

14B NCAC 10 .0413 CONTRACTS AND FINANCIAL ARRANGEMENTS

- (a) A promoter or matchmaker shall not contract with or negotiate with managers or contestants who are under suspension or whose license has been revoked in North Carolina or any other state.
- (b) All contracts shall be in writing and shall be filed with the Division within seven days after execution. The Division shall be notified immediately of any changes in contractual status, which change shall be in writing, signed by all parties of the contract and filed with the Division within seven calendar days after execution. Contracts between contestants and the promoter shall be filed with the Division no later than at the time of the weigh-in.
- (c) Except as provided in G.S. 143-651(13)a, only a licensed manager may negotiate or contract for or on behalf of any contestant with any promoter or matchmaker under the jurisdiction of the Division. Any contract or negotiation entered into by any other person is unenforceable.
- (d) A manager shall not negotiate, obligate or contract for matches for a contestant not under contract to him.
- (e) Managers shall file changes in contractual status with the Division no later than at the time of the weigh-in.
- (f) Contracts shall not be entered into which entitles a manager or group of managers to a total fee in excess of 33 1/3 percent of the gross earnings of the contestants, and no contract containing such a provision is valid or binding.
- (g) Release of a contestant from a contestant or manager contract shall be in writing and filed with the Division.
- (h) A manager of a contestant shall not sell, assign, transfer any interest, or in any way encumber, or attempt to sell, assign, transfer any interest or in any way encumber in whole or in part, any interest which he holds in any contract for services of the contestant without notice to the contestant and without notice to the Division.
- (i) A person shall not sign a contract with a contestant as a promoter, manager, or matchmaker, unless the person has first applied for and been granted the appropriate license, or the contract is not valid.
- (j) Each contract between a manager and a contestant shall contain provisions governing its duration, division of the contestant's purse, and any minimum sum guaranteed to the contestant by the manager. Each contract shall provide and if not included, shall be deemed to include, that it is automatically terminated if the license of either party is revoked by the Division or if the manager fails to renew his license before its expiration date. If the license of either party is suspended, the contract is not binding upon the other party during the period of suspension, provided however that if the manager's license is revoked or suspended for a period of greater than sixty days, the contract shall be automatically terminated.
- (k) The Division may withhold any or all of any manager's share of a purse in the event of a contractual dispute as to entitlement to any portion of the purse until such dispute is resolved. If the Division deems it appropriate, the Division may compel interested parties over any disputed funds into the appropriate court for resolution of the dispute prior to release of all or any part of the funds.
- (l) No manager shall attempt to select or insist upon the selection of any referee or judge in a match in which a contestant under his management is to appear, nor shall he have the name of any such referee or judge written into the contract governing such match.
- (m) No manager shall pay or contribute to the pay of any referee, judge, or timekeeper.
- (n) For accounting purposes, a promoter may make checks payable to contestants but shall immediately cash the checks. A contestant shall not be required to accept a payment by check in lieu of cash. The promoter shall retain receipted vouchers for all expenditures and deductions, for a period of six months, during which time the promoter shall provide to the Division upon demand a copy. The total amount of all purses, official fees and administrative costs shall be deposited in the form of American currency to the Division representative at least two hours before the start of the first match.
- (o) The manager shall furnish to the contestant he manages a statement of distribution, together with the contestant's share of the purse, no later than 24 hours after the manager receives the purse and a statement from the promoter. The manager shall retain receipted vouchers for all expenditures and deductions, for one year following the expiration date of the contract between manager and contestant, during which time the manager shall provide to the Division upon demand a copy.
- (p) A contract, which states that a contestant shall fight exclusively for one promoter or at the option of the promoter is not valid and the division shall not resolve disputes arising under any such promoter contract.

*History Note: Authority G.S. 143-652.1;
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