

**EXHIBIT C TO THE OFFERING CIRCULAR**

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**FORM OF**

**AREA DEVELOPMENT AGREEMENT**

**i9 SPORTS CORPORATION**  
**AREA DEVELOPER AGREEMENT**

**i9 SPORTS CORPORATION**  
**AREA DEVELOPER AGREEMENT**  
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**EXHIBITS**

- “A” AREA DEVELOPER TERRITORY
- “B” DISCLOSURE ACKNOWLEDGMENT STATEMENT
- “C” GUARANTEE & ASSUMPTION OF OBLIGATION
- “D” TRANSFER OF AREA DEVELOPER AGREEMENT TO A CORPORATION
- “E” CONFIDENTIALITY AND NON-COMPETITION AGREEMENT
- “F” ASSIGNMENT OF TELEPHONE NUMBERS
- “G” DEVELOPMENT SCHEDULE

## AREA DEVELOPER AGREEMENT

THIS AGREEMENT, entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_, by and between i9 Sports Corporation, a Florida corporation, with its principal place of business located at 1723 South Kings Avenue, Brandon, Florida 33511 hereinafter, "Franchisor") and \_\_\_\_\_ whose principal place of business is \_\_\_\_\_, (hereinafter, "Area Developer").

### WITNESSETH:

WHEREAS, Franchisor grants franchises to qualified and capable candidates who want to operate businesses which utilize our System, the Copyrights and Marks to operate, market, sell and provide to others adult or youth, amateur sports leagues, tournaments, sports clinics, social activities, products and related services (each a "i9 Sports® Franchise" or collectively, "i9 Sports® Franchises"). i9 Sports® Franchises sell, render, perform or provide to either Adults or Youths (or both) amateur sports leagues, tournaments, sporting related camps, umpire/officials training, sporting clinics, sport related training programs, sport or social activities, and related services that we designate or approve (as applicable, the "Services") and market and sell to Adults or Youths (or both), as we designate, related products that we designate or approve, like uniforms, T-shirts, jackets, shorts, trophies, hats, caps, visors, sporting equipment, beverages and food, and other products we designate or approve from time to time (the "Products"). i9 Sports® Franchises use our distinctive formats, methods, policies, procedures, league systems, standards, specifications, information, e-commerce systems, methods for affiliation with public and private sector organizations, Computer System and Software, automated registration program, training and business relationships, all of which Franchisor, in its sole judgment, may change, alter, amend, further improve, discontinue, develop or otherwise modify from time to time (collectively, the "System").

WHEREAS, Franchisor owns, uses, promotes and licenses, or may own use, license or promote certain: trademarks, service marks (e.g., i9 Sports® and Amateur Ballplayers Association<sup>SM</sup>), logos, designs, artwork; e-names; and other commercial symbols in the operation of i9 Sports® Franchises (collectively, the "Marks"). i9 Sports® Franchises also utilize, in a manner Franchisor designates or approve, certain materials and other ideas and information presented or reduced in or to tangible form that Franchisor designates, approves, or provides (e.g., software, writings, sound, compositions, pictures, drawings, calendars, league rules, codes, sporting and event calendars, posters, artwork, websites, designs and the like), which Franchisor has sought or may seek copyright protection in or to (the "Copyrights"). Franchisor may in the future, at any time, register, develop, change, cancel, alter, amend, further improve, discontinue, enhance or modify certain aspects of the System, the Marks or Copyrights, and Franchisor may create, use and license additional copyrights, trademarks, service marks, logos, designs, artwork, e-names and other commercial symbols in conjunction with the operation of i9 Sports® Franchises, which Franchisor may deem to be included as part of the Marks or the Copyrights.

WHEREAS, This Agreement is being presented to Area Developer because Area Developer expressed the desire to own and operate an i9 Sports® Area Development Franchise. Area Developer understands that the terms of this Agreement are reasonably necessary to maintain Franchisor's high standards of quality and service and the uniformity of those standards at all i9 Sports® Franchises, and to protect and preserve the goodwill of the Marks, the Copyrights and the System. In signing this Agreement, Area Developer acknowledges:

the importance of operating your i9 Sports® Franchise in strict conformity with our standards;

that it has conducted an independent investigation of your i9 Sports® Franchise and recognizes that, like any other businesses, their nature may evolve and change over time;

that an investment in an i9 Sports® Franchise involves business risks;

that the success of this business venture is primarily dependent on his business abilities and efforts;

in all of their dealings with Area Developer, our officers, directors, employees and agents act only in their representative, not in an individual, capacity. All business dealings between Area Developer and Franchisor and such persons in connection with entering into or as a result of this Agreement are solely between them;

any information you acquire from other i9 Sports® Franchises relating to their sales, profits or cash flows does not constitute information obtained from Franchisor, nor does Franchisor make any representation as to the accuracy of such information;

Franchisor has advised Area Developer to have this Agreement and Franchisor's Franchise Offering Circular reviewed and explained to Area Developer by an attorney and his business advisors.

WHEREAS, Franchisor grants to qualified persons the right to become a "i9 Sports" Area Developer who will be required to own and operate a minimum of one "i9 Sports " Business, offer new franchises, provide on-going support, training and assistance to franchisees of the Franchisor who are operating within Area Developer's assigned area and utilizing its business systems, formats, methods, specifications, standards, operating procedures, operating assistance, and Marks;

WHEREAS, Area Developer acknowledges that he has read this Agreement and the Franchisor's Uniform Franchise Offering Circular (the "UFOC") and acknowledges that he understands the importance of Franchisor's high standards of quality and service and the necessity of operating the business franchised hereunder in conformity with Franchisor's standards and specifications;

WHEREAS, Franchisor continues to develop, use, and control the use of such Marks in order to identify for the public the source of services and products marketed thereunder, and to represent the Area Developer, the i9 Sports Business and the System's high standards of quality, appearance, and service;

WHEREAS, Area Developer desires to serve as such in the territory designated herein, wishes to be licensed to use Franchisor's Proprietary Mark and wishes to receive the training and other assistance provided by Franchisor in connection with the operation of the Area Developer franchise (hereinafter the "i9 Sports Business");

WHEREAS, Area Developer understands and acknowledges the importance of Franchisor's high uniform standards of quality, service, and appearance and the importance of ensuring the maintenance of those high standards by all franchisees of Franchisor in the territory described herein: and

WHEREAS, Area Developer understands and acknowledges the importance of assisting franchisees serviced by Area Developer to provide quality services, achieve maximum sales levels, make maximum efforts to control costs, and fully conform to the Franchisor's policies and procedures as set forth in Franchisor's Manuals.

NOW, THEREFORE, the parties in consideration of the undertakings and commitments of each party to the other party set forth herein, hereby mutually agree as follows:

**ARTICLE I**  
**APPOINTMENT AND INITIAL FEE**

1.1 Franchisor hereby grants to Area Developer, upon the terms and conditions herein contained, the right to serve as the Area Developer within the territory described in Exhibit "A" annexed hereto (hereinafter referred to as "Development Area"), and a non-exclusive license to use in connection therewith Franchisor's Marks and System, as they may be changed, improved, and further developed from time to time.

1.2 Area Developer hereby undertakes, in conjunction with Franchisor's designees, the obligation to diligently screen and evaluate individuals to become franchisees of Franchisor at locations within the Development Area, and to undertake all of Franchisor's field responsibilities, including training, for development and service prescribed herein to franchisees who operate "i9 Sports" Business, as defined in Section 1.8 hereof, franchised by Franchisor in the Development Area and shall not be permitted to solicit or screen individuals outside of the Development Area. Area Developer may only undertake Franchisor's field responsibilities for sales, training, supervise local advertising and servicing of franchisees.

1.3 During the term of this Agreement, and provided there is no uncured default hereunder, Franchisor agrees that it will not license any other Area Developer for the Development Area.

1.4 Area Developer shall be entitled, as provided under Section 4.1 hereof, to receive compensation from Franchisor for each "i9 Sports" Business sold by Franchisor or by its designee under the System in the Development Area during the term of this Agreement.

1.5 Area Developer shall be obligated to present Franchisor with potential franchisees in the time and manner described in Section 5.5 below. Area Developer shall screen and propose franchisees to open "i9 Sports" Businesses in the Development Area only.

1.6 For so long as Area Developer shall not have lost his exclusive rights pursuant to the provisions of Article V hereof, and provided Area Developer is not in default of any of his obligations hereunder, Franchisor shall not, during the term of this Agreement, itself own or operate or license others to own or operate as a Area Developer in the Development Area; however, Franchisor shall retain the right to use the Marks in any advertising or promotion pursuant to the provisions of Section 6.1 hereof.

1.7 Upon execution of this Agreement, Area Developer shall pay, by certified check, fee of One Hundred Thousand Dollars (\$100,000) which fee shall be deemed fully earned and non-refundable. This fee does not include the initial franchise fee that is due for Area Developer's first Business to be developed within the Development Area.

**In the States of Maryland and Minnesota only, we will defer the payment of the initial franchise fee, development fee and any other initial payment until all of our material pre-opening obligations have been satisfied. The initial franchise fee and development fee are deferred until you open your business and it is operating. However, you must execute the Franchise Agreement prior to looking for a site or beginning training.**

1.8 For purposes of this Agreement, the terms listed below have the meanings that follow them. Other terms used in this Agreement are defined and construed in the context in which they occur.

(a) "Competitive Business" - A Business or other similar service business other than a i9 Sports Business that: Participate in the development of, or engage in, or market, sell, distribute, render, provide, perform or sell the Products or the Services or similar products or services, or contribute your knowledge to any work or activity that relates to or involves any of the Confidential Information or is in any way engaged in the operation, licensing, franchising of consulting with any business offering, developing, marketing, organizing, providing, promoting, coordinating or selling amateur, adult, youth or corporate sports leagues, tournaments, sporting related camps, umpire training, sporting clinics, sport related training programs, sport or social activities, or participation in them, and related services or products, like uniforms, T-shirts, jackets, shorts, hats, caps, visors, sporting equipment, trophies, beverages and food

(b) "Business" - The i9 Sports Business which Area Developer is licensed to operate and/or offer to sell franchises for at a particular Site pursuant to this Agreement.

(c) "i9 Sports Business" - A Business that: (a) offers the Products and Services for sale as well as certain complementary products and services; (b) meets Franchisor's standards and specifications; (c) operates using the Marks and the System; and (d) is either operated by Franchisor or its Affiliates or pursuant to a valid license from Franchisor.

## **ARTICLE II**

### **TERM AND RENEWAL**

2.1 Except as otherwise provided, the term of this Agreement shall be for ten (10) years from the date of its execution.

2.2 Area Developer may, at its option, renew this Agreement for two (2) additional consecutive term of ten (10) years each, provided that prior to the end of the applicable term:

A. Area Developer has given Franchisor written notice of its election to renew not less than six (6) months nor more than twelve (12) months prior to the end of the then-current term.

B. Area Developer is not in default of any provision of this Agreement, any amendment hereof or successor hereto, or any other agreement between Area Developer and Franchisor or Franchisor's subsidiaries or affiliates, and has complied with all of the terms and conditions of such agreements during the terms thereof.

C. Area Developer shall have executed upon renewal Franchisor's then-current form of renewal Area Developer Agreement, which agreement shall supersede this Agreement in all respects, and the terms of which may differ from the terms of this Agreement, excluding a compensation rate and method of computing same; but could have different minimum performance standards, if any, for proposing qualified prospective franchisees to Franchisor and a different Area Developer Fee.

D. Area Developer shall execute a general release, in a form prescribed by Franchisor, of any and all claims against Franchisor, Franchisor's subsidiaries or affiliates, and their respective officers, shareholders, directors, agents, and employees.

E. Area Developer shall comply with Franchisor's then-current qualification and training requirements, including, without limitation, any training requirements specifically designed for renewing Area Developers. For any training required by this Section, Franchisor shall provide and pay for the instructors, training facilities, and training materials; Area Developer must pay for all other expenses incurred in training including, without limitation, the costs of travel, room, board, and wages (for employees required to attend).

F. Area Developer shall remit a renewal fee of Twenty-Five Thousand Dollars (\$25,000) upon execution of the then current form of renewal Area Developer Agreement.

### **ARTICLE III** **DUTIES OF FRANCHISOR**

In addition to the other obligations and duties set forth in this Agreement, Franchisor agrees as follows:

3.1 Franchisor shall provide an initial training program of up to two (2) days duration to be conducted at Franchisor's headquarters or, at Franchisor's determination, for Area Developer and shall make available such other subsequent training programs to Area Developer, his manager, or other employees as Franchisor deems appropriate. All training provided by Franchisor shall be subject to the terms set forth in Article V of this Agreement, and shall be at such times and places as may be designated by Franchisor. Franchisor shall also provide the initial classroom training only to new System franchisees.

3.2 Franchisor shall provide Area Developer, at no cost to Area Developer, with his initial supply of copies of Franchisor's applicable and then current UFOC. Franchisor shall also provide Area Developer with materials for promoting the sale of System franchises and Area Developer shall reimburse Franchisor for the cost of such materials. Additional UFOC'S shall be provided at Franchisor's cost of production, charged back to Area Developer.

3.3 Franchisor shall use its best efforts to promptly process all applications made by prospective franchisees and forwarded to it by Area Developer and shall not unreasonably withhold its approval of any prospective franchisee, provided such prospect meets the educational, professional, managerial, business, financial, and other qualifications as Franchisor may from time to time prescribe for new franchisees.

3.4 Franchisor shall provide for the collection of and distribution to Area Developer of its share of initial franchise fees, and Franchisor shall be responsible for distributing to Area Developer its share of the weekly Royalty received from each franchisee operating in the Development Area, which shall be paid on a monthly basis.

3.5 Franchisor shall continue its efforts to maintain high standards of quality professionalism and service of the Area Developer i9 Sports Business, and to that end may conduct inspections of any business premises operated hereunder by Area Developer and closely monitor Area Developer's promotional efforts and service efforts, which may include, without limitation, contacting prospective and existing franchisees and monitoring sales presentations by Area Developer and his personnel.

3.6 Franchisor shall not, by virtue of any approvals, advice, or services provided to any System franchisee, assume responsibility for or liability to Area Developer, System franchisee, or any

third parties to which it would not otherwise be subject. However, the Franchisor will not be excused for its breaches or civil wrongs.

**ARTICLE IV**  
**COMPENSATION PAYABLE TO AREA DEVELOPER**

4.1 In consideration of soliciting, screening and submitting to Franchisor during the term of this Agreement applications for prospective franchisees in connection with the grant of a franchise to be located in the Development Area, Area Developer shall be entitled, for as long as, but only as long as, this Agreement remains in effect and the Area Developer is not in default hereunder, a sum equal to forty percent (40%) of each initial franchise fee paid by each System franchisee who purchases a franchise from Franchisor in the Development Area, irrespective of where the lead comes from, or if Area Developer is not involved in the sale but the franchisee is located in Area Developer's Development Area, payable as follows:

- (i) Twenty percent (20%) upon the sale of the franchise;
- (ii) Twenty percent (20%) upon the opening of the "i9 Sports" Business within the Development Area, provided it is in compliance with the Franchisor's specifications for equipment, design, construction, appearance and function as set forth in its Manual;

4.2 In consideration for undertaking Franchisor's field responsibilities for developing and servicing all franchisees who operate "i9 Sports" Businesses in the Development Area during the term of this Agreement, Area Developer shall be paid a Monthly Royalty as follows:

The Area Developer shall receive sixty percent (60%) of all royalties and transfer fees received from any franchised unit located in the Development Area for services rendered by Area Developer to said unit. For each Business owned by Area Developer, Franchisor shall collect the full Royalty Fee, and remit back to Area Developer, his share thereof.

If a Business is not in substantial compliance with the standards specified in the Manual, as determined by Franchisor, the payment of royalties related to that Business to the Area Developer will be reduced by fifty percent (50%), until such time as that Business returns to full compliance.

4.3 Franchisor shall collect all initial franchise fees owed pursuant to the franchise agreements between Franchisor and System franchisees located within the Development Area and provide Area Developer with a monthly report by the twentieth (20th) day of each month on the amounts collected during the preceding month, along with the payments due Area Developer from such amounts. Franchisor shall have sole discretion as to the terms and conditions of collections from System franchisees, including the right to defer or refund initial franchise fees. In no event shall any such deferred payments become payable to Area Developer by Franchisor until and unless such fees are paid to Franchisor by System franchisee. In the event Franchisor refunds amounts collected or if franchisee for any reason owes amounts to Franchisor, Franchisor shall have the right, as it deems appropriate, to either deduct from any payments due Area Developer. Area Developer's portion of any amount so refunded or any amount owed to Franchisor, or to require Area Developer to remit any such portion of the refunded amount or other amounts to Franchisor immediately upon request. Franchisor shall have no liability to the Area Developer for payments under this Section 4.3 in the event that any System franchisee, for any reason, fails to pay any fee owed to Franchisor.

4.4 All amounts payable pursuant to Article IV shall be made in U.S. dollars and payment shall be made by way of electronic funds transfer to Area Developer at the address set forth herein or by such other means and at such other place as Area Developer may designate in writing.

**ARTICLE V**  
**DUTIES OF AREA DEVELOPER**

5.1 Area Developer understands and acknowledges that every detail of the i9 Sports Business is important to Area Developer, Franchisor, other Area Developers and System franchisees in order to develop and maintain high and uniform operating standards, to increase the demand for System franchisees and the demand for services and products sold by System franchisees, and to protect Franchisor's reputation and goodwill.

5.2 Area Developer and, at Franchisor's discretion, one (1) manager designated by Area Developer and approved by Franchisor, shall attend and complete, to Franchisor's satisfaction, Franchisor's initial training session, and Area Developer, his manager or other employees, as Franchisor may designate, shall attend and complete, to Franchisor's satisfaction, such other training sessions as Franchisor may reasonably require from time to time. For any training session Franchisor shall only pay for the instructors, training facilities, and training materials, and Area Developer shall pay for all other expenses incurred by Area Developer, his manager or other employees, including, without limitation, the costs of travel, room, board, and wages.

5.3 If Area Developer forms a corporation or a limited liability company, it shall comply with the following requirements throughout the term of this Agreement:

(a) Area Developer shall furnish Franchisor with its Articles of Incorporation, Bylaws, operating agreement, and any other governing documents, and any other documents Franchisor may reasonably request, and any amendments thereto.

(b) Area Developer shall confine its activities, and shall at all times provide proof that its activities are confined, exclusively to operating the business franchised herein.

(c) Area Developer shall maintain stop transfer instructions against the transfer of its records of any equity securities, and each stock certificate of Area Developer shall at all times have conspicuously endorsed upon its face a statement in a form satisfactory to Franchisor that it is held subject to, and that further assignment or transfer thereof is subject to, all restrictions imposed upon assignments or transfers by this Agreement.

(d) Area Developer shall maintain a current list of all owners of record and all beneficial owners of any class of voting stock of Area Developer and shall furnish the list to Franchisor upon request.

5.4 Area Developer shall perform the following services:

(a) Maintain i9 Sports operational standards for all Businesses in the Area Developers territory.

(b) Maintain i9 Sports brand integrity standards for all Businesses in the Development Area.

(c) Provide comprehensive training for all employees for all Businesses in the Development Area.

(d) Develop a training facility that can be utilized for training of employees and franchisees.

(e) Provide marketing and advertising support for all Businesses located in the Development Area.

(f) Provide tours for prospective franchisees at Businesses owned by Area Developer.

(g) Review, test, rollout all new Products and Services and provide operations feasibility studies.

(h) Research and test new Products and Services.

(i) Assist in the continued refinement of i9 Sports training materials and operational materials.

(j) Shall provide all training except for the initial classroom training, which shall be provided by Franchisor, to each new System franchisee. The training program shall be held at Area Developer's "i9 Sports" Business or at such other place as may be designated by Area Developer in writing.

(k) Shall assist the Franchisor in the enforcement of all provisions of any Franchise Agreement for any unit established in his Development Area, including, but not limited to monitoring and enforcing a franchisee's sport sales minimums, as per the Franchise Agreement. If the Franchisor incurs expenses to enforce or defend the Agreements or to commence eviction of franchisees within the Development Area, the Franchisor may charge the Area Developer one-third (1/3) of its expenditures.

(l) Develop and open the number of i9 Sports Businesses set forth in Exhibit "G", which is annexed hereto.

For the purpose of this Agreement, a unit shall be considered an Operating i9 Sports Business only if it is a Franchised "i9 Sports" Business unit within the Development Area that is in compliance with the terms of its Franchise Agreement.

The Area Developer shall be in default of this Agreement if he falls behind the Development Schedule. He shall also be in default if the average unit volume for any twelve (12) month period is below the required volume for that period.

(m) Conduct his business in strict compliance with all applicable Federal, State and Local laws, ordinances and regulations, and obtain, at his own expense, all necessary permits and licenses for the operation of his business and maintain same in good standing.

(n) Devote his full time and best efforts to the development of the Development Area.

(o) Monitor the installation of equipment into i9 Sports Businesses established in his Development Area which meets the Franchisor's standards for design, construction, appearance and function as specified in the Franchisor's Manual.

(p) Bear all costs of developing prospective franchisees into "i9 Sports" Business operations such as by providing refresher training programs to all of the franchisees who purchase "i9 Sports" Business franchises.

(q) Assist franchisees in the selection of approved locations for "i9 Sports" units in accordance with the guidelines established by the Franchisor, including negotiation of leases for said locations in accordance with the Franchisor's standards, if applicable to a particular franchisee.

(r) Advise franchisees in the proper construction of their "i9 Sports" Business, including, but not limited to, color schemes, design of the interior, hiring of contractors, and purchase of equipment and signs. Said advice shall be in accordance with the guidelines established by the Franchisor.

(s) Provide advertising advice to franchisees in accordance with the guidelines established by the Franchisor.

(t) Provide, at his expense, qualified and trained field representatives to give advice to "i9 Sports" franchisees upon the opening of their "i9 Sports" Business in the Development Area and spend approximately three (3) days before and two (2) days after opening at the "i9 Sports" Business, and thereafter give additional training to franchisees and their employees in accordance with the standards set forth by the Franchisor. The franchisee must be a "graduate" of the training program.

(u) shall conduct telephone conferences with all "i9 Sports" Businesses in the Development Area at least once per month and report to the Franchisor on evaluation forms supplied by Franchisor regarding products sold, equipment utilized or appearance of the unit.

(v) Attend at his own expense, up to four (4) required System meetings during each calendar year. The Area Developer will pay the Franchisor One Thousand Dollars (\$1,000) for each required meeting that he does not attend.

(w) Assist the Franchisor, in accordance with the Franchisor's directions, to reopen or permanently close "i9 Sports" Businesses that close within the Development Area. The Area Developer shall be responsible for paying all necessary out-of-pocket costs required to reopen any closed "i9 Sports" Business located within the Development Area, if they were owned by Area Developer. The Area Developer will provide his efforts, without charge, to oversee the reopening of the "i9 Sports" Business and its continued operation as an Area Developer owned i9 Sports Business until the i9 Sports Business is sold to another franchisee. If the "i9 Sports" Business is to be abandoned, the Area Developer shall secure all equipment in the "i9 Sports" Business that is owned by the former franchisee and de-identify the "i9 Sports" Business.

(x) Have a mobile telephone, a business telephone, an operating fax machine, email address and a laptop computer with Windows XP, Microsoft Office XP Pro and shall run Franchisor's proprietary software, which Franchisor will provide at no cost. The mobile phone number, the business phone number, the fax number and email address must be given to each franchisee and to the Franchisor.

(y) Refrain from making misrepresentations to the Franchisor and its franchisees and from conducting himself or his business in a manner likely to impair the reputation, business or profitability of the Franchisor, its employees or officers or any "i9 Sports" franchisee.

(z) Shall not solicit or accept any kickback or payment or share in the profits from any vendor on sales to franchisees.

(aa) Conduct his business in such a way as to maintain a high degree of satisfaction by the franchise owners with his work. He must return all franchisee phone calls within twenty-four (24) hours and he must personally meet with each franchise owner at one of the owner's "i9 Sports" Businesses every three (3) months for a period of two (2) hours to discuss the franchisee's business. This meeting is in addition to the monthly telephone conferences, but may take place directly before or after an "i9 Sports" Business telephone conference.

(bb) Maintain the accounts of all "i9 Sports" franchises fully or partially owned by him in perfect status (no unpaid balances) with Franchisor and all of its affiliates, and further agree that all i9 Sports " Businesses located within the Development Area will participate in the Franchisor's electronic funds transfer program. The Franchisor shall have the right to offset any monies owed to the Area Developer against any obligation of the Area Developer to the Franchisor or its affiliates, including monies due the Franchisor based upon the operations of "i9 Sports" units owned by the Area Developer.

5.5 Area Developer shall own, operate and maintain at least one (1) of his own "i9 Sports" Businesses which must be located within the Development Area and remit the appropriate Initial Franchise Fee upon the execution of a standard Franchise Agreement. In addition, Area Developer shall be required to remit the Royalty Fee, as that term is defined in Area Developer's Franchise Agreement, and receive the aforementioned reimbursement.

5.6 Area Developer shall grant Franchisor and its agents the right to enter any Area Developer's "i9 Sports" Business operated hereunder for the purposes of conducting inspections and monitoring Area Developer's operations, and shall cooperate fully with Franchisor's representatives in such steps as may be necessary to immediately correct any deficiencies detected during such inspections or monitoring.

5.7 During the term of this Agreement, Area Developer shall maintain in force under policies of insurance issued by licensed insurers approved by Franchisor insurance coverage as Franchisor from time to time requires. This insurance coverage is in addition to the insurance Area Developer is required to maintain as a franchisee under his Franchise Agreement. Such insurance coverage will include:

(a) broad form comprehensive general liability coverage against claims for bodily and personal injury, death and property damage caused by or occurring in conjunction with the conduct of business by Area Developer pursuant to this Agreement and broad form contractual liability coverage under one or more policies of insurance containing minimum liability coverage prescribed by Franchisor from time to time, but in no event in an amount less than One Million Dollars (\$1,000,000) aggregate. Such insurance shall not have a deductible or self-insured retention in excess of Five Thousand Dollars (\$5,000); and

(b) worker's compensation and employer's liability insurance in statutory amounts, unemployment insurance and state disability insurance as required by governing law for Area Developer's employees.

5.8 Area Developer shall also maintain such additional insurance as is necessary to comply with all legal requirements concerning insurance. Franchisor may periodically increase the amounts of coverage required under such insurance policies and require different or additional kinds of insurance at any time including excess liability insurance to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards, or other relevant changes in circumstances.

5.9 The insurance policies required herein shall:

(a) name Franchisor as an additional named insured and contain a waiver of all subrogation rights against Franchisor, its Affiliates, and their successors and assigns;

(b) provide for thirty (30) days' prior written notice to Franchisor of any material modification, cancellation, or expiration of such policy;

(c) provide that the coverage applies separately to each insured against whom a claim is brought as though a separate policy had been issued to each insured;

(d) contain no provision which in any way limits or reduces coverage for Area Developer in the event of a claim by any one or more of the parties indemnified under this Agreement;

(e) be primary to and without right of contribution from any other insurance purchased by the parties indemnified under this Agreement; and

(f) extend to and provide indemnity for all obligations assumed by Area Developer hereunder and all other items for which Area Developer is required to indemnify Franchisor under this Agreement.

5.10 Area Developer shall provide Franchisor with evidence of the insurance required hereunder and with a complete copy of each insurance policy no more than thirty (30) days after delivery of the original proof of insurance. Thereafter, prior to the expiration of the term of each insurance policy Area Developer shall furnish Franchisor with a copy of each renewal or replacement insurance policy to be maintained by Area Developer for the immediately following term and evidence of the payment of the premium therefor. If Area Developer fails or refuses to maintain required insurance coverage or to furnish satisfactory evidence thereof and the payment of the premiums therefor, Franchisor may, at its option, and in addition to its other rights and remedies hereunder, obtain such insurance coverage on behalf of Area Developer and Area Developer shall fully cooperate with Franchisor in its effort to obtain such insurance policies, promptly execute all forms or instruments required to obtain or maintain any such insurance, allow any inspections of the "i9 Sports " Business which are required to obtain or maintain such insurance and pay to Franchisor on demand any costs and premiums incurred by Franchisor. If Area Developer fails to purchase or maintain any insurance required by this Agreement or fails to reimburse Franchisor for its purchase of insurance on Area Developer's behalf within fifteen (15) days of delivery to Area Developer of Franchisor's written demand for reimbursement, then Franchisor may terminate this Agreement upon notice of termination without opportunity to cure.

5.11 The maintenance of sufficient insurance coverage shall be the responsibility of Area Developer. Area Developer's obligations to maintain insurance coverage as herein described shall not be affected in any manner by reason of any separate insurance maintained by Franchisor nor shall the maintenance of such insurance relieve Area Developer of any indemnification obligations under this Agreement.

5.12 Area Developer shall comply with all other requirements set forth in this Agreement.

## **ARTICLE VI** **MARKS**

6.1 Franchisor represents with respect to the Marks that:

- (a) Franchisor has the right to use and to license others to use the Marks.
- (b) Franchisor has taken and will take all steps reasonably necessary to preserve and protect its right to and interest in the Marks.
- (c) Franchisor will permit Area Developer and other Area Developers to use the Marks only in accordance with the System and the Area Developer i9 Sports Business, and the standards and specifications thereto, which underlie the goodwill associated with any products or services symbolized by the Marks.

6.2 With respect to Area Developer's licensed use of the Marks pursuant to this Agreement, Area Developer agrees that:

- (a) He shall use only the Marks designated by Franchisor, and shall use them only in the manner authorized and permitted by Franchisor.
- (b) He shall use the Marks only for the operation of the business franchised hereunder, or in advertising for the business conducted at or from that location.
- (c) Unless otherwise authorized or required by Franchisor, Area Developer shall operate and advertise the business franchised hereafter only under the name "i9 Sports" with such trademark registration symbol as is designated by Franchisor, and without prefix or suffix.
- (d) During the term of this Agreement, Area Developer shall identify himself as the owner of the i9 Sports Business in conjunction with any use of the Marks, including, but not limited to, advertisements and promotional pieces, as well as at such conspicuous locations at the offices used for the operation of the i9 Sports Business as Franchisor shall designate in writing. The identification shall be in the form which states Area Developer's name, followed by the words Area Developer of "i9 Sports", or such other identification as shall be approved by Franchisor.
- (e) Area Developer's rights to use the Marks is limited to such uses as are authorized under this Agreement, and any unauthorized use thereof shall constitute an infringement of Franchisor's rights.
- (f) Area Developer shall not use the Marks to incur any obligation or indebtedness on behalf of Franchisor.
- (g) Area Developer shall not use the Marks as part of its corporate or other legal name or identification.
- (h) Area Developer shall comply with Franchisor's instructions in filing and maintaining requisite trade name or fictitious name registrations, and shall execute any documents

deemed necessary by Franchisor or its counsel to obtain protection for the Marks or to maintain their continued validity and enforceability.

(i) In the event that Area Developer learns of any infringement or threatened infringement or piracy of any of the Marks, or any actual or intended common law passing-off by reason of imitation of, get-up or otherwise, or that any third party alleges or claims or intends to allege or claim that any of the Marks are liable to cause deception or confusion to the public, or that any third party alleges or claims or intends to allege or claim that any of the Marks infringe on its trade marks in any manner, Area Developer shall forthwith give notice thereof to Franchisor together with all such information with respect thereof as he may from time to time obtain. The parties undertake and agree to consult with each other with respect to how to respond to each infringement or violation. However, only Franchisor shall, in its absolute discretion, institute proceedings or defend proceedings as it shall deem advisable and Area Developer shall not, under any circumstances whatsoever, institute any legal proceedings relating to the Marks without first obtaining the prior written consent of Franchisor. In the event Franchisor undertakes the defense or prosecution of any such legal proceedings, Area Developer agrees to execute any and all documents and do such acts and things as may, in the opinion of counsel for Franchisor, be necessary to carry out such defense or prosecution.

6.3 Area Developer expressly understands and acknowledges that:

(a) As between the parties hereto, Franchisor has the exclusive right and interest in and to the Marks and the goodwill associated with and symbolized by them.

(b) The Marks are valid and serve to identify the System and those who are franchised under the System.

(c) Area Developer shall not directly or indirectly contest the validity of, or Franchisor's right to use or to license others to use, the Marks.

(d) Area Developer's use of the Marks pursuant to this Agreement does not give any ownership interest or other interest in or to the Marks, except the exclusive license granted herein.

(e) Any and all goodwill arising from Area Developer's use of the Marks in his operation under the Area Developer i9 Sports Business shall inure solely and exclusively to Franchisor's license herein granted. No monetary amount shall be assigned as attributable to any goodwill associated with Area Developer's use of the Area Developer i9 Sports Business or the Marks.

(f) The rights and license of the Marks granted hereunder to Area Developer are nonexclusive and Franchisor thus has and retains the right among others:

(i) To grant other licenses for the Marks, in addition to those licenses already granted to existing franchisees;

(ii) To use the Marks in connection with selling Products and Services;

(iii) To develop and establish other Systems and i9 Sports Businesses for the same or similar Marks or any other Marks, and to grant licenses or franchises thereto outside the Development Area without providing any rights therein to Area Developer.

(g) Franchisor reserves the right to substitute different Marks for use in identifying the Area Developer i9 Sports Business and System and the businesses operating thereunder if Franchisor can no longer use or license the use of the Marks. In such event, Area Developer shall be required to conform his use of Franchisor's Marks to the use of same by Franchisor. The sole obligation of Franchisor in the event any name or mark is discontinued, modified or substituted shall be to reimburse Area Developer for his documented tangible costs (such as changing letterhead) in compliance therewith.

6.4. Franchisor has the right to control all use of URL's, domain names, websites, addresses, metatags, links, key words, e-mail addresses and any other means of electronic identification or origin ("e-names"). Franchisor may require Area Developer to, at his expense, to operate certain aspects of the i9 Sports® Franchise that Franchisor designates from time to time through e-commerce methods that it designates, and in the manner it designates from time to time. Franchisor also has the right to designate, approve, control or limit all aspects of Area Developer's use of the Internet, Intranet, World Wide Web, wireless technology, digital cable, use of e-names, e-mail, websites, home pages, bulletin boards, chatrooms, e-mail, linking, framing, on-line purchasing cooperatives, marketplaces, barter exchanges, and related technologies, methods, techniques, registrations, networking, and any electronic communication, commerce, computations, or any means of interactive electronic documents contained in a network of computers or similar devices linked by communications software (collectively, "e-commerce"). Area Developer must follow all of Franchisor's policies and procedures for the use and regulation of e-commerce. Franchisor may require that Area Developer provide graphical, photographic, written or other forms of artistic or literary content to Franchisor for use in e-commerce activities associated with the Marks, the Copyrights or the System which it may designate. Franchisor may restrict Area Developer's use of e-commerce, or his customer's use of e-commerce in connection with events and the Product and the Services purchases to a centralized website, portal or network or other form of e-commerce designated by Franchisor, operated by Franchisor or its designee. Franchisor may require that Area Developer provide information to Franchisor and arrange Product or Service sales or distribution via e-commerce. Franchisor may require Area Developer to coordinate his e-commerce activities with Franchisor. Franchisor may charge Area Developer its then current fees for such e-commerce activities which Franchisor designates. Franchisor may require Area Developer to obtain the services of and pay the then current fees for ISP and ASP services and the like. Franchisor may require that Area Developer's customers be provided access to certain e-commerce activities that Franchisor designates from time to time, and may require that Area Developer's customers purchase the Products and the Services directly from Franchisor through a website or portal designated by it. If Franchisor does so, it will allocate Network Revenues (as defined in Franchise Agreement) to Area Developer or other i9 Sports® Franchises from such purchases to Area Developer in the manner Franchisor designates from time to time, subject to its System Standards. Area Developer recognizes and agrees that between him and Franchisor, Franchisor owns all rights to all interest in and to any data collected via e-commerce related to the System, the Copyrights and the Marks, including any customer data, click-stream data, cookies, user data, hits and the like: such information is deemed by Franchisor to be and constitutes its Confidential Information.

## **ARTICLE VII** **ADVERTISING**

7.1 The parties hereto recognize and acknowledge the value of advertising and promotion in locating and soliciting individuals to become franchisees, and the importance of consistency of such advertising and promotion to the furtherance of the goodwill and public image of the Area Developer i9 Sports Business and the System.

7.2 Area Developer shall affix the Marks in the manner prescribed by Franchisor to all stationery, cards, signs, and other advertising materials used in connection with his operations hereunder.

7.3 All advertising by Area Developer in any medium shall be conducted in a dignified manner, shall conform to the standards and requirements prescribed by Franchisor, and shall comply with all applicable laws, rules, and regulations relating to the advertising of franchises.

7.4 Area Developer shall submit to Franchisor (by mail, return receipt requested, or by fax), for Franchisor's prior written approval, samples of all advertising and promotional plans and materials, and all other materials displaying the Marks, that Area Developer desires to use and that have not been prepared or previously approved by Franchisor. Within seven (7) days from the date of receipt by Franchisor of such materials, Franchisor shall notify whether such materials conform to the standards and requirements prescribed by Franchisor and whether such materials, in the opinion of Franchisor's counsel, are required to be approved by or submitted to any government agency. If Area Developer is notified by Franchisor that the materials conform to Franchisor's standards and requirements and are required to be approved or submitted, Franchisor will submit the materials and will advise when and if the materials are approved or disapproved or if the use of the materials otherwise become permissible under law, such as if notice of disapproval is not received from a governmental agency within a stated period of time prescribed by law.

7.5 Area Developer shall be required to sufficiently advertise, at his expense, in the Business Opportunity and/or Franchise Section or in any other appropriate section of his nearest major newspaper, business journal or other publications that reach prospective franchisees within the Development Area, including attending local franchise and sports related trade shows and exhibitions and spend no less than Ten Thousand Dollars (\$10,000) annually on such marketing efforts. Area Developer shall be required to submit on a form provided by Franchisor a monthly report indicating the advertising schedule for the prior month, including verification copies of all ads.

7.6 Area Developer shall be responsible for overseeing the local advertising that is being conducted by the franchisees located with the Development Area. Area Developer shall have the duty to organize and oversee any local advertising cooperatives that are formed by franchisees located within the Development Area.

## **ARTICLE VIII** **TRANSFER OF INTEREST**

8.1 This Agreement shall inure to the benefit of the successors and assigns of Franchisor. Franchisor shall have the right to assign its rights under this Agreement to any person, firm, association or corporation, provided that such transferee shall agree in writing to assume all obligations undertaken by Franchisor herein, and upon such assignment and assumption Franchisor shall, ipso facto, be under no further obligation hereunder, except for accrued liabilities, if any.

