

Impact of the Proposed Settlement on Division I Institutions

Question No. 1: Will it be permissible for any school in Division I to provide the additional benefits contemplated in the proposed settlement?

Answer: Any Division I institution may provide benefits to student-athletes permitted by the proposed settlement. If an institution provides Pool payments or additional benefits (e.g., scholarships) to student-athletes beyond what was permissible in Division I before the settlement, the institution is subject to all obligations and limitations of the settlement.

Question No. 2: Is an institution that provides direct name, image and likeness (NIL) payments to a student-athlete subject to the terms of the settlement?

Answer: Yes.

Question No. 3: Under the proposed settlement, does every Division I institution have to provide additional benefits to student-athletes?

Answer: No. Each Division I institution may decide whether and how much of any new benefit to provide to student-athletes, up to the Pool limitations. Additionally, each Division I conference may set rules or guidelines for its members on the provision of additional benefits as long as those rules or guidelines are set independently and not by agreement with any other conference.

However, if a Division I institution provides additional payments or benefits to student-athletes beyond what is currently permitted, the institution is subject to all obligations and limitations of the settlement including, but not limited to roster limits, reporting and the Pool.

Question No. 4: Can an institution opt into the settlement on a team-by-team basis?

Answer: No. For institutions providing additional payments or benefits to student-athletes beyond what is currently permitted, the terms of the settlement apply to all programs at an institution and may not apply on a team-by-team basis.

Question No. 5: Will all student-athletes in Division I be required to disclose third-party NIL agreements in excess of \$600 or only student-athletes enrolled at institutions that provide or facilitate payments or benefits pursuant to the settlement?

Answer: All Division I student-athletes will be required to report to (a) the member institution in which they are enrolled and/or (b) the designated reporting entity any and all third-party NIL contracts or payments with a total value of \$600 or more.

Question No. 6: Will Division I institutions be required to provide full athletics scholarships in any particular sport after final approval of the settlement?

Answer: No. All Division I athletics scholarships will be equivalency awards and institutions may provide any portion of a scholarship.

Question No. 7: Will Division I adopt legislation that establishes a roster limit for each Division I sport for institutions awarding benefits afforded by the proposed settlement?

Answer: Yes. Division I will adopt legislation that establishes roster limits consistent with those reported to the Court as part of the settlement.

Question No. 8: Does the proposed settlement impact access to qualification for Division I championships and existing revenue distribution formulas?

Answer: No.

Question No. 9: What steps are remaining before the proposed settlement is finalized?

Answer: Final approval Hearing is scheduled for April 7.

Question No. 10: Where should I go if I have questions about the proposed settlement and its impact on St. Bonaventure University?

Answer: This Q&A is intended to provide guidance on national issues. Issues that are campus-specific or conference-specific should be addressed at a local level. Questions about the application of the settlement to existing legislation may be submitted to settlementquestions@ncaa.org.

Question No. 11: Where should institutions or conferences direct student-athletes who have questions about participation in the settlement?

Answer: Student-athletes with questions about the settlement should visit www.collegeathletecompensation.com.

Question No. 12: What is the process for an institution to indicate whether it has opted-in or opted-out of the settlement?

Answer: Division I institutions that intend to provide settlement-related benefits must provide notice of intent no later than March 1 of each year, beginning March 1, 2025. The defendant conferences are responsible for developing the institutional payment management and reporting system. This system will include the platform that tracks institutional payments to student-athletes as contemplated by the settlement.

Question No. 13: May an institution that initially opts out of the settlement decide to opt in to the settlement during a subsequent academic year during the remainder of the ten-year term?

Answer: Yes. An institution may make a decision to opt in to the settlement (e.g., providing additional benefits to student-athletes) at any point during the ten-year term of the settlement.

The settlement also allows an institution who previously offered benefits contemplated by the settlement to return to awarding benefits at pre-settlement levels. However, institutions will be accountable to any agreements entered into with their students and the Division I core guarantees continue to apply. A school that opts out of the settlement must be fully compliant with the settlement terms if it decides to opt back in. The settlement terms tie roster limit compliance to the awarding of the additional benefits. Therefore, the settlement does not require an institution to comply with the roster limits contemplated by the settlement after it reverts back to providing benefits currently allowed.

Question No. 14: What are the obligations for institutions who opt in to the settlement?

Answer: An institution that opts in to the settlement must fulfill obligations that apply to defendant conferences and their members under the settlement, including, at minimum:

- Ensure that any additional benefits being provided comply with the Pool cap.
- Report to the designated entity:
 - o All licenses between the institution and its student-athletes for name, image and likeness; and
 - o Any other payments or benefits provided beyond what is currently permitted by NCAA rules.
- Report all benefits that count against the Pool within 60 days after the close of each academic year (i.e., June 30) (specifics being developed). For members of the defendant conferences, these reports will be provided to their respective conference.
- Adhere to the roster limits established by the defendant conferences.

In addition, all Division I schools, including but not limited to those that opt in to the settlement, must ensure compliance with disclosure obligations for student-athlete NIL agreements (e.g., disclosure of all agreements of \$600 or more). The precise details of these reporting mechanisms are still being developed.

Question No. 15: When must schools be in compliance with new roster limits?

Answer: Beginning in the 2025-26 academic year, for fall sports, schools must be at or below the roster limits prior to the first date of competition that counts for championships selection in the relevant sport. For winter and spring sports, schools must be at or below the roster limits not later than December 1 or the first contest that counts for championships selection in the relevant sport (whichever is earlier).

[Note: additional requirements related to roster limits (e.g., whether a particular student-athlete must be included on a team's roster) are being developed.]

Question No. 16: What are the implications if an institution does not opt in to the settlement?

Answer: All existing Division I legislation remains effective unless and until modified, other than scholarship limits for Division I, which will be eliminated as part of the settlement. Further, institutions that choose not to provide benefits contemplated by the settlement are not bound by the requirements of those schools that opt-in, except all Division I student-athletes must disclose all third-party NIL deals worth \$600 or more, with the specific details of the reporting mechanisms still being developed.

Question No. 17: If an institution that is not subject to the terms of the settlement increases the number of scholarships offered in a sport but remains under the number of scholarships currently permitted in that sport by Division I legislation, does the increase in the number of scholarships offered subject the institution to the terms of the settlement?

Answer: No.

Question No. 18: Under the proposed settlement, can a Division I institution enter into an NIL deal with a current student-athlete?

Answer: Yes, an institution may enter into an NIL deal with a student-athlete, provided it does not extend beyond the student-athlete's NCAA competition eligibility. NIL and other benefits cumulatively across all student-athletes cannot exceed the stated cap.

Question No. 19: May an institution offer a prospect or current student-athlete benefits consistent with those contemplated by the settlement?

Answer: Yes. Schools may not make payments prior to July 1, 2025, and can make payments after that date only if the court has granted final approval of the settlement. An institution may make offers, contingent on final settlement approval, to prospects or current student-athletes that involve the provision of benefits contemplated by the settlement. These additional benefits may not be awarded unless and until the settlement is adopted by the court.

Question No. 20: How and when will a student-athletes' third-party NIL deals be subject to the fair-market-value assessment contemplated by the settlement?

Answer: All Division I student-athletes will be required to report third-party NIL deals worth \$600 or more, whether or not their institution opts in to the settlement. All agreements with associated entities and associated individuals with payments occurring after July 1, 2025, will be subject to the fair-market-value assessment contemplated by the settlement. Also, all new agreements with associated entities and associated individuals executed after settlement approval (which could occur any time after April 7, 2025) will be subject to a fair-market-value review.

In addition, if there is a challenge to determinations related to fair-market-value, third-party arbitrators approved by the plaintiffs, the defendant conferences and the NCAA will render a decision.

Question No. 21: When will the technology behind the cap-reporting and NIL fair-market-value platforms be developed?

Answer: The defendant conferences have reached agreement with vendors who will develop, test and provide appropriate training for the platforms. LBi has been selected as the vendor for the cap reporting platform and Deloitte has been selected for the NIL fair market value platform. The defendant conferences will be responsible for the build-out of the cap-reporting system and related enforcement of complying with the cap. The defendant conferences also are responsible for overseeing the administration of the fair-market-value system. Schools should not contact vendors directly with questions at this time. More information will be forthcoming about the development of both platforms.

Question No. 22: How will student-athletes be educated on the impact of the settlement?

Answer: Student-athletes can learn more about the settlement from the attorneys representing the student athlete classes and/or at the following website: www.collegeathletecompensation.com.

Impact of the Proposed Settlement on Division I Student-Athletes

The lawyers representing the student-athlete classes have established www.collegeathletecompensation.com as their source of information about the case, the damages award allocation, and the overall settlement. Student-athletes are encouraged to go to that website to obtain more information about the settlement (including a copy of the settlement agreement itself) and/or obtain the contact information of the lawyers representing the student-athlete classes, who can answer questions about the settlement. The lawyers representing the student-athlete classes and Defendants have agreed upon the answers in this document and the Court has approved their distribution.

Question No. 1: Will all student-athletes receive name, image and likeness (NIL) payments from their school?

Answer: Whether a school provides payment for the use of a student-athlete's NIL is a decision between student-athletes and their school.

Question No. 2: If a school provides additional benefits or NIL payments, will all student-athletes at a particular school or on a particular team receive the same amount of NIL payments or benefits from the school?

Answer: Schools may provide additional benefits, including payments for use of NIL, to some, all or none of their student-athletes for use of their NIL. Benefits may vary by student-athlete, team or otherwise.

Question No. 3: Is a student-athlete's athletics scholarship guaranteed?

Answer: The proposed settlement does not alter any of the scholarship guarantees that became effective August 1, 2024. With the new scholarship protections, schools cannot reduce, cancel or fail to renew athletics scholarships in NCAA sports for athletics reasons (such as injury, physical or mental illness, athletic ability or performance, contribution to team success or roster management decisions). These requirements continue to apply regardless of any roster management decisions unless and until the student-athlete in question graduates or elects to transfer.

Question No. 4: Is a student-athlete's roster spot guaranteed?

Answer: No. Schools have discretion whether to include a student-athlete on a particular team. Schools that choose to opt-in to the settlement will be bound by set roster sizes. Decisions related to those available roster spots will be up to the school, regardless of whether a school provides additional benefits or NIL payments.

Question No. 5: Do student-athletes need to disclose all NIL agreements?

Answer: If the settlement is approved, all NIL deals whether with a school or third-party will need to be disclosed. Student-athletes must disclose all NIL agreements with third parties if the involved payment(s) exceeds \$600 in total. Schools are responsible for disclosing any additional payments or benefits provided under the settlement.

Question No. 6: May student-athletes sign an NIL agreement with anyone?

Answer: Yes. Depending on who the agreement is with, the considerations below may apply:

- A student-athlete's school (including any entity owned, operated or controlled by the school): The total amount of NIL money provided to all student-athletes by a school or one of its entities must not exceed the annual pool amount allowed for each school.
- Third parties who are "associated entities or individuals" (that is, certain boosters and all collectives): These entities and individuals may engage in NIL agreements with student-athletes only if the NIL money is paid for a valid business purpose to promote goods and services provided to the general public for profit, with payments at fair market value rates, consistent with existing NCAA rules. These assessments will be subject to challenge in a new neutral arbitration system.
- Third parties who are not considered "associated entities or individuals": Agreements with other third parties are permissible and not subject to further review but must be disclosed if payments exceed \$600 in total.

Question No. 7: How do student-athletes know if an individual or company is an "associated individual or entity"?

Answer: The settlement defines "associated entities or individuals." Your school, your agent or representative, the individual or company and counsel representing student-athletes in this case will be able to assist you in determining an individual's or company's status consistent with the terms of the settlement.

Question No. 8: Who determines whether the money provided by an associated entity or individual is at a fair market rate?

Answer: If the settlement is approved, student-athletes will be provided instructions on where to submit all third-party NIL contracts over \$600. If any NIL agreements involving associated entities and individuals are deemed impermissible by the designated enforcement entity, student-athletes will have the opportunity to challenge that decision through a new neutral arbitration system. If the decision is upheld by the neutral arbitrator, the student-athlete and the associated entity or individual will be given an opportunity to renegotiate their agreement.

Question No. 9: What can schools do to help student-athletes find NIL opportunities?

Answer: In addition to paying student-athletes for use of their NIL consistent with the terms of the settlement, schools can help find outside opportunities and provide services to support student-athletes in their search for NIL opportunities as long as student-athletes maintain final authority (such as, determining terms of agreement, deciding whether to accept or reject NIL agreement) over all NIL opportunities.

Question No. 10: Can student-athletes sign NIL agreements with schools AND outside third parties?

Answer: Yes. Student-athletes can also agree to sign exclusive NIL agreements with schools if the school offers exclusive NIL agreements. Student-athletes should work with their agent or representative and their school to learn of any school-specific requirements for NIL agreements.

Question No. 11: Are there any other restrictions on schools that student-athletes should be aware of?

Answer: Schools may not make any payments for NIL agreements prior to July 1, 2025, and all offers must be contingent on final approval of the settlement. Schools also may not enter into NIL agreements

with student-athletes that extend past the time of a student-athlete's eligibility, other than for the continuing use of any content that was created during a student-athlete's eligibility.

Question No. 12: Where can student-athletes go if they have questions about participation in the settlement?

Answer: Student-athletes with questions about the settlement should visit www.collegeathletecompensation.com. Student-athletes may also contact the lawyers who represent the student-athlete classes or the settlement administrator. Their contact information can be found on the case website.

Question No. 13: Where can student-athletes go if they have questions about the Division I NIL environment?

Answer: Student-athletes can visit www.nilassist.ncaa.org for a registry of professional service providers, a dashboard outlining Division I NIL landscape and education on NIL-related topics.

Question No. 14: What is the correct way for student-athletes to express their objections to the settlement, if any?

Answer: If you disagree with any aspect of the settlement, you may send a letter to the Court that is postmarked no later than January 31, 2025, in which you provide reasons in writing why you think the Court should not approve the settlement. More information about how to submit written objections to the Court can be found on the notice for the settlement, a copy of which can be accessed on the case website, www.collegeathletecompensation.com.

Question No. 15: Can the Court change the terms of the settlement agreement?

Answer: The Court can only approve the settlement or deny approval of the settlement. The Court cannot change the terms of the settlement. If the Court denies approval, the lawsuits will continue. Student-athletes are encouraged to access a copy of the notice for the settlement for more information, which can be found on the case website.