

Salty Dog Sale Draft Letter of Intent

The Shuswap Cycling Society will enter into a 3 year partnership with Skookum Cycle & Ski Ltd. to acquire and operate the Salty Dog Enduro mountain bike race on an ongoing basis.

Skookum Will Provide:

- Extensive hands-on training of SCC appointed event coordinator prior to and during 2020 race and ongoing consultation for 2021 and 2022;
- Liaison with various bike industry partners for the provision of sponsorship, donation and branding during the 5 year term of exclusivity, as listed in terms, below;
- Liaison and good will with City of Salmon Arm, Rec Sites & Trails BC, FLNRORD, Ministry of Transportation and Infrastructure, Salmon Arm Parks & Recreation Society, Neighbours of South Canoe Trails, Canoe Forest Products, Curt Olson, Shuswap Trail Alliance, Cycling BC;
- Use of additional Skookum-owned equipment, tools and supplies during this partnership term (power cable, tents, tables, garbage cans, chairs, etc.)

The Club will acquire the following assets from Skookum Cycle & Ski Ltd.:

- The “Salty Dog 6-Hour Enduro” name and all rights thereto;
- All current, existing Salty Dog logos and artwork;
- Trail use tenure with Ministry of Forests Land and Natural Resource Operations and Rural Development (FLNRORD) through 2025 with additional 10 year renewal option;
- Previous racer lists with names and email addresses;
- Salty Dog Event website URL, and social media accounts;
- Salty Dog Woodalion press/branding Iron;
- Event procedures and policy manual;
- Event emergency response plan;
- Miscellaneous event-owned equipment, tools and supplies (flagging tape, sign posts, signboards, etc.)

Terms & Conditions:

- The Club will pay \$75,000 to Skookum Cycle & Ski Ltd., out of proceeds from the event, payable in 3 equal instalments of \$25,000, due 15 February 2020, 2021 and 2022, respectively.
- Both parties understand that The Club will not go into debt to cover the direct costs associated with the event during the 3 year period from 2020 through 2022. These direct costs specifically do not include the costs associated with hiring of paid staff to run the event.
- Skookum Cycle & Ski Ltd. will have a take-back option if any payments are not completed during the 3 year period from 2020 through 2022;
- Skookum Cycle & Ski Ltd. to be the exclusive bike shop sponsor of the event for a 5 year period, starting in 2020, with an ongoing 5 year renewal option.