8.2 Area Developer understands and acknowledges that the rights and obligations created by this Agreement are personal to Area Developer, and that Franchisor has granted such rights to Area Developer in reliance on the character, skills, aptitude, as well as the business, legal and financial capacity of Area Developer and its directors, officers and shareholders. Except as is hereinafter set forth in this Section, Area Developer shall not, without Franchisor's prior written consent, directly or indirectly, sell, assign, transfer, convey, donate, pledge, mortgage, charge, grant any security interest or otherwise encumber any interest in this Agreement or in the Area Developer i9 Sports Business or in the right and license to use the System, the Manuals or the Marks. Any such purported action, whether

occurring by operation of law or otherwise including any assignment by a trustee in bankruptcy, without Franchisor's prior written consent shall be a material default hereunder and shall entitle Franchisor to immediately terminate this Agreement. In addition, Area Developer will not, during the term of this Agreement, without Franchisor's prior written consent, participate in any corporate activity, issue or sell, or be a party to the issuance or sale of, any further shares or interest in the Area Developer i9 Sports Business of any kind, or any other securities which would cause or may cause the present effective voting control of Area Developer to change.

8.3 With the prior written consent of Franchisor, which consent shall not be unreasonably withheld, Area Developer shall have the right to sell, assign and transfer his interest in this Agreement or the right and license granted herein, subject to the following conditions:

- (a) No sale can occur during the first year of this Agreement;
- (b) The transferee/assignee must meet the Franchisor's then-current financial and operational requirements for a replacement of Area Developer;
- (c) The transferee/assignee must attend and successfully complete Franchisor's Area Developer training class;
- (d) All fees owed by Area Developer must be paid in full prior to assignment;
- (e) The Area Developer trains the transferee/assignee for two (2) months prior to the transfer and for another two (2) months following the transfer (this is in addition to completing Franchisor's training); and
- (f) The Area Developer pays a transfer fee of Twenty Five Thousand (\$25,000) Dollars to Franchisor at closing.

8.4 Any proposed sale, assignment and transfer pursuant to this Section must be a sale, assignment and transfer of all or a significant portion of all the assets of Area Developer in respect of the business carried on by Area Developer pursuant to the terms of this Agreement, including, without limitation, the said right and license and all other assets of the said business and Area Developer shall not be entitled to sell same on an individual basis other than with the prior written consent of Franchisor.

8.5 Upon receipt of Area Developer's application pursuant to Subsection 8.3 and notwithstanding the right to sell, assign and transfer granted Area Developer pursuant to the terms of this Section, Franchisor shall have the absolute right, to be exercised by notice in writing delivered to Area Developer within thirty (30) days of the date of the receipt of Area Developer's application, to purchase the said right and license and other assets of Area Developer proposed to be sold, assigned or transferred. If Franchisor shall exercise its right to purchase as provided herein, Franchisor shall complete the purchase upon the same terms and conditions set out in the said application.

8.6 In the event Franchisor does not exercise its right to purchase as set out in Subsection 8.5 hereof and does consent to the sale, assignment and transfer by Area Developer to the proposed purchaser, the sale, assignment and transfer shall be completed between Area Developer and the proposed purchaser upon the same terms and conditions as were set out in the said application submitted by Area Developer to Franchisor. Otherwise, Area Developer shall, before selling, assigning and transferring his said right and license and other assets, again make application to Franchisor in the

manner as set out in this Section, and provisions of this Section shall apply mutatis mutandis and shall be repeated as often as Area Developer desires to complete any sale, assignment and transfer.

8.7 For the purposes of this Section, any sale, transfer or assignment of the issued and outstanding shares of the capital stock of or other beneficial interest in Area Developer, the effect of which, whether through one or several transactions, would result in a change of the effective control of Area Developer, shall, for the purposes thereof, be deemed to be a sale, assignment and transfer of all or a significant portion of all of the assets of Area Developer in respect of the business carried on by Area Developer pursuant to the provisions of this Agreement and, accordingly, all of the provisions of this Section shall apply, mutatis mutandis.

## **ARTICLE IX CORPORATE REQUIREMENTS**

9.1 If Area Developer is a corporation or limited liability company, Area Developer shall furnish to Franchisor, upon execution of this Agreement, a list of all stockholders of record, or members, and all persons having beneficial ownership of shares of the stock of Area Developer indicating their shareholdings, as well as a list of the directors and officers of Area Developer. Area Developer shall forthwith advise Franchisor in writing of any change in the stockholders, directors and officers from time to time.

9.2 All shareholders of Area Developer shall execute a personal guaranty in the form of personal guaranty annexed hereto or in such other form as may be specified from time to time by Franchisor.

9.3 Area Developer shall maintain stop transfer instructions against the transfer of its records of any securities with voting rights and shall issue no such securities upon the face of which the following printed legend does not legibly and conspicuously appear:

“TRANSFER OF THIS STOCK IS SUBJECT TO THE TERMS AND CONDITIONS OF AN AREA DEVELOPER AGREEMENT WITH i9 SPORTS CORPORATION DATED \_\_\_\_\_. REFERENCE IS MADE TO THE PROVISIONS OF THE SAID AREA DEVELOPER AGREEMENT AND TO THE ARTICLES AND BY- LAWS OF THIS CORPORATION.”

## **ARTICLE X COVENANTS**

10.1 Area Developer covenants that during the Term of this Agreement, except as otherwise approved in writing by Franchisor, Area Developer (or if Area Developer is a corporation or partnership, a principal or general partner of Area Developer) or Area Developer’s fully-trained manager shall devote full time, energy, and best efforts to the management and operation of the Area Developer Business.

10.2 Area Developer covenants that during the Term of this Agreement it shall not, either directly or indirectly, for itself, or in conjunction with others:

10.2.1 Divert or attempt to divert any business or customer of any i9 Sports Business operated under the System to any competitor or do any other act injurious or prejudicial to the goodwill associated with the System.

10.2.2 Employ or seek to employ any person who is at that time employed by Franchisor or any System franchisee, or directly or indirectly induce such person to leave their employ.

10.2.3 Own, maintain, operate, affiliate with, or have an interest in any franchised or company-owned Business or chain that is a Competitive Business.

10.3 Area Developer covenants that, except as otherwise approved in writing by Franchisor, it shall not, for a continuous uninterrupted two (2) year period beginning with the expiration or termination of this Agreement, either directly or indirectly, own, maintain, operate, affiliate with, or have an interest in, any Competitive Business which is located in the Development Area or located within a radius of fifty (50) miles of any "i9 Sports " Business under the System, whether owned by Franchisor or any System franchisee.

10.4 Sections 10.2 and 10.3 shall not apply to ownership by Area Developer, of an interest in any business operated under the System under a franchise granted by Franchisor or of less than five percent (5%) beneficial interest in the outstanding equity securities of any publicly-held corporation.

10.5 The parties agree that each of the foregoing covenants shall be construed as independent of any other covenant or provision of this Agreement. If all or any portion of a covenant is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappealed final decision to which Franchisor is a party, Area Developer expressly agrees to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Section 10.

10.6 Area Developer understands and acknowledges that Franchisor shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in Sections 10.2 and 10.3 of this Agreement, or any portion thereof, without Area Developer's consent, effective immediately upon receipt by Area Developer of written notice thereof; and Area Developer agrees that it shall comply forthwith with any covenant as so modified, which shall be fully enforceable.

10.7 Area Developer expressly agrees that the existence of any claims it may have against Franchisor, whether or not arising from this Agreement, shall not constitute a defense to the enforcement by Franchisor of the covenants in this Section 10. Area Developer agrees to pay all costs and expenses (including reasonable attorneys' fees and expenses) incurred by Franchisor in connection with the enforcement of this Section 10.

10.8 Area Developer shall require and obtain execution of covenants, of confidentiality and non-competition as set forth in Exhibit "E" hereof (including covenants applicable upon the termination of a person's relationship with Area Developer) from any or all of the following persons: (1) all managers of Area Developer and any other personnel employed by Area Developer who have received or will receive training from Franchisor; (2) all officers, directors, and holders of a beneficial interest of five percent (5%) or more of the securities of Area Developer, and of any corporation directly or indirectly controlling Area Developer, if Area Developer is a corporation; and (3) the general partners and any limited partners (including any corporation, and the officers, directors, and holders of a beneficial interest of five percent (5%) or more of the securities of any corporation which controls, directly or indirectly, any general or limited partner), if Area Developer is a partnership. The covenants required by this Section 10 shall be in a form specified by Franchisor, including, without limitation, specific identification of Franchisor as a third-party beneficiary of such covenant with the independent right to enforce it.

**ARTICLE XI**  
**DEFAULT AND TERMINATION**

11.1 Area Developer shall be in default under this Agreement, and all rights granted herein shall automatically terminate without notice to Area Developer, if Area Developer attempts to transfer this Agreement without complying with the terms of this Agreement, or if Area Developer shall become insolvent or makes a general assignment for the benefit of creditors; or if a petition in bankruptcy is filed by Area Developer or such a petition is filed against and not opposed by Area Developer; or if Area Developer is adjudicated a bankrupt or insolvent; or if a bill in equity or other proceeding for the appointment of a receiver of Area Developer or other custodian for Area Developer's business or assets is filed and consented to by Area Developer; or if a receiver or other custodian (permanent or temporary) of Area Developer's assets or property, or any part thereof, is appointed by any court of competent jurisdiction; or if proceedings for a composition with creditors under any state or federal law should be instituted by or against Area Developer; or if a final judgment remains unsatisfied or of record for thirty (30) days or longer (unless a supersedeas bond is filed); or if Area Developer is dissolved; or if execution is levied against Area Developer's business or property; or if suit to foreclose any lien or mortgage against Area Developer's business premises or equipment is instituted against Area Developer and not dismissed within thirty (30) days; or if the real or personal property of Area Developer shall be sold after levy thereupon by any sheriff, marshal, or constable.

11.2 Area Developer shall be deemed to be in default and Franchisor may, at its option, terminate this Agreement and all rights granted hereunder, without affording Area Developer any opportunity to cure the default, effective immediately upon receipt of notice by Area Developer, upon the occurrence of any of the following events:

(a) If Area Developer (or an officer, director, shareholder, member or partner of Area Developer) is convicted of a felony, a crime involving moral turpitude, or any other crime or offense that Franchisor believes is reasonably likely to have an adverse effect on the Area Developer Business, the System, the Marks, the goodwill associated therewith, or the interest of Franchisor therein;

(b) If Area Developer, after curing a default pursuant to Section 11.2, commits the same default again within twelve (12) months, whether or not cured after notice;

(c) If Area Developer repeatedly is in default under Section 11.2 for failure to comply substantially with any of the requirements imposed by this Agreement, whether or not cured after notice;

(d) If Area Developer commits any default under the Franchise Agreement between Area Developer and Franchisor and fails to cure such default, if such default can be cured, in accordance with the terms of the Franchise Agreement; or

(e) If Area Developer fails to fulfill requirements under the Development Schedule set forth on Exhibit "G" hereof.

11.3 Except as otherwise provided in Sections 11.1, and 11.2 of this Agreement, Area Developer shall have thirty (30) days after its receipt from Franchisor of a notice of termination within which to remedy any default hereunder and provide evidence to Franchisor. If any such default is not cured within that time, this Agreement shall terminate without further notice to Area Developer, effective immediately upon the expiration of the thirty (30) day period. Area Developer shall be in default

hereunder for any failure to comply substantially with any of the requirements imposed by this Agreement, or to carry out the terms of this Agreement in good faith.

**ARTICLE XII**  
**OBLIGATIONS UPON TERMINATION OR EXPIRATION**

12.1 Upon termination or expiration, this Agreement and all rights granted hereunder to Area Developer shall forthwith terminate; and, except to the extent permitted by any Franchise Agreement entered into by Area Developer:

(a) Area Developer shall immediately cease to operate the business licensed hereunder and shall not thereafter, directly or indirectly, represent to the public or hold itself out as a present or former Area Developer of Franchisor. After such termination or expiration, Area Developer shall cease providing services or assistance to System franchisees located within the Development Area.

(b) Area Developer shall immediately and permanently cease to use, by advertising or in any manner whatsoever, any confidential methods, procedures, and techniques associated with the Area Developer i9 Sports Business; the Proprietary Mark "i9 Sports" and all other Marks and distinctive forms, slogans, signs, symbols, and devices associated with the System or the Area Developer i9 Sports Business. In particular, Area Developer shall cease to use, without limitation, all signs, equipment, advertising materials, stationery, forms, and any other articles, which display the Marks associated with the Area Developer i9 Sports Business.

(c) Area Developer shall take such action as may be necessary to cancel any assumed name or equivalent registration which contains the mark "i9 Sports" or any other service mark or trademark of Franchisor, and Area Developer shall furnish Franchisor with evidence satisfactory to Franchisor of compliance with this obligation within thirty (30) days after termination or expiration of this Agreement.

