

Season Tickets Sharing Agreement Checklist

As you all know, the Winnipeg Jets have returned. We decided that we wanted to help those who have entered into a season tickets sharing arrangement, by preparing a list of many of the possible considerations, options, and issues you should consider prior to entering into this type of agreement. Please keep in mind this list is not exhaustive.

It is advisable that you familiarize yourself with the Ticket Purchase Agreement between you or a party to your agreement and 6282980 Manitoba Limited Partnership ("**the Team**"), owner of the Winnipeg Jets. This can be found at <http://www.mtscentre.ca/TPA.pdf>.

If, after reading the list below, you have questions or would like to prepare your own season tickets sharing agreement, we would be happy to assist you. You may contact Adam Herstein at (204) 956-3523 or herstein@pitblado.com.

1. The Agreement

There are many things to consider when entering into an agreement with respect to a group purchase of season tickets ("the Agreement**"). Have you considered?**

- I. Who will be parties to the Agreement?
 - a. Do you want a contractual agreement between every party?
 - b. Do you want a contractual agreement between you and the purchaser alone?

- II. How long will the Agreement last?
 - a. Depending on which section you have purchased for the Winnipeg Jets games, a commitment has been made to purchase those tickets for a period ranging from three to five years.
 - b. At the end of your Agreement, have you decided how you will determine whether or not to renew the Agreement? For further details, see section 6 below, on "Renewal/Exiting/Amending of Agreement".

- III. What will be the proportion of each party's share in the Agreement?
 - a. When considering each party's share, what does the term, "share", refer to? Should share be defined as the responsibility to pay for the price of the tickets, the right to the tickets themselves, or all of the rights under the Agreement?
 - b. Will each party pay an equal share?
 - c. Will parties to the Agreement have an unequal share? If so, what share will each party be responsible for? How will the size of the share be determined?

2. Deposit

How will your group determine how the deposit payments shall be divided?

- I. Each party will pay an equal share.
- II. Individual parties to the Agreement shall pay the deposit sum in proportion to that party's share of the season tickets. For example, if the deposit is \$1,000 and Person A has a 25% share of the season tickets, Person A shall be required to pay \$250 of the deposit.

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3. Method of Payment

How will you be paying for the tickets you have purchased? Payment options can be viewed at <http://driveto13.com/seatsselection.php#question8>.

- I. If one person (the "Purchaser") has decided to pay all the monies up front, there are several issues to consider.
- II. Schedule of Payment.
 - a. When will parties to the Agreement be required to pay?
 - i. All of the money owed up front?
 - ii. Monthly payments to the Purchaser? If so, on what day of the month will payments be due?
 - iii. Should payments to the Purchaser by other parties to the Agreement include interest?
 - b. If someone is serving as the Purchaser, what rights does the Purchaser have to collect monies from other parties to the Agreement? Can the Purchaser pursue legal action to force payments? Can the Purchaser withhold tickets until payment has been made? Does the Purchaser have a right to sell tickets, if a party to the Agreement has not made such party's required payments?
 - c. If someone is serving as the Purchaser, what rights do other parties to the Agreement have, should the Purchaser fail in his/her duties to make timely payments, or should the Purchaser return the tickets/cancel the Agreement without the other parties' consent?
 - d. For further details, see section 5 below, "Default".

4. Selection of Tickets

How do parties to your Agreement wish to select which games they will be seeing?

- I. Drafting of games.
 - a. Order of the draft
 - i. Will you determine the order of the draft through a random selection? Options include drawing names or numbers out of a hat etc.
 - ii. Will there be any special treatment for parties to your Agreement? See below for examples of when special treatment in regard to ticket selection might occur.
 1. If a party to your Agreement has a larger share of the season tickets, should he/she get to select more games in each round?
 2. If one of the parties to your Agreement lives out of town, has a rigid work schedule etc. and can only go to games on certain days, times etc.
 - b. Method of drafting: Once the order of your draft is determined, what style of draft would you like to have? Here are some examples below.
 - i. "Normal" draft: The draft order would be as follows: Round one – 1,2,3,4,5 etc. Round two – 1,2,3,4,5 etc.
 - ii. "Snake" draft: The draft order would be as follows: Round one – 1,2,3,4,5 etc. Round two – 5,4,3,2,1 etc.
 - iii. Random Selection – Put all the tickets face down and people select randomly.
 - iv. There are also online sources, such as <http://public.splitseasontickets.com>, which will select games for you, according to your preferences.

