

## Event Agreement

**THIS AGREEMENT** ("Agreement") is entered into as of the \_\_\_ day of \_\_\_\_\_, 2009, by and between **The Charity Organization Name Here**, a Michigan not-for-profit corporation (the "Charity"), and **Property Owner Name Here** ("Owner").

**WHEREAS**, Charity is a not-for-profit corporation specifically chartered or organized under the laws of the State of Michigan and qualified as a tax-exempt organization pursuant to § 501 (c) of the Internal Revenue Code;

**WHEREAS**, Owner desires to offer as a prize in a raffle for the benefit of the Charity, certain real property commonly known as Exact Address Here ("Property") legally described on Exhibit A hereto, as the possible grand prize.

**NOW, THEREFORE**, in consideration of the foregoing and the mutual promises, covenants, and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree:

1. Event. Owner hereby engages Charity, and the Charity agrees to be engaged to sponsor and conduct a raffle during a 3 month period beginning on \_\_\_\_\_ and ending on \_\_\_\_\_, during which up to 100,000 raffle tickets will be sold for \$50.00 each, the grand prize of which raffle shall be the Property (the "Event"). The Event will be conducted by the Charity pursuant to the laws of the State of Michigan, and in accordance with the terms and conditions attached hereto as Exhibit B, and updated from time-to-time by agreement of the parties.

2. Term. This Agreement shall commence on the date set forth above and continue until terminated as provided herein.

3. Event Proceeds. The parties agree that the Property has a value of \$1,300,000.00 ("Agreed Value").

(a) If the Charity receives net proceeds from the sale of raffle tickets equal to or greater than the Agreed Value, then the Charity will transfer the Agreed Value to the Owner in exchange for the Owner transferring clear title to the Property to the winner of the Event as provided herein. Any net raffle proceeds in excess of the Agreed Value shall be retained by the Charity as compensation for conducting the Event. The Charity may withhold from the amount due the Owner hereunder funds sufficient to remove any liens against the Property and pay such amounts concurrent with the transfer of the Property.

(b) In the event that at least 30,000 tickets are not sold, the original raffle will revert to a 50/50 drawing for a cash prize with one winner. In such an event, the winner will receive a cash prize equal to 50% of the net proceeds of the raffle, or such lesser amount of the net proceeds from the sale of raffle tickets, minus all promotional expenses, with the remaining proceeds going to the non-profit organizations sponsoring the event.

(c) Charity shall disburse gross proceeds from the sale of raffle tickets in accordance with Exhibit C.

4. Promotion. Charity shall promote the Event on the website [www.RaffleMansion.com](http://www.RaffleMansion.com) and in any other manner deemed appropriate by Charity. Owner shall provide photos of the property to Charity for use in the promotion of the Event. Owner shall provide Charity with any additional information requested by Charity in order to facilitate the promotion of the Event.

5. Promotional Expenses. All of the expenses of Charity (“Event Expenses”) including without limitation, all website development and hosting expenses, all advertising expenses, all promotional expenses, all computer programming expenses, etc., shall be advanced by Charity and repaid to the Charity from the gross proceeds of the Event.

6. Escrow Account. Charity shall deposit and hold all of the gross proceeds of the entries in the Event in an escrow account (“Escrow Account”) and disburse the funds as provided herein.

7. Conveyance. Owner shall convey the Property to the winner on the “Closing Date”, which shall be not less than 10 days but not more than 30 days following the Event’s conclusion in exchange for the Agreed Value of the Property.

8. Property. Owner hereby represents that it owns the Property free and clear of encumbrances (except as provided in the Title Report, described below), has the authority to enter into this Agreement, and agrees to contribute the Property as the grand prize for the Event at the Agreed Value. In order to affect the transfer of the Property to the contest winner, Owner and Charity shall enter into that certain “Option Agreement” attached hereto as Exhibit D and that certain “Sale Agreement” attached hereto as Exhibit E. Within 10 days of the date of execution of this Agreement, Owner will provide Charity with a title report, issued by a title company licensed in the State of Michigan, showing Owner’s interest in the Property and any encumbrances thereon (“Title Report”), a list of all outstanding amounts owed by the Owner on the Property, any appraisals of the Property in Owner’s possession or control, and any other documents in Owner’s possession or control related to the Property.

9. Owner’s Obligations at the Property. From the date hereof through the Closing, the Owner agrees to:

(a) Promptly repair, restore or rebuild any improvements now or hereafter on the Property which may become damaged or be destroyed, whether or not proceeds of insurance are available or sufficient for the purpose;

(b) Keep the Property in good condition and repair, without waste, and free from mechanics’, materialmens’ or like liens or claims or other liens or claims for lien not expressly subordinated to the lien hereof;

(c) Pay when due any indebtedness which may be secured by a lien or charge on the Property on a parity with or superior to the lien hereof; and upon request exhibit satisfactory evidence of the discharge of such lien to the Charity;

(d) Comply and cause the Property to comply with all statutes, rules, regulations, orders, decrees, and other requirements of any governmental body, federal, state, or local, having jurisdiction over the Property and the use thereof and observe and comply with any conditions and requirements necessary to preserve and extend any and all rights, licenses, permits (including, without limitation, zoning variances, special exceptions, and nonconforming uses), privileges, franchises, and concessions that are applicable to the Property or its use and occupancy;

(e) Make no material alterations in the Property, except as required by law or municipal ordinance;

(f) Suffer or permit no change in the use or general nature of the occupancy of the Property;

(g) Pay when due all operating costs of the Property;

(h) Refrain from the initiation or acquiesces of any zoning reclassification with respect to the Property;

(i) Cause the Property at all times to be operated in compliance with all federal, state, local and municipal environmental, health and safety laws, statutes, ordinances, rules and regulations;

(j) Not abandon the Property nor do anything whatsoever to depreciate or impair the value of the Property;

(k) Not permit the granting of any easements, licenses, covenants, conditions or declarations of use against the Property;

(l) Not permit execution of any Leases affecting the Property;

(m) Not permit any unlawful use or nuisance to exist on the Property;

(n) Pay when due and before any penalty attaches, all general and special taxes, assessments, water charges, sewer charges, and other fees, taxes, charges and assessments of every kind and nature whatsoever (all herein generally called "Taxes"); and

(o) Insure and keep insured, for its full replacement value, the Property and each and every part and parcel thereof against such perils and hazards as the Owner's mortgagee may from time to time require.

10. Environmental Matters. Owner covenants, represents and warrants to the best of

its knowledge (which shall include the knowledge of its members and managers), that:

(a) No substances, including without limitation asbestos, the group of compounds known as polychlorinated biphenyls, flammable explosives, radioactive materials, chemicals known to cause cancer or reproductive toxicity, pollutants, effluents, contaminants, emissions or related materials and any items included in the definition of hazardous or toxic waste, materials or substances ("Hazardous Material(s)") (any mixture of a Hazardous Material, regardless of concentration, with other materials shall be considered a Hazardous Material) under any Hazardous Material Law (as defined below) have been or shall be installed, used, generated, manufactured, treated, handled, refined, produced, processed, stored or disposed of or otherwise present in, or under the Property. "Hazardous Material Law(s)" means any law, regulation, order or decree relating to environmental conditions and industrial hygiene, including without limitation the Resource Conservation and Recovery Act of 1976 ("RCRA"), the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA"), as amended by the Superfund Amendments and Reauthorization Act of 1986 ("SARA"), the Hazardous Materials Transportation Act, the Federal Water Pollution Control Act, the Clean Air Act, the Toxic Substances Control Act, the Safe Drinking Water Act, and all similar federal, state and local environmental statutes and ordinances and the regulations, orders, and decrees now or hereafter promulgated thereunder.

(b) No activity has been or shall be undertaken on the Property which would cause (i) the Property to become a hazardous waste treatment, storage or disposal facility within the meaning of, or otherwise bring the Property within the ambit of, RCRA or any other Hazardous Material Law; (ii) a release or threatened release of Hazardous Material from the Property within the meaning of, or otherwise bring the Property within the ambit of, CERCLA or SARA or any other Hazardous Material Law; or (iii) the discharge of Hazardous Material into any watercourse, body of surface or subsurface water or wetland, or the discharge into the atmosphere of any Hazardous Material which would require a permit under any Hazardous Material Law.

(c) No activity has been or shall be undertaken with respect to the Property which would cause a violation of or support a claim under any Hazardous Material Law.

(d) No underground storage tanks or underground Hazardous Material deposits are or were located on the Property and subsequently removed or filled.

(e) No investigation, administrative order, litigation or settlement with respect to any Hazardous Materials is threatened or in existence with respect to the Property.

(f) No notice has been served on Owner from any entity, governmental body, or individual claiming any violation of any Hazardous Material Law, or requiring compliance with any Hazardous Material Law, or demanding payment or contribution for environmental damage or injury to natural resources.