(d) Area Developer agrees, in the event he continues to operate or subsequently begins to operate any other business, not to use any reproduction, counterfeit, copy, or colorable imitation of the Marks either in connection with such other business or the promotion thereof which is likely to cause confusion, mistake, or deception, or which is likely to dilute Franchisor's rights in and to the Marks; and further agrees not to utilize any designation of origin or description or representation which falsely suggests or represents an association or connection with Franchisor so as to constitute unfair competition.

(e) In the event of termination for any default of Area Developer, Area Developer shall promptly pay all damages, costs, and expenses, including reasonable attorneys' fees, incurred by Franchisor as a result of the default, which obligation shall give rise to and remain, until paid in full, a lien in favor of Franchisor against any and all of the personal property, fixtures, equipment, and inventory owned by Area Developer and at the "i9 Sports" Business used for the business licensed hereunder at the time of the default.

(f) Area Developer shall pay Franchisor all damages, costs, and expenses, including reasonable attorneys' fees, incurred by Franchisor subsequent to the termination or expiration of this Agreement in obtaining injunctive or other relief for enforcement of any provisions of this Article XII.

(g) Area Developer shall immediately turn over to Franchisor all materials including all manuals, records, files, instructions, correspondence, all materials related to operating the licensed

business, including, without limitation, brochures, agreements, invoices, UFOCS, and any and all other materials related to operating the licensed business hereunder in Area Developer's possession and all copies thereof (all of which are acknowledged to be Franchisor's property), and shall retain no copy or record of any of the foregoing, excepting only Area Developer's copy of this Agreement and of any correspondence between the parties and any other documents which Area Developer reasonably needs for compliance with any provision of law.

(h) The Franchise Agreement(s) Area Developer has executed for his "i9 Sports" Business(s) shall remain in full force and effect, notwithstanding the termination of this Agreement, provided Area Developer is not in default under any of said Franchise Agreements.

### **ARTICLE XIII** **TAXES AND INDEBTEDNESS**

13.1 Area Developer shall promptly pay, when due, all taxes levied or assessed by any federal, state or local tax authority and any and all other indebtedness incurred by Area Developer in the operation of the i9 Sports Business. Area Developer shall pay to Franchisor an amount equal to any sales tax, gross receipts tax or similar tax imposed on Franchisor with respect to any payments to Franchisor required under this Agreement, unless the tax is credited against income tax otherwise payable by Franchisor.

13.2 In the event of any bona fide dispute as to liability for taxes assessed or other indebtedness, Area Developer may contest the validity or the amount of the tax or indebtedness in accordance with procedures of the taxing authority or applicable law; provided, however, in no event shall Area Developer permit a tax sale or seizure by levy of execution or similar writ or warrant or attachment by a creditor to occur against the premises of the i9 Sports Business or any improvements thereon.

13.3 Area Developer shall comply with all federal, state, and local laws, rules and regulations, and shall timely obtain any and all permits, certificates, licenses and bonds necessary for the full and proper operation and management of the i9 Sports Business, including, without limitation, a license to do business and provide services, fictitious name registration, sales tax and other permits. Copies of all subsequent inspection reports, warnings, certificates and ratings issued by any governmental entity during the term of this Agreement in connection with the conduct of the i9 Sports Business which indicate Area Developer's failure to meet or maintain the highest governmental standards or less than full compliance by Area Developer with any applicable law, rule or regulation shall be forwarded to Franchisor by Area Developer within three (3) days of Area Developer's receipt thereof.

13.4 Area Developer shall notify Franchisor in writing within three (3) days of the commencement of any action, suit or proceeding and of the issuance of any order, writ, injunction, award or decree of any court, agency or other governmental instrumentality, which may adversely affect the operation or financial condition of the i9 Sports Business. Additionally, any and all consumer related complaints shall be answered by Area Developer within fifteen (15) days after receipt thereof or such shorter period of time as may be provided in said complaint. A copy of said answer shall be forwarded to Franchisor within three (3) days of the date that said answer is forwarded to the complainant.

### **ARTICLE XIV** **INDEPENDENT CONTRACTOR AND INDEMNIFICATION**

14.1 (a) It is understood and agreed by the parties hereto that this Agreement does not create a fiduciary relationship between them, that the Area Developer shall be an independent contractor, and that nothing in this Agreement is intended to make either party an agent, legal representative, subsidiary, joint venturer, partner, employee or servant of the other for any purpose whatsoever.

(b) During the term of this Agreement, the Area Developer shall hold himself out to the public as an independent contractor operating the i9 Sports Business pursuant to a license from Franchisor and as an authorized user of the System and the Marks, which are owned by Franchisor. The Area Developer agrees to take such affirmative action as may be necessary to do so, including exhibiting to customers a sign provided by Franchisor in a conspicuous place on the premises of the i9 Sports Business.

(c) Franchisor shall not have the power to hire or fire the Area Developer's employees, and except as herein expressly provided, Franchisor may not control or have access to Area Developer's funds or the expenditures thereof, or in any other way exercise dominion or control over the i9 Sports Business.

14.2 It is understood and agreed that nothing in this Agreement authorizes the Area Developer to make any contract, agreement, warranty or representation on Franchisor's behalf, or to incur any debt or other obligation in Franchisor's name, and that Franchisor shall in no event assume liability for or be deemed liable hereunder as a result of any such action or by reason of any act or omission of the Area Developer in the Area Developer's conduct of the i9 Sports Business or any claim or judgment arising therefrom against Franchisor. The Area Developer agrees at all times to defend, at his own cost, and to indemnify and hold harmless to the fullest extent permitted by law, Franchisor, its corporate parent, the corporate subsidiaries, affiliates, successors, assigns and designees of either entity, and the respective directors, officers, employees, agents, shareholders, designees, and representatives of each from all losses and expenses incurred in connection with any action, suit, proceeding, claim, demand, investigation, or formal or informal inquiry (regardless of whether same is reduced to judgment) or any settlement thereof which arises out of or is based upon any of the following: (a) the Area Developer's alleged infringement or any other violation of any patent, trademark or copyright or other proprietary right owned or controlled by third parties; (b) the Area Developer's alleged violation or breach of any contract, federal, state or local law, regulation, ruling, standard or directive of any industry standard; (c) libel, slander or any other form of defamation by the Area Developer; (d) the Area Developer's alleged violation or breach of any warranty, representation, agreement or obligation in this Agreement; (e) any acts, errors or omissions of the Area Developer or any of his agents, servants, employees, contractors, partners, proprietors, affiliates, or representatives; (f) latent or other defects in the i9 Sports Business, whether or not discoverable by Franchisor or the Area Developer; (g) the inaccuracy, lack of authenticity or nondisclosure of any information by any customer of the i9 Sports Business; (h) any services or products provided by the Area Developer at, from or related to the operation at the i9 Sports Business; (i) any services or products provided by any affiliated or non-affiliated participating entity; (j) any action by any customer of the i9 Sports Business; and (k) any damage to the property of the Area Developer or Franchisor, their agents or employees, or any third person, firm or corporation, whether or not such losses, claims, costs, expenses, damages, or liabilities were actually or allegedly caused wholly or in part through the active or passive negligence of Franchisor or any of its agents or employees, or resulted from any strict liability imposed on Franchisor or any of its agents or employees.

14.3 The Area Developer shall conspicuously identify himself and the i9 Sports Business in all dealings with his clients, contractors, suppliers, public officials and others, as an independent Area Developer of Franchisor, and shall place such notice of independent ownership on all forms, business cards, stationery, advertising, signs and other materials and in such fashion as Franchisor may, in its sole

and exclusive discretion, specify and require from time to time in its Manual (as same may be amended from time to time) or otherwise.

14.4 Except as otherwise expressly authorized by this Agreement, neither party hereto will make any express or implied agreements, warranties, guarantees or representations or incur any debt in the name of or on behalf of the other party, or represent that the relationship between Franchisor and Area Developer is other than that of Franchisor and Area Developer. Franchisor does not assume any liability, and will not be deemed liable, for any agreements, representations, or warranties made by Area Developer which are not expressly authorized under this Agreement, nor will Franchisor be obligated for any damages to any person or property which directly or indirectly arise from or relate to the operation of the i9 Sports Business franchised hereby.

#### **ARTICLE XV** **APPROVALS AND WAIVERS**

15.1 Whenever this Agreement requires the prior approval or consent of Franchisor, Area Developer shall make a timely written request to Franchisor therefor and such approval or consent shall be obtained in writing.

15.2 No failure of Franchisor to exercise any power reserved to it by this Agreement, or to insist upon strict compliance by Area Developer with any obligation or condition hereunder, and no custom or practice of the parties at variance with the terms hereof, shall constitute a waiver of Franchisor's right to demand exact compliance with any of the terms herein. Waiver by Franchisor of any particular default by Area Developer shall not affect or impair Franchisor's rights with respect to any subsequent default of the same, similar or different nature, nor shall any delay, forbearance or omission of Franchisor to exercise any power or right arising out of any breach or default by Area Developer of any of the terms, provisions or covenants hereof affect or impair Franchisor's right to exercise the same, nor shall such constitute a waiver by Franchisor of any right hereunder or the right to declare any subsequent breach or default and to terminate this Franchise prior to the expiration of its term. Subsequent acceptance by Franchisor of any payments due to it hereunder shall not be deemed to be a waiver by Franchisor of any preceding breach by Area Developer of any terms, covenants or conditions of this Agreement.

15.3 Area Developer hereby waives any right to a jury trial with respect to this Agreement and/or any matters arising hereunder.

#### **ARTICLE XVI** **NOTICES**

Any and all notices required or permitted under this Agreement shall be in writing and shall be personally delivered or mailed by certified mail, return receipt requested, or dispatched by overnight delivery envelope, to the respective parties at the following addresses unless and until a different address has been designated by written notice to the other party:

Notices to Franchisor:	i9 Sports Corporation 1723 South Kings Avenue Brandon, Florida 33511 Attention: Mr. Frank Fiume, President
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With a copy to:	Harold L. Kestenbaum, P.C.
-----------------	----------------------------

1320 Reckson Plaza, West Tower-14th Floor  
Uniondale, New York 11556-1320

Notices to Area Developer:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

With a copy to:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Any notice sent by certified mail shall be deemed to have been given at the date and time of mailing.

**ARTICLE XVII**  
**RELEASE OF PRIOR CLAIMS**

By executing this Agreement, Area Developer, individually and on behalf of Area Developer's heirs, legal representatives, successors and assigns, and each assignee of this Agreement by accepting assignment of the same, hereby forever releases and discharges Franchisor and its officers, directors, employees, agents and servants, including Franchisor's subsidiary and affiliated corporations, their respective officers, directors, employees, agents and servants, from any and all claims relating to or arising under any franchise agreement or any other agreement between the parties executed prior to the date of this Agreement including, but not limited to, any and all claims, whether presently known or unknown, suspected or unsuspected, arising under the franchise, securities or antitrust laws of the United States or of any state or Development Area thereof.

**ARTICLE XVIII**  
**DISCLOSURE STATEMENT AND DISCLAIMER**

18.1 Area Developer acknowledges, by his signature hereto, that he received from Franchisor a Federal Trade Commission Offering Circular, or UFOC, for the State in which the i9 Sports Business will be located, at Area Developer's place of residence, as appropriate, at least ten (10) business days prior to the execution of this Agreement.

\_\_\_\_\_ [Please initial to acknowledge that you have read and understand this Paragraph XVIII.1.]

18.2 Area Developer acknowledges that it received from Franchisor this Agreement with all blanks filled in at least five (5) business days prior to the execution of this Agreement. Area Developer represents that he has read this Agreement in its entirety and that he has been given the opportunity to clarify any provisions that he did not understand and to consult with an attorney or other professional advisor. Area Developer further represents that he understands the terms, conditions and obligations of this Agreement and agrees to be bound thereby.

\_\_\_\_\_ [Please initial to acknowledge that you have read and understand this Paragraph XVIII.2.]

18.3 Area Developer acknowledges and accepts the following:

THE SUCCESS OF AREA DEVELOPER IN OPERATING A FRANCHISE IS SPECULATIVE AND WILL DEPEND ON MANY FACTORS INCLUDING, TO A LARGE EXTENT, AREA

DEVELOPER'S INDEPENDENT BUSINESS ABILITY. THIS OFFERING IS NOT A SECURITY, AS THAT TERM IS DEFINED UNDER APPLICABLE FEDERAL AND STATE SECURITIES LAWS. THE OBLIGATION TO TRAIN, MANAGE, PAY, RECRUIT AND SUPERVISE EMPLOYEES OF THE I9 SPORTS BUSINESS RESTS SOLELY WITH AREA DEVELOPER. AREA DEVELOPER HAS NOT RELIED ON ANY WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, AS TO THE POTENTIAL SUCCESS OR PROJECTED INCOME OF THE BUSINESS VENTURE CONTEMPLATED HEREBY. NO REPRESENTATIONS OR PROMISES HAVE BEEN MADE BY FRANCHISOR TO INDUCE AREA DEVELOPER TO ENTER INTO THIS AGREEMENT EXCEPT AS SPECIFICALLY INCLUDED HEREIN. FRANCHISOR HAS NOT MADE ANY REPRESENTATION, WARRANTY OR GUARANTY, EXPRESS OR IMPLIED, AS TO THE POTENTIAL REVENUES, PROFITS OR SERVICES OF THE BUSINESS VENTURE TO AREA DEVELOPER AND CANNOT, EXCEPT UNDER THE TERMS OF THIS AGREEMENT, EXERCISE CONTROL OVER AREA DEVELOPER'S BUSINESS. AREA DEVELOPER ACKNOWLEDGES AND AGREES THAT HE HAS NO KNOWLEDGE OF ANY REPRESENTATION MADE BY FRANCHISOR OR ITS REPRESENTATIVES OF ANY INFORMATION THAT IS CONTRARY TO THE TERMS CONTAINED HEREIN.

