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# PFL LEAGUE AGREEMENT

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Professional Football League™ -As We Rise!



## Professional Football League™ LEAGUE AGREEMENT

This League Agreement (the "Agreement") dated on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ (the "Effective Date") is made between Professional Football League™ (the "League") with an address of 324 W College Street #304, Independence MO, 64050 and TBD (the "Club Member"), with an address of TBD, for the particular purpose of setting forth the exclusive terms and conditions by which the Club Member desires to acquire the described Club Membership from the League.

In consideration of the mutual obligations specified in this Agreement, the parties, intending to be legally bound hereby, agree to the following:

**The League.** The League has developed methods for establishing, operating, and promoting businesses engaged in the business of The League using the service mark and related trade names and trademarks (the "Marks") and the League's proprietary methods of doing business (the "Licensed Methods"). The League grants the right to others to develop and operate a Club Membership, under the Marks and pursuant to the Licensed Methods.

The Club Member desires to establish a League Club Membership at a location of TBD, and the League wishes to grant the Club Member the right to operate a League Club Membership at such location under the terms and conditions which are contained in this Agreement.

The League grants to the Club Member and the Club Member accepts from the League, the right to use the Marks and Licensed Methods in connection with the establishment and operation of a \_\_\_\_\_ Club Membership, at the above-referenced location. The Club Member agrees to use the Marks and Licensed Methods, as they may be changed, improved, and further developed by the League from time to time, only in accordance with the terms and conditions of this Agreement.

The Club Member agrees at all times to faithfully, honestly, and diligently perform the Club Member's obligations hereunder, and to continuously exert best efforts to promote the \_\_\_\_\_ Club Membership. The Club Member agrees to utilize the Marks and Licensed Methods to operate all aspects of the business franchised hereunder in accordance with the methods and systems developed and prescribed from time to time by the League, all of which are a part of the Licensed Methods.

The Club Member will offer such products and services as the League shall designate and shall be restricted from manufacturing, offering, or selling any products or services not previously approved by the League in writing. The Club Member's \_\_\_\_\_ must feature \_\_\_\_\_ brand items manufactured by the League or its designated suppliers and related non-primary items ("Items") approved by the League in writing.

**Club Application & Club Membership Fee.** The Club Member agrees to pay the League an amount of \$50,000 Club Membership Application Fee. The payment of the Club Membership fee enables the Club Member to enjoy the use of the League's system and name, as well as assistance for a limited time.

In consideration for the right to develop and operate one TBD Club Membership, the Club Member agrees to pay to the League an initial Club Membership fee, which is due and payable as of the date of execution of this Agreement. The initial Club Membership fee represents payment for the initial grant of the rights to use the Marks and Licensed Methods, that the League has earned the initial Club Membership fee upon receipt thereof, and that the fee is non-refundable except as otherwise specifically set forth in this Agreement. This initