

APPENDIX A - SAMPLE LETTER OF AGREEMENT

XYZ CAR CLUB
Preserving the AutoChariot



The Director,
PPP Promotions

Thank you for your letter (phone call etc) seeking assistance from the XYZ Historic Vehicle club for the supply of vehicles for a promotional display at the Neighbourhood Exhibition. The Club would be delighted to assist you in this event. As you would well appreciate, some of the vehicles you have requested are quite valuable and we would seek your acceptance and confirmation of a number of conditions under which our club members would participate. The following conditions are understood by the club:

Date of event: 12 Dec 2007
Times required: 10 am to 4pm on site
Vehicles required: 6 Red sports cars
Venue: 234 Green Road, Browntown
Entry: Entry to site via the North access road, gates open 8.30 am
Display: Display vehicles will be parked in the Red park area from 9am to 3pm
Security: The display area will be enclosed by a 1m cyclone wire fence
Parking: Parking for 4 trailers and 4 service vehicles will be in Blue park area
Exit: All display and service vehicles to be removed by 7 pm on the day

Free entry to the event for 6 display vehicles.
Free entry (including pass outs) to the 6 vehicle owners for the duration of the event.
Free entry for 4 club officials on the club's promotion stand for the duration of the event.
A food and drink voucher for 10 persons each day.
Full insurance coverage of the vehicles plus public liability cover.
An area of 40 sqm available for the Club to erect a banner and locate a table and 4 chairs for Club promotion, adjacent to the vehicle display park area.
The Club may sell vehicle memorabilia and Club badges.
A 240 V power outlet within 10 m of the display area.

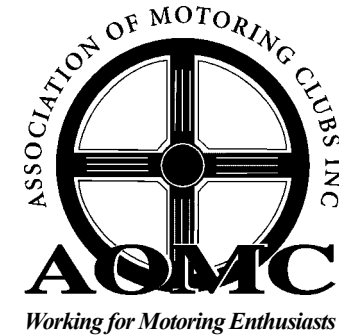
We also understand that you will include mention of our Club's participation in your promotional material. As agreed, the Club would most welcome your donation of \$150 and 10 free double passes to the Australian Grand Prix race meeting. We understand that you will post the entrance passes to the Club at the above address at least one week prior to the event and that your promised donation will be made within two weeks of the completion of the event.

For any further details you might wish to advise us, you can phone our Club Promotion Officer Ms Class Car on 9555 1230 a/h who will pass these directly onto the display vehicle owners.

Once again thank you for your interest in the XYZ Historic Vehicle Club and the offer to participate in this event. We await your confirmation in writing of the above agreement. We wish you every success with the venture.

Yours sincerely

President / Secretary.



Guidelines on the Use of Classic & Historic Vehicles for Promotional Purposes

MARCH 2007

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Club Contact Officer

Typically most contact with a motor club is made through the Secretary and it would therefore be desirable that he/she have access to member and vehicle records and knowledge as to whether the owner would be willing to offer his vehicle for such purposes. Therefore it is useful to compile a register within the club of suitable vehicles. Some clubs may choose to delegate the task to another person other than the secretary. A decision must be made within the club as to whether the event promoter should call the individual owners directly or whether the Club Secretary makes the commitment to supply the requisite number and types of vehicles as required and negotiates the conditions on the supply of the vehicles. The former approach minimises the load on the Secretary if a list of names and say telephone numbers are made available but the advantages of negotiating conditions acceptable to the club and individual members is lost. On balance it would seem that one person in the club would be preferable, as they would become familiar with the key issues and be able to follow a check list of questions to the event promoter.

Questions that should be asked at first phone contact

Contact person name, phone/fax number, organisation name, charity, community, commercial, event date, venue, display times, entry and exit times, static display, street parade, how many vehicles, what type vehicle, what colour, display area inside/outside, what surface grass/concrete, shelter, directions, parking, lighting, power, carry passengers, banners and/or stickers on vehicles, entry passes, insurance, security, police escort, local council permit, VicRoads permits for road closure, person in charge at the display, club promotion/sales area, freebies, food / drink, toilets, payment/donation or other, method of payment of donation etc., payment date, and anything else you want to know.

You must write down the answers. Do not trust the arrangement to the promoter's memory or your own!

Do not hesitate to ask any question that may be relevant to that particular request for vehicles. All enquiries are different in some way and your predetermined list of questions may not cover a new situation. Remember you will be asking club members to supply their valuable historic/classic vehicle for display plus their time, with the return being a donation/promotion for the club with in most cases no direct compensation going to them. The information that you supply to your members for them to make a decision of support or otherwise will be based purely on the information supplied by you.

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AGREEMENTS & PAYMENTS

Agreements and Contracts

The terms under which a club participates in an event should be formalised in writing to avoid any later disputes. The agreement of the club should be on club letterhead and at least signed by a suitable authorised member eg. President or Secretary. See Appendix A for a Sample Letter of Agreement. If the promoter does not offer to confirm or write these conditions down in any correspondence then the club's acknowledgment should include the details clearly indicating the conditions under which the club provides the vehicles and any display material. It is instructive to note that any promoter who does not provide acknowledgment or agreement probably is not suitable to manage the event anyway and perhaps it may be a forewarning of problems that might best be avoided by not participating.

For clubs that have been approached in the past or might expect to be in the future it would be prudent to develop a questionnaire and a form Letter of Agreement in advance rather than leaving it until a request is received. Again, responsible management in your club will be respected by the promoters in knowing that there is process in place in the club and that the supply of suitable vehicles at the appointed time can be relied upon.

Where an agreement is to be made for individual vehicles and terms of compensation arrived at, this should be between the owner of the vehicle and the promoter not through the club. Any payment for services for that particular vehicle must be transacted between the owner of the vehicle and the promoter, not through the club.

Payment and Receipt of Compensation

It would be pleasing if the promoter were to pay before the event. At least any entrance tickets or coupons etc. should be supplied well beforehand to avoid any confusion at the entrance gates when the vehicles are arriving. However it is not unreasonable to expect that the promoter would pay after the event to ensure that the vehicles agreed were actually present. It is unreasonable to expect payment on the day unless it has been clearly agreed beforehand.

If the club is to receive a donation for arranging vehicles for display the payment should be made by cheque payable to the club.

If no payment (donation) is received within say 30 days of the event it is not unreasonable to write a letter reminding the promoter of the agreements and requesting the payment (donation).

GUIDELINES ON THE USE OF CLASSIC AND HISTORIC VEHICLES FOR PROMOTIONAL PURPOSES.

Introduction

There are many instances where Motoring Clubs and their members are approached by other parties with requests for the use of their vehicles for promotional or charity events. The following guidelines are provided to ensure that there is some degree of consistency in the way vehicle clubs might respond to such requests and to also assist individual owners in considering such proposals.

It is possible that many classic vehicle owners already have their names and vehicles details recorded with other organisations as being available for promotional purposes and these guidelines are not necessarily intended to cover these circumstances but may be used to assist those considering such a proposal.

Source of Requests

The sources of the requests and the ultimate purpose intended for the use of the classic vehicle may significantly influence the decision on whether to agree to the request and under what conditions to consider or reject it. Requests can arise from many organisations ranging from those operating for commercial gain to a local charity group. It is not intended to make any such classification of organisations in these guidelines but merely to highlight the need to consider this factor in the deliberation on support. Clearly Clubs and vehicle owners should have no reservations in negotiating for some form of compensation from a purely commercial operation, while in contrast, it would be reasonable to assist those groups which are considered to be more needy by not seeking compensation. Indeed most vehicle clubs are usually founded on such well meaning principles.

Types of Use Requested

Vehicles may be requested for a range of uses including the following:

- | | | |
|----------------|---|-------------------------------|
| Static Display | * | Shopping Centres |
| | * | Product Promotion |
| | * | Video or Film props |
| Dynamic Use | * | Weddings |
| | * | Carriage of Celebrities |
| | * | Carriage of disabled children |
| | * | Video or Film vehicles |

In each case the vehicles could well need to be driven or moved by the owner or by the user and this would need to be borne in mind in evaluating the proposal.

INSURANCE, REGISTRATION & COMPENSATION

Insurance

Many classic and historic vehicle insurance policies may preclude the use of the vehicle for business use and the policy and special conditions should be carefully examined BEFORE the vehicle is offered for promotional purposes. Conversely film producers may offer adequate coverage for all types of damage that might be suffered while being used on the film set and during the production but which however may not apply when not actually in use.

Vehicle Registration & Club Permit

Victorian motor regulations do not permit the use of a vehicle for hire or reward unless so licensed. Thus where vehicles that are not licensed for hire or reward are used to transport people or goods then no payment or reward may be accepted for this service.

Compensation for Service

Where these guidelines suggest that compensation for services of a classic and historic vehicle be pursued, these suggested rewards and or payments are directed to vehicles licensed for hire or reward. Clubs may of course accept donations.

Compensation

Many classic and historic vehicles are of high value and it may be difficult to repair the vehicle to its original display condition under insurance if it should be damaged while on display, therefore it is desirable that damage be prevented in the first instance. Do not believe any guarantees that a promoter might give that the display will be secure and that the vehicles will be protected from the public. The best way to protect it is for you or somebody whom you trust personally, to be present at all times. For club displays a group of fellow club members who also have vehicles on display might be sufficient.

For pure commercial events the promoter is using your vehicle for his financial gain and it is reasonable that you or your club should share in some of these benefits. Clearly there are some events that might be promoted as being charitable and it remains for you and/or your club to make a value judgement on the conditions under which you might provide vehicles. Benefits can flow to all parties in that the promoter uses the vehicles to attract attention to the event while the club uses this interest to enhance its objectives in, for example, gaining new members.

Compensation may vary, for example - in cash, free promotion of the club, discounts or other.

COMMERCIAL & CHARITY EVENTS

Commercial Events

For any show that the public is charged an entry fee or donation the following minimum compensations are recommended and as it does not necessarily involve any direct outlay by the promoter, should be considered reasonable

- . Free entry to the event for display vehicles,
- . Free entry (including pass-outs) to the owners of the vehicles for the duration of the event,*
- . Free food and drink if provided on site in association with the promoter,
- . Full insurance coverage of the vehicle plus public liability,
- . Free power and lighting (if needed) for the display,
- . Free parking for trailers and any service vehicles needed for the display,
- . Advertising and promotion of the club,
- . A suitable place for any club promotional equipment or display items.

* Where the event is a sporting fixture or similar entertainment that would normally require the public to purchase tickets, then free entry is probably an unreasonable demand if other compensations have been agreed to.

If the display runs during business hours or where the owners might be otherwise working elsewhere then some direct cash payment is reasonable. The exact amount should be negotiable but should represent the costs incurred or rewards that would otherwise be foregone.

The charges could also be aligned with those of a commercial hire company.

	Vehicle Alone	Vehicle & Driver
One full day say 9am to 6pm	\$150 per vehicle	\$250
One full day plus evening 9am to 10pm	\$175 per vehicle	\$300
Two hours or less in transporting celebrities	\$ 75 per vehicle	\$175
Two days say 9am to 6pm	\$200 per vehicle	\$300
Two days including evenings	\$250 per vehicle	\$350

Depending on the Club's taxation status these charges may be increased to cover GST.

Charity Events

For those events that are promoted as purely charity with or without entrance fees then all of the items included under the above dot points for Commercial Events should be negotiated with no direct payment demanded.