

EXHIBIT B TO THE OFFERING CIRCULAR

**FORM OF
FRANCHISE AGREEMENT**

i9 SPORTS®
FRANCHISE AGREEMENT

Agreement Date: _____

Parties:

i9 Sports Corporation
1723 South Kings Avenue
Brandon, Florida 33511

Network Area: _____

Franchise Type (Metropolitan/Expansion): _____

<u>Authorized Sports</u>	<u>Customer Type</u> <u>Youth or Adult</u>

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EXHIBITS:

- A - State Specific Addendum
- B - Performance Standards
- C - Authorization for Automatic Payments
- D - Assignment of Telephone Numbers

i9 SPORTS®
FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (this "Agreement") is effective as of _____, 200_ (the "Agreement Date"), between **i9 SPORTS CORPORATION** ("we," "us" or "our"), whose principal place of business is located at 1723 South Kings Avenue, Brandon, Florida 33511, and _____ "you" or "your), whose address is _____ (collectively, you and we are referred to as the "parties" and individually sometimes referred to as a "party").

1. **INTRODUCTION**

1.1 **The i9 Sports® System.** We are granting 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 we, in our sole judgment, may change, alter, amend, further improve, discontinue, develop or otherwise modify from time to time (collectively, the "System").

We own, use, promote and license, or may own use, license or promote certain: trademarks, service marks (e.g., i9 Sports® and Amateur Ballplayers AssociationSM), 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 we designate or approve, certain materials and other ideas and information presented or reduced in or to tangible form that we designate, approve, or provide (e.g., software, writings, sound, compositions, pictures, drawings, calendars, league rules, codes, sporting and event calendars, posters, artwork, websites, designs and the like), which we have sought or may seek copyright protection in or to (the "Copyrights"). We 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 we 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 we may deem to be included as part of the Marks or the Copyrights.

You want to acquire the right to operate an i9 Sports® Franchise, using the System, the Copyrights and the Marks, and act as our independent representative, to market, sell or distribute the Products and to market, sell, provide, render or perform the Services for participants, purchasers and others we identify and target from time to time ("Customers") primarily in connection with events or activities of the type, or relating to amateur "Youth" or "Adult" sports leagues, tournaments, clinics, games, training or conditioning programs and, other recreational leagues, sporting or social events, tournaments and the like that we designate or approve in connection with the sale or distribution of the Products or the Services (collectively, "Events"). We limit both: the number and type of sports authorized for such Events (and the Products and Services associated with them) (collectively, the

“**Authorized Sports**”), and the type of Customers you may offer them to (i.e., Adult, Youth, or both); depending on the amount of your Initial Fee. We grant to persons who meet our qualifications and are willing to undertake the investment and effort the right to own and operate an i9 Sports® Franchise using the System, the Copyrights and the Marks. “**Adult**” means persons who are age 18 or over. “**Youth**” means a person below the age of 18.

The business you conduct as an i9 Sports® Franchise is referred to as your or the “**i9 Sports® Franchise**.” You recognize our legitimate business interest in preserving the Customer base for the Products and the Services and the associated Customer goodwill, as well as our relationships with other i9 Sports® Franchises, suppliers, Customer-affiliated organizations, designees or affiliates. This Agreement contains the terms and conditions of your performance as one of our i9 Sports® Franchises and our obligations to you.

1.2 **Acknowledgments**. This Agreement is being presented to you because you expressed the desire to own and operate an i9 Sports® Franchise. You understand that the terms of this Agreement are reasonably necessary to maintain our 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, you acknowledge:

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

(b) that you have conducted an independent investigation of your i9 Sports® Franchise and recognize that, like any other businesses, their nature may evolve and change over time;

(c) that an investment in an i9 Sports® Franchise involves business risks,

(d) that the success of this business venture is primarily dependent on your business abilities and efforts;

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

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

(g) we have advised you to have this Agreement and our Franchise Offering Circular reviewed and explained to you by an attorney and your business advisors.

2. **APPOINTMENT, TERM AND LOCATION**

2.1 **Appointment**. We grant to you a franchise (the “**Franchise**”) during the Term:

(a) to own and operate an i9 Sports® Franchise using the System, the Marks, and the Copyrights in accordance with our System Standards, to market, sell and distribute the Products and to market, sell, perform, render or provide the Services for the type of Customers, and for the type of sports we designate located where the Services will be rendered, provided or performed

within or where the Products will be delivered in the geographic area within the following counties or Zip Code™ areas as follows: _____

_____ (the "Network Area"). Check box if map or additional description is attached.

(b) You are granted the Franchise to offer or sell Products or to provide, produce, perform, or render Services for only the following types of Customers (i.e., Adult, Youth, or both) and for only the following Authorized Sports:

<u>Authorized Sports</u>	<u>Customer Type</u>

2.2 **Additional Customer Types or Sports.** Your i9 Sports® Franchise is limited to the type of Customers and to Events offering only the Authorized Sports shown above. If you wish to add additional Authorized Sports to the types of Events we permit you to offer, or add additional types of Customers, you must request to do so in writing. Within 30 days of such notice, we will notify you in writing if we decide, in our sole judgment, to grant you the right to offer additional sports or sell or provide services to additional types of customer(s). We have no obligation to offer you the opportunity to add other Authorized Sports or types of Customers to your Franchise. If we agree, you must execute our Sports Expansion Addendum and pay an additional fee. We may publish these fees for additional Authorized Sports in the Manuals from time to time.

2.3 **Location.** You must locate the offices of your i9 Sports® Franchise within your territory unless otherwise approved by us. But, you must not sell, provide, render or distribute the Products or provide the Services outside of your Network Area without our prior written consent.

2.4 **Term.** Your appointment to own, and operate as an i9 Sports® Franchise begins on the Agreement Date and ends on its 10th anniversary of the Franchise (the "Term"), unless sooner terminated pursuant to this Agreement. The word "Term" means the initial time period and any renewal or extension of that time period, unless the context is otherwise.

2.5 **Full Term Performance.** You agree to perform your obligations under this Agreement faithfully and honestly, and to continuously exert your best efforts to promote and enhance your i9 Sports® Franchise and the System, for the full term of this Agreement. Furthermore, you agree not to engage in any other business or activity that may conflict with your obligations under this Agreement. You must not offer any other line of business, services or products without our prior written consent. You may use the Marks, the Copyrights and the System only for purposes of operating as an i9 Sports® Franchise for the marketing and sale of, and to perform, render, provide or distribute the Products and the Services in accordance with this Agreement and our System Standards.

3. TERRITORIAL RIGHTS AND RESTRICTIONS

3.1 **Exclusivity / Restrictions.** During the Term, we will neither appoint another i9 Sports® Franchise, nor grant anyone else the right to, nor ourselves, operate an i9 Sports® Franchise to trade with the type of Customers for or in connection with Events offering the same Authorized Sports as you are authorized to offer: (a) located in your Network Area; (b) for which the Services are to be provided within your Network Area; or (c) where the Product is to be delivered in your Network Area. However, such restriction will not include Customers whose businesses, employment or organization to which they are affiliated with or belong have offices or Events outside of the Network Area. In return, you must not, without our prior written consent, sell, distribute, perform, render or provide the Products or the Services: to Customers for whom you are not authorized; for Events located or doing business outside of the Network Area or offering sports for which you are not authorized; or for any Services to be performed outside the Network Area. You may market the Products or Services anywhere.

3.2 **Rights We Reserve.** Except as described in Section 3.1 above, we retain the right, on behalf of ourselves and our affiliates, in our discretion and without granting any rights to you, to:

(a) provide, market, promote, sell or distribute, products and services authorized for i9 Sports® Franchises (either ourselves or through affiliate owned businesses or through independent contractors);

(b) operate and grant to others the right to operate i9 Sports® Franchises on such terms and conditions as we deem appropriate;

(c) operate and grant franchises to others to operate businesses, wherever located, specializing in the sale of products or provision of services other than those typically offered by an i9 Sports® Franchise and pursuant to such terms and conditions as we deem appropriate;

(d) if your Franchise is only for Youth Customers for your Authorized Sports, ourselves operate or grant to others franchises for i9 Sports® Franchises servicing Adult Customers for or in connection with those Authorized Sports or other sports, inside or outside the Network Area using the Marks, Copyrights or System;

(e) if your Franchise is only for Adult Customers for your Authorized Sports, ourselves operate or grant to others franchises for i9 Sports® Franchises servicing Youth Customers for or in connection with those Authorized Sports or other sports, inside or outside the Network Area using the Marks, Copyrights or System;

(f) we may operate ourselves or grant franchises to others to operate i9 Sports® Franchises in the Network Area offering sports for which you are not authorized at their Events (regardless of the type of Customer);

(g) operate catalog sales businesses or websites using the Marks, Copyrights or System or otherwise offering any products or services which may be delivered within or outside your Network Area;

(h) ourselves operate, or grant franchises to others to operate i9 Sports® Franchises offering, to any type of Customer, sports for which your Events are not authorized, inside or outside the Network Area, using the Marks, Copyrights or System;

(i) ourselves operate or grant franchises to others to operate i9 Sports® Franchises servicing any type of Customer and offering any sport, outside of the Network Area, using the Marks, Copyrights or System or not using the Marks, Copyrights or System; and

(j) retain some or all of the profits derived from the sale of On-Line Retail Products and to distribute to i9 Sports® Businesses who qualify for and participate in the OLRDP some or all of those monies on a periodic basis and according to the rules we establish for the OLRDP from time to time, in our sole judgment.

3.3 **Territorial Rights.** You agree that we have the right to solicit Customers located in your Network Area, whether or not you currently sell distribute, render, perform or provide the Products, the Services or other products or services to them. We may do so without violating any of your territorial rights as described in this Agreement.

4. **FEES AND COMPETITION**

4.1 **Franchise Fee.** On the Agreement Date, you must pay to us an initial franchise fee in the amount of \$_____ (the "Franchise Fee"). The Franchise Fee is fully earned by us and non-refundable when paid. In return for your payment of the Franchise Fee to us, we grant the Franchise to you, authorize you, in connection with or for Authorized Sports, to provide the Events, to offer and sell the Products, and to offer, sell, render, provide or perform the Services we authorize for the type of Customers we authorize, and provide the Initial Training.

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, and 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.

4.2 **Population Fee.** On the Agreement Date, you must pay to us a population fee in the amount of \$_____ (the "Population Fee"). The Population Fee is fully earned by us and non-refundable when paid. In return for your payment of the Population Fee to us, we grant the Territory to you, authorize you, in connection with or for Authorized Sports, to provide the Events, to offer and sell the Products, and to offer, sell, render, provide or perform the Services we authorize for the type of Customers we authorize, and provide the Initial Training.

4.3 **Marketing Contributions.** You will contribute to it such amounts as we designate from time to time ("Marketing Contributions"), beginning 90 days following the Agreement Date. The Marketing Contribution will be \$275 per month for franchisees designated as "Metropolitan Area" and \$150 per month for all other franchisees. You must pay the Marketing Contributions on such date(s) (Payment Days) and in such manner and at such times as we may designate from time to time. We, at our option, may deduct them from Commissions otherwise due you or require you to pay the Marketing Contributions to us.

4.4 **Billing System.** We will, to the extent we designate from time to time, be responsible for and provide administrative, Customer account coordination, and commission payment services, and Product or Service ordering, billing and distribution systems as we designate from time to time in our Manuals (collectively, the "Billing System"). We may, at our option, operate the Billing System through such e-commerce methods as we designate from time to time. Accordingly, during the term of this Agreement, through the Billing System, we may handle in accordance with System Standards certain of the billing and invoicing for the Products and the Services you sell or provide through the i9 Sports® Franchise as we may designate from time to time. Any of the Products or the Services which we

designate for sale or directly to the Customers must be reported to us in accordance with our Systems Standards. With respect to those Network Revenues we designate for our collection through the Billing System, we will exercise all reasonable efforts as we consider appropriate to collect amounts due for the Products or the Services you sell, render, provide or perform in conducting the i9 Sports® Franchise. We may utilize our experience and policies developed for i9 Sports® Franchise, compromise, settle, discount, factor, write-off, assign to collection agencies or pursue through legal action, all amounts due for services provided by you. You understand that in fulfilling this obligation, at our expense, we may use other firms or designees and supervise their performance. In general, you will enter into an agreement with each Customer under which you will agree to provide the Products and the Services, and such other services as you and the Customer mutually agree. You and the Customer or its designee will mutually agree on the fees paid to you for the sale or distribution of the Products or you're performing, rendering or providing such Services. In all instances where third parties make payments directly to you, all monies due to us relating to such Network Revenues paid to you, or which you receive in connection with the i9 Sports® Franchise, must be paid to us via electronic funds transfer in the manner we designate.

