Princeton University Student-Athlete Name, Image Likeness Policy

The NCAA adopted a new policy, effective July 1, 2021, permitting student-athletes to use their Name, Image, and/or Likeness (NIL) in a commercial manner. The Ivy League also permits student-athletes to engage in and earn money and/or other benefits for commercial NIL activity, provided it meets the following requirements:

- Student-athletes may be compensated for actual work, business or NIL activity. Compensation continues to be prohibited for or as a direct result of participation in intercollegiate athletics ("pay for play");
- Commercial NIL activity may not be arranged for student-athletes by the University, including its coaches, faculty, and staff;
- NIL activity and other employment may not be used by the University or its representatives as a recruiting inducement or to encourage continued enrollment and/or participation in intercollegiate athletics at Princeton; and
- All employment and commercial NIL activity must be disclosed to the University in accordance with any institutional policies, regulations, or procedures.

There are some additional limitations on such activity under NCAA rules, Ivy League rules, University rules, and pending New Jersey law. Princeton University offers informational sessions to its student-athletes, explaining the applicable rules and legal requirements (as well as practical pointers relating to potential financial aid, tax implications and the like), so student-athletes can make informed decisions regarding NIL related activities.

Disclosure

Prior to entering into a NIL related activity, sudent-athletes are encouraged to contact the Athletics Compliance office (Greg Busch, Senior Associate Director of Athletics, gdbusch@princeton.edu), so they may understand compliance / eligibility implications.

Princeton Athletics has partnered with Opendorse, a leader in the NIL space to offer NIL opportunities to its student-athletes. All current student-athletes at Princeton receive an Opendorse account and are encouraged to activate these accounts in order to receive NIL opportunities. When a student-athlete agrees to an NIL opportunity, they are required to disclose the opportunity to the Athletics Compliance office via Opendorse. (Note: the Athletics Compliance office is not in a position to approve these arrangements or provide legal or business advice regarding these arrangements. Student-Athletes may obtain advice on these matters from professional representation – see below).

Ivy League and Princeton - General Rules for NIL Related Activities

The Ivy League and Princeton University define NIL activity as engaging for money or other consideration (goods, services, gifts-in-kind, or other forms of payment) in any engagement, business transaction or advertising promotion. In addition to the parameters outlined above, specifically **prohibited** NIL related activities are situations where such payment:

- Is not commensurate with market value for similar work, goods, or services.
- Is contingent on specific athletic performance or achievement (e.g., financial incentives based on points scored or earning a specific award);

Princeton - Specific Rules Relating to NIL Related Activities

- The University will not provide a student-athlete with compensation or royalties related to University, Conference or NCAA use of the student-athlete's name, image, or likeness for advertising, marketing, or promotional purposes or event broadcasts, etc.
- Student-athlete NIL activity may not be related to brands in conflict with exclusive University contracts (e.g., Nike).
- Student-athlete NIL activity may not be related to use of University and Athletics marks, logos or other intellectual property, including but not limited to verbiage or owned and protected designs, i.e. uniforms.
- Student-athletes may not utilize athletic facilities to conduct NIL activities.
- Student-Athletes may not miss class (or other mandatory academic activities), team or athletics department activities to engage in NIL related activities.
- Student-Athletes may not receive NIL compensation that conflicts with any provision of this policy, Athletic Department policies or rules, or team policies and rules.
- Student-athlete NIL compensation may not be related to:
 - o Adult entertainment products and services;
 - Alcohol products;
 - Casinos and gambling, including sports betting, the lottery, and betting in connection with video games, on-line games, and on mobile devices;
 - o Tobacco and electronic smoking products and devices;
 - Cannabis and related products;
 - Prescription pharmaceuticals;
 - o A controlled dangerous substance; or
 - o Weapons, including firearms and ammunition.

Alumni, PVC, and Athletics Friends

Alumni, PVC and Athletics Friends Group members and other representatives of athletics interests may hire student-athletes for legitimate NIL opportunities, as long as those opportunities comply with University, Ivy League, and NCAA rules and New Jersey law.

Other Considerations

Students who choose to engage in commercial NIL activity should be aware that they will need to consider a variety of tax, legal/contractual and other state and federal employment laws which may apply to NIL activity. NCAA and Ivy League rules permit student-athletes to utilize tax advisors, attorneys, and other professional service providers for independent advice related to NIL activity, provided the student pays the going rate for such services. The University will not be in a position to provide advice to students on outside commercial activity. Such professional representation may not be for future professional contract negotiations, but rather must be limited to:

- Activities related to the use of the Student-Athlete's NIL; and
- Attorneys licensed by the State of New Jersey.
 - Note: Non-attorney athlete agents representing Student-Athletes are required to comply with the federal "Sports Agent Responsibility and Trust Act" (15 U.S.C. s.7801 et seq.) in their relationship with the Student-Athlete.

Students who receive need-based financial aid should understand that income of any kind, including that from commercial NIL activity, may reduce their eligibility for institutional and/or federal financial aid. Questions about a student's specific aid eligibility should be sent via email to the Financial Aid Office in advance of engaging in NIL activity.

International student-athletes may be prohibited from participating in commercial NIL activity by their visa status. International student athletes should proceed with caution and consult with their own legal counsel before making a decision that could result in unauthorized employment. Questions may be forwarded to <u>Albert Rivera</u>, Director of the Davis International Center on campus.