Licensed Commodities will be of good quality, design, material and workmanship and will be suitable for their intended purpose and that no injurious, deleterious or toxic substances will be used in or on the Licensed Commodities and that the same will not cause harm when used as instructed and with ordinary care for their intended purpose and that the said Licensed Commodities will be manufactured, sold and distributed in strict compliance with all applicable laws and regulations.
- 8.2 The Licensee shall not manufacture, sell, distribute, advertise, use or provide any Licensed Commodity bearing or to bear or make use of the Licensed Property without first obtaining the approval of the Licensor in relation thereto. The Licensee shall provide free of charge to the Licensor for its approval three (3) samples of each proposed Licensed Commodity together with any related packaging and shall on each one year anniversary of this Agreement provide free of charge to the Licensor three (3) samples of each Licensed Commodity together with related packaging. Any proposed Licensed Commodity and/or packaging submitted and not disapproved of by the Licensor within fourteen (14) days after receipt shall be deemed to have been approved. After samples of the proposed Licensed Commodities have been approved pursuant to this clause, the Licensee shall not depart therefrom in any material respect without



first obtaining the written consent of the Licensor and shall ensure that all Licensed Commodities manufactured, sold, distributed, advertised, used or provided thereafter conform with the samples approved by the Licensor. The Licensee will submit free of cost to the Licensor and whenever reasonably requested by the Licensor a reasonable number of samples of the Licensed Commodities and any packaging related thereto.

- 8.3 If the standard quality, appearance or style of any Licensed Commodity or related packaging ceases to be acceptable to the Licensor or in the event there is an occurrence or factor connected with any such Licensed Commodity which reflects unfavourably upon the reputation standing or goodwill of the Licensor, the Licensor shall, acting reasonably, have the right by notice in writing to withdraw its approval of such Licensed Commodity provided that the Licensee shall be entitled to re-submit the Licensed Commodities and related packaging in accordance with and subject to the foregoing provisions of this clause 8. Upon giving notice of withdrawal of approval by the Licensor, the Licensee shall forthwith cease to use the Licensed Property in the manufacture, sale, advertising, distribution, provision or use of such Licensed Commodity and within ten (10) days thereafter shall pay all amounts due to the Licensor hereunder in respect of such Licensed Commodity. If there are other Licensed Commodities under this Agreement in respect of which the Licensor has not withdrawn its approval, this Agreement shall mutatis mutandis remain in full force and effect as to those other Licensed Commodities.
- 8.4 If the Licensee is not the manufacturer or provider of the Licensed Commodities the same shall be manufactured or provided only by such person or entity who is first approved of in writing by the Licensor which approval shall not be unreasonably withheld. The Licensee shall ensure that such manufacturer or provider is aware of the Licensee's obligations pursuant to this Agreement and shall advise the Licensor immediately of any change in manufacturer or provider.

#### 9. ADVERTISING AND PROMOTION

With respect to any item of advertising, promotion, point of sale or display material which the Licensee or any party acting on its behalf proposes to produce and use hereunder, the Licensee shall submit to the Licensor for its approval proposed written copy for the item including finished "lift" art and finished "mechanicals". Any such item of advertising, promotion, point of sale or display material submitted and not disapproved of by the Licensor within fourteen (14) days after receipt shall be deemed to have been approved. After samples of the advertising, promotion, point of sale or display material have been approved pursuant to this clause, the Licensee shall not materially depart therefrom in any respect without first obtaining the written consent of the Licensor and shall ensure that all advertising, promotion, point of sale or display material thereafter conforms with that submitted and approved by the Licensor. The Licensor agrees to act reasonably in approving or disapproving any such material.