\_\_\_\_\_ [Please initial to acknowledge that you have read and understand this Paragraph XVIII.3.]

**ARTICLE XIX**  
**ENTIRE AGREEMENT**

This Agreement, the documents referred to herein and the attachments hereto, if any, constitute the entire, full and complete agreement between the parties hereto concerning the subject matter hereof, and supersede all prior agreements with no other representations as to having induced Area Developer to execute this Agreement. No amendment, change or variance from this Agreement shall be binding on the parties hereto unless mutually agreed to by the parties and executed by themselves or their authorized officers or agents in writing.

**ARTICLE XX**  
**SEVERABILITY AND CONSTRUCTION**

20.1 Except as expressly provided to the contrary herein, each section, part, term and/or provision of this Agreement shall be considered severable and if, for any reason, any section, part, term and/or provision herein is determined to be invalid and contrary to, or in conflict with, any existing or future law or regulation by a court or agency having valid jurisdiction, such shall not impair the operation of, or have any other effect upon, such other portions, sections, parts, terms and/or provisions of this Agreement as may remain otherwise intelligible, and the latter shall continue to be given full force and effect and bind the parties hereto, and said invalid sections, parts, terms and/or provisions shall be deemed not to be a part of this Agreement; provided, however, that if Franchisor determines that such finding of invalidity or illegality adversely affects the basic consideration of this Agreement, Franchisor, at its option, may terminate this Agreement.

20.2 Area Developer expressly agrees to be bound by any promise or covenant imposing the maximum duty permitted by law which is subsumed within the terms of any provision hereof, as though it were separately articulated in and made a part of this Agreement, that may result from striking from any of the provisions hereof any portion or portions which a court may hold to be unreasonable and unenforceable in a final decision to which Franchisor is a party, or from reducing the scope of any promise or covenant to the extent required to comply with such a court order.

20.3 All captions in this Agreement are intended solely for the convenience of the parties, and none of the captions shall be deemed to affect the meaning or construction of any provision hereof.

20.4 All references herein to the masculine, neuter or singular shall be construed to include the masculine, feminine, neuter or plural, where applicable, and all acknowledgments, promises, covenants, agreements and obligations herein made or undertaken by Area Developer shall be deemed jointly and severally undertaken by all of the parties executing this Agreement in his individual capacity on behalf of Area Developer. This Agreement may be executed in one or more originals, each of which shall be deemed an original.

20.5 As used in this Agreement, the term "Area Developer" shall include all persons who succeed to the interest of the original Area Developer by transfer or operation of law and shall be deemed to include not only the individual or entity defined as "Area Developer" in the introductory paragraph of this Agreement, but shall also include all partners of the entity that executes this Agreement, in the event said entity is a partnership; all shareholders, officers and directors of the entity that executes this Agreement, in the event said entity is a corporation; and all members of the entity that executes this Agreement, in the event said entity is a limited liability company. By their signatures hereto, all partners, shareholders, officers and directors of the entity that signs this Agreement as Area Developer acknowledge and accept the duties and obligations imposed upon each of them, individually, by the terms of this Agreement.

20.6 If, as a result of hurricane, tornado, typhoon, flooding, lightning, blizzard and other unusually severe weather, earthquake, avalanche, volcanic eruption, fire, riot, insurrection, acts of terrorism, war, explosion, unavoidable calamity or other act of God (a "Force Majeure"), compliance by any party with the terms of this Agreement is rendered impossible or would otherwise create an undue hardship upon any party, all parties shall be excused from their respective obligations hereunder for the duration of the Force Majeure and for a reasonable recovery period thereafter, but otherwise this Agreement shall continue in full force and effect.

## **ARTICLE XXI** **APPLICABLE LAW**

21.1 This Agreement takes effect upon its acceptance and execution by Franchisor. This Agreement shall be interpreted and construed under the laws of the State of Florida except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Section 1051 et seq.).

21.2 Except as otherwise expressly provided by applicable state law or regulation, the parties agree that any action brought by either party against the other shall be brought in Pasco County, Florida and the parties do hereby waive all questions of personal jurisdiction or venue for the purpose of carrying out this provision.

21.3 No right or remedy conferred upon or reserved by Franchisor or Area Developer by this Agreement is intended and it shall not be deemed to be exclusive of any other right or remedy provided or permitted herein, by law or at equity, but each right or remedy shall be cumulative of every other right or remedy.

21.4 Nothing herein contained shall bar Franchisor's right to obtain injunctive relief against threatened conduct that will cause it loss or damage under the usual equity rules, including the applicable rules for obtaining restraining orders and preliminary injunctions.

**ARTICLE XXII**  
**ARBITRATION**

22.1 (a) except as provided elsewhere in this agreement, Franchisor, Area Developer and the controlling principals agree that any claim, controversy or dispute arising out of or relating to the franchise, Area Developer's establishment or operation of any Business under this agreement (and any amendments thereto) including, but not limited to, any claim by Area Developer, or any of the controlling principals, or persons claiming on behalf of Area Developer or the controlling principals, concerning the entry into, the performance under or the termination of the agreement, or any other agreement between Franchisor, or its affiliates, and Area Developer, any claim against a past or present officer, director, employee or agent of Franchisor, including those occurring subsequent to the termination of this agreement, shall, except as specifically set forth herein and in Section XXII.3, be referred to arbitration, the arbitration shall be conducted by the American Arbitration Association in accordance with the rules of the American Arbitration Association, as amended, except that the arbitrator shall apply the federal rules of evidence during the conduct of the hearing sessions with respect to the admissibility of evidence. If such rules are in any way contrary to or in conflict with this agreement, the terms of the agreement shall control. Only claims, controversies or disputes involving Area Developer and the controlling principals may be brought hereunder. No claim for or on behalf of any other Area Developer or supplier, or class, representative or association thereof, may be brought by Area Developer or the controlling principals hereunder.

(b) the parties shall agree on an arbitrator within fifteen (15) days of the filing of arbitration. If the parties cannot agree on a single arbitrator, Franchisor and Area Developer (or controlling principal, as applicable) shall each select one (1) arbitrator. If the party upon whom the demand for arbitration is served fails to select an arbitrator within fifteen (15) days after the receipt of the demand for arbitration, then the arbitrator so designated by the party requesting arbitration shall act as the sole arbitrator to resolve the controversy at hand. The two arbitrators designated by the parties shall select a third arbitrator. If the two arbitrators designated by the parties fail to select a third arbitrator within fifteen (15) days, the third arbitrator shall be selected by the American Arbitration Association or any successor thereto, upon application by either party. All of the arbitrators shall be experienced in the arbitration of disputes between franchisors and franchisees. The arbitration shall take place at Franchisor's corporate offices or at the office of the American Arbitration Association nearest Franchisor's corporate offices. The award of the arbitrators shall be final and judgment upon the award rendered in arbitration may be entered in any court having jurisdiction thereof. The costs and expenses of arbitration may be entered in any court having jurisdiction thereof. The arbitrators shall be required to submit written findings of fact and conclusions of law within thirty (30) business days following the final hearing session of the arbitration. The costs and expenses of arbitration, including compensation and expenses of the arbitrators, shall be borne by the parties as the arbitrators determine.

(c) notwithstanding the above, the following shall not be subject to arbitration:

(i) disputes and controversies arising from the Sherman Act, the Clayton Act or any other federal or state antitrust law;

(ii) disputes and controversies based upon or arising under the Lanham Act, as now or hereafter amended, relating to the ownership or validity of the trademarks;

(iii) disputes and controversies relating to actions to obtain possession of the premises of the Business under lease or sublease.

(d) if Franchisor shall desire to seek specific performance or other extraordinary relief including, but not limited to, injunctive relief under this agreement, and any amendments thereto, or to collect monies due, then any such action shall not be subject to arbitration and Franchisor shall have the right to bring such action as described in Section XXII.3.

(e) in proceeding with arbitration and in making determinations hereunder, the arbitrators shall not extend, modify or suspend any terms of this agreement or the reasonable standards of business performance and operation established by Franchisor in good faith. Notice of or request to demand for arbitration shall not stay, postpone or rescind the effectiveness of any termination of this agreement. The arbitrators shall apply Florida law and the terms of this agreement in reaching their decision.

22.3 With respect to any claims, controversies or disputes which are not finally resolved through arbitration, or as otherwise provided above, Area Developer and the controlling principals hereby irrevocably submit themselves to the jurisdiction of the state courts of Hillsborough County, Florida and the federal district court for the District Court located nearest to Franchisor's headquarters. Area Developer and the controlling principals hereby waive all questions of personal jurisdiction for the purpose of carrying out this provision. Area Developer and the controlling principals hereby agree that service of process may be made upon any of them in any proceeding relating to or arising out of this agreement or the relationship created by this agreement by any means allowed by Florida or federal law. Area Developer and the controlling principals further agree that venue for any proceeding relating to or arising out of this agreement shall be Hillsborough County, Florida; provided, however, with respect to any action (1) for monies owed, (2) for injunctive or other extraordinary relief or (3) involving possession or disposition of, or other relief relating to, real property, Franchisor may bring such action in any state or federal district court which has jurisdiction. With respect to all claims, controversies, disputes or actions, related to this agreement or the relationship created thereby, this agreement and any such related claims, controversies, disputes or actions shall be governed, enforced and interpreted under Florida law.

22.4 Area Developer, the controlling principals and franchisor acknowledge that the parties' agreement regarding applicable state law and forum set forth in Section XXII.3 above provide each of the parties with the mutual benefit of uniform interpretation of this agreement and any dispute arising out of this agreement or the parties' relationship created by this agreement. Each of Area Developer, the controlling principals and Franchisor further acknowledge the receipt and sufficiency of mutual consideration for such benefit and that each party's agreement regarding applicable state law and choice of forum have been negotiated for in good faith and are part of the benefit of the bargain reflected by this agreement.

22.5 Area Developer, the controlling principals and Franchisor acknowledge that the execution of this agreement and acceptance of the terms by the parties occurred in Hillsborough County, Florida, and further acknowledge that the performance of certain obligations of Area Developer arising under this agreement, including, but not limited to, the payment of monies due hereunder and the satisfaction of certain training requirements of Franchisor, shall occur in Hillsborough County, Florida.

22.6 Without limiting any of the foregoing, Franchisor reserves the right, at any time, to create a dispute resolution program and related specifications, standards, procedures and rules for the implementation thereof to be administered by Franchisor or its designees for the benefit of all Area Developers conducting business under the system. The standards, specifications, procedures and rules for such dispute resolution program shall be made part of the manuals and if made part of the manuals, on either a voluntary or mandatory basis, Area Developer shall comply with all such standards,

specifications, procedures and rules in seeking resolution of any claims, controversies or disputes with or involving franchisor or other Area Developers, if applicable under the program. If such dispute resolution program is made mandatory, then Area Developer and Franchisor agree to submit any claims, controversies or disputes arising out of or relating to this agreement (and attachments) or the relationship created by this agreement for resolution in accordance with such dispute resolution program prior to seeking resolution of such claims, controversies or disputes in the manner described in Sections XXII.1-3 (provided that the provisions of Section XXII concerning franchisor's right to seek relief in a court for certain actions including for injunctive or other extraordinary relief shall not be superseded or affected by this Section XXII.6) or if such claim, controversy or dispute relates to another Area Developer, Area Developer agrees to participate in the program and submit any such claims, controversies or disputes in accordance with the program's standards, specifications, procedures and rules, prior to seeking resolution of such claim by any other judicially or legally available means.

22.7 Area Developer and the controlling principals hereby waive, to the fullest extent permitted by law, any right to or claim or any punitive, exemplary, incidental, indirect, special, consequential or other damages (including, without limitation, loss of profits) against Franchisor, its affiliates, and their respective officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees, in their corporate and individual capacities, arising out of any cause whatsoever (whether such cause be based in contract, negligence, strict liability, other tort or otherwise) and agrees that in the event of a dispute, Area Developer and the controlling principals shall be limited to the recovery of any actual damages sustained by it. If any other term of this agreement is found or determined to be unconscionable or unenforceable for any reason, the foregoing provisions of waiver by agreement of punitive, exemplary, incidental, indirect, special, and consequential or other damages (including, without limitation, loss of profits) shall continue in full force and effect.

