



United States Figure Skating Association Eligible Skater's Compensation Agreement Program (ESCA)

ESCA Program Overview

U.S. Figure Skating ("USFS") is recognized by the United States Olympic and Paralympic Committee ("USOPC") as the national governing body of figure skating in the United States. As such, the USFS is charged under the Ted Stevens Olympic and Amateur Sports Act of 1978 (Public Law 95-606) ("Amateur Sports Act") to develop outstanding competitors to represent the United States in the figure skating events of the Olympic Games and international competitions. To keep its athlete members eligible to compete in these events, the USFS enacts, administers and enforces sanctions and eligibility rules. The full text of these rules can be found in the USFS Rulebook and should be studied carefully.

Generally speaking, under the sanctions and eligibility rules, skaters are prohibited from performing in unsanctioned competitions, exhibitions and tours. ("Exhibitions" include, but are not limited to, performing in an ice show or a club carnival.) Sanctions are necessary for these types of activities whether the skater has been offered compensation or not.

When compensation has been offered to a skater for an appearance, endorsement or exhibition performance, the skater cannot accept the compensation or perform in the activity without first receiving special permission from the USFS. Approval may come in the form of a sanction for the activity. The skater should confirm with the chair of the USFS Sanctions and Eligibility Committee that the sponsor of the activity has obtained a sanction and that the terms of the skater's offer of compensation have been properly disclosed on the sanction application. If the compensation has been offered for an activity that is not sanctioned, the skater must request special permission from the USFS to accept the offer. This request for permission must be accompanied by a completed draft of a special agreement between the skater and the person or entity who will be compensating the skater. The special agreement is called an Eligible Skater's Compensation Agreement or ESCA.

The USFS requires an ESCA for two reasons: (1) to safeguard the skater's eligibility to compete, and (2) to make sure that nothing the skater has been asked to do will conflict with existing USFS obligations or with the many laws, rules, policies and provisions that the USFS is required to observe as national governing body for figure skating.

Approval of an ESCA is not automatic. Each ESCA submitted to the USFS for approval is reviewed carefully by the USFS. Many factors are examined, including the policy and compliance issues mentioned above. In addition, nothing the skater has been asked to do can impact a contractual obligation entered into by the USFS for the benefit of the sport as a whole. The USFS enters into contracts with third parties (for example, contracts to televise and sponsor major championships) in order to raise the necessary revenue to carry out its obligations under

the Amateur Sports Act. These obligations include administering the sport, funding its member programs, and developing its athletes from grassroots through elite. In order to fulfill this mission, the USFS must not imperil the sources of its revenue. If the activity for which the ESCA is sought is deemed by the USFS to conflict with its contractual obligations, the application for an ESCA will not be approved. While the USFS will do its best to approve applications for ESCAs, please be aware that there are many considerations that go into review before an ESCA is entitled to receive approval.

If the USFS determines it can grant the skater permission to engage in the activity and receive compensation for doing so, it will sign the ESCA. Only then may the skater accept the offer and perform the requested activity. The skater is not permitted to enter into a final binding agreement with a contractor, either verbally or in writing, without first receiving approval of the ESCA from the USFS. Under the rules governing eligible figure skaters, a skater is not permitted to participate in any appearance, endorsement or exhibition performance for compensation without approval of the USFS.

Procedures for Submitting an ESCA

The draft ESCA document must be completed and signed by the “contractor” (the person or entity who will be retaining the services of the skater), the skater and the skater’s parent or guardian if the skater is under the age of eighteen. It must document the manner in which the identifications and/or abilities of the skater will be used to promote the contractor’s business, product, service or enterprise, and must set out the terms of compensation, including the amount of the compensation and whether it will be paid to the skater in money or the equivalent in goods or services. The draft ESCA must be submitted to the USFS Headquarters for review no later than two weeks prior to the activity for which the skater will be compensated is to occur. For a skater receiving compensation in a non-sanctioned event, a processing fee equal to 10% of the compensation to the skater or \$150.00, whichever is less, payable by the contractor to the USFS, shall be submitted by the contractor with the draft ESCA and is nonrefundable. For a skater who does not receive compensation in a non-sanctioned event, a nonrefundable \$10 processing fee must be submitted with the draft ESCA to help cover administrative expenses.