11. Independent Contractor. The parties intend that the relationship created under this Agreement is that of an independent contractor only. The Charity is not to be considered an agent, joint venturer, partner, employee, or legal advisor of the Owner for any purpose. Charity

and Owner shall each be responsible for all state, federal, and local taxes, including estimated taxes, social security, disability insurance, if any, and any other similar form of payments, as well as all employment reporting, for the proceeds which each receives from the Event.

12. Confidentiality. Owner and Charity hereby agrees that, except with the written consent of the other party, each party shall keep confidential and not divulge to any person that is not affiliated with the Event, during the term of this Agreement or any time thereafter, any of the terms of this Agreement, the relationship of the parties, or any confidential information and business secrets used or developed in connection with the Event including, without limitation, confidential information and business secrets relating to such matters as the Event's proceeds sharing structure contained herein, the Event's finances and operations, processes, promotional strategies and procedures, and the names of the Charity's vendors, consultants or related information.

13. Early Termination. This Agreement may be terminated by either party upon 30 days prior written notice and the opportunity to cure if: (i) either party materially breaches this Agreement and fails to cure within such 30 day period, or (ii) if either party receives notice from any governmental authority that the Event is or may be in violation of applicable law.

14. Release. Each party hereby releases the other party and each of such other party's owners, officers, employees, agents, consultants and sub-contractors from any liability or claims related to their activities as contemplated in this Agreement.

15. Indemnification. Each party hereby indemnifies, defends and holds harmless the other party and each of such other party's owners, officers, employees, agents, consultants (specifically including Raffle Mansion Charity Promotions, LLC) and sub-contractors from any and all loss, damage, liability, cost, claim or action (including reasonable attorney fees and expenses), which such party may suffer or incur as a result of any claim whatsoever arising out of: (i) any act or omission by such party in violation of the terms and conditions of this Agreement; (ii) any act or omission by such party in conformance with the terms of this Agreement, (iii) any claim by a third party against such party arising out of such party's performance under this Agreement; and (iv) any governmental fine or penalty arising out of the Event.

16. Severability. If any general provision of this Agreement is determined by a court of competent jurisdiction to be illegal or invalid for any reason whatsoever, then such provision shall be severed from this Agreement and shall not affect the validity of the remainder of this Agreement.

17. Enforcement Costs. The parties shall be entitled to recover their actual expenses associated with the enforcement of this Agreement, including but not limited to reasonable attorneys' fees and court costs, in addition to any other relief which the parties may be entitled.

18. Entire Agreement. This Agreement, together with the all exhibits, constitutes the entire agreement between the parties with respect to the subject matter herein, and supersedes all

prior communications and/or agreements. No modification or waiver of this Agreement or any provision herein shall be binding unless in writing and executed by both parties hereto.

19. Assignment. Neither party may transfer or assign rights or obligations under this Agreement without the written consent of the other party. This Agreement shall be binding upon the parties and their respective permitted successors, heirs and assigns.

20. Notice. Any notice required under this Agreement shall be valid upon either actual delivery or deposit in the U.S. Mail, postage prepaid to the parties at the addresses set forth below.

21. Compliance with Law. The parties agree that in rendering services and in carrying out their other duties under this Agreement, neither party shall undertake nor cause or permit to be undertaken any activity which they know to be illegal under the laws of any state or of the United States of America. To the extent that any provision of this Agreement or the Event is deemed to be illegal under the laws of any state or of the United States of America, the parties agree to negotiate in good faith an amendment to this Agreement which allows the Event to proceed in compliance with applicable law.

22. Recording. Charity is hereby authorized to record this Agreement and any of its Exhibits at its sole option at any time without further notice.

23. Further Assurances The parties shall execute such further documents, and perform such further acts, as may be necessary to transfer and convey the Property to the winner of the Event, on the terms herein contained, and to otherwise comply with the terms of this Agreement and consummate the transactions contemplated hereby

**IN WITNESS WHEREOF**, the parties have executed this Agreement on the date written above.

**CHARITY:**

The Charity Organization Name Here

By: \_\_\_\_\_  
Name, Representative

Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**OWNER:**

Owner(s) Name Here

By: \_\_\_\_\_  
Owner Name Here, Owner

Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

By: \_\_\_\_\_  
Additional Owner Name Here, Owner

Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Exhibit A

Legal Description

Exhibit B

Contest Terms & Conditions

Exhibit C

Escrow Account

Exhibit D

Option Agreement

Exhibit E

Sale Agreement