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4. Selection of Tickets (continued from page 2)

- c. Miscellaneous methods of ticket selection.
 - i. Some groups may want to give every party one game that is not subject to the draft. For example, person A loves the Pittsburgh Penguins and gets to guarantee Person A goes to this game, and then every other game would be subjected to the draft, or whatever means the group has chosen to select tickets.
 1. You would then need to decide how you would deal with a situation where two or more people have selected the same game.
 - ii. If there is an uneven amount of games vs. people in the group, have you decided which party will get these extra tickets?
- d. Who gets to go to the first game? This will likely be the most desired game to attend. Any of the above methods could be used for selecting this game, and/or through mutual decision of parties to your Agreement.
- II. How many tickets will you be selecting each round?
 - a. Do you want to draft one ticket at a time?
 - b. Do you want to draft all the tickets for that specific game?
 - i. Drafting in pairs or even numbers allows for flexibility of group members, who may not know each other well to go to games with people they do know well, or to take someone not in the Agreement to a game etc. For example, you wanted to take your grandfather to the December 13th game against the Minnesota Wild; you would not have to find the other party in your group who has that ticket in order to go. This method can also be used to take parties to your Agreement to games.
- III. What happens if you have selected a ticket for a game that you cannot go to?
 - a. Your Ticket Purchase Agreement is entered into by you or a party to your Agreement and the Team.
 - b. The Ticket Purchase Agreement with the Team, states that they will be offering a ticket exchange program that will allow you to resell tickets for games you do not want, or cannot go to. The Winnipeg Free Press recently reported in an article (<http://www.winnipegfreepress.com/local/new-jets-ticket-option-127508863.html>) that the Winnipeg Jets are about to unveil the ticket exchange program. Season tickets holders will be able to post tickets they want to sell on the Winnipeg Jets website (<http://winnipegjets.com>), and visitors to the website will be able to peruse available tickets and then buy them online. If a season tickets holder puts tickets up for sale on the website and the tickets are then sold, the team would reimburse the season tickets holder. The team will charge a processing or administrative fee, as well.
 - c. The Agreement also states that the Team can revoke your season tickets if you resell your tickets for higher than face value.
 - d. Hence, any transfer of tickets to another party to the Agreement, or to a party outside the Agreement, would be subject to the Team's policies mentioned in the Ticket Purchase Agreement.
 - e. Do you want a clause that states that all parties to your Agreement must abide by the Team's policies, and failure to do so could lead to legal action against the offending party?
 - f. If a party to your Agreement cannot go to a game, should that party be required to offer those tickets first to other parties to your Agreement?

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5. Default

- I. What do you do if one of the parties to your Agreement has stopped/refused to make payments?
 - a. Should you make that party forfeit that party's current and future tickets?
 - b. If a party to your Agreement has defaulted on their payments, which other party would be responsible to make up for these payments?
 - c. If a party to your Agreement has defaulted, and you have forced him/her to forfeit his/her tickets, do you want to specify an order in which other parties to your Agreement have the right to buy that share for themselves?
 - d. In the alternative, do you want to come to an agreement on other parties you might bring into the Agreement to replace the party who has defaulted?
 - e. If a party to your Agreement has defaulted on his/her payments, do you want a clause in your Agreement that specifies what recourse the other parties to your Agreement might have against the party who has defaulted? Would you want a clause that would allow you to take legal action against that party?
 - f. If a party to your Agreement has defaulted and has not paid his/her annual or monthly payment, do you want a clause that would allow you to withhold possession of the tickets, or request that he/she return his/her tickets to you, until payment has been made?
 - g. If in the scenario mentioned in 5.I.f has occurred, do you want a clause that would allow you to redistribute the tickets you have taken from the defaulted party?
 - h. If a party to your Agreement defaults, and as a result your deposit has been lost, tickets revoked etc., do you want a clause that would allow you to seek legal action against the defaulting party?

6. Renewal/ Exiting/Amending of the Agreement

- I. What if a party to your Agreement wants to exit the Agreement?
 - a. Do you want an exit clause?
 - b. If a party to your Agreement does leave,
 - i. Should such party forfeit his/her deposit?
 - ii. Should such party be required to find someone to take over such party's share of the Agreement or should the remaining parties to the Agreement be responsible for finding a new person to join the Agreement?
 1. What would happen if such party was unable to find another party to join the Agreement?
 - iii. Should the deposit be paid out by other parties to the Agreement?
 - iv. If a party to your Agreement takes over the exiting party's share, should he/she be responsible for the deposit payment?
 - c. Do you want to establish an order in regard to which party to your Agreement could step in to buy out the exiting party's share? Do you want to sell the exiting party's share to someone who is not party to the current Agreement?
 - i. Do you want a clause that will determine how you decide to choose this party?
 - ii. What would you do if the party exiting the Agreement wanted to sell his/her share to a specific person? Would this be allowable or not?
- II. Renewal at end of the Agreement.
 - a. Would you like the existing Agreement to continue?
 - b. If a party to your Agreement wants to exit at this point, should the above exiting rules apply?
 - c. If a party to your Agreement exits, do you want to establish an order in which other parties to the Agreement can buy out the exiting party's share?

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6. Renewal/ Exiting/Amending of the Agreement (continued from page 4)

- III. Any transfer of tickets to another party to the Agreement, or to a party outside the Agreement, would be subject to the Team's policies mentioned in the Ticket Purchase Agreement.
- IV. Do you want a clause that discusses you or a party to your Agreement making an amendment to the Agreement?

7. Playoffs

Should the Winnipeg Jets make the playoffs in any given season during the Agreement, purchasers of season tickets will be given first right of refusal to purchase playoff tickets. This will likely be on a round by round basis.

- I. Do you want a clause that would allow you to decide, as a group, whether or not to purchase playoff tickets?
 - a. What do you want to do if one or more parties to your Agreement do not want to purchase playoff tickets?
 - i. Can this decision be made on a round by round basis? Can a party choose to buy playoff tickets in round one with the group, but opt out if the Winnipeg Jets make the second round? What if that party did not want to pay for tickets in the first round, but would like to pay for tickets in the second round?
- II. Do you want all of the above provisions of the Agreement to apply to this arrangement? (I.e. Drafting, payments, default, renewal etc.).

8. Communication

- I. Do you want a clause in the Agreement that would deal with issues in regard to communication?
 - a. How should communication between parties to your Agreement be effected?
 - i. Should communication be made via mail, email, telephone, and fax or by all of the above?
 - b. Should the Agreement specify when communication should be made?
 - i. Should communication be made in a timely manner and how is that defined? For example, in regard to renewing tickets, should there be a timeframe that specifies when you have to make this decision?
 - ii. A specified timeframe would be recommended in regard to clauses dealing with payments, renewing, exiting, playoffs etc.
 - c. Should the Agreement specify where communication should be sent? Should the Agreement specify that communication should be sent to each party's respective home address, work address, a specific email address etc.?

9. Inheritance/Enurement Clause

Many pro-sports franchises have long waiting lists in order to purchase season tickets. In some cities, people can wait years, even decades, to get the opportunity to purchase season tickets. As such, many current season ticket holders in these cities have clauses in their wills that pass on their rights to these tickets as a part of their estate.

- I. Parties to the Agreement may want to consider this when he/she is having his/her will drafted.
- II. Parties to the Agreement may want to consider an enurement clause.
 - a. Enurement clauses say that the agreement will be binding on and can be enforced by certain people who are related to the parties.

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10. Agreement to Abide by the Team's Policies

The Ticket Purchase Agreement signed between your party and the Team contains many provisions, including, but not limited to, the ability for the Team to revoke tickets or to pursue legal action against you if you are found to be in default or in violation of the Ticket Purchase Agreement.

- I. Do you want a clause in your Agreement that would incorporate the Team's Ticket Purchase Agreement?
- II. Do you want a clause in your Agreement that would bind members of your group to abide by the Team's policies?
- III. Do you want a clause in your Agreement that would allow you to pursue legal action against a member of your group found to be in violation of the Team's policies?

Disclaimer:

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