#### 10. DISTRIBUTION

- 10.1 In accordance with the obligations referred to in clause 2.2(b), the Licensee agrees that it will do all things reasonably necessary and use its best endeavours to actively promote and develop markets for the Licensed Commodities, to maximise sales of the Licensed Commodities and to manufacture, sell, distribute, use and provide within the Territory the Licensed Commodities in such manner as may be reasonably required to meet, demand and compete with manufacturers of similar commodities. The Licensee shall without limiting the foregoing, maintain adequate stocks of Licensed Commodities throughout the Territory.
- 10.2 The parties agree that the licence herein has been granted by the Licensor to the Licensee upon the terms and conditions herein contained including the Commodity Licence Application Form and marketing plan (if any) which has been submitted by the Licensee to the Licensor for its consideration in determining the suitability of the Licensee as a licensee hereunder.
- 10.3 Ninety (90) days before each one year anniversary of the commencement date of this Agreement or any renewal hereof, the Licensee shall provide to the Licensor a written marketing plan with respect to the Licensed Commodities. Each such marketing plan shall include on an item by item basis, a marketing timetable, sales projections, channels and methods of distribution, nature and amount of advertising and advertising expenditure and

any other information which the Licensor may reasonably require the Licensee to include. Each marketing plan shall contain specific information for the one year period immediately succeeding its submission and general estimates or projections for subsequent periods during which this Agreement remains in effect.

- 10.4 The Licensee shall not without the written consent of the Licensor first had and obtained, undertake a wholesale disposal of Licensed Commodities at a price substantially less than the average price charged by the Licensee during the Term.

## 11. RECORDS

- 11.1 The Licensee agrees to keep and retain for the Term of this Agreement and for three (3) years following the termination or expiration hereof, accurate books of account and records of all transactions relating to the subject matter and terms of this Agreement including without limitation, the manufacture, sales, distribution, use and provision of the Licensed Commodities. The Licensee agrees that the Licensor by its duly authorised representatives upon giving reasonable notice to the Licensee shall have the right at all reasonable hours of the day until the expiration of three (3) years after the termination or expiration of this Agreement to examine and to make copies and extracts from such books of account and records and all other documents and material in the Licensee's possession or under its control relating to the subject matter and terms of this Agreement including without limitation, the manufacture, sales, distribution, use and provision of the Licensed Commodities. At the request of the Licensor and at any time up to three (3) years from the date of termination or expiration of this Agreement, the Licensee shall within a reasonable time at its own expense, furnish to the Licensor a detailed statement by a Chartered Accountant approved by the Licensor showing the number, descriptions, wholesale price and other price of the Licensed Commodities manufactured, sold, distributed, used or provided to the date of such request.
- 11.2 In order to facilitate inspection of its books of account, records, documents and material referred to in clause 11.1 the Licensee will designate separate symbols or numbers used exclusively in connection with Licensed Commodities and with no other products or services which Licensee may manufacture, sell, distribute, use or provide. Without limiting the provisions hereof duplicates of all billings to customers with respect to Licensed Commodities shall be kept for inspection as herein provided.
- 11.3 If following inspection by the Licensor of such books of account, records, documents and material hereinbefore referred to, a deficiency exceeding 5 per cent of sales is discovered, the Licensee shall be responsible for the payment of all audit and accounting fees relating to the inspection and upon demand shall immediately pay to the Licensor the deficit due together with the aforesaid fees without prejudice however to the right of the Licensor to terminate this Agreement pursuant to clause 12.1(c) hereunder and any other rights at law or in equity.
- 11.4 During the Term of this Agreement the Licensee shall ensure that the Licensor by its duly authorised representative shall at all reasonable times and upon giving reasonable notice to the Licensee have access to and be permitted to enter upon any premises where Licensed Commodities and any advertising or promotional material to be used in relation to the Licensed Commodities are manufactured, sold, distributed, provided or stored.

## 12. DEFAULT OR INSOLVENCY

- 12.1 Without prejudice to any other rights at law or in equity, the Licensor shall have the right to terminate this Agreement at any time upon fourteen (14) days notice given to the Licensee where:
- (a) The Licensee fails to undertake the bona fide manufacture, sale, distribution, use or provision of all of the Licensed Commodities hereunder within three (3) months from the date of execution of this Agreement.
  - (b) The Licensee discontinues the bona fide manufacture, sale, distribution, use or provision of any of the Licensed Commodities for a period exceeding six (6) consecutive months in any calendar year.
  - (c) The Licensee fails to faithfully perform any of the terms or conditions of this Agreement, including a payment, or does or permits to be done any act or thing



which reflects unfavourably upon the reputation standing or goodwill of the Licensor or the Clubs.