4.5 **Timing and Collection.** From time to time our Manuals will designate the dates of each month on which we will make payment to you of the commission that you receive from On-Line Retail Profits and other amounts due us (the "**Payment Day**"). We may extend the date to pay you the commission until the next business day if the Payment Day is a holiday, Saturday or Sunday. The timing and collectability of the receivables is affected by other persons and events beyond our control, including the Customers you choose to service. Some accounts are more reputable and credit-worthy than others. We do not warrant the timing or collectability of any amounts owed by anyone even if we introduce the Customer to you.

4.6 **Royalty Fees.** On or prior to each Payment Day during the Term, you must pay to us a fee in the amount equal to 7.5% of the Network Revenues or \$375 per month, whichever is greater, of your i9 Sports® Franchise for the immediately preceding month (the "**Royalty Fees**") after the agreement date. The minimum royalty of Three Hundred Seventy-Five Dollars (\$375) shall begin 90 days after the agreement date. We may collect this Royalty Fee directly from you or via the Billing System. For purposes of calculating the Royalty Fees only, Network Revenues do not include the monies or other remuneration you receive from the sale, lease, barter or exchange of sporting goods, uniforms and other items we designate in the Manuals from time to time as "**On-Line Retail Items**" (i.e., gross sales of On-Line Retail Items).

4.7 **On-Line Revenues.** We will permit i9 Sports® Franchisees who qualify based on the rules and policies we develop for our On-Line Revenues Distribution Program (the "**OLRDP**") from time to time to participate in the OLRDP. From time to time, in our sole judgment, we may designate certain sporting goods and related items sold through the on-line retail sales functionalities under the OLRDP of our website, as "**On-Line Retail Products.**" If we do so, we may, in our sole judgment, place some or all of the profits we receive from the sale of such On-Line Retail Products into a fund (the "**On-Line Revenues Fund**"). The On-Line Revenues Fund is not a trust fund and we have no fiduciary duties or otherwise to you with respect to the On-Line Revenues Fund. If we maintain the On-Line Revenues Fund, we will do so only as a convenience to us for accounting purposes. We may, in our sole judgment, distribute monies in the On-Line Revenues Fund to i9 Sports® Franchisees participating in the OLRDP on an annual basis on the date we designate, and in accordance with the rules we establish from time to time for such distributions.

4.8 **Network Revenues.** The term "**Network Revenues**" means all revenue derived from operating your i9 Sports® Franchise, including, but not limited to, all amounts you or we receive in connection with your i9 Sports® Franchise at or away from the i9 Sports® Franchise from: the sale, distribution, rendering, performing or provision of the Products or the Services and any other products,

services or activities whatsoever including any that are in any way associated with the System, Marks or Copyrights; or the use, leasing, barter or sale of any Products or Services, and whether from cash, check, barter, credit or debit card or credit transactions, including the redemption value of gift certificates redeemed by you regardless of whether such gift certificates are issued by you or someone else; but excluding: (a) all federal, state or municipal sales, use or service taxes collected from Customers and paid to the appropriate taxing authority; (b) Customer refunds, adjustments, credits and allowances actually made by the i9 Sports® Franchise; (c) complimentary Products or Services actually provided to Customers or others; (d) the value of gift certificates and the amounts paid for them; (e) the amount of over-rings, allowances, discounts to Customers, tips to employees, if approved by us (including discounts attributable to coupon sales, provided they have been included in Network Revenues); (f) isolated sales of non-inventory items or the bulk sales of the business itself; and (g) any amounts we receive from third parties indirectly related to your i9 Sports® Franchise which we designate in the Manuals as payments to us (like certain fees from Preferred Vendors under Preferred Vendor Agreements and fees from Approved Suppliers under Approved Supplier Agreements). If you participate in the OLRDP, your Network Revenues will not include revenues we or you receive in connection with the sale of On-Line Retail Products.

4.9 **Event Personnel.** You must pay the compensation due your Event Personnel, and other employees, subject to all conditions of this Agreement.

4.10 **Post-Termination Compensation.** If our relationship with you, an Event Personnel or any of your other personnel ends for any reason, we will pay you that Event Personnel or other employee all of the Commission you or they earn prior to the date of termination within 45 days of termination.

4.11 **Marketing-Start-Up Fee** When you sign your Franchise Agreement, you must pay us a Marketing Start-Up Fee of Four Thousand Dollars (\$4,000). This fee includes business stationary, marketing materials, vinyl banners, polo and t-shirts, and items utilized at Game Day, in-person registration meetings, and promotional events.

4.12 **Training Fee** When you sign your Franchise Agreement, you must pay us a Training Fee of Four Thousand Dollars (\$4,000). This fee includes the cost for us to train up to 2 persons and the training, travel, and accommodations for an i9 Sports Franchise Support Consultant to train in the franchisee territory

5. **TRAINING**

5.1 **Initial Training.** Prior to opening your i9 Sports® Franchise, you and up to 1 other persons who are your employees, principal owners or independent contractors, whom you choose ("Trainees"), must attend and satisfactorily complete the initial training program we hold for our i9 Sports® Franchise owners and their staff (the "Initial Training"). As part of our Initial Training, we will provide: (a) training concerning the marketing of Events, the sale of the Products and the Services and the procedures and techniques for the advertisement, marketing or sale of the Products and the Services ("Sales Training"); and (b) training concerning the Services and the procedures and techniques for the delivery of the Products, planning, development and operation of Events, contracting of officials, league officials, coaches, and other Event Personnel, use of our automated division alignment, scheduling, league standing and statistics management systems, field permit management tools, parks and recreation programs, operation of the Billing System, and programs for awards and distribution of other benefits to customers ("Operations Training"). We provide to you and up to one of your personnel the Initial Training at a location we designate for up to 5 days of Initial Training, and one field visit in your territory for two (2) days of Field Training. Your principal owners must be among the Trainees. We provide the Initial Training and Field Training for up to 2 Trainees and are responsible for our personnel's travel and

living expenses in connection with such Training. However, you must pay all travel expenses of the Trainees incurred in connection with such Training: including, travel, local transportation expenses and wages.

5.2 **Additional or Periodic Training.** We may require you, or your managers, principal owners, Event Personnel or other staff to attend additional, periodic or refresher training courses at locations we designate, from time to time ("**Additional Training**"). You must also give us reasonable assistance in providing Additional Training other i9 Sports® Franchises in the manner we designate from time to time. We will reimburse you your reasonable out-of-pocket expenses for assisting us with providing such Additional Training to other i9 Sports® Franchises in accordance with our System Standards. We will charge you, and you must pay to us upon our invoice to you, our then current Additional Training Fees and you are responsible for all of your and your personnel's wages, travel, living and miscellaneous expenses incurred in connection with such Additional Training. We may limit certain aspects of the training to you, your principal owners or Event Personnel and other aspects of training may be provided to all of your Trainees.

5.3 **Additional Assistance.** To the extent we deem appropriate, if we provide you additional assistance of the type we designate in the Manuals as subject to additional assistance fees, at any location we designate or approve in your Network Area, you will pay to us \$500 per day per person we train or provide in connection with such additional advice or assistance, plus be responsible for travel, meals and lodging for them. If we provide Additional Training at any location in your Network Area, you will pay to us the fees as we designate from time to time for Additional Training, plus any travel, meals and lodging expenses incurred by the trainer(s). If we require you or your personnel to travel to a location outside of your Network Area, or if the trainer is training other i9 Sports® Franchises at the same time as your i9 Sports® Franchise, you must pay to us our then current Additional Training Fees for training outside of your Network Area or joint training. These fees are fully earned and non-refundable when paid.

6. **EVENT PERSONNEL**

6.1 **Personnel Development.** You must, in accordance with our System Standards and to the extent we designate from time to time, recruit, train and develop, as employees or independent contractors, the Event coordinators, umpires, referees, coaches, league officials, operations staff, and any other personnel as may be needed to distribute the Products or render, provide or perform the Services (the "**Event Personnel**"). You must not either: (a) charge Event Personnel any fee, charge or other consideration for the right to become one of your Event Personnel, for training or anything else; nor (b) pay them any consideration or compensation for recruiting other Event Personnel.

6.2 **Compensation.** You will decide the compensation to be paid your Event Personnel. However, any such compensation is subject to the conditions we impose under this Agreement for eligibility, chargebacks, timing of payment, National Accounts, and the like. However, we will not be responsible for payment of any Compensation to you, any sales associates, Event Personnel or other staff.

6.3 **Staff Confidentiality Agreements.** Your principal owners who we train, employees or managers we designate, including each of your sales personnel and Event Personnel must sign a Staff Confidentiality and Non-solicitation Agreement ("**SCNA Agreement**") in form and content we prescribe. Among other things, the SCNA Agreement may include: (i) provisions for automatic assignment of such agreements to us, at our option, if this Agreement is terminated; (ii) confidentiality and competitive restrictions; (iii) compensation eligibility conditions; (iv) our designation as a third party beneficiary with the right (but not the obligation) to enforce it; and (v) other terms we deem appropriate.

6.4 **Other Training.** You will, in addition to the Initial Training & Field Training we provide, (a) train your Event Personnel in the manner we designate with respect to the Products and the Services and business generally, and (b) furnish support and marketing services and materials to your sales staff and Event Personnel. You must follow our System Standards for and implement, at your expense, the training programs we designate from time to time for the training of Customers (or if you are authorized only for Youth Customers, their parents or guardians) who will assist you and the Events by serving as umpires, referees, league officials and others who will assist you with the operation or organization of Events; work cooperatively with your Event Personnel to obtain field or activity permits, and other approvals necessary for the Events, communicate with field or facility owners, parks and recreation departments of municipalities, school districts and sporting associations, and otherwise assist you with facilitating and promoting the Events ("**Customer Liaisons**"). You must follow our System Standards and MRPs (as defined herein) we designate from time to time for charging any such Customer Liaisons fees for any training or certifications you provide them.

6.5 **Indemnification.** You will indemnify us, hold us harmless from, and defend us against any and all liabilities, losses, expenses, and obligations that we may incur to any of your Event Personnel, other staff or any Customer Liaisons arising out of any claim, cause of action, complaint, proceeding (in litigation, arbitration or administrative) relating to your obligations to pay them any compensation, remuneration or other employment relationship with the Event Personnel other staff or Customer Liaisons, unless and solely to the extent we have not paid them compensation otherwise due under this Agreement without right of setoff. You and we understand and acknowledge that we are under no obligation or liability to any of your sales associate, Event Personnel, other staff or any Customer Liaisons for any remuneration, compensation, commission, employment or any other duty, responsibility, liability or obligation. Your indemnification obligations: (i) include reimbursement to us of any and all of our attorneys' fees and costs in defending any such claim from your sales associates, Event Personnel other staff or Customer Liaisons and (ii) survive expiration or termination of this Agreement.

7. **BUSINESS EXPENSES.** You must pay all of your own business expenses in connection with the operation of your i9 Sports® Franchise, the operation or development of Events, the marketing, sale and distribution of the Products and the marketing, sale, performance, provision and rendering of the Services pursuant to this Agreement. You are responsible for paying for any supplies or any other Business Materials or the Services that you need or that we designate for use by i9 Sports® Franchises, and we are not responsible for reimbursing you for any of such items. However, we will provide you with certain marketing materials, brochures and manuals at no cost to you and may provide others to you at our then current fees for them, as designated in the Manuals from time to time.