Please use the following chart as a guide to determine the use of an ESCA form:

	Athlete Will Receive Compensation	Athlete Will Not Receive Compensation
USFS Sanctioned Event	ESCA NOT needed BUT athlete’s name, USFS # and compensation amount must be attached to the sanction application and submitted to USFS	ESCA NOT needed but sanction application must be submitted to USFS by host club
Non-Sanctioned Event	ESCA must be completed and submitted to USFS along with the applicable processing fee (See Processing Fee *** for explanation)	ESCA must be completed and submitted to USFS along with a \$10 processing fee
ISI Sanctioned Event OR Learn to Skate USA Approved Event <i>Athlete has skated novice or above at a U.S. Championships in the past two years.</i>	ESCA must be completed and submitted to USFS along with the applicable processing fee (See Processing Fee *** for explanation)	ESCA must be completed and submitted to USFS along with a \$10 processing fee

NCAA and High School Eligibility

While the ESCA Program is designed to protect an athlete's eligibility to compete in events governed by the USFS and the International Skating Union ("ISU"), including the Olympic Games, it is not designed to protect an athlete's eligibility to compete or participate in events conducted under the auspices of other organizations or sports governing bodies, such as the NCAA. For example, the governing bodies of high school or college sports have eligibility rules different from those under which the USFS operates. The USFS has no authority to ensure a skater's eligibility to compete in sports at the high school or college level. The NCAA, for instance, may consider a skater ineligible if the skater has participated in moneymaking activities pursuant to an approved ESCA or has signed with an agent prior to a certain point in time. This loss of eligibility could cause the skater to lose an athletic scholarship.

General Disclaimer

The information in this Overview is not incorporated into the ESCA nor is it made a part of it.

Return completed ESCA to:

Tim Hazen, Legal Counsel
U.S. Figure Skating
20 First Street
Colorado Springs, CO 80906
Fax: 719-635-9548 Attn: Tim Hazen
Email: thazen@usfigureskating.org

United States Figure Skating Association
ELIGIBLE SKATER'S COMPENSATION AGREEMENT
(ESCA)

This AGREEMENT is entered into this _____ day of _____, 20____, between
_____ (Hereinafter referred to as the "Skater"), and
_____ (Hereinafter referred to as the "Contractor")
located at _____.

Recitals

- A. U.S. Figure Skating ("USFS") is the recognized national governing body ("NGB") for the sport of figure skating on ice in the United States and as such, is required to comply with the Ted Stevens Olympic and Amateur Sports Act of 1978 (36 U.S.C. § 371, *et seq.*) ("Amateur Sports Act"). The Amateur Sports Act requires the USFS to represent the United States in the international federation ("IF") for figure skating. The IF for figure skating, as recognized by the International Olympic Committee, is the International Skating Union ("ISU"). USFS, and its members, are subject to the eligibility requirements and rules of the ISU.
- B. As NGB for the sport of figure skating on ice, the USFS prescribes rules and standards for competition in the sport; sponsors and sanctions local, regional, sectional and national competitions and exhibitions; provides financial and administrative assistance, and other services and support to assist in the training and development of eligible figure skaters from the grassroots to the elite levels; fields figure skating teams to compete in international, World and Olympic events; and generally promotes, regulates, governs and fosters competitive figure skating in the United States.
- C. The rules under which the USFS protects the eligibility of its skaters permit skaters to receive payments for appearances, endorsements and exhibition performances in accordance with conditions set by the USFS. As a condition concerning such payments for appearances, endorsements and exhibitions that have not been sanctioned by the USFS, the USFS requires its skaters to submit an Eligible Skater's Compensation Agreement ("ESCA") for approval by the USFS prior to any such appearance, endorsement or exhibition performance.
- D. The USFS will review each application for an ESCA to determine whether it (1) complies with the laws, rules, regulations, policies or bylaws pertaining to the USFS or its skaters; or (2) presents a conflict with any outstanding USFS contractual obligation.

- E. The Amateur Sports Act requires that the USFS have the managerial and financial capability to carry out its obligations as NGB of figure skating on ice. In order to generate sufficient revenues to carry out those obligations, the USFS enters into contracts with third parties (for example, contracts to televise and sponsor its major competitions). Should such a conflict exist, the USFS for that reason may deny the request for the ESCA or will determine whether to seek consent to approve the ESCA from the appropriate parties. USFS approval of an ESCA may therefore be contingent upon, among other things, receipt of such third party consent.
- F. Pursuant to the Amateur Sports Act, the USFS may also refuse to sanction certain skating events if it determines they are detrimental to the sport of figure skating. The USFS will review each application for an ESCA to determine whether the ESCA is sought for such an activity; if so found, the ESCA will not be approved.
- G. The Skater is an eligible person under the rules of the USFS, is a registered member of the USFS, and requires the permission of the USFS to perform the activities contemplated under this Agreement and/or receive compensation for those activities.
- H. The Contractor can utilize the Skater's abilities and identifications for the purposes stated in this Agreement in order to assist and support the effort of the Skater in his/her competitive figure skating career and to help foster the sport of figure skating.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants contained herein, the parties hereto agree as follows:

1. **USFS Approval.** The Skater and the Contractor agree that the USFS must sanction and approve the participation and/or compensation of Skater in the activities by this Agreement, as set forth in Appendices A and B. This Agreement is submitted for the purpose of obtaining such approval.
2. **Term.** The term of this Agreement shall be from _____, 20____, through _____ 20____.
3. **Payment.** Contractor agrees to pay Skater the sum of \$_____ for participation as set forth in Appendix B.
4. **Restrictions on Sponsorship Rights.**
 - (A) **Prohibition and References to USFS Sponsorship and USFS marks, name, emblems, and insignia.** It is understood that although the Skater's participation is approved by the USFS through this Agreement for the activity described in Appendix A, no reference may be made by the Contractor that it is a Sponsor of the USFS, nor shall any use be made of the name, logo, emblems or insignia of the USFS without the express written consent of the USFS.
 - (B) **Prohibition on use of Olympic symbols, emblems, trademarks, and names.** The Contractor may use photographs and other Skater identifications and make references to

the Skater's athletic accomplishments in connection with Contractor's promotional activities under this Agreement. However, no references shall be made to the Olympic Winter Games themselves, nor shall the word "Olympic" or any derivative thereof (including "Olympiad", "Citius Altius Fortius", or "Pan American"), the symbol of the International Olympic Committee (IOC) consisting of five interlocking rings, the emblem of the United States Olympic and Paralympic Committee (USOPC) or any trademark, trade name, sign, symbol or insignia of either the IOC or USOPC, be referenced or used directly or indirectly in connection with such activities, unless the Contractor has prior written consent for such reference or use from the USOPC.

(C) Release and Indemnification. The Contractor releases and agrees to indemnify and hold harmless the Skater, USFS, and the directors, officers, employees, agents, and representatives of USFS, jointly and individually, from and against any and all liabilities, losses, claims, damages, injuries (whether to person or property), costs and expenses, including reasonable legal and other professional fees, which Contractor, Skater, or USFS may incur as a result of or arising out of the various arrangements, travel, accommodations and Activities agreed to between the Contractor and the Skater for purposes of fulfilling the obligations under the terms of this Agreement, and which either Skater or USFS may incur as a result of or arising out of the Contractor's breach of any of its obligations, agreements, warranties or covenants contained in this Agreement, or the improper or unsolicited use by the Contractor of identifications of Skater or USFS, including as may pertain to or affect Skater's eligibility now or in the future.

5. Third Party Consent.

Skater and Contractor acknowledge that the USFS may have agreements with third parties that may pose a conflict with Activities proposed in this Agreement. USFS approval of the ESCA may therefore be contingent upon, among other things, receipt of such third party consent to approve the ESCA. If the USFS determines that such a conflict exists, Skater and Contractor agree that USFS may deny the ESCA for that reason or may request such consent from third parties and may inform the third parties of the proposed activities and the names of the Skater and the Contractor in order to do so. The USFS will not discuss details of the proposed Skater compensation with third parties.

6. Processing Fee ***

For a Skater receiving compensation in a non-sanctioned event, the Contractor agrees to pay a nonrefundable processing fee to USFS equal to ten percent (10%) of the amount of payment to the Skater as provided in paragraph 3 of this Agreement, or one hundred-fifty dollars US (\$150.00), whichever is less. For a Skater who does not receive compensation in a non-sanctioned event, a nonrefundable ten dollars US (\$10.00) processing fee must be submitted with the draft ESCA to help cover administrative expenses. The processing fee must be received by the USFS before it will consider whether or not to approve the Agreement. Payment can be sent via check or credit card to USFS.

7. General Provisions.

- (A) **No Employment Status.** It is agreed and recognized that this Agreement conveys neither employment nor agency status between Skater and USFS. Any employment, performance and related reporting obligations are solely between Skater and Contractor.
- (B) **Entire Agreement and Effect.** This Agreement constitutes the entire Agreement and understanding with respect to the subject matter hereof. All representations and negotiations relative to the matters contemplated by this Agreement are merged herein, and there are no contemporaneous understandings or agreements relating to the matters set forth herein other than those incorporated herein.
- (C) **Modification.** This Agreement will not be amended or modified in any respect except in writing, signed by the Skater and a duly authorized officer or agent of Contractor, and approved in writing by the USFS.
- (D) **Binding Effect.** This Agreement is binding upon and shall inure to the benefit of each of the parties hereto and their respective heirs, personal and legal representatives, beneficiaries, successors, and assigns.
- (E) **Governing Law.** This Agreement shall be governed by and construed under the laws of the State of Colorado.

Date: _____

Date: _____

Skater's name (print)

Contractor's name

Skater's signature

Contractor's address

Skater's USFS #

Contractor's phone #

Parent/guardian's signature
(If skater is a minor)

Contractor's signature

Email address:

Contractor's email address:

Approved by U.S. Figure Skating:

Executive Director

Date

Appendix A

Schedule of Agreed Promotions/Activities

To be completed by the Contractor outlining the commercial uses of Skater's name, photographs, personal appearances, skating exhibitions, endorsements, etc., including dates and places of any photography or videotaping sessions and public appearances.

- 1. In what manner will the Contractor use the Skater's identification and/or skating abilities:**

- 2. Will the activities be televised? If so, provide details.**

- 3. Period of time (not to exceed one week in cases involving exhibitions or performances):**

From _____, 20____ to _____, 20 ____.

- 4. Location(s):**

Appendix B

Schedule of Payment