

MEMORANDUM

TO: Athletic Directors of Division I Institutions

FROM: College Sports Commission

DATE: July 10, 2025

RE: Update on NIL Go & Guidance

The purpose of this memorandum is to provide an update on the NIL Go platform and further guidance based on early trends.

NIL Go Usage & Deal Clearance

Since it launched on June 11, NIL Go has seen broad usage. Over 12,000 student-athletes and over 1,100 institutional users are registered and approved to use the system, and student-athletes have added over 1,500 representatives/agents into the system. In the past week, around 500 students and 300 institutional users logged into NIL Go on an average day.

Thus far, over 1,500 deals have been cleared, ranging in value from three figures to seven figures. Other deals have been submitted but either are awaiting verification of certain information from the payor or the institution or have been returned to student-athletes for clarification or correction of data and are awaiting resubmission.

In the past several days, the College Sports Commission (“CSC”) has begun notifying some student-athletes that their deals cannot be cleared as submitted, and more notifications of this kind are forthcoming. In some of these cases, notification was or has been delayed while certain aspects of settlement implementation were finalized. Since many of these deals cannot be cleared for similar reasons, we are providing additional guidance below.

Valid Business Purpose

In most of the deals that cannot be cleared as submitted, the valid business purpose requirement of the Settlement, as set forth in NCAA Rule 22.1.3, has not been satisfied. An entity with a business purpose of providing payments or benefits to student-athletes or institutions, rather than providing goods or services to the general public for profit, does not satisfy the valid business purpose requirement of Rule 22.1.3. The requirement is not met even if the particular deal with the student-athlete purports to provide goods or services to the general public. For example, a NIL collective that has a business purpose to pay student-athletes associated with a particular school or schools does not satisfy Rule 22.1.3 when it reaches a deal with a student-athlete to make an appearance on behalf of the collective at an event even if that event is open to the general public and the collective charges an admission fee (e.g., a golf tournament). In this example, the NIL

collective's purpose is to raise money at the event to pay that student-athlete and potentially fund deals with other student-athletes at that school, which are not goods or services available to the general public for profit. The same collective's deal with a student-athlete to promote the collective's sale of merchandise to the public would not satisfy the valid business purpose requirement for the same reason; the collective's whole purpose in selling merchandise is to raise money to pay that student-athlete and potentially other student-athletes at a particular school or schools, which is not a valid business purpose under NCAA Rule 22.1.3.

These same deals would satisfy the valid business purpose requirement if the entities paying the student-athletes, and receiving the proceeds from the general public, were businesses that had a broader purpose outside of paying student-athletes at a particular school or schools (e.g., a golf course, an apparel company). Such deals might also satisfy the requirement even if the NIL collective made the payments to the student-athletes, provided that there is documentation establishing that the sources of those specific funds were the entities with a valid business purpose that received the benefit of the student's NIL (e.g., the golf course, the apparel company). In other words, NIL collectives may act as marketing agencies that match student-athletes with businesses that have a valid business purpose and seek to use the student's NIL to promote their businesses.

Payor Information

Other deals have yet to be cleared because schools have failed to respond to requests for information about the entity involved in the deal (e.g., whether it is an associated entity). Responses to this information are critical to the ability of the CSC to evaluate submitted deals in a timely manner. Going forward, please ensure that your institution is promptly responding to these inquiries to facilitate clearance of your student-athletes' deals.

If you have questions about anything in this memorandum, please reach out to your conference's general counsel or compliance lead or to the NCAA's compliance staff. In the coming months, the CSC will grow its staff to the point where it can receive inquiries directly from schools. Thank you for your patience.