

Boise State Membership in Mountain West Conference Term Sheet

Mountain West Conference ("MWC") and Boise State University ("Boise State") agree that Boise State shall rejoin as an all-sports member of the Mountain West Conference on the following terms:

- 1. Big East and Big West Exit Fee Reimbursement:** MWC acknowledges that Boise State will be required to cancel its entry agreements with the Big East Conference and Big West Conference, copies of which agreements are acknowledged to have been provided to the MWC by Boise State. MWC will reimburse Boise State for any exit fees/cancellation fees/liquidated damages fees (hereinafter "exit fees") that Boise State is obligated to pay to the Big East Conference and Big West Conference, up to \$3,000,000. Any such Big East or Big West exit fees paid will be reimbursed to Boise State by MWC from two sources of funds: (a) from the MWC distribution of 2012/2013 conference revenue which Boise State would have already forfeited upon withdrawal from the MWC (expected to be approximately \$2,500,000), and (b) the general funds of MWC (estimated to be \$500,000). If the total of the Big East and Big West exit fees is less than \$3,000,000, then the benefit shall go to the MWC for the difference between \$3,000,000 and Boise State conference revenue share. (For example, if the Big East and Big West exit fees paid totaled \$2,800,000 and Boise State's share of 2012/2013 conference revenue is \$2,500,000, then \$2,500,000 would be withheld from Boise State's distribution and MWC would reimburse Boise State \$300,000 from its reserves for payment of the Big East/West exit fees or if the exit fees total less than \$2,500,000, the MWC would pay the entire conference revenue distribution to Boise State and no additional MWC funds.) The MWC reimbursement to Boise State shall occur prior to June 30, 2013.
- 2. MWC Exit Fee.** In addition to the exit fee specified in the MWC Bylaws, if Boise State elects to withdraw from the MWC with an effective date prior to July 1, 2016, it shall repay MWC on the withdrawal date the amount paid by MWC from its reserves to reimburse Boise State on account of the Big East or Big West exit fees as provided in paragraph 1 above. Any other changes to the MWC exit fees shall not include a time limit of more than one years' notice nor an exit fee in excess of three times the average per member conference distribution payment for the preceding year. The exit fee for any member leaving the MWC on less than one years' notice will be double that amount.
- 3. Television Rights.** Boise State shall provide the MWC the exclusive television broadcast rights to its intercollegiate athletic events, including but not limited to home football games, each season. In return, MWC will ensure such Boise State home football games are not part of, nor granted under, any current or future MWC conference-wide television rights contract, including the MWC television rights currently under contract with CBS/CSTV or as such may be amended in the future. MWC will ensure that the Boise State home football games are sold as a separate package. Boise State and MWC must mutually agree to whom such Boise State home football game rights are licensed and to the material terms of such license (provided that Boise State agrees in advance that CBS/CSTV may remain the prime licensee of the conference for television rights and the agreement for the sale of the Boise State home football games may take the form of a sub-license from CBS/CSTV in which case Boise State and the

MWC must mutually agree to who sub-licensee is and the material terms of the sub-license). Material terms include, but are not limited to, monetary terms, time/duration of the license, cancellation terms, network upon which the games are broadcast, time and dates of performance (games), and other terms relevant to payment and performance. The revenue from such Boise State home football games license/sub-license shall be retained by the MWC and the MWC will add its retained amount to the MWC media revenue monies to be pooled and disbursed in the same manner as with all other MWC media revenues. All television broadcast rights for the Boise State away games shall be treated in the same manner as and on the same terms as other members of the MWC.

4. Division of Conference Revenue. The MWC Bylaws will be amended to provide that all members (except football-only members, which shall receive a percentage of a full share) shall receive equal distributions of conference revenue from all sources except as follows:

(a) National Exposure Bonus System. In return for the grant of television rights in paragraph 3 above, the MWC will adopt policies or bylaws that provide additional payments to conference members when they participate in regular season football games broadcast nationally as provided for in this paragraph. A national broadcast will be where a football game is aired on one of the following networks (or their successor as long as the network is in over 90,000,000 homes in the United States) ESPN, ESPN2, ABC network "Over the Air," NBC network "Over the Air," CBS network "Over the Air," or Fox network "Over the Air." If a conference member plays in a regular season game on a national broadcast as defined herein, then any MWC team participating in such game will receive a bonus of \$300,000 from the MWC. Further, if such national broadcast is on a Saturday, the MWC will provide an additional bonus payment of \$200,000. Multiple appearances on a national broadcasts are cumulative (for example and for the avoidance of doubt, a MWC team that plays on a game broadcast on ESPN on a Thursday night, and later in the season plays on ABC network "over the air" on a Saturday would earn a bonus of \$800,000). National exposure bonus payments are calculated and paid as a higher priority and prior to the per-member division of conference revenues.

(b) Potential BCS Payments for Performance. It is anticipated that in the new BCS (football post-season format) contract, that will take effect starting with the 2014 football season, significant funds may be distributed (expected to be April 2015) to the MWC. Some amount of such funds may be agreed by the "Group of Five" to be distributed based on ranking, performance or BCS bowl-appearance (including "host" or "contract" bowl games and semifinal/championship games under the proposed new BCS model) of teams in each conference. If some or all of such distributions to the MWC are made on a formula or criteria based on rankings or performance or BCS bowl appearance, then such funds shall be distributed 50% to the MWC members who generated/contributed-to/participated-in the ranking, performance, or BCS bowl-appearance and 50% to the conference pool. Any expense payments made by the BCS on account of a team's BCS bowl appearance shall be paid to that appearing team.

(c) 2013 BCS and Other Football Bowl Profits. Starting with the 2013 season and thereafter, any "profit" from a member's participation in a bowl shall be distributed 50% to the participating member and 50% to all conference members, in equal shares. (This would include payments (over and above 2013 BCS expense payments all of which go to the participating

team) to the MWC for sending a team to participate in “host” or “contract” bowl games as well as semifinal and championship game revenue under the proposed new BCS model.)

5. Other Provisions.

(a) MWC will honor Boise State’s existing non-conference scheduling commitments for future games.

(b) MWC will not regulate Boise State uniform colors or designs other than in general terms applicable to all MWC members and specifically will permit Boise State to wear blue uniforms at home.

(c) Should MWC have 12 or more members, then it is the present intent that the conference will be divided into two divisions. A conference championship game will be played at the home of the team with the highest BCS ranking as of a date specified by MWC.

(d) The MWC understands and agrees that Boise State has already entered in to a multi-year agreement for its website, streaming video and webhosting with a third party until April 1, 2018. As such, the MWC will not have such rights from Boise State. After April 1, 2018 the rights shall revert back to the MWC on the same terms as other members.

(e) The MWC will extend an option for San Diego State University to join the MWC on terms mutually agreed between SDSU and the MWC and to join or decline before offering membership to any other institution. This right of first option to San Diego Sate shall expire on January 31, 2013.

6. Binding Effect. The terms and conditions of this agreement shall bind the MWC regardless of any contrary, conflicting or inconsistent provision of the MWC constitution, articles of incorporation, bylaws, policies (or other MWC governing or organizational documents including subsequent amendments thereto) or any subsequent vote of the conference members.

Hereunto agreed and assented to by the parties on the 31st day December of 2012.

BOISE STATE UNIVERSITY

MOUNTAIN WEST CONFERENCE

By: 
Robert Kustra, President

By: _____
Craig Thompson, Commissioner

By: _____
Tony Frank, Board Chair