- (d) Any indebtedness of the Licensee or any other liability arising out of extension of credit to the Licensee, in either case of an amount exceeding \$10,000.00 is not paid on its due date (or within any applicable period of grace allowed by the terms of the agreement or instrument constituting or evidencing the same) or, if payable or repayable on demand, is not paid or repaid on demand or, by reason of a default, becomes due or capable of being declared due prior to its date of maturity or any guarantee or indemnity given by the Licensee is not honoured when due and called upon.
- (e) Any event occurs which in the reasonable opinion of the Licensor materially and prejudicially affects the financial position of the Licensee or the ability of the Licensee to duly and promptly perform or observe any of its obligations or undertakings under this Agreement.

12.2 Either party may terminate this Agreement at any time forthwith upon fourteen (14) days notice given to the other party:

- (a) where the other party is a company:
  - (i) an application is made for the winding up of the other party;
  - (ii) notice of a meeting of the other party specifying the intention to propose a resolution for the winding up of that party is given or any such resolution is passed or deemed to have been passed;
  - (iii) the other party is obliged to convene a meeting of its creditors for the purpose of placing that party under official management or any such meeting is convened or held;
  - (iv) a compromise or arrangement is proposed between the other party and its creditors or any class of them or between the other party and its members or any class of them or a moratorium is declared on the payment of indebtedness of the other party or it commences negotiations with any one or more of its creditors with a view to any general re-adjustment or re-scheduling of its indebtedness or any class thereof or with a view to avoiding circumstances in which it might be obliged to declare a moratorium on the payment of its indebtedness or any class thereof;
  - (v) an encumbrancer takes possession or a receiver or similar officer is appointed of the property or any part of the property (including the income and any part of the income) of the other party or any such property is compulsorily acquired or forfeited or distress or execution or other analogous process for an amount exceeding \$20,000.00 is issued against any of the property of the other party and is not satisfied or stayed within fourteen (14) days; or
  - (vi) the other party threatens to cease to carry on its operations or any substantial part thereof or disposes or parts with possession of the whole or any substantial part of its assets.
- (b) Where the other party is a natural person:
  - (i) the other party is declared bankrupt;
  - (ii) the other party has execution levied against any of his property; or
  - (iii) the other party enters or attempts to enter into any composition, assignment or arrangement with his creditors.

12.3 The party in default shall pay all reasonable legal and other costs incurred by the other party as a result of or in connection with any breach of this Agreement by the party in default or the lawful termination of this Agreement by the other party.

### 13. TRANSFER OF SHARES

If the Licensee is a company and if at any time after the date of execution hereof the person or persons who together hold or are entitled to hold a majority of its voting shares cease to hold or to be entitled to hold a majority of such shares (except as a result of transfers by inheritance) the Licensee shall so notify the Licensor and the Licensor may terminate this Agreement forthwith by notice in writing given to the Licensee where the Licensor reasonably forms the opinion that such change in

shareholding adversely affects the Licensee's ability to perform its obligations under this Agreement. The provisions of this clause shall not apply whenever the Licensee is a company the voting shares of which are listed on a recognised Stock Exchange in Australia or where more than 80 per cent of its voting shares are held by another company the voting shares of which are so listed.

14. NO ASSIGNMENT

This Agreement shall be personal to the Licensee and the Licensee shall not assign or grant any sub-licence, mortgage or lease or otherwise deal with or transfer any of its right, title or interest hereunder without the prior written consent of the Licensor. Any purported assignment or grant of sub-licence or mortgage or dealing or transfer of any such right, title and interest in contravention of this clause shall be void and of no effect.

15. EFFECT OF EXPIRATION

15.1 After the expiration or termination of this Agreement for whatever reason, the Licensee shall have no further right to manufacture, sell, distribute, use, provide, advertise, exploit or otherwise deal in any Licensed Commodities which bear or make use of the Licensed Property and the Licensee shall forthwith refrain from further use of the Licensed Property or any further reference thereto direct or indirect, or any reproduction of Licensed Property or advertising, promoting or publicising that such products were so licensed prior to the expiration or termination of this Agreement except as provided in clause 17 hereof. The Licensee acknowledges and agrees that the Licensed Property possesses a special, unique and extraordinary character which makes it difficult to assess the monetary damage which would be sustained by unauthorised use and the Licensee acknowledges that irreparable injury would be caused to the Licensor by unauthorised use and agrees that the Licensor shall be entitled to injunctive relief in the event of a breach of this Agreement.