8. **MANUALS AND GUIDANCE**

8.1 **Manual.** During the Term, we will lend you one copy of our operations manual or other publications in which we designate our System Standards (collectively, the "**Manual**"). At our option, instead of or in addition to loaning you a copy of the Manual, we may make the Manual (or parts of it) accessible to you via electronic format, e.g., CD-Rom, or via Intranet/Internet. The Manual will contain, among others: MRPs; Commission Schedules; pricing for marketing and delivery of certain marketing materials; mandatory and suggested specifications, standards; billing practices; insurance requirements; rules governing the use of operation of the i9 Sports® Franchise, including the Billing System, Computer System, e-commerce, marketing, sale, distribution and performance, rendering or provision of the Products and the Services; and operating procedures which we prescribe from time to time for i9 Sports® Franchises ("**System Standards**"), as well as information about other obligations you have in the operation of an i9 Sports® Franchise. The Manual may be modified by us from time to time to reflect changes in the System Standards. Our revisions to the Manual will be effective on delivery to you (including via electronic format), unless we specify a later Agreement Date for a particular revision. You

must keep your copy of the Manual current by (if printed) immediately inserting all new and modified pages we furnish to you (or by periodically monitoring changes to any electronic format version). If the Manual is lost, stolen or damaged, you must obtain a replacement from us for \$500. If a dispute develops with respect to the contents of the Manual, the master copy we maintain at our principal office (or the electronic version of the Manual we designate) will be controlling. You must keep the Manual in a secure location. You must not:

- (a) permit any part of the Manual to be copied, transmitted, "posted" or downloaded;
- (b) disclose it or any of its contents to anyone not having a need to know its contents for purposes of operating your i9 Sports® Franchise; and/or
- (c) remove it from your business office without our permission.

8.2 **Guidance and Assistance.** During the Term of this Agreement, we will from time to time furnish you guidance and assistance with respect to the System Standards. This guidance and assistance will be furnished in the form of the Manuals, bulletins, written reports and recommendations, other written or electronic materials, telephone consultations, electronic mail, training programs, meetings, conferences and/or personal consultations at our offices, your offices or at a mutually convenient place. As we determine necessary from time to time, our guidance and assistance may relate to:

- (a) the marketing of the services offered by i9 Sports® Franchises and the use of System Standards;
- (b) coordinating the activities of all i9 Sports® Franchises, and individual or related Events;
- (c) establishing and conducting employee and Customer Liaison training programs;
- (d) development and implementation of local advertising and promotional programs;
- (e) furnishing information dealing with trends and developments in the laws and regulations affecting the Adult, amateur, corporate, and Youth sports and recreation, tournaments, sporting clinics and other sports and parks and recreation-related industries;
- (f) types, supplies and methods of our approval process for Business Materials or the Services;
- (g) operation of and coordination with parks and recreation management programs;
- (h) awards distribution and achievement programs for Customers;
- (i) rules and regulations for Events and methods for automated division alignment, scheduling and the management and reporting of league, tournament, sporting clinics and other Event-related statistics and standings
- (j) changes in any of the above that may occur from time to time.

8.3 **Approved Equipment and Supplies.** We may designate or require our approval of the types, models, formats, providers, performers or suppliers of any Products or Services, and any of the

equipment, uniforms, trophies, insurance carriers, supplies, financial services, employee benefit plans, merchant accounts and gateway services, and other services, assets, products, or materials utilized by you to operate your i9 Sports® Franchise, which we may change, alter, or amend from time to time (collectively, "**Business Materials or Services**"). We may designate or require our approval of suppliers of Business Materials or Services. We may require that you, at your expense, enter into agreements ("**Approved Supplier Agreements**") with approved or designated suppliers of Business Materials or Services ("**Approved Suppliers**") under which we receive remuneration from the Approved suppliers based on purchases from them. If you wish to suggest a new or alternative Approved Supplier, you must reimburse us our expenses in evaluating the Supplier, not to exceed \$1,000. We will notify you within 60 days if we reject or approve the proposed Approved Supplier. If we do not notify you of our decision within 60 days, we are deemed to have rejected the proposed Approved Supplier.

8.4 **Preferred Vendors.** We have, and continue to, negotiate programs with certain Approved Suppliers ("**Preferred Vendors**") so that i9 Sports® Franchises may receive preferred pricing, delivery, credit or other terms (the "**Preferred Vendor Program**"). As long as you are not in breach of any of your Franchise Agreements, comply with the rules and policies (the "**Program Rules**") of the Preferred Vendor Program, and sign all agreements we or the Preferred Vendors require (e.g., "**Preferred Vendor Agreements**"), you are eligible to participate in the Preferred Vendor Program. We may terminate your participation in the Preferred Vendor Program without terminating any of your Franchise Agreement if you breach any agreement with us or a Preferred Vendor or otherwise fail to comply with the Program Rules.

8.5 **Maximum Retail Prices.** We may, from time to time, designate the maximum retail prices you may charge for the Products or the Services ("**MRPs**"), but we will not designate minimum retail prices. Our current MRPs will be listed in the manuals. We may change MRPs upon notice to you or via updates to the Manuals.

9. **SYSTEM TECHNOLOGIES**

9.1 **Computer System.** You must, in the manner we designate, acquire, license and use, in developing and operating your i9 Sports® Franchise a laptop computer with wireless network card and communications system (collectively, the "**Computer System**") consisting of the computer services, components, equipment, computer hardware, telecommunications equipment, and software designated or approved by us from time to time, which you must bring with you to our Phase I Training. The software designated by us in connection with and as part of the Computer System will include software we designate for the operation of the Billing System and other billing, administrative, business management, e-commerce, Product purchase and distribution, customer registration field and facility management tools, and sports statistics and standings tracking functions, or services we designate or approve (the "**Software**"). We may require you to obtain as part of the Computer System specified computer and communications hardware, equipment, components or Software and services (like DSL, Frac, T-1, Road Runner or ISP) and may reasonably specifications for and components of the Computer System from time to time. Our modifications and specifications for components, equipment, services, operating or communications and Software of the Computer System may require you to incur cost to purchase, lease or license new or modified Software or computer or communications hardware, equipment, components or software and to obtain service and support for the Computer System during the Term of this Agreement. As part of or as otherwise in connection with you Computer System, we may require you to utilize a merchant account and gateway provided by an Approved Supplier. You agree to incur such costs in connection with obtaining the computer or communications hardware, equipment, components, services and Software comprising the Computer System (or additions or modifications) operating it in accordance with our System Standards and ensuring that it is compatible with, and capable of participation in and performing the functions we designate for the Billing System, operation of and

engaging in any form of e-commerce we designate or approve, as long as the Computer System we specify for use is the same Computer System that we or our affiliates then currently use in i9 Sports® Franchises that we or they own and operate. Within 60 days after you receive notice from us, you must obtain the components of the Computer System that we designate and require. The Computer System must be capable of connecting with our Computer System performing the functions we designate for the Billing System, permitting us to review the results of your i9 Sports® Franchise's operations, and engaging in any e-commerce activities that we designate or approve. We also have the right to charge you reasonable systems fees for modifications of and enhancements made to any proprietary software that we license to you and other maintenance and support services that we or our affiliates furnish to you related to the Computer System.

9.2 **Software License.** Subject to the terms and conditions of this Agreement, we grant to you a non-exclusive, non-transferable and non-sublicensable license to use the Software during the Term as follows:

(a) You may use the Software during the Term solely within the scope of your operation of your i9 Sports® Franchise under this Agreement for your internal operations and business purposes in accordance with this Agreement. The Software may be installed or used only on your owned or controlled computers which are part of the Computer System and only in accordance with System Standards. Software may be installed and used only to enable you and your employees to use the Software in accordance with this Agreement.

(b) The Software may be used only up to the capacity for which you have been authorized to use it under this Agreement and as may be more fully described in the Manuals from time to time. You are responsible for all use of the Software and for compliance with this Agreement; any breach by you or any user or third party whom you authorize to use the Software or provide access to it will be deemed to have been incurred by you.

(c) We may permit you to make a reasonable number of copies of the Software if you follow all of our System Standards for doing so for backup purposes. However, you must notify us of your intent to do so and obtain our prior written permission before doing so. Portions of the Software may not be used independently of the Computer System and your operation of your i9 Sports® Franchise.

9.3 **No Reverse Engineering.** You must not decompile or reverse engineer any executable code we provide (*e.g.*, to reveal the corresponding source code), except to the minimum extent permitted by law. You will not avoid, circumvent, or disable any security device, procedure, protocol, or mechanism that we may include, require or establish with respect to the Software. You will not delete, alter, cover, or distort any copyright, trademark or other proprietary rights notice placed by us on or in the Software, and will ensure that all such notices are reproduced on all copies of the Software.

9.4 **Reservation of Rights.** The Software may not be used except as expressly authorized in this Agreement. We reserve all rights not expressly granted.

9.5 **Ownership.** The Software (and all copies and derivatives) is, and at all times will remain, our (and our licensors') sole and exclusive property, including all copyrights and other intellectual property rights in or to such Software. Except as otherwise expressly provided, you agree that neither you nor any third party will obtain any express or implied rights in or to any part of the Software. We deem the Software to be part of the Copyrights.

9.6 **Protection from Unauthorized Use.** You will take all reasonable steps to protect the Software from any use, reproduction, publication, disclosure or distribution that is not specifically authorized by this Agreement. You will ensure that you and your agents or employees not disclose their user IDs and passwords to any person or entity other than on a need to know basis. You will be responsible for the security of its user IDs and passwords, and will immediately notify us of any suspected or actual theft, loss or fraudulent use of them.

9.7 **Computer System Updates and Support Services.** During the Term of this Agreement, we will provide limited Software support services to the extent we deem practicable in the manner we designate from time to time in the Manuals. All updates, patches, bug fixes, modifications, enhancements and new versions of the Software and all other deliverables and work product we develop for such Software and i9 Sports® Franchises provided to you will be subject to the terms and conditions of this Agreement, unless otherwise expressly agreed in writing by us. Our Software support services for such Software, if any, extend only to the Software free of any additions or modifications that have not been made by us or our agents, or approved by us in writing. Further, such support services extend only to the most current version of the Software as used on or in the hardware, platforms and operating environment(s) designated by us for use with the Software. Our support services also do not include the following and we have no responsibility or liability for:

- (a) Addressing errors, defects, or damage in or to the Software resulting from causes other than those arising in the ordinary permitted use of the Software, or from the use of third party software, firmware or data, or from the use of hardware not meeting our minimum recommended configuration;
- (b) Providing hardware-related services;
- (c) Providing training to your personnel except as described in this Agreement; or
- (d) Developing or otherwise providing you with additional features, functionality, or customizations to the Software.

9.8 **Your Responsibility.** You agree to fully cooperate with us in the performance of our Software support services, including by providing us with such timely, accurate and complete information and reasonable access to your personnel and facilities as we may require or request. To the extent you delay or fail to satisfy your obligations to us, we will be relieved of our obligations under this Agreement.

9.9 **Discontinuation of Use.** We will have no responsibility for: (x) any use of the Software after we have notified you to discontinue use; (y) the combination or use of the Software with content, assets, technology or other materials not supplied by us; or (z) alteration of the Software or use of a version of the Software that has been superseded by a newer version.

9.10 **Warranty Limitations.** WE, AND OUR AFFILIATES, IF ANY, DISCLAIM ANY WARRANTIES OF ANY NATURE WHATSOEVER, WHETHER EXPRESS, WRITTEN, ORAL, IMPLIED OR STATUTORY, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, TITLE OR NON-INFRINGEMENT, OR ANY WARRANTIES ARISING UNDER THE UNIFORM COMPUTER INFORMATION TRANSACTIONS ACT, HOWEVER ENACTED IN ANY STATE OR JURISDICTION AND ANY WARRANTIES UNDER ARTICLE 2A OF THE UNIFORM COMMERCIAL CODE (AS APPLIED IN FLORIDA OR ANY STATE) WITH RESPECT TO THE COMPUTER SYSTEM (INCLUDING ITS SOFTWARE), OR ANY OTHER PRODUCTS, EQUIPMENT OR SUPPLIES YOU OBTAIN FROM US OR OTHERS AND THE SERVICES

AND FUNCTIONS THEY PERFORM AND THEIR DESIGN. NEITHER WE NOR OUR AFFILIATES ARE LIABLE UNDER ANY CIRCUMSTANCES TO YOU FOR ANY CONSEQUENTIAL, SPECIAL, EXEMPLARY, INDIRECT, INCIDENTAL OR COLLATERAL DAMAGES OF ANY NATURE WHATSOEVER IN CONNECTION WITH THE COMPUTER SYSTEM (INCLUDING ITS SOFTWARE) OR ANY OTHER PRODUCTS, EQUIPMENT OR SUPPLIES YOU OBTAIN FROM US OR OTHERS AND THEIR DESIGN (INCLUDING YOUR RIGHT TO USE, DELIVERY, INSTALLATION AND YOUR USE OF THEM), THE SERVICE AND FUNCTIONS THEY PERFORM (OR FAIL TO PERFORM), THEIR DESIGN AND THIS AGREEMENT, WHETHER BY REASON OF IMPERFECTION OR DEFECT IN THEM OR IN THEIR PERFORMANCE, OUR (OR ANY OF OUR AFFILIATES') BREACH OR OTHERWISE, EVEN IF WE (OR OUR AFFILIATE) ARE ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, REGARDLESS OF WHETHER THEY ARE BASED IN TORT OR IN CONTRACT. IF WE (OR OUR AFFILIATES) DO NOT CAUSE THE COMPUTER SYSTEM (INCLUDING ITS SOFTWARE) OR ANY OTHER EQUIPMENT OR SUPPLIES YOU RECEIVE FROM US OR ANY OF OUR AFFILIATES TO PERFORM IN ACCORDANCE WITH THE SPECIFICATIONS, THEN YOUR SOLE RECOURSE AND REMEDY WILL BE FOR US (OR OUR AFFILIATES), AT OUR (OR THEIR) ELECTION, TO REPLACE THE COMPUTER SYSTEM (INCLUDING ITS SOFTWARE), ANY OTHER PRODUCTS, EQUIPMENT OR SUPPLIES YOU RECEIVE FROM US OR OUR AFFILIATES WITH ANOTHER ONE WHICH PERFORMS IN ACCORDANCE WITH SPECIFICATIONS. IN NO CASE WILL OUR LIABILITY EXCEED THE COST OF THE COMPUTER SYSTEM (INCLUDING ITS SOFTWARE) OR ANY OTHER PRODUCTS, EQUIPMENT OR SUPPLIES WHICH YOU RECEIVE FROM US OR OUR AFFILIATES ON WHICH A CLAIM FOR DAMAGES IS BASED. HOWEVER, WE WILL ASSIGN TO YOU ANY WARRANTIES FROM THE MANUFACTURERS OF ANY OF THE COMPONENTS OF THE COMPUTER SYSTEM (INCLUDING ITS SOFTWARE), OR ANY OTHER PRODUCTS, EQUIPMENT OR SUPPLIES YOU RECEIVE FROM US OR OUR AFFILIATES. THESE WARRANTIES MAY BE VOIDED BY MISUSE, ACCIDENT, MODIFICATION AND FAILURES FOR WHICH WE ARE NOT DIRECTLY RESPONSIBLE.

9.11 **Websites.** We have 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"). We may require you to, at your expense, participate in the Billing System and otherwise operate certain aspects of the i9 Sports® Franchise that we designate from time to time through e-commerce methods that we designate, and in the manner we designate from time to time. We also have the right to designate, approve, control or limit all aspects of your 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"). You must follow all of our policies and procedures for the use and regulation of e-commerce. We may require that you provide graphical, photographic, written or other forms of artistic or literary content to us for use in e-commerce activities associated with the Marks, the Copyrights or the System which we may designate. We may restrict your use of e-commerce, or your 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 us operated by us or our designee. We may require that you provide information to us and arrange Product or Service sales or distribution via e-commerce. We may require you to coordinate your e-commerce activities with us. We may charge you our then current fees for such e-commerce activities which we designate. We may require you to obtain the services of and pay the then current fees for ISP and ASP services and the like. We may require that

your Customers be provided access to certain e-commerce activities that we designate from time to time, and may require that your Customers purchase the Products and the Services directly from us through a website or portal designated by us. If we do so, we will allocate Network Revenues to you or other i9 Sports® Franchises from such purchases to you in the manner we designate from time to time in our System Standards, subject to our System Standards. You recognize and agree that between you and us, we own 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 us to be and constitutes our Confidential Information.

10. MARKS AND COPYRIGHTS

10.1 Ownership and Goodwill. You also recognize that various materials we give you are subject to copyrights we own or license from others. Your right to use the Marks and Copyrights is derived solely from this Agreement and is limited to the operation of your i9 Sports® Franchise pursuant to and in compliance with this Agreement and all applicable standards and operating procedures we prescribe during the Term of this Agreement. If you make any unauthorized use of any of the Marks or Copyrights, it will constitute a breach of this Agreement and an infringement of our rights in and to the Marks or Copyrights. Your use of the Marks or Copyrights and any goodwill established by your use, will inure to our benefit exclusively. This Agreement does not confer any goodwill or other interests in the Marks or Copyrights on you (other than the right to operate your i9 Sports® Franchise in compliance with this Agreement).

10.2 Additional Marks. All provisions of this Agreement which apply to the Marks or the Copyrights will apply to any additional trademarks, service marks, commercial symbols, designs, artwork, trade dress, logos and other copyrights we may authorize and license you to use during the Term of this Agreement.

10.3 Limitations on Use. You must use the Marks we designate as the sole trade identification of your i9 Sports® Franchise, except that you must also identify yourself as an independent owner in the form we prescribe. You must not: (a) use any Mark or Copyright as part of any corporate or trade name or with any prefix, suffix, or other modifying words, terms, designs, or symbols, or in any modified form; (b) use any Mark or Copyright or any commercial symbol similar to any Mark or the Copyrights in connection with the performance or sale of any unauthorized services or products, or in any other manner we have not expressly authorized in writing; (c) employ any of the Marks or the Copyrights in any manner that we have determined may result in our liability for any indebtedness or obligation of yours. You will display the Marks or Copyrights in the manner we prescribe at your i9 Sports® Franchise and in connection with advertising and marketing materials, along with any notices of copyright, trademark and service mark ownership registrations that we specify. You will also be required to obtain any fictitious name, assumed name or "doing business as" registrations that may be required under applicable law.

10.4 Infringements and Claims. You must notify us immediately in writing of any apparent infringement of or challenge to your use of any Mark or Copyright, or claim by any person of any rights in any Mark or Copyright or similar copyright, trade name, trademark or service mark of which you become aware. You must not communicate with anyone except us and our attorneys in connection with any such infringement, challenge or claim. We have sole discretion to take whatever action we deem appropriate. We have the sole right to control exclusively any U.S. Patent and Trademark Office, U.S. Copyright Office, litigation or other proceeding or any other litigation or other proceeding arising out of any infringement, challenge or claim relating to any Mark or Copyright. You must sign any documents, give any assistance, and do any acts that our attorneys believe are necessary or advisable in order to protect and maintain our interests in any litigation or proceeding related to the Marks or Copyrights or

otherwise to protect and maintain our interests in the Marks or Copyrights. You may not, at any time, contest the validity or ownership of any of the Marks or Copyrights, or assist any other person in contesting the validity or ownership of any of the Marks or Copyrights.

10.5 **Discontinuance of Use.** If it becomes advisable at any time in our sole judgment for your i9 Sports® Franchise to modify or discontinue the use of any of the Marks or Copyrights or for your i9 Sports® Franchise to use one or more additional or substitute trademarks or service marks, you agree at your expense to comply with our directions to modify or otherwise discontinue the use of such Mark or Copyright, or use one or more additional or substitute trademarks or service marks, within a reasonable time after our notice to you.

10.6 **Indemnification.** We will indemnify you against and reimburse you for all damages for which you are held liable to third parties in any proceeding arising out of your authorized use of any Mark or Copyright, pursuant to it and in compliance with this Agreement, resulting from claims by third parties that your use of the Marks or Copyrights infringes their trademark or copyright rights, and for all costs you reasonably incur in the defense of any such claim in which you are named as a party, so long as you have timely notified us of the claim and have otherwise complied with the terms of this agreement. We will not indemnify you against the consequences of your use of the Marks or Copyrights except in accordance with the requirements of this Agreement. You must provide written notice to us of any such claim within 10 days of your receipt of such notice and you must tender the defense of the claim to us. We will have the right to defend any such claim and if we do so, we will have no obligation to indemnify or reimburse you for any fees or disbursements of any attorney retained by you. If we elect to defend the claim, we will have the right to manage the defense of the claim including the right to compromise, settle or otherwise resolve the claim, and to determine whether to appeal a final determination of the claim.

10.7 **Consent.** You acknowledge and agree that we may grant franchises to others to operate i9 Sports® Franchises using the Marks or Copyrights, in accordance with this Agreement. You agree that, whenever we may request from time to time, you will give your written consent to such use of the Marks and Copyrights by such i9 Sports® Franchises.

11. **DUTIES AND RESPONSIBILITIES**

11.1 **Solicitation.** No sale of any Products or Services which we may designate from time to time is final until we accept it in writing or by such other method we designate in connection with the Billing System. Although you solicit Customers for us and market the Services, the sales of certain of the Services and the Products we designate from time to time in the Manuals are made only by us. With respect to them, you do not have authority to bind us in any way and we may refuse any Customer or prospect. You agree to follow all of our policies and procedures we may develop from time to time in the Manuals for the consummation of sales of the Products or the Services.

11.2 **Sales Methods.** You must follow our System Standards when marketing and selling the Products or the Services. You must not make any misrepresentations to prospective purchasers regarding the qualities of the Products or the Services or concerning us or our business. Moreover, you must not alter, modify, change or misrepresent the Products or the Services or their marketing materials in any manner whatsoever. Accordingly, in marketing, promoting, selling distributing, providing, rendering or performing the Products or the Services, you will not disseminate any information, or represent to prospective Customers or others, any information that conflicts with any of the materials we provide you to assist in the sale of the Services.

11.3 **Record Keeping.** In order for us to monitor your performance, you must keep and maintain full and accurate records of (i) your meetings with referral sources, Customers, National

Accounts and prospects; and (ii) all Products sold or provided or Services sold or rendered. We may keep certain of these records for you via the Billing System. However, you remain responsible for them. The records must include whatever information we consider necessary from time to time (and will include information relating to meetings, follow-up calls, etc.). We will also require you to complete and transmit to us weekly and monthly reports detailing your activities. You must supply us with weekly reports due by the Wednesday of the next succeeding week, and monthly reports due by the 10th day of each month following the end of the immediately preceding calendar month.

11.4 **Access to Facilities.** Notwithstanding the fact that you will be operating from your home, you must nevertheless give us access to i9 Sports Franchise for meetings with referral sources and Customers, for meetings with us, or for us to meet with your staff. We may schedule mandatory meetings for you and/or your Event Personnel or other staff at reasonable times after reasonable coordination efforts. You must follow the policies and procedures we periodically establish for operating procedures, record keeping and reporting and other matters.

11.5 **Marketing Support.** We will provide you with certain marketing materials including literature concerning the Products and the Services, descriptive literature, manuals, brochures and related information that we have designed or otherwise acquired to assist you in the market, sale and promotion of the Products and the Services. You must not use any other marketing materials unless we have approved them prior to your use, in writing. Upon termination or expiration of this Agreement, you must: (i) return all marketing materials, manuals, brochures and related information that we have furnished to you or that bear our tradenames; and (ii) not retain copies of these materials in any form whatsoever.

11.6 **Delegation.** Although you may delegate some of your duties under this Agreement to your subordinate managers, Event Personnel, Customer Liaisons or employees due to their relationships with the Customers, you remain fully responsible for your and their performance. You must use your best efforts to ensure that the sales associates or Event Personnel do not cause a breach of this Agreement and meet the standards of customer service and support.

11.7 **Collections.** You must assist us in the collection of amounts owed to us by Customers for the Products or the Services sold by you.

11.8 **Liability Insurance.** You must obtain and maintain at your expense all of the insurance policies and coverage amounts we designate from time to time. You must meet or exceed the insurance coverage criteria we designate from time to time. Your insurance coverage obligations will be designated in the Manuals, and will include, at a minimum, for each automobile your i9 Sports® Franchise utilizes or operates, the requirement for you to obtain and maintain in full force and effect with a reputable insurance company authorized to do business in the Network Area automobile liability insurance in the face amount of \$300,000 for any one person, \$500,000 for any one accident, and \$100,000 for property damage. You will include us as one of the insureds under such policy and will furnish us with a copy of the Certificate of Insurance. You will indemnify us against any claim for injuries or damages caused by you, your sales associates, Event Personnel, Customer Liaisons or your employees while traveling in any automobile in the course of representing us or you or in connection with any Event. Your obligation to indemnify us will survive the termination of this agreement. When using a rental car, you agree to have 100% insurance coverage for any accident.

11.9 **Compliance with Laws and Good Business Practices.** You will secure and maintain in force in your name all required licenses, permits, approval and certificates relating to the operation of the i9 Sports® Franchise and each Event you operate, organize or develop the Products or the Services you market, sell, distribute, perform, render or provide. You will operate the i9 Sports® Franchise in full compliance with all applicable laws, ordinances and regulations, including, without limitation, all govern-

ment regulations relating to occupational hazards and health, parks and recreational activities, sporting and social activities, privacy, worker's compensation insurance, unemployment insurance, event permitting, workplace safety, and withholding and payment of federal and state income taxes, social security taxes and sales taxes. You will, in all dealings with Customers, suppliers, us and the public, adhere to the highest standards of honesty, integrity, fair dealing and ethical conduct. You agree to refrain from any business or advertising practice which may be injurious to our business and the goodwill associated with the System, the Marks and other i9 Sports® Franchises.

12. ADVERTISING AND PROMOTION

12.1 Local Marketing and Promotion. All your advertising must conform with all provisions of this Agreement. All advertising, promotion and marketing must be completely clear and factual and not misleading and conform to the highest standards of ethical marketing and promotion policies that we prescribe from time to time. You must submit samples of all local advertising and promotional materials, not prepared or previously approved by us, for approval at least 14 days prior to their use. In no event will your advertising contain any statement or material which may be considered: (a) in bad taste or offensive to any group or person; (b) defamatory on any person or an attack on a competitor; (c) inconsistent with our public image; or (d) not in accord with System Standards.

12.2 Establishment of Brand Fund. Recognizing the value of advertising and marketing to the goodwill and public image of i9 Sports® Franchises, we have established a system-wide Brand Fund (the "**Brand Fund**") for such advertising, marketing and public relations programs and materials we deem necessary or appropriate. We reserve the right to defer or reduce Marketing Contributions of an i9 Sports® Franchise and, upon 30 days' prior written notice to you, to reduce or suspend contributions to and operations of the Brand Fund for one or more periods of any length and to terminate (and, if terminated, to reinstate) the Brand Fund. If the Brand Fund is terminated, all unspent monies on the date of termination will be distributed to our franchisees in proportion to their respective contributions to the Brand Fund during the preceding 12-month period. We and our affiliates will contribute to the Brand Fund on the same basis as franchise owners for any i9 Sports® Franchise we or they own and operate.

12.3 Use of the Funds. We or our designee will direct all programs financed by the Brand Fund, including the creative concepts, materials and endorsements, and the geographic, market and media placement and allocation. You agree that the Brand Fund may be used to pay the costs of preparing and producing video, e-commerce, audio and written advertising materials; developing and servicing corporate accounts; evaluating new Event development, operation or marketing techniques, services or products; research and development of marketing materials; administering regional and multi-regional advertising programs, including, without limitation, purchasing e-commerce rights, services, direct mail and other media advertising and employing advertising, promotion and marketing agencies; and supporting public relations, market research, establishing, developing, maintaining, servicing or hosting Websites or other e-commerce programs, and other advertising, promotion and marketing activities. The Brand Fund periodically will furnish you with samples of advertising, marketing and promotional formats and materials at no cost. Multiple copies of such materials will be furnished to you at our direct cost of producing them, plus any related shipping, handling and storage charges.

12.4 Accounting for the Fund. The Brand Fund will be accounted for separately from our other funds and will not be used to defray any of our general operating expenses, except for such reasonable salaries, administrative costs, travel expenses and overhead as we may incur in activities related to the administration of the Brand Fund and its programs, including, without limitation, conducting market surveys, preparing advertising, promotion and marketing materials and collecting and accounting for contributions to the Brand Fund. We may spend, on behalf of the Brand Fund, in any fiscal year an amount greater or less than the aggregate contribution of all i9 Sports® Franchises to the

Brand Fund in that year, and the Brand Fund may borrow from us or others to cover deficits or invest any surplus for future use. All interest earned on monies contributed to the Brand Fund will be used to pay advertising costs before other assets of the Brand Fund are expended. We will prepare a periodic statement of monies collected and costs incurred by the Brand Fund and furnish the statement to you upon written request. We have the right to cause the Brand Fund to be incorporated or operated through a separate entity at such time as we deem appropriate, and such successor entity will have all of the rights and duties specified in this Agreement.

12.5 **Brand Fund Limitations.** You acknowledge that if established, the Brand Fund will be intended to maximize recognition of the Marks, Copyrights and patronage of i9 Sports® Franchises. Although we will endeavor to utilize the Brand Fund to develop advertising and marketing materials and programs and to place advertising that will benefit all i9 Sports® Franchises, we undertake no obligation to ensure that expenditures by the Brand Fund in or affecting any geographic area are proportionate or equivalent to the contributions to the Brand Fund by i9 Sports® Franchises operating in that geographic area or that any i9 Sports® Franchise will benefit directly or in proportion to its contribution to the Brand Fund from the development of advertising and marketing materials or the placement of advertising. Except as expressly provided in this section, we assume no direct or indirect liability or obligation to you with respect to collecting amounts due to the Brand Fund.

12.6 **Advertising and Promotion.** You agree that any advertising, promotion and marketing you conduct will be completely clear and factual and not misleading and conform to the highest standards of ethical marketing and the promotion policies which we prescribe from time to time. Samples of all advertising, promotional and marketing materials which we have not prepared or previously approved must be submitted to us for approval before you use them. If you do not receive our written disapproval or approval within 14 days after our receipt of such materials, we will be deemed not to have given the required approval. You may not use any advertising or promotional materials that we have disapproved or have not approved in writing.

12.7 **Telephone Directory Advertisements.** At your expense, you must obtain your telephone number and list and advertise your i9 Sports® Franchise in the principal regular (white pages telephone directory) and the classified (yellow pages) telephone directories (if any) distributed in your metropolitan area, in such directory categories as we specify, utilizing our standard forms of listing and classified directory advertisements. You must place your classified directory advertisements and listings together with other i9 Sports® Franchises operating within the distribution area of the directories. If a joint listing is obtained, the cost of the advertisements and listings will be apportioned among all i9 Sports® Franchises placed together. You must sign and deliver to us our Conditional Assignment of Telephone Numbers and Listings in the form attached as an exhibit to our Offering Circular.

13. **CUSTOMER SERVICE.** You are responsible for providing customer service to Customers who purchase the Products or the Services and to all referral sources. In that connection, you will act as our intermediary with Customers to timely respond to any of their concerns and questions. You agree to provide the highest standard of Customer service in connection with the provision or sale of the Services to ensure complete Customer satisfaction. You must also cooperate with us to honor any refund policies that we develop from time to time. In that connection, to the extent we refund any fees for Services we have received from Customers in the Network Area, we will be entitled to a refund (which may be exercised by setoff) of a proportionate amount of the associated Commission paid you.

14. **RELATIONSHIP OF THE PARTIES**

14.1 **Independent Contractors.** We do not have a fiduciary relationship with you. You and we are independent contractors. Neither you nor we are general or special agents, franchisees, joint

venturers, partners or employees of the other for any purpose whatsoever. Since you are an independent contractor, you will not be entitled to workers' compensation, unemployment compensation, or any other statutory or regulatory benefit or right predicated on an employer-employee relationship. We have no obligation to carry workers' compensation coverage or pay unemployment compensation taxes or withhold any amounts from payment to you for federal income taxes or for federal social security taxes, unless otherwise required by applicable laws and regulations. You will file all federal income tax forms required of an independent contractor. We have no obligation to provide you with any employment and fringe benefits that we may provide to employees, such as health insurance, for example. The foregoing also applies to any relationship we have with your sales associates, Event Personnel, agents or other employees.

14.2 **Safety.** You recognize and agree that although we may provide you training, general advice or guidance regarding the manner in which you, your Event Personnel and other personnel are to conduct themselves in connection with the operation of your i9 Sports® Franchise, we do not establish, designate or approve, and you are solely responsible for training your personnel with respect to procedures and policies for the safe operation of your i9 Sports® Franchise and the provision or rendering, performance or distribution of the Products or the Services. You, not us, are solely responsible for training your personnel to conduct sporting and other activities in a manner that does not expose us, you, your personnel or others to risk of danger or prosecution. Any guidance, training or assistance we provide to you is not construed to be a designation or approval of safety techniques.

14.3 **Taxes.** We will have no liability for any sales, use, alcohol surcharge, service, occupation, excise, gross receipts, income, payroll, property or other taxes, whether levied upon you or your i9 Sports® Franchise, in connection with the business you conduct (except any taxes we are required by law to collect from you with respect to purchases from us). Payment of all such taxes is your responsibility.

15. **INDEMNIFICATION**

15.1 **By You.** You agree to indemnify, defend and hold harmless us, our affiliates and our respective shareholders, directors, officers, employees, agents, successors and assignees (the "**Indemnified Parties**") against and to reimburse any one or more of the Indemnified Parties for all claims, obligations and damages described in this Section, any and all taxes described in this Agreement (including any income tax or excise tax which we are required to pay due to your activities in any state) and any and all claims and liabilities directly or indirectly arising out of the i9 Sports® Franchise' operation (even if our negligence is alleged) or your breach of this Agreement. For purposes of this indemnification, "**claims**" includes all obligations, damages (actual, consequential or otherwise) and costs reasonably incurred in the defense of any claim against any of the Indemnified Parties, including, without limitation, reasonable accountants', arbitrators', attorneys' and expert witness fees, costs of investigation and proof of facts, court costs, other expenses of litigation, arbitration or alternative dispute resolution and travel and living expenses. We have the right to defend any such claim against us. This indemnity will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement. Under no circumstances will we or any other Indemnified Party be required to seek recovery from any insurer or other third party, or otherwise to mitigate our, their or your losses and expenses, in order to maintain and recover fully a claim against you. You agree that a failure to pursue such recovery or mitigate a loss will in no way reduce or alter the amounts we or another Indemnified Party may recover from you.

15.2 **By Us.** We must indemnify, defend and hold you harmless from and against and reimburse you only for all obligations, damages, losses, costs, expenses and liabilities for which you are held liable or which you may incur in the defense of any claim brought against you resulting or arising

out of: (a) our failure to perform contractual obligations under this Agreement; or (b) reckless or willful action or failure to act; and (c) our material breach of any aspect of this Agreement. You may defend any such claim against you.

15.3 **Contribution.** Without limiting any rights or obligations to indemnify and defend, if for any reason the parties are found by a court of competent jurisdiction to be liable or otherwise responsible and that indemnification will not be permitted, you will pay to us an amount equal to 95% of that amount (and we will pay only 5% of that amount). We may pay such apportionment without any waiver of our right to challenge or otherwise appeal any award against us.

15.4 **Survival.** All indemnification obligations described in this Agreement will continue in full force and effect after the expiration or termination of this Agreement.

15.5 **Defense Costs.** All indemnification obligations include the reimbursement of attorneys' fees and associated costs of defending against the claims.

16. **REPORTS, FINANCIAL STATEMENTS, INSPECTIONS AND AUDITS**

16.1 **Our Right to Inspect the i9 Sports® Franchise.** To determine whether you are complying with this Agreement and all System Standards, we and our designated agents have the right at any time during your regular business hours, and upon seventy-two (72) hour prior notice to you, without disrupting your business, to:

- (a) inspect the i9 Sports® Franchise and any Events it develops, markets or operates;
- (b) observe, photograph and videotape the operations of the i9 Sports® Franchise and any Events it develops, markets or operates for such consecutive or intermittent periods as we deem necessary;
- (c) remove or otherwise receive or obtain samples of any products, services, materials or supplies for testing, evaluation or analysis;
- (d) interview personnel and Customers of the i9 Sports® Franchise; and
- (e) inspect and copy any books, records and documents relating to your operation of the i9 Sports® Franchise.

You agree to cooperate with us fully in connection with any such inspections, observations, photographing, videotaping, product removal, service testing and interviews. You agree to present to your Customers such evaluation forms that we periodically prescribe and to participate and/or request your Customers to participate in any surveys performed by us or on our behalf. You must immediately correct or repair any unsatisfactory conditions we specify.

16.2 **Our Right to Audit.** We have the right at any time during your business hours, and upon seventy-two (72) hour prior notice to you, and without disrupting your business activities, to inspect and audit, or cause to be inspected and audited, your (if you are a Business Entity) and the i9 Sports® Franchise's business, bookkeeping and accounting records, sales and income tax records and returns and other records. You agree to cooperate fully with our representatives and independent accountants we hire to conduct any such inspection or audit. If our inspection or audit is made necessary by your failure to furnish reports, supporting records or other information we require, or to furnish such items on a timely basis, or if the information is not accurate (i.e., your Network Revenues are understated by 2% or more or Royalty Fees

or advertising requirements are underpaid by 3% or more), you agree to reimburse us for the cost of such inspection or audit, including, without limitation, the charges of attorneys and independent accountants and the travel expenses, room and board and compensation of our employees. You also must immediately pay us any shortfall in the amounts you owe us, including late fees and interest. The foregoing remedies are in addition to our other remedies and rights under this Agreement and applicable law.

16.3 **Books and Records.** You shall establish and maintain, at your expense, a bookkeeping, accounting, and record keeping system conforming to the requirements prescribed by us from time to time. You shall sign, verify, and furnish the following reports, financial statements, and returns to us in the form prescribed by us.

(a) Within thirty (30) days after the end of each quarter, a profit and loss statement.

(b) Within sixty (60) days after the end of the fiscal year a profit and loss statement, balance sheet, and cash flow statement for the fiscal year reflecting all year-end adjustments.

16.4 **Network Revenues Reports.** You must submit true, accurate and complete reports of your Network Revenues to us for the time periods we may designate, and in the manner we may designate, on the Payment Days we may designate. You must comply with our System Standards for the creation and submission of reports of your Network Revenues.

17. **TRANSFER**

17.1 **By Us.** This Agreement is fully transferable by us and will inure to the benefit of any transferee or other legal successor to our interests.

17.2 **By You.** You understand and acknowledge that the rights and duties created by this Agreement are personal to you (or, if you are a Business Entity, to your owners) and that we have granted the Franchise to you in reliance upon our perceptions of your (or your owners') individual or collective character, skill, aptitude, attitude, business ability and financial capacity. Accordingly, neither this Agreement (nor any interest in it) nor any ownership or other interest in you or the i9 Sports® Franchise may be transferred without our prior written approval. Any transfer without such approval constitutes a breach of this Agreement and is void and of no effect. As used in this Agreement, the term "transfer" includes your (or your owners') voluntary, involuntary, direct or indirect assignment, sale, gift or other disposition of any interest in: (a) this Agreement; (b) you; or (c) the i9 Sports® Franchise.

An assignment, sale, gift or other disposition includes the following events:

(a) transfer of ownership of 25% capital stock or a partnership interest;

(b) merger or consolidation or issuance of additional securities or interests representing an ownership interest in you;

(c) any issuance or sale of your stock or any security convertible to your stock;

(d) transfer of an interest in you, this Agreement or the i9 Sports® Franchise in a divorce, insolvency or corporate or partnership dissolution proceeding or otherwise by operation of law;

(e) transfer of an interest in you, this Agreement or the i9 Sports® Franchise, in the event of your death or the death of one of your owners, by will, declaration of or transfer in trust or under the laws of intestate succession; or

(f) pledge of this Agreement (to someone other than us) or of an ownership interest in you as security, foreclosure upon the i9 Sports® Franchise or your transfer, surrender or loss of possession, control or management of the i9 Sports® Franchise.

17.3 **Conditions for Approval of Transfer.** If you (and your owners) are in full compliance with this Agreement, then subject to the other provisions of this Section, we will approve a transfer that meets all the applicable requirements of this Section. The proposed transferee and its direct and indirect owners must be individuals of good character and otherwise meet our then applicable standards for i9 Sports® Franchises. A transfer of ownership, possession or control of the i9 Sports® Franchise may be made only in conjunction with a transfer of this Agreement. If the transfer is of this Agreement or a controlling interest in you, or is one of a series of transfers which in the aggregate constitute the transfer of this Agreement or a controlling interest in you, all of the following conditions must be met prior to or concurrently with the Agreement Date of the transfer:

(a) the transferee has sufficient business experience, aptitude and financial resources to operate the i9 Sports® Franchise;

(b) you have paid all amounts owed for purchases from us and all other amounts owed to us or to third-party creditors and have submitted all required reports and statements;

(c) the transferee (or its owners) have agreed to complete our standard training program, at their expense;

(d) the transferee has agreed to be bound by all of the terms and conditions of this Agreement;

(e) the transferee has entered into our then-current form of Franchise Agreement for a term ending on the expiration date of this Agreement and requiring no initial franchise fee;

(f) the transferee agrees to upgrade the i9 Sports® Franchise to conform to our then-current System Standards and other standards and specifications;

(g) you or the transferee pay us a transfer fee equal to ½ of our then-current highest initial franchise fee to defray expenses we incur in connection with the transfer, including the costs of training the transferee (or its owners) and other personnel. If the proposed transfer is among your owners, no transfer fee will be due;

(h) you (and your transferring owners) have signed a general release, in form satisfactory to us, of any and all claims against us and our shareholders, officers, directors, employees and agents;

(i) we have approved the material terms and conditions of such transfer and determined that the price and terms of payment will not adversely affect the transferee's operation of the i9 Sports® Franchise;

(j) if you or your owners finance any part of the sale price of the transferred interest, you and/or your owners have agreed that all of the transferee's obligations pursuant to any

promissory notes, agreements or security interests that you or your owners have reserved in the i9 Sports® Franchise are subordinate to the transferee's obligation to pay Royalties, Brand Fund contributions and other amounts due to us and otherwise to comply with this Agreement;

(k) you and your transferring owners (and your and your owners' spouses and children) have signed a non-competition covenant in favor of us and the transferee agreeing to be bound, commencing on the Agreement Date of the transfer, by the restrictions contained in this Agreement; and

(l) you and your transferring owners have agreed that you and they will not directly or indirectly at any time or in any manner (except with respect to other i9 Sports® Franchises you own and operate) identify yourself or themselves or any business as a current or former, or as one of our licensees or franchisees, use any Mark, any colorable imitation of a Mark or Copyright, or other indicia of an i9 Sports® Franchise in any manner or for any purpose or utilize for any purpose any trade name, trade or service mark or other commercial symbol that suggests or indicates a connection or association with us.

17.4 **Transfer to a Business Entity.** If you are in full compliance with this Agreement, you may transfer this Agreement to a Business Entity that conducts no business other than the i9 Sports® Franchise and, if applicable, other i9 Sports® Franchise so long as you own, control and have the right to vote 51% or more of its issued and outstanding ownership interests (like stock or partnership interests) and you guarantee its performance under this Agreement. All other owners are subject to our approval. The organizational or governing documents of the Business Entity must recite that the issuance and transfer of any ownership interests in the Business Entity are restricted by the terms of this Agreement, are subject to our approval, and all certificates or other documents representing ownership interests in the Business Entity must bear a legend referring to the restrictions of this Agreement. As a condition of our approval of the issuance or transfer of ownership interests to any person other than you, we may require (in addition to the other requirements we have the right to impose) that the proposed owner sign an agreement, in a form provided or approved by us, agreeing to be bound jointly and severally by, to comply with, and to guarantee the performance of, all of the your obligations under this Agreement. We will not charge you a transfer fee if you transfer your i9 Sports® Franchise to an existing co-owner, spouse, or direct descendant.

17.5 **Transfer Upon Death or Disability.** Upon your death or disability or, if you are a Business Entity, the death or disability of the owner of a controlling interest in you, we may require you (or such owner's executor, administrator, conservator, guardian or other personal representative) to transfer your interest in this Agreement (or such owner's interest in you) to a third party. Such disposition (including, without limitation, transfer by bequest or inheritance) must be completed within the time we designate, not less than 1 month but not more than 6 months from the date of death or disability. Such disposition will be subject to all of the terms and conditions applicable to transfers contained in this Section. A failure to transfer your interest in this Agreement or the ownership interest in you within this period of time constitutes a breach of this Agreement. For purposes of this Agreement, the term "**disability**" means a mental or physical disability, impairment or condition that is reasonably expected to prevent or actually does prevent you or an owner of a controlling interest in you from managing and operating the i9 Sports® Franchise.

17.6 **Operation Upon Death or Disability.** If, upon your death or disability or the death or disability of the owner of a controlling interest in you, the i9 Sports® Franchise is not being managed by a trained manager, your or such owner's executor, administrator, conservator, guardian or other personal representative must within a reasonable time, not to exceed 15 days from the date of death or disability, appoint a manager to operate the i9 Sports® Franchise. Such manager will be required to complete training at your expense. Pending the appointment of a manager as provided above or if, in our judgment, the i9

Sports® Franchise is not being managed properly any time after your death or disability or after the death or disability of the owner of a controlling interest in you, we have the right, but not the obligation, to appoint a manager for the i9 Sports® Franchise. All funds from the operation of the i9 Sports® Franchise during the management by our appointed manager will be kept in a separate account, and all expenses of the i9 Sports® Franchise, including compensation, other costs and travel and living expenses of our manager, will be charged to this account. We also have the right to charge a reasonable management fee (in addition to the Royalty Fees, monies retained by us for On-Line Retail Products and Brand Fund Contributions payable under this Agreement) during the period that our appointed manager manages the i9 Sports® Franchise. Operation of the i9 Sports® Franchise during any such period will be on your behalf, provided that we only have a duty to utilize our best efforts and will not be liable to you or your owners for any debts, losses or obligations incurred by the i9 Sports® Franchise or to any of your creditors for any products, materials, supplies or services the i9 Sports® Franchise purchases during any period it is managed by our appointed manager.

17.7 **Effect of Consent to Transfer.** Our consent to a transfer of this Agreement and the i9 Sports® Franchise or any interest in you does not constitute a representation as to the fairness of the terms of any contract between you and the transferee, a guarantee of the prospects of success of the i9 Sports® Franchise or transferee or a waiver of any claims we may have against you (or your owners) or of our right to demand the transferee's exact compliance with any of the terms or conditions of this Agreement.

17.8 **Our Right of First Refusal.** If you (or any of your owners) at any time determine to sell, assign or transfer for consideration an interest in this Agreement and the i9 Sports® Franchise or an ownership interest in you, you (or such owner) agree to obtain a bona fide, executed written offer and earnest money deposit (in the amount of 5% or more of the offering price) from a responsible and fully disclosed offeror (including lists of the owners of record and all beneficial owners of any corporate or limited liability company offeror and all general and limited partners of any partnership offeror and, in the case of a publicly-held corporation or limited partnership, copies of the most current annual and quarterly reports and Form 10K) and within 5 days of receipt submit to us a true and complete copy of such offer, which includes details of the payment terms of the proposed sale and the sources and terms of any financing for the proposed purchase price. To be a valid, bona fide offer, the proposed purchase price must be denominated in a dollar amount. The offer must apply only to an interest in you or in this Agreement and the i9 Sports® Franchise and may not include an offer to purchase any of your (or your owners') other property or rights. However, if the offeror proposes to buy any other property or rights from you (or your owners) under a separate, contemporaneous offer, such separate, contemporaneous offer must be disclosed to us, and the price and terms of purchase offered to you (or your owners) for the interest in you or in this Agreement and the i9 Sports® Franchise must reflect the bona fide price offered and not reflect any value for any other property or rights.

We have the right, exercisable by written notice delivered to you or your selling owner(s) within 30 days from the date of the delivery to us of both an exact copy of such offer and all other information we request, to purchase such interest for the price and on the terms and conditions contained in such offer, provided that:

- (a) we may substitute cash for any form of payment proposed in such offer (with a discounted amount if an interest rate will be charged on any deferred payments);
- (b) our credit will be deemed equal to the credit of any proposed purchaser;
- (c) we will have not less than 30 days after giving notice of our election to purchase to prepare for closing; and

(d) we are entitled to receive, and you and your owners agree to make, all customary representations and warranties given by the seller of the assets of a business or the capital stock of an incorporated business, as applicable, including, without limitation, representations and warranties as to:

- (i) ownership and condition of and title to stock or other forms of ownership interest and/or assets;
- (ii) liens and encumbrances relating to the stock or other ownership interest and/or assets; and
- (iii) validity of contracts and the liabilities, contingent or otherwise, of the corporation whose stock is being purchased.

If we exercise our right of first refusal, you and your selling owner(s) agree that, for a period of 2 years commencing on the date of the closing, you and they will be bound by the non-competition covenant contained this Agreement. You and your selling owner(s) further agree that you and they will, during this same time period, abide by the restrictions of this Agreement.

If we do not exercise our right of first refusal, you or your owners may complete the sale to such purchaser pursuant to and on the exact terms of such offer, subject to our approval of the transfer, provided that, if the sale to such purchaser is not completed within 120 days after delivery of such offer to us, or if there is a material change in the terms of the sale (which you agree promptly to communicate to us), we will have an additional right of first refusal during the 30 day period following either the expiration of such 120 day period or notice to us of the material change(s) in the terms of the sale, either on the terms originally offered or the modified terms, at our option.

18. SUCCESSOR TERMS

18.1 **Acquisition.** Upon expiration of this Agreement, subject to the conditions of this Section, you will have the right to acquire a successor franchise to operate the i9 Sports® Franchise for an additional 10-year period on the terms and conditions of the franchise agreement we are then using in granting franchises for i9 Sports® Franchises, if you (and each of your owners) have substantially complied with this Agreement during its term, and you modify the i9 Sports® Franchise as we require to bring it into compliance with specifications and standards then applicable for i9 Sports® Franchises.

18.2 **Grant.** You must give us written notice of your election to acquire a successor franchise during the 10th year of the term of this Agreement, but no later than 180 days before expiration. We will respond ("**Response Notice**"), within 90 days after we receive your notice, of our decision, either:

- (a) to grant you a successor franchise;
- (b) to grant you a successor franchise on the condition that deficiencies of the i9 Sports® Franchise, or in your operation of the i9 Sports® Franchise, are corrected; or
- (c) not to grant you a successor franchise based on our determination that you and your owners have not substantially complied with this Agreement during its term.

If applicable, our Response Notice will:

(a) describe the modifications required to bring the i9 Sports® Franchise into compliance with then applicable specifications and standards for i9 Sports® Franchises; and

(b) state the actions you must take to correct operating deficiencies and the time period in which such deficiencies must be corrected.

If we elect not to grant a successor franchise, the Response Notice will describe the reasons for our decision. Your right to acquire a successor franchise is subject to your continued compliance with all of the terms and conditions of this Agreement through the date of its expiration, in addition to your compliance with the obligations described in the Response Notice.

In our discretion, we may extend the term of this Agreement for such period of time as we deem necessary in order to provide you with either reasonable time to correct deficiencies or 90 days notice of our refusal to grant a successor franchise.

18.3 **Agreements/Releases**. If you satisfy all of the other conditions to the grant of a successor franchise, you and your owners agree to sign the form of franchise agreement and any ancillary agreements we are then customarily using in connection with the grant of successor franchises for i9 Sports® Franchises. You and your owners further agree to sign general releases, in form satisfactory to us, of any and all claims against us and our shareholders, officers, directors, employees, agents, successors and assigns. Failure by you or your owners to sign such agreements and releases and deliver them to us for acceptance and signature within 60 days after their delivery to you will be deemed an election not to acquire a successor franchise.

18.4 **Training and Refresher Programs**. Our grant of a successor franchise is also conditioned on the satisfactory completion by you (or your owners) of any new training and refresher programs as we may reasonably require.

18.5 **Fees and Expenses**. Our grant of a successor franchise is contingent on your payment to us of a successor franchise fee of \$2,500. We must receive the fee from you at the time of your election, but not later than 30 days prior to the expiration date of this Agreement. In addition, we have the right to charge you for services we render to you and expenses we incur in conjunction with the grant of the successor franchise. Payment of those charges is due upon your receipt of our invoice.

18.6 **Subsequent Successor Franchises**. The fees and other conditions for any later granting of subsequent successor franchises will be governed by the successor franchise agreement (as described above).

19. **RESTRICTIVE COVENANTS**

19.1 **Confidential Information**. During the Term, we will give you, and you will have access to, a variety of information concerning us and our business including: the Manual; System Standards; Services; methods for operating, managing, developing or coordinating Events; Product or Service Sales, marketing, distribution, performance, provision or rendering methods, techniques, equipment or supplies; Customer Liaison recruitment, training, coordination, recruiting, marketing or compensation methods; Event registration and sports statistics tracking and reporting methods, and techniques; Customer lists; referral sources; billing and collection methods; financial information; makeup and functions of the Software, Computer System or Billing System; other information about us and information about our Approved Suppliers; Preferred Vendors, strategic partners, business plans, employees, and independent contractors (collectively, the "**Confidential Information**"). You acknowledge that we have expended

and continue to expend great amounts of time, money and effort in devising and processing the Confidential Information. We consider the Confidential Information confidential and our trade secrets, where applicable.

19.2 **Restrictions On Use.** You will use your best efforts and diligence both during and after your engagement by us to protect the Confidential Information and our Customer goodwill. You will not, directly or indirectly, use (for yourself or others) or disclose any of the Confidential Information for so long as it remains proprietary or protectable as confidential or trade secret information, except as may be necessary for the performance of your duties on our behalf.

19.3 **Notices.** If you or anyone to whom you transmit the Confidential Information becomes legally compelled (by oral questions, interrogatories, requests for information or documents, subpoenas, civil investigative demands or similar process) to disclose any Confidential Information, you must immediately notify us in writing so that we may seek a protective order or other remedy. In any event, you will furnish only that portion of the Confidential Information which is legally required and exercise your best efforts to obtain reliable assurance that confidential treatment will be accorded to the Confidential Information.

19.4 **Return.** Upon termination, expiration or non-renewal, or any other time at our request, you must promptly deliver to us any and all documents or other materials (including information embodied in intangible form, e.g., in computer memory) in your possession or control relating, directly or indirectly, to any Confidential Information and all copies of it without retaining any copies, duplicates, extracts or portions of it.

19.5 **Competitive Activities.** You acknowledge our legitimate business interest in the Confidential Information, and customer goodwill associated with our Services. Accordingly, during the Term, and for a period of 2 years following its expiration or termination for any reason, unless we otherwise permit in writing, you must not, directly or indirectly (whether as owner, partner, associate, agent, consultant, employee, stockholder, officer or otherwise of another or on your own account), do any of the following:

(a) 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 or 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 (a "**Competitive Business**"): (i) within the Network Area; (ii) within any geographic territory that we have assigned to any one of our or other i9 Sports® Franchises or in which we directly operate, market or sell; (iii) via the Internet or other form of e-commerce, wherever located; or (iv) within 40 miles of any Network Area in existence or under development during the Term or as of the date of termination of this Agreement.

(b) Induce or attempt to induce, or solicit any of our or other i9 Sports® Franchise's strategic partners, Customers of the Services, referral sources or employees, sales associates, Event Personnel or other independent contractors to accept employment or an affiliation involving work that may be competitive to our (or our affiliates') businesses or otherwise with any Competitive Business of which you are an employee, owner, partner, shareholder, consultant

or agent, or which may reasonably relate to any of the Confidential Information, the Products, the Services or products or services similar to the Products or the Services; and/or

(c) Solicit, divert, contact, take away or interfere with any of our businesses, Customers (including National Accounts), referral sources, insurers, suppliers, trade or patronage with whom we (or our affiliates) do business or whom you know we have contacted or solicited for business relationships, or those of any of our affiliates or franchisees, as of the date of termination of this Agreement.

19.6 **Injunction**. Due to our interest in the Confidential Information and Customer goodwill, you agree that damages cannot fully compensate us if you breach this Agreement. Thus, if you breach this Agreement, we are entitled to an injunction restraining you from any further breach. We may obtain the injunction without bond and without notice. Your only remedy if such an injunction is issued is its dissolution, if warranted, upon an appropriate hearing. You waive any claims for damages as a result of the obtaining of any such injunction.

19.7 **Extension of Time Period**. The time period during which you are to refrain from the activities described in this Section, will be extended by any length of time during which you are in breach of this Agreement. This Agreement will continue through the duration of the extended time periods.

19.8 **Suspension of Compensation**. We will not be required to pay you any Commissions due you during any period of time in which you are in breach of this Section of this Agreement. Upon such a breach, you forfeit payment of all Commissions then due as a setoff against our damages until the amount has been otherwise determined in judicial proceedings. This setoff does not constitute liquidated damages.

20. **TERMINATION**

20.1 **By You**. You may terminate this Agreement effective 30 days after notice to us if we have materially breached this Agreement and do not cure such breach within 30 days notice of the breach; or if the breach cannot reasonably be cured within such 30-day period, we do not commence within such 30-day period reasonable good faith efforts to do so and continue them until cure is accomplished.

20.2 **Notice/By Us**. We may terminate this Agreement effective 30 days after notice to you if you have materially breached this Agreement and do not cure such breach within 30 days notice of the breach; or if the breach cannot reasonably be cured within such 30-day period, you do not commence within such 30-day period reasonable good faith efforts to do so and continue them until cure is accomplished.

20.3 **Immediate/By Us**. Without limiting any of our rights to terminate this Agreement upon your breach of it, we may, at any time, terminate this Agreement effective immediately upon written notice if you:

(a) make any material misrepresentation or omission to us in relation to our continuing business relationship; or

(b) are convicted by a trial court of, plead no contest or enter into a consent decree in connection with any violation of the rules of the Securities and Exchange Commission, NASDAQ, franchise laws, state securities laws, or any felony or other crime or offense that is likely to adversely affect your reputation, our reputation or otherwise involving any breach of trust; or

- (c) make any unauthorized direct or indirect assignment of this Agreement; or
- (d) make any unauthorized use, duplication or disclosure of any Confidential Information; or
- (e) file a voluntary or involuntary petition in bankruptcy or have a petition in bankruptcy filed against you or you otherwise make an assignment for the benefit of creditors or experience any act of insolvency or enter into any proceedings for the benefit of creditors.

20.4 **Obligations Upon Termination.** Upon any expiration or termination of this Agreement for any reason, you must immediately:

- (a) cease to use any of the Confidential Information, the Copyrights and the Marks;
- (b) return to us all of your copies of any materials containing any of the Confidential Information or any materials bearing the Copyrights or the Marks;
- (c) cooperate in assigning to us any and all vendor agreements or sales or service contracts for the Products or the Services with Customers of your i9 Sports® Franchise, which will be automatic at our option as a result of the termination or expiration;
- (d) cease all use of our Marks and Copyrights, including any of our marketing materials and brochures and stop holding yourself out to the public as associated with us in any way; and
- (e) terminate your access to the e-commerce activities we designate and assign to us all telephone numbers, e-name and directory listings associated in any way with the i9 Sports® Franchise, our trade name, Marks or Copyrights.
- (f) In order to protect our interest in the System and the Marks, we will have the right to control the telephone numbers and listings of i9 Sports® Franchise if the Franchise Agreement is terminated.

Upon termination or expiration of the Franchise Agreement we will have the right and authority to own the Numbers and Listings. In such event, you will have no further right, title or interest in the Numbers and Listings and will remain liable to the Telephone Company for all past due fees owing to the Telephone Company on or before the date on which the assignment is effective. As between us and you, upon termination or expiration of the Franchise Agreement, we will have the sole right to and interest in and to the Numbers and Listings.

You irrevocably appoint us as your true and lawful attorney-in-fact to: (a) direct the Telephone Company to effectuate the assignment of the Numbers and Listings to us; and (b) sign on your behalf such documents and take such actions as may be necessary to effectuate the assignment. Notwithstanding anything else in the Assignment, however, you will immediately notify and instruct the Telephone Company to effectuate the assignment described in this Assignment to us when, and only when: (i) the Franchise Agreement is terminated or expires; and (ii) we instruct you to so notify the Telephone Company. If you fail to promptly direct the Telephone Company to effectuate the assignment of the Numbers and Listings to us, we will direct the Telephone Company to do so. The Telephone Company may accept our written direction, the Franchise Agreement or this Assignment as conclusive proof of our exclusive rights in and to the Numbers and Listings upon such termination or expiration. The assignment will become immediately and

automatically effective upon Telephone Company's receipt of such notice from you or us. If the Telephone Company requires that you and/or we sign the Telephone Company's assignment forms or other documentation at the time of termination or expiration of the Franchise Agreement, our signature On such forms or documentation on your behalf will effectuate your consent and agreement to the assignment. At any time, you and we will perform such acts and sign and deliver such documents as may be necessary to assist in or accomplish the assignment described herein upon termination or expiration of the Franchise Agreement. The power of attorney conferred upon us pursuant to the provisions set forth in this Assignment is a power coupled with an interest and cannot be revoked, modified or altered without our consent.

You agree to indemnify and hold us and our affiliates, stockholders, directors, officers and representatives (collectively, the "Indemnified Parties") harmless from and against any and all losses, liabilities, claims, proceedings, demands, damages, judgments, injuries, attorneys' fees, costs and expenses that any of the Indemnified Parties incur as a result of any claim brought against any of the Indemnified Parties or any action which any of the Indemnified Parties are named as a party or which any of the Indemnified Parties may suffer, sustain or incur by reason of, or arising out of, your breach of any of the terms of any agreement or contract or the nonpayment of any debt you have with the Telephone Company.

20.5 **Survival.** All obligations under this Agreement (whether yours or ours) which expressly or by their nature survive the expiration or termination of this Agreement will continue in full force and effect after and notwithstanding the expiration or termination of this Agreement until such provisions are satisfied in full or by their nature expire.

21. **NOTICE.** All written notices and reports permitted or required under this Agreement or by the Manuals will be deemed delivered:

- (a) at the time delivered by hand;
- (b) 1 business day after transmission by facsimile, telecopy or other electronic system;
- (c) 2 business days after being placed in the hands of a commercial airborne courier service for next business day delivery; or
- (d) five (5) business days after placement in the United States mail by registered or certified mail, return receipt requested, postage prepaid.

All such notices must be addressed to the parties as follows:

To: i9 SPORTS CORPORATION
Attn: Frank Fiume
1723 South Kings Avenue
Brandon, Florida 33511
Tel.: (813) 662-6773
Fax: (813) 662-9114

To: _____

Tel.: _____
Fax: _____

Either you or we may change the address for delivery of all notices and reports and any such notice will be effective within 10 business days of any change in address. Any required payment or report not actually received by us during regular business hours on the date due (or postmarked by postal authorities at least 2 days prior to such date, or in which the receipt from the commercial courier service is not dated prior to 2 days prior to such date) will be deemed delinquent.

22. **NO GUARANTIES.** We disclaim the making of, and you acknowledge that you have not received or relied upon, any warranty or guaranty, express or implied, as to the revenues, sales, profits or success of sports and recreational related businesses generally, the business venture contemplated by this Agreement or the extent to which we will continue to develop and expand the network of i9 Sports® Franchises. You acknowledge that:

(a) any statements regarding the potential or probable revenues, sales or profits of the business venture are made solely in the Franchise Offering Circular delivered to you prior to signing this Agreement;

(b) any statement regarding the potential or probable revenues, sales or profits of the business venture or statistical information regarding any existing i9 Sports® Franchises that is not contained in our Franchise Offering Circular is unauthorized, unwarranted and unreliable and should be reported to us immediately;

(c) any information you obtained from our franchise associates relating to revenues, sales, profits or otherwise does not constitute information obtained from us and we do not warrant or guaranty the accuracy of any such information; and

(d) you have not received or relied on any representations about the i9 Sports® Franchise made by us, or our officers, directors, employees or agents, that are contrary to the statements made in our Franchise Offering Circular or to the terms of this Agreement.

23. **REPRESENTATIONS.** To induce us to enter into this Agreement with you, you represent and warrant that:

(a) in all of your dealings with us, our officers, directors, employees and agents act only in a representative capacity or agency capacity for an i9 Sports® Franchise and not in an individual capacity;

(b) this Agreement, and all business dealings between you and such individuals as a result of this Agreement, are solely between you and us;

(c) you have made no misrepresentations in obtaining the Franchise;

(d) you have read this Agreement and our Franchise Offering Circular in their entirety; and

(e) you understand that we do not grant a Franchise to you and this Agreement is not effective until we sign this Agreement (and all associated agreements between you and us or our affiliates).

24. **BUSINESS ORGANIZATION**. If you are (at any time) a business organization (like a corporation, limited liability company or partnership) (a "Business Entity"), you agree and represent that:

(a) You have the authority to execute, deliver and perform your obligations under this Agreement and are duly organized or formed and validly existing in good standing under the laws of the state of your incorporation or formation;

(b) Your organizational or governing documents will recite that the issuance and transfer of any ownership interests in you are restricted by the terms of this Agreement, and all certificates and other documents representing ownership interests in you will bear a legend referring to the restrictions of this Agreement;

(c) You will completely and accurately describe all of your owners and their interests in you in the Principal Owner's Statement (a copy of the form of which is an exhibit to the Circular);

(d) You and your owners agree to revise the Principal Owner's Statement as may be necessary to reflect any ownership changes and to furnish such other information about your organization or formation as we may request;

(e) Each of your owners that are active in the i9 Sports® Franchise at any time during the Term of this Agreement will sign and deliver to us our standard form of Principal Owner's Guaranty (a copy of which is attached as an exhibit to our Franchise Offering Circular), undertaking to be bound jointly and severally by all provisions of this Agreement and any other agreements between you and us; and

(f) At our request, you will furnish true and correct copies of all documents and contracts governing the rights, obligations and powers of your owners and your agents (like articles of incorporation or organization and partnership, operating or shareholder agreements).

25. **MISCELLANEOUS**

25.1 **Cumulative Remedies**. The remedies available to any party if the other party breaches this Agreement are cumulative. The exercise of any remedy will not limit any other remedies that may be available. Both parties will also be entitled to any and all remedies available under applicable law.

25.2 **Limitation of Liability**. Neither of the parties will be liable for loss or damage or deemed to be in breach of this Agreement if failure to perform obligations results from:

(a) compliance with any law, ruling, order, regulation, requirement or instruction of any federal, state or municipal government or any department or agency thereof;

(b) acts of God;

(c) acts or omissions of a similar event or cause; or

(d) any such delay as may be reasonable.

However, such delays or events do not excuse payments of amounts owed at any time.

25.3 **Approval and Consents.** Whenever this Agreement requires our advance approval, agreement or consent, you agree to make a timely written request for it. Our approval or consent will not be valid unless it is in writing. Except where expressly stated otherwise in this Agreement, we have the absolute right to make decisions on our part with or without cause and to refuse any request by you or to withhold our approval of any action or omission by you. If we provide to you any waiver, approval, consent, or suggestion, or if we neglect or delay our response or deny any request for any of those, we will not be deemed to have made any warranties or guarantees which you may rely on, and will not assume any liability or obligation to you.

25.4 **Waiver of Punitive Damages.** WITHOUT LIMITING YOUR OBLIGATIONS TO INDEMNIFY US PURSUANT TO SECTIONS 4, 11, 12, 15 and 16 OF THIS AGREEMENT, YOU AND WE EACH WAIVE TO THE FULL EXTENT PERMITTED BY LAW ANY RIGHT TO, OR CLAIM FOR, ANY PUNITIVE OR EXEMPLARY DAMAGES AGAINST THE OTHER. YOU AND WE ALSO AGREE THAT, IN THE EVENT OF A DISPUTE BETWEEN YOU AND US, THE PARTY MAKING A CLAIM WILL BE LIMITED TO RECOVERY OF ANY ACTUAL DAMAGES IT SUSTAINS.

25.5 **Limitations of Claims.** ANY AND ALL CLAIMS ARISING OUT OF THIS AGREEMENT OR THE RELATIONSHIP AMONG YOU AND US MUST BE MADE BY WRITTEN NOTICE TO THE OTHER PARTY WITHIN 1 YEAR FROM THE OCCURRENCE OF THE FACTS GIVING RISE TO SUCH CLAIM (REGARDLESS OF WHEN IT BECOMES KNOWN); EXCEPT FOR CLAIMS ARISING FROM: (A) CLAIMS FOR INDEMNIFICATION; AND/OR (B) UNAUTHORIZED USE OF THE MARKS OR CONFIDENTIAL INFORMATION. HOWEVER, THIS PROVISION DOES NOT LIMIT THE RIGHT TO TERMINATE THIS AGREEMENT IN ANY WAY.

25.6 **Governing Law.** EXCEPT TO THE EXTENT THIS AGREEMENT OR ANY PARTICULAR DISPUTE IS GOVERNED BY THE U.S. TRADEMARK ACT OF 1946 (LANHAM ACT, 15 U.S.C. §1051 AND THE SECTIONS FOLLOWING IT) OR OTHER FEDERAL LAW, THIS AGREEMENT AND THE FRANCHISE ARE GOVERNED BY FLORIDA LAW, EXCLUDING ANY LAW REGULATING THE SALE OF FRANCHISES OR GOVERNING THE RELATIONSHIP BETWEEN A FRANCHISOR AND FRANCHISE ASSOCIATE, UNLESS THE JURISDICTIONAL REQUIREMENTS OF SUCH LAWS ARE MET INDEPENDENTLY WITHOUT REFERENCE TO THIS SECTION.

25.7 **Jurisdiction.** YOU CONSENT AND IRREVOCABLY SUBMIT TO THE JURISDICTION AND VENUE OF ANY STATE OR FEDERAL COURT OF COMPETENT JURISDICTION LOCATED IN HILLSBOROUGH COUNTY, FLORIDA AND WAIVE ANY OBJECTION TO THE JURISDICTION AND VENUE OF SUCH COURTS.

25.8 **Waiver of Jury Trial.** YOU AND WE EACH IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER YOU OR US.

25.9 **Severability.** If any of the provisions of this Agreement are held invalid for any reason, the remainder will not be affected and will remain in full force and effect in accordance with its terms.

25.10 **Litigation Expenses.** In any action or dispute, at law or in equity, that may arise under or otherwise relate to the terms of this Agreement, the prevailing party will be entitled to full

reimbursement of its litigation or arbitration expenses from the other party. Litigation expenses include reasonable attorneys' fees, defense costs, witness fees and other related expenses including paralegal fees, travel and lodging expenses and court costs. Reimbursement is due within 30 days of written notice after prevailing.

25.11 **Waivers.** Waiver of any provision of this Agreement will not be valid unless in writing and signed by the person against whom it is sought to be enforced. The failure by either party to insist upon strict performance of any provision will not be construed as a waiver or relinquishment of the right to insist upon strict performance of the same provision at any other time, or any other provision of this Agreement.

25.12 **Entire Agreement.** This Agreement, including any amendments, addenda, and the Uniform Franchise Offering Circular compose the entire Agreement between the parties relating to its subject matter, and supersedes all prior agreements, proposals, representations and commitments, oral or otherwise. This Agreement may only be amended by an instrument signed by the authorized i9 Sports® Franchises of both parties.

25.13 **Background Information.** Both parties agree that the background information at the beginning of this Agreement is accurate.

25.14 **Construction.** The headings of sections are for convenience only and do not define, limit or construe the contents of such sections. In computing periods from a specified date to a later specified date, the words "from" and "commencing on" or "beginning on" (and the like) mean "from and including" and the words "to," "until" and "ending on" (and the like) mean "to but excluding." "Including" means "including, but not limited to." "A or B" means A or B or both.

25.15 **Continuing Obligations.** All obligations of the parties which expressly or by their nature survive the expiration or termination of this Agreement continue in full force and effect subsequent to and regardless of the expiration or termination of this Agreement and until they are satisfied or by their nature expire.

25.16 **Counterparts.** The parties may sign this Agreement in counterparts. Each signed counterpart will be an original; and all of them constitute one and the same Agreement.

25.17 **Pronouns.** All words used in this Agreement, regardless of the number or gender in which they are used, will be construed to include any other number, singular or plural, in any other gender, masculine, feminine or neuter, as the context of this Agreement may require.

25.18 **Timing.** Time is of the essence of this Agreement. However, whenever the time for the performance of any action or condition contained in this Agreement falls on a Saturday, Sunday or legal holiday, such time will be extended to the next business date. Indications of time of day mean time at Tampa, Florida.

Intending to be bound, the parties sign below:

"YOU"

By: _____
Name: _____
Title: _____
Date: _____

"WE"

i9 SPORTS CORPORATION

By: _____
Name: _____
Title: _____
Date: _____