22.8 In the event any party is required to employ legal counsel or to incur other reasonable expenses to enforce any obligation of another party hereunder, or to defend against any claim, demand, action, or proceeding by reason of another party's failure to perform any obligation imposed upon such party by this Agreement, and provided that legal action is filed by or against the first party and such action or the settlement thereof establishes the other party's default hereunder, then the prevailing party shall be entitled to recover from the other party the amount of all reasonable attorneys' fees of such counsel and all other expenses reasonably incurred in enforcing such obligation or in defending against such claim, demand, action, or proceeding, whether incurred prior to or in preparation for or contemplation of the filing of such action or thereafter. Nothing contained in this Paragraph shall relate to arbitration proceedings pursuant to this Agreement.

22.9 Except for controversies, disputes or claims related to or based on, (i) any action by Franchisor to stop or prevent any threat or danger to public health or safety resulting from the construction or operation of the i9 Sports ; or (ii) at Franchisor's option, Area Developer's use of the Marks, the parties agree that in all controversies, disputes, claims or contract disputes arising out of or related to this Agreement or any other agreement between Franchisor and Area Developer or any provision of such agreement that cannot be amicably settled, shall be determined solely and exclusively by binding arbitration under the Federal Arbitration Act, as amended, and in accordance with the rules of the American Arbitration Association or any successor thereof. Arbitration shall take place at an appointed time and place in the State of Florida, County of Hillsborough.

22.10 Each party shall select one (1) arbitrator (who shall not be counsel for the party), and the two so designated shall select a third arbitrator. If either party shall fail to designate an arbitrator within seven (7) days after arbitration is requested, or if the two arbitrators shall fail to select a third arbitrator within fourteen (14) days after arbitration is requested, then an arbitrator shall be selected by the

American Arbitration Association or any successor thereto upon application of either party. Judgment upon any award of the majority of the arbitrators shall be binding and shall be entered in a court of competent jurisdiction. The award of the arbitrators may grant any relief which might be granted by a court of general jurisdiction, including, without limitation, by reason of enumeration, award of damages (but excluding injunctive relief), and may, in the discretion of the arbitrators, assess in addition the costs of arbitration, including the reasonable fees of the arbitrators and reasonable attorneys' fees, against either or both parties, in proportions as the arbitrators shall determine.

22.11 Nothing herein contained shall bar the right of either party to seek and obtain temporary and permanent injunctive relief from a court of competent jurisdiction in accordance with applicable law against threatened conduct that will in all probability cause loss or damage to Area Developer or Franchisor.

22.12 It is the intent of the parties that any arbitration between Franchisor and Area Developer regarding a claim of Area Developer shall be of Area Developer's individual claim and that no such claim subject to arbitration shall be arbitrated on a class-wide basis.

### **ARTICLE XXIII** **CHANGES AND MODIFICATIONS**

23.1 Franchisor may modify this Agreement only upon the execution of a written agreement by Franchisor and Area Developer. Franchisor reserves and shall have the sole right to make changes in the Manual, the System and the Marks at any time and without prior notice to Area Developer. Area Developer shall promptly alter any signs, products, business materials or related items, at his sole cost and expense, upon written receipt of written notice of such change or modification in order to conform to Franchisor's revised specifications. In the event that any improvement or addition to the Manual, the System or the Marks is developed by Area Developer, then Area Developer agrees to grant to Franchisor an irrevocable, world-wide, exclusive, royalty-free license, with the right to sublicense such improvement or addition.

23.2 Area Developer understands and agrees that due to changes in competitive circumstances, presently unforeseen changes in the needs of customers, and/or presently unforeseen technological innovations, Franchisor's System must not remain static in order that it best serve the interest of Franchisor, franchisees, Area Developers and the System. Accordingly, Area Developer expressly understands and agrees that Franchisor may from time to time change the components of the System, including, but not limited to, altering the i9 Sports Businesses, services, methods, standards, forms, policies and procedures of that System; adding to, deleting from or modifying those i9 Sports Businesses, products and services which the i9 Sports Business is authorized to offer; and changing, improving or modifying the Marks, leases, franchise agreements, subleases, Business designs, manuals and procedures. Subject to the other provisions of this Agreement, Area Developer expressly agrees to abide by any such modifications, changes, additions, deletions and alterations.

### **ARTICLE XIV** **ACKNOWLEDGMENTS**

Area Developer acknowledges that he has conducted an independent investigation of all aspects relating to the i9 Sports Business and recognizes that the business venture contemplated by this Agreement involves business risks and that its success will be largely dependent upon the skills and ability of Area Developer as an independent business person or organization. Area Developer acknowledges that he has received, read and understands this Agreement, the attachments hereto and

agreements relating thereto, and that Franchisor has accorded Area Developer ample time and opportunity to consult with advisors of Area Developer's own choosing about the potential benefits and risks of entering into this Agreement.

\_\_\_\_\_ [Please initial to acknowledge that you have read and understand this Article XIV.]

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed and delivered this Agreement on the day and year first above written.

ATTEST:

FRANCHISOR:

i9 SPORTS CORPORATION

\_\_\_\_\_  
Witness

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

ATTEST:

AREA DEVELOPER

\_\_\_\_\_  
Witness

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Each of the undersigned owns a beneficial interest in Area Developer each has read this Agreement, and each agrees to be individually bound by all of its terms and conditions.

ATTEST:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**i9 SPORTS CORPORATION**

**EXHIBIT "A"**

**AREA DEVELOPER AREA**

The Area Developer Area shall be as follows:

i9 SPORTS CORPORATION

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

AREA DEVELOPER

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**i9 SPORTS CORPORATION  
EXHIBIT "B"**

**DISCLOSURE ACKNOWLEDGMENT STATEMENT**

i9 Sports Corporation ("Franchisor") through the use of this document, desires to ascertain that \_\_\_\_\_ ("Area Developer") fully understands and comprehends that the purchase of "i9 Sports " Business Area Developer is a business decision, complete with its associated risks, and that it is the company policy of Franchisor to verify that Area Developer is not relying upon any oral statement, representations, promises or assurances during the negotiations for the purchase of the which have not been authorized by Franchisor.

1. Area Developer recognizes and understands that business risks, which exists in connection with the purchase of any business, make the success or failure of the Franchise subject to many variables, including the skills and abilities of the Area Developer, the hours worked by Area Developer, competition, interest rates, the economy, inflation, operating costs, lease terms and costs and the market place. Area Developer acknowledges his willingness to undertake these business risks.

2. Area Developer acknowledges receipt of Franchisor's Franchise Offering Circular and Exhibits. Area Developer acknowledges that he has had the opportunity to personally and carefully review these documents. Furthermore, Area Developer has been advised to seek professional assistance, to have professionals review the documents and to consult with Area Developer regarding the risks associated with the purchase of the Franchise.

3. Area Developer agrees and states that the decision to enter into this Area Developer i9 Sports Business is in no manner predicated upon any oral representations, assurances, warranties, guarantees or promises made by Franchisor or any of its officers, employees or agents or servants as to the likelihood of success of the Area Developer i9 Sports Business. Area Developer further acknowledges that he has not received any information from Franchisor or any of its officers, employees or agents (including any franchise broker) concerning actual, average, projected or forecasted franchise sales, profits, or earnings. If Area Developer believes that he has received any information concerning actual, average, projected or forecasted Franchise sales, profits or earnings, please describe these in the space provided below or write "None".

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Acknowledged this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_

Area Developer: (Corporation or Partnership)

\_\_\_\_\_

Name

a \_\_\_\_\_ CORPORATION/PARTNERSHIP

By: \_\_\_\_\_

Signature

\_\_\_\_\_

Name and Title

**i9 SPORTS CORPORATION**

**EXHIBIT "C"**

**GUARANTEE AND ASSUMPTION OF OBLIGATION**

In consideration of, and as an inducement to, the execution of foregoing Area Developer Agreement (the "Agreement") by i9 Sports Corporation ("Franchisor"), each of the undersigned ("Guarantors") hereby personally and unconditionally (1) guarantees to Franchisor and its successors and assigns, for the term of the Agreement and thereafter as provided in the Agreement, that Area Developer shall punctually pay and perform each and every undertaking, agreement and covenant set forth in the Agreement and (2) agrees to be personally bound by, and personally liable for the breach of, each and every provision in the Agreement. Each of the undersigned waives:

1. Acceptance and notice of acceptance by Franchisor of the foregoing undertakings;
2. Notice of demand for payment of any indebtedness or nonperformance of any obligations hereby guaranteed;
3. Protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed;
4. Any right he/she may have to require that an action be brought against Area Developer or any other person as a condition of liability;
5. All rights to payments and claims for reimbursement or subrogation which any of the Guarantors may have against Area Developer arising as a result of the Guarantors' execution of and performance under this guaranty; and
6. Any and all other notices and legal or equitable defenses to which he/she may be entitled.

Each of the undersigned consents and agrees that:

1. His/her direct and immediate liability under this guaranty shall be joint and several;
2. He/she shall render any payment or performance required under the Agreement upon demand if Area Developer fails or refuses punctually to do so;
3. Such liability shall not be contingent upon or conditioned upon pursuit by Franchisor of any remedies against Area Developer or any other person; and
4. Such liability shall not be diminished, relieved or otherwise affected by any extension of time, credit or the indulgence, which Franchisor may from time to time grant to Area Developer or to any other person, including, without limitation, the acceptance of any partial payment or performance, or the compromise or release of any claims, none of which shall in any way modify or amend this guaranty, which shall be continuing and irrevocable during the term of the Agreement.

If Franchisor is required to enforce this Guaranty and Assumption of Obligations in any judicial or arbitration proceeding or appeal thereof, the Guarantors shall reimburse Franchisor for its costs and

expenses, including, but not limited to, reasonable accountants', attorneys', attorneys' assistants', arbitrators' and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses, whether incurred prior to, in preparation for or in contemplation of the filing of any written demand, claim, action, hearing or proceeding to enforce this Guaranty and Assumption of Obligations.

IN WITNESS WHEREOF, each of the undersigned has hereunto affixed his/her signature on the same day and year as the Agreement was executed.

WITNESS

GUARANTOR(S)

\_\_\_\_\_

\_\_\_\_\_  
Name

\_\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_

\_\_\_\_\_  
Name

\_\_\_\_\_

\_\_\_\_\_  
Signature

**i9 SPORTS CORPORATION**

**EXHIBIT "D"**

**TRANSFER OF AREA DEVELOPER AGREEMENT TO A CORPORATION**

The undersigned, an officer, director and owner of a majority of the issued and outstanding voting stock of the corporation set forth below, and Area Developer under the Area Developer Agreement executed on the date set forth below, between himself/herself and i9 Sports Corporation as Franchisor, granting him/her a franchise to operate in the Development Area set forth below and the other undersigned directors, officers and shareholders of the corporation, who together with Area Developer constitute all of the shareholders of the corporation, in order to induce Franchisor to consent to the assignment of the Area Developer Agreement to \_\_\_\_\_, agree in accordance with the provisions of Article VIII of the Area Developer Agreement as follows:

1. The undersigned Area Developer shall remain personally liable in all respects under the Area Developer Agreement and all the other undersigned officers, directors and stockholders of the corporation intending to be legally bound hereby agree jointly and severally to be personally bound by the provisions of the Area Developer Agreement to the same extent as if each of them were the Area Developer set forth in the Area Developer Agreement and they jointly and severally personally guarantee all of Area Developer's obligations set forth in said Agreement.

2. The undersigned agrees not to transfer any stock in the corporation without the prior written approval of Franchisor and agrees that all stock certificates representing shares in the corporation shall bear the following legend:

"The shares of stock represented by this certificate are subject to the terms and conditions set forth in a Area Developer Agreement dated: \_\_\_\_\_, \_\_\_\_\_, between \_\_\_\_\_ and i9 Sports Corporation"

3. \_\_\_\_\_ or his/her designees shall devote his/her best efforts to the day-to-day operation and development of the Development Area.

4. \_\_\_\_\_ hereby agrees to become a party to and to be bound by all of the provisions of the Area Developer Agreement executed on the date set forth below between Area Developer and i9 Sports Corporation

Date of Area Developer Agreement: \_\_\_\_\_

Development Area: \_\_\_\_\_

Witness:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Name of Corporation

ATTEST:

\_\_\_\_\_

By: \_\_\_\_\_

In consideration of the execution of the above agreement, i9 Sports Corporation hereby consents to the above referred to assignment on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

i9 SPORTS CORPORATION

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**i9 SPORTS CORPORATION**

**EXHIBIT "E"**

**TO THE AREA DEVELOPER AGREEMENT BY AND BETWEEN i9 SPORTS CORPORATION AND**

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**DATED \_\_\_\_\_, \_\_\_\_.**

**CONFIDENTIALITY AND NON-COMPETITION AGREEMENT**

THIS AGREEMENT is made and entered into as of this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_, by and among i9 Sports Corporation, a Florida corporation, ("Franchisor"), \_\_\_\_\_, a corporation/partnership, and a resident of \_\_\_\_\_ ("Covenantor").