15.2 Notwithstanding the expiration or termination of this Agreement for whatever reason the Licensor by its duly authorised representative shall have the right upon giving reasonable notice to inspect the premises at or from which the Licensed Commodities were manufactured, sold, distributed, provided or stored at any time up to twelve (12) months from the date of expiration or termination and the Licensee hereby agrees and warrants that it shall not inhibit any such inspection but shall ensure that the Licensor has full and free access to such premises during normal business hours.

16. FINAL STATEMENT

16.1 Ninety (90) days prior to the expiration of this Agreement the Licensee shall provide to the Licensor a statement as to the number and description of Licensed Commodities on hand or in the process of manufacture, sale, distribution, use or provision. If this Agreement is terminated by the Licensor in accordance with the terms hereof, such Statement shall be provided as soon as practicable after termination.

16.2 The Licensee shall not without the prior written consent of the Licensor commence the manufacture or place any order for or sub-contract for the manufacture of any Licensed Commodities within the aforesaid period of ninety (90) days.

17. DISPOSAL OF STOCK

17.1 Upon providing to the Licensor the Statement referred to in the preceding Clause hereof and where this Agreement has not been terminated by the Licensor, the Licensee shall contemporaneously advise the Licensor in writing of the Licensee's proposal for disposal of the said Licensed Commodities prior to the expiration of the Term.

17.2 Upon the expiration or termination of this Agreement for whatever reason, the Licensee shall:

- (a) provide to the Licensor on the date of termination or expiration, a Statement showing the number and description of all Licensed Commodities on hand or in process of manufacture, sale, distribution, use or provision at the time of such expiration or termination; and
- (b) make payment within fourteen (14) days of termination or expiration to the Licensor of all royalty payments or other moneys due to the Licensor in respect of all Licensed Commodities.

17.3 The Licensor shall be entitled to demand at the time of termination or expiration of this



Agreement as the case may be and the Licensee hereby covenants and agrees that the Licensor shall be entitled to require that:

- (a) The Licensee dispose of to the Licensor or to such other person as may be nominated by the Licensor all Licensed Commodities on hand or in process of manufacture, sale, distribution, use or provision or such number as the Licensor shall stipulate at the cost price to the Licensee of each of those commodities and in the event of the Licensor so demanding, those Licensed Commodities in process of manufacture, sale, distribution, use or provision shall be completed by the Licensee as soon as practicable for the Licensor but not otherwise. The Licensor shall not be under any obligation to make payment for any Licensed Commodities until such Licensed Commodities have been fully manufactured and delivered to the Licensor in which event the Licensor shall make payment therefore within thirty (30) days of such delivery; or
- (b) The Licensee, under the supervision of and to the satisfaction of the Licensor, shall remove the Licensed Property from all Licensed Commodities on hand or in process of manufacture, sale, distribution, use or provision and from all labelling and packaging in respect thereof or in the event that it is not possible or practicable to erase or remove the Licensed Property, the Licensee under the supervision of and to the satisfaction of the Licensor shall destroy and annihilate all such Licensed Commodities on hand or in process of manufacture, sale, distribution, use or provision and all labelling and packaging in respect thereof; or
- (c) The Licensee pay to the Licensor forthwith such sum as may be agreed whether payable as a lump sum or by way of royalty for the right to dispose of Licensed Commodities on hand or in process of manufacture, sale, distribution, use or provision within the period of twenty-eight (28) days or such other period as is agreed from the date of expiration or termination of this Agreement upon the following conditions:
  - (i) the Licensee shall not be entitled to complete manufacture of any Licensed Commodities in the process of manufacture at the time of expiration or termination of this Agreement;
  - (ii) during such period the Licensee shall not dispose of such Licensed Commodities to any person, corporation or firm in which the Licensee is directly or indirectly involved including but without limitation any related corporation or associated person;
  - (iii) the Licensee shall not without the written consent of the Licensor first had and obtained, dispose of such Licensed Commodities at a price substantially less than the average price charged by the Licensee for the period of this Agreement prior to the time of termination or expiration hereof;
  - (iv) during such period the Licensee shall not advertise, promote or otherwise publicise or hold itself out as being licensed pursuant to this Agreement nor shall the Licensee advertise, promote or publicise such Licensed Commodities as being so licensed;
  - (v) during such period the Licensee shall furnish to the Licensor statements in accordance with clause 3.5 immediately following each seven (7) day period and at the expiration of the total period of twenty-eight (28) days (or such other period as is agreed) the Licensee shall furnish to the Licensor a Statement showing the number and description of all Licensed Commodities disposed of and the names and addresses of all such persons or entities to whom Licensed Commodities have been sold, distributed or provided during such period including the number and description of such Licensed Commodities in respect of each person or entity;
  - (vi) during such period and at the expiration thereof the Licensee shall pay to the Licensor all royalties due to the Licensor;
  - (vii) upon the expiration of the period of twenty-eight (28) days (or such other period as is agreed) the Licensor shall be entitled to exercise the rights set out in clause 17.3 in respect of any remaining undisposed of Licensed Commodities on hand

or in the process of manufacture, sale, distribution, use or provision.

- 17.4 The Licensor shall be entitled to demand at the time of termination or expiration of this Agreement, as the case may be, and the Licensee hereby covenants and agrees that the Licensor shall be entitled to require that the Licensee deliver up all articles used to create the Licensed Property including:

- (a) Computer disks which contain logos and any duplication of such disks;
- (b) Swing tickets;
- (c) Neck Tags;
- (d) Pips;
- (e) Style Manuals;
- (f) Style Sheets;
- (g) Bromides;
- (h) Packaging Guidelines;
- (i) Screens; and
- (j) Embroidery Tapes.

18. BANK GUARANTEE

- (a) The Licensee shall on or before the date of execution of this Agreement deliver to the Licensor a Bank Guarantee from an Australia Trading Bank in favour of the Licensor and for an amount equal to that specified in clause 10 of the Schedule.
- (b) The Licensor shall hold the Bank Guarantee as security for any loss or damage which the Licensor may suffer by reason of any default by the Licensee in performing or observing its obligations hereunder.
- (c) In the event of default by the Licensee in performing or observing its obligations hereunder or in the event of termination by the Licensor of this Agreement pursuant to clause 12, the Licensor shall be entitled to call upon the cash proceeds of the Bank Guarantee and to appropriate the amount thereof, or so much as may be required towards the loss or damages accruing to or suffered by the Licensor as a result of such default or termination as aforesaid. Should the Licensor exercise its entitlement under this clause 18(c) then, so long as the Licensor has not terminated this Agreement, the Licensee shall forthwith deliver to the Licensor an additional Bank Guarantee for an amount equal to the amount appropriated hereunder.
- (d) The entitlement of the Licensor to call upon and appropriate the cash proceeds of the Bank Guarantee referred to in clause 18(c) is without prejudice to the obligations of the Licensee to make good any loss or damage as a result of default in observing its obligations hereunder.
- (e) Upon the later of three months from the expiration or termination of this Agreement or the date upon which there are no further moneys due to the Licensor by the Licensee and subject to the foregoing provision, it is hereby agreed that the Bank Guarantee shall be released and the Licensor agrees to do all things reasonably necessary to procure such release.

19. PAYMENT AND NOTICES

- (a) All payments shall be made payable to the Licensor. Such payments and any notices and statements to be given to, and all samples, commodities labelling, packaging and advertising to be submitted for approval by the Licensor shall be deemed to be duly paid, given or submitted as the case may be if given or submitted to:

The CEO  
Football Queensland Ltd  
PO Box 748  
SUNNYBANK QLD 4109

or such other person or address as the Licensor may from time to time nominate in writing.

- (b) All notices and statements to be clause 2 of the Schedule or at such other address of the Licensee as the Licensee may from time to time notify.
- (c) Any notice or communication shall be deemed to have been duly given, made or received:
  - (i) twenty-four (24) hours after being deposited in the mail with pre-paid postage;
  - (ii) when delivered by hand;
  - (iii) if sent by facsimile transmission, when receipt is acknowledged.

20. NO AGENCY PARTNERSHIP OR JOINT VENTURE

Nothing herein contained shall be construed to place the parties in a relationship of principal and agent partners or joint venturers and neither party shall have the power to pledge the credit of the other party or bind the other party in any manner whatsoever or to take any action or to do any act or thing in the name of the other party.

21. NO WAIVER

No waiver by either party of any default in the strict and literal performance of or compliance with any of the provisions, conditions or requirements herein on the part of the other party to be observed and performed shall be deemed to be a waiver of strict and literal performance of and compliance with any other provision, condition or requirement herein nor to be a waiver of or in any manner release the other party from strict compliance with any provision, condition or requirement in the future nor shall any delay or omission of a party to exercise any rights hereunder in any manner impair the exercise of any such rights accruing to it thereafter.

22. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement and understanding between the parties hereto and none of the provisions of this Agreement shall be amended, modified or supplemented except by a written instrument executed by the parties. Without limiting the generality of this clause the parties acknowledge and declare that in entering into this Agreement they have not relied on any promise, representation, warranty or undertaking given or purported to have been given by or on behalf of the other party and that there are no representations, promises, agreements, warranties, covenants and undertakings other than those expressly contained herein. Further, no oral representation, promise, warranty or undertaking relating to the renewal of this Agreement or the conditions of any renewal shall be of any force or effect unless in writing and signed by both parties.

23. MERGER

The rights and obligations of the parties expressed to continue beyond the expiration or termination of the Agreement shall continue in full force and effect and shall not merge upon completion.

24. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the State of Queensland and the parties hereto agree to submit to the jurisdiction of the Courts of Queensland.

25. GST

25.1 For the purpose of this clause unless the context otherwise requires:

"Act" means the *A New Tax System (Goods and Services Tax) Act 1999* as amended.

"GST" has the meaning given in s 195-1 of the Act.

Where any other term is used in this clause which is defined in the Act it shall have the same meaning which it bears in the Act.

25.2 The following principles apply when determining the amount payable ("the Payment") for any taxable supply made pursuant to this Agreement:

- (a) if the Payment is determined by reference to any cost, expense or liability incurred by a person, the reference to cost, expense or liability means the actual amount incurred less the amount of any GST input tax credit or similar rebate which is or can be claimed by the person in respect of that cost, expense or liability;
- (b) if the Payment arises from a revenue sharing arrangement or an obligation to pay a specified percentage of any revenue, sales, fee or any other amount, the Payment is to be calculated by reference to the relevant amount net of GST;
- (c) if a person is liable to GST in relation to making the taxable supply, the Payment for the taxable supply as calculated under this clause, shall be increased by the applicable GST;
- (d) if a party sets off an amount otherwise payable under this Agreement the principles set out above shall be applied to calculate the amount to be set off as if that amount had been paid; and
- (e) in calculating the Payment under clause 25.2(c), the person must ensure that the amount to be increased by the applicable GST will not cause that person to contravene the provisions of s 75AU of the Trade Practices Act 1974 (Clth) or any provisions



## FOOTBALL QUEENSLAND LTD - Licence Agreement

relating to price exploitation in relation to the New Tax System changes under the Trade Practices Act or any other law.

- 25.3 A party's right to payment under this clause is subject to a valid tax invoice being delivered to the party liable to pay for the taxable supply.
- 25.4 Each party must do all things necessary so that it is registered for GST purposes by the date GST is first imposed.
- 25.5 The provisions of this clause shall, to the extent appropriate, override the other provisions of this Agreement.

### 26. ACKNOWLEDGEMENT

26.1 The Licensee acknowledges that:

- (a) All major suppliers of the Licensed Commodities shall, if licensed, be entitled to supply the products to the Clubs.
- (b) There will be no limit on the number of suppliers licensed.
- (c) The Licensor does not guarantee that there will be any minimum level of sales by the Licensee.

### 27. PURCHASE OF HEAT PRESS LOGOS

- 27.1 The Licensee shall purchase exclusively from the Licensor the heat press logos utilised by the Licensee on all apparel sold by the Licensee. The licensee shall ensure that it always retains a ready supply of logos. Further, the Licensor shall sell the logos to the Licensee at a price which is no more than 100 percent more than the Licensor's purchase price.

### EXECUTED AS AN AGREEMENT

SIGNED for and on behalf of

**Football Queensland**

in the presence of

}

.....

.....  
Witness

.....  
Print name

SIGNED by THE LICENSEE

in the presence of:

}

.....

.....  
Witness

.....  
Print name



**SCHEDULE**

1. DATE OF AGREEMENT:

2. LICENSEE: *Name:*

*Address:*

*ACN:*

*Contact:*

3. LICENSED COMMODITIES:

- (a) Playing shirts
- (b) Playing shorts
- (c) Team Tracksuits
- (d) Training shirts
- (e) All Representative Team Clothing
- (f) Playing socks
- (g) Footballs

4. LICENSED PROPERTY:

- (a) Licensor Logo - Football Queensland Ltd Logo registered by it as a trade mark;

5. *RETAIL DISTRIBUTION: Not Applicable*

6. TERM OF THIS AGREEMENT:

- (a) Commencement Date: 1 October 2010
- (b) Expiry Date: 30 September 2013

7. TERRITORY: Queensland

8. LICENCE FEE:

- (a) A non-refundable Advance Payment as follows:

Advance Payment of \$20,000.00 per annum payable in four equal instalments of \$5,000.00 the first being payable on the execution of this agreement and the second, third and fourth payments to be payable quarterly thereafter. If applicable GST will be paid in addition to the payment of \$20,000.00.

- (b) A minimum annual royalty as follows:

Nil

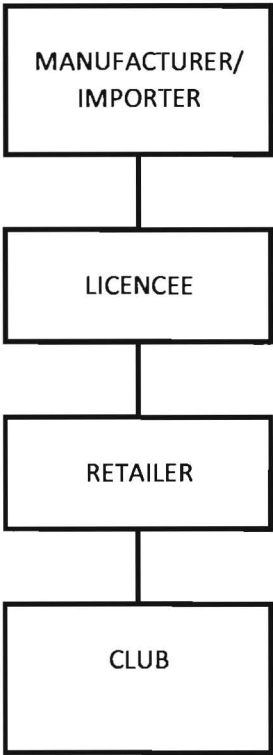
- (c) A five percent (5%) royalty on all Licenced Commodities upon which the Licensed Property is used, payable quarterly in arrears on the 14th day of each quarter.

9. BANK GUARANTEE

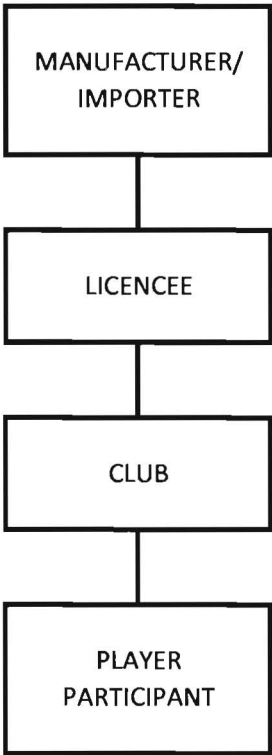
- (a) NIL

# SUPPLY CHAIN

## RETAIL



## DIRECT



FOOTBALL QLD SPECIAL INITIATIVES  
2008 - 2010

	\$
Provision of Red Kits to clubs (inlcuding top ups)	703463
Provision of grant writing assistance to clubs	41973
Attendance of 40 coaches at 2009 National conference in Sydney	41330
Attendance of 300 referees at State conference in Brisbane	31825
Attendance of 120 coaches at National conference in Brisbane	55173
Provision of 3555 free grassroots coaching courses placements	88875
	962639



# FOOTBALL QLD CENSUS

			GST inclusive			Total No. Players
Year	No. Players		Fees	National Portion	State portion	
2008	Junior	58011	\$32.50	\$8.90	\$23.60	69012
	Snr Women	2866	\$80.00	\$20.00	\$60.00	
	Snr Men	8135	\$80.00	\$20.00	\$60.00	
2009	Junior	55572	\$34.00	\$10.50	\$23.50	66912
	Snr Women	2779	\$83.50	\$21.00	\$62.50	
	Snr Men	8561	\$83.50	\$21.00	\$62.50	
2010	Junior	54544	\$35.00	\$11.00	\$24.00	66330
	Snr Women	2934	\$86.00	\$22.00	\$64.00	
	Snr Men	8852	\$86.00	\$22.00	\$64.00	

The National fees are forwarded direct to Football Australia. Football Qld only retains the State portion of which Insurances for Club Public Liability, Director Insurance and Player Accident insurance is paid