**WITNESSETH:**

WHEREAS, pursuant to the terms of that certain Area Developer Agreement between Franchisor and Area Developer dated \_\_\_\_\_, 20\_\_\_ (the "Area Developer Agreement"), Franchisor has granted to Area Developer the right to own and operate a "i9 Sports " business (the "i9 Sports Business") at \_\_\_\_\_ (the "Premises") (all capitalized terms not defined herein shall have the respective meanings set forth in the Area Developer Agreement);

WHEREAS, Covenantor is either a shareholder, partner, an officer or a director of Area Developer or is an employee of Area Developer who will have access to the Confidential Information (as defined below) in connection with the operation of the i9 Sports Business at the Premises;

WHEREAS, in consideration of the grant of the franchise for the i9 Sports Business to Area Developer and the employment of Covenantor (in the event Covenantor is an employee of Area Developer), as a condition precedent to allowing Covenantor to have access to the Confidential Information, and as a material term of the Area Developer Agreement necessary to protect Franchisor's ownership interest in the Area Developer's right to use the Confidential Information in the i9 Sports Business, Franchisor and Area Developer require that Covenantor enter into this Agreement;

WHEREAS, to induce Franchisor to enter into the Area Developer Agreement and to avoid a material breach thereof, as the case may be, Franchisor, Area Developer and Covenantor desire, and deem it to be in Covenantor's personal best interest that Covenantor enter into this agreement; and

WHEREAS, due to the nature of Franchisor's business, any use or disclosure of the Confidential Information other than in accordance with this Agreement will cause Franchisor and Area Developer substantial harm.

NOW, THEREFORE, to induce Franchisor to enter into the Area Developer Agreement and/or to prevent Franchisor from declaring a material breach thereunder, and in consideration of the covenants and mutual agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Recitals.

The recitals set forth above shall be deemed to be incorporated herein as if fully set forth in this Agreement, and this Agreement shall be interpreted in light of such recitals.

2. Definition of Confidential Information.

As used herein, the term "Confidential Information" shall mean certain confidential and proprietary information and trade secrets consisting of the following categories of information and knowledge developed or to be developed or acquired by Franchisor, its Affiliates, and/or its franchisees, developers and Area Developers (the "Confidential Information"), including, without limitation: (a) distinctive methods, techniques, equipment, specification, standards, policies, procedures, information, concepts and systems relating to, and knowledge of and experience in the development, operation and franchising of the i9 Sports Business; and (b) marketing and promotional programs for the i9 Sports Business.

3. Protection of Confidential Information.

Franchisor will disclose to Area Developer the Confidential Information pursuant to the Area Developer Agreement. Covenantor acknowledges and agrees that Covenantor will not acquire any interest in or right to use the Confidential Information, except the right to use it strictly in accordance with the Area Developer Agreement, and that the use or duplication of the Confidential Information in any other business would be detrimental to Franchisor and would constitute an unfair method of competition with Franchisor and other i9 Sports Business owners. Covenantor acknowledges and agrees that the Confidential Information is a valuable asset of Franchisor, is proprietary, includes trade secrets of valuable asset of Franchisor, and is disclosed to Covenantor by Area Developer solely on the condition that Covenantor agrees, and Covenantor hereby does agree, that Covenantor;

- (a) will not use the Confidential Information in any other business or capacity;
- (b) will maintain the absolute secrecy and confidentiality of the Confidential Information during and after the term of the Area Developer Agreement;
- (c) will not make unauthorized copies of any portion of the Confidential Information disclosed in written form; and
- (d) will follow all reasonable procedures prescribed from time to time by Franchisor and Area Developer to prevent unauthorized use or disclosure of or access to the Confidential Information. Notwithstanding the foregoing, nothing herein shall prevent Covenantor from continuing to use, after termination of this Agreement, any portion of the Confidential Information that has become generally known or easily accessible, other than by any person's or entity's breach of any obligation of confidentiality to Franchisor or Area Developer. Nothing contained herein shall be construed to prohibit Covenantor from using the Confidential Information in connection with the operation of an "i9 Sports" business (other than the i9 Sports Business) pursuant to a Franchise Agreement between Covenantor and Franchisor. Covenantor agrees to disclose to Franchisor all ideas, concepts, methods, techniques and products relating to the development and operation of the i9 Sports Business conceived or developed by Covenantor during the term of this Agreement, and Franchisor shall have a perpetual, non-exclusive and worldwide right to incorporate same in the System for use in all i9 Sports businesses operated by Franchisor and its Area Developers. Franchisor shall have no obligation to make any payment to Covenantor with respect to any idea, concept, method, technique or product developed or suggested by Covenantor and incorporated by Franchisor in the i9 Sports Business. Covenantor agrees that

Covenantor will not use any such concept, method, technique or product without obtaining Franchisor's prior written approval.

4. Restrictive Covenant During the Term of the Area Developer Agreement.

Covenantor acknowledges and agrees that Franchisor would be unable to protect the Confidential Information against unauthorized use or disclosure and would be unable to encourage a free exchange of ideas and information among "i9 Sports" businesses if persons or entities authorized to use the Confidential Information were permitted to hold interest in or perform services for a Competitive Business. As used in this Agreement, "Competitive Business" means any enterprise that:

(a) is substantially similar to the business then engaged in by a substantial number of "i9 Sports" businesses; or

(b) grants a franchise or license or establishes a joint venture, for the development and/or operation of an enterprise described in the foregoing clause (a) Covenantor further acknowledges that restrictions on his/her direct or indirect ownership of interests in a "Competitive Business" will not hinder Covenantor's activities in connection with Area Developer's performance of the Area Developer Agreement or in general. Covenantor therefore agrees that during the term of the Area Developer Agreement and so long as Covenantor is either a shareholder, partner, employee, officer or director of Area Developer, Covenantor shall not directly or indirectly engage in any "Competitive Business". As used in this Agreement, the phrase "directly or indirectly engage in any 'Competitive Business'" shall include, without limitation: (x) the ownership of an interest in a "Competitive Business" by Covenantor or his/her spouse; and (y) the performance of services as a director, officer, manager, employee, consultant, representative, agent or otherwise for any "Competitive Business" by Covenantor or his/her spouse. Area Developer and Covenantor acknowledge and agree that the failure of Covenantor or his/her spouse to comply with this Paragraph 4 or Paragraphs 5 or 6 below shall preclude Covenantor or his/her spouse from acquiring ownership of shares in a business which is not a "Competitive Business". The restrictions of this Paragraph shall not be applicable to the ownership of shares of a class of securities listed on a stock exchange or traded on the over-the-counter market that represent less than five percent (5%) of the total number of issued and outstanding shares of that class of securities.

5. Restrictive Covenant upon Transfer of Covenantor's Ownership Interest in Area Developer.

If Covenantor transfers his/her entire ownership interest in Area Developer and is not thereafter an employee, officer or director of Area Developer, Covenantor agrees that Covenantor will not directly or indirectly engage in any "Competitive Business" which is located in the Territory or located within a radius of fifty (50) miles of any i9 Sports Business under the System, whether owned by Franchisor or any System Area Developer for a period of two (2) years commencing on the effective date of such transfer. As used in this Paragraph 5 and in Paragraph 6 below, the phrase "directly or indirectly engage in a 'Competitive Business'" shall mean and include, without limitation, the performance of services as a director, officer, manager, employee, consultant, representative, agent or otherwise for any "Competitive Business" by Covenantor or his/her spouse.

6. Restrictive Covenant upon Termination Or Expiration of the Area Developer Agreement.

Upon the first to occur of:

(a) termination of the Area Developer Agreement;

(b) expiration of the Area Developer Agreement; or

(c) the date as of which Covenantor is neither a shareholder, partner, employee, officer nor director of Area Developer (other than in the case of a transfer governed by Paragraph 5 above), Covenantor agrees that Covenantor will not directly or indirectly engage in a "Competitive Business" located or operating within the Development Area or within a twenty (20) mile radius of any other "i9 Sports " business for a period of two (2) years, commencing on the date of the applicable event described in clauses (a) or (b) above.

7. Surrender of Documents

Covenantor agrees that, as of the effective date of the earlier of:

(a) the covenant set forth in Paragraph 5, or

(b) the covenant set forth in Paragraph 6, Covenantor shall immediately cease to use the Confidential Information disclosed to or otherwise learned or acquired by Covenantor, return to Area Developer (or to Franchisor if directed by Franchisor) all copies of the Confidential Information loaned or made available to Covenantor.

8. Indemnification/Costs and Attorneys' Fees.

Covenantor agrees to indemnify and hold Franchisor and Area Developer harmless from and against any and all loss, cost, damage, liability and expense (including, without limitation, reasonable attorneys' fees, court costs and other reasonable litigation expenses) suffered, sustained or incurred by Franchisor or Area Developer as a result of, arising out of, or in connection with any failure of performance or breach of this Agreement by Covenantor. The party or parties prevailing in any judicial proceeding in connection with this Agreement shall be entitled to reimbursement of their costs and expenses, including but not limited to, reasonable accounting, paralegal, legal, expert witness and attorneys' fees, whether incurred prior to, in preparation for or in contemplation of the filing of such proceeding.

9. Waiver.

Failure to insist upon strict compliance with any of the terms, covenants or conditions hereof shall not be deemed a waiver of such term, covenant or condition, nor shall any waiver or relinquishment of any right or remedy hereunder at any one or more times be deemed a waiver or relinquishment of such right or remedy at any other time or times.

10. Severability.

The invalidity or unenforceability of any provision hereof shall in no way affect the validity or enforceability of any other provision of this Agreement and any such provision which is adjudicated to be invalid or unenforceable shall be severed from this Agreement, provided that such severance is to apply only with respect to the operation of such provisions in the particular jurisdiction in which such adjudication is made. To the extent any restriction herein is deemed unenforceable by virtue of its scope in terms of time, geography or business activity prohibited, but may be made enforceable by reducing any or all thereof, the parties agree that the same shall be enforced to the fullest extent permissible under the laws and public policies applied in the jurisdiction where enforcement is sought.

11. Rights of Parties are Cumulative.

The rights of the parties hereunder are cumulative and no exercise or enforcement by a party hereto of any right or remedy hereunder shall preclude the exercise or enforcement by them of any other right or remedy hereunder or which they are entitled by law to enforce.

12. Benefit.

This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

13. Entire Agreement.

This Agreement contains the entire agreement among the parties hereto with respect to the subject matter hereof and all prior negotiations, agreements and understandings are merged herein. This Agreement may not be modified or rescinded except by a written agreement to such effect signed by the party against whom enforcement is sought.

14. Governing Law.

This Agreement and the rights and obligations of the parties hereunder shall be governed by and construed in accordance with the internal laws of the State of Florida exclusive of such state's choice of law or conflict of law rules.

15. Counterparts.

This Agreement may be executed in counterparts, each of which will be deemed an original.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

Print name of Covenantor below:

i9 SPORTS CORPORATION

\_\_\_\_\_  
Signature of Covenantor:

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

\_\_\_\_\_

AREA DEVELOPER:

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

JOINDER

To induce Franchisor and Area Developer to enter into this Agreement among Franchisor, Area Developer and Covenantor, the undersigned spouse of Covenantor ("Covenantor's SPOUSE") hereby covenants and agrees to abide by the restrictive covenants contained in Paragraphs, 4, 5, and 6 of this Agreement.

IN WITNESS WHEREOF Covenantor's SPOUSE has executed this Joinder to this Agreement as of the day and year first above written.

Print Name of Covenantor's SPOUSE below:

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Signature of Covenantor's SPOUSE:

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**i9 SPORTS CORPORATION**

**EXHIBIT "F"**

**ASSIGNMENT OF TELEPHONE NUMBERS**

For value received, the undersigned (hereinafter called the "Area Developer") hereby irrevocably assigns, effective upon the date of termination or expiration of the Area Developer Agreement, the telephone listings and numbers stated below to i9 Sports Corporation (hereinafter called "Franchisor") upon the following terms and conditions:

1. This assignment is made pursuant to the terms of a Area Developer Agreement of even date herewith (hereinafter called "Agreement") between Franchisor and Area Developer, which in part pertains to the telephone listing and numbers used by the Area Developer in the Development Area covered by the Agreement.

2. The Area Developer shall retain the limited right to use the telephone listing and numbers solely for the transaction and advertising of the business while the Agreement between Franchisor and the Area Developer shall remain in full force and effect, but upon termination or expiration of the Agreement for any reason whatsoever, the limited right of use of the telephone listing and numbers by the Area Developer shall also terminate.

3. The telephone listing and numbers subject to this assignment are:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

and any numbers on the rotary series used by the Area Developer in the operation of the business in the future.

IN WITNESS WHEREOF, the Area Developer has hereunto set his/her hand and seal this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

AREA DEVELOPER:

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**i9 SPORTS CORPORATION**

**EXHIBIT "G"**

**DEVELOPMENT SCHEDULE**

Year	i9 Sports Business Opening By: Date	Cumulative Number of i9 Sports Businesses To Be Open and In Operation No Later Than The Opening Date
1	12/31	5
2	12/31	10
3	12/31	15
4	12/31	20
5	12/31	25
6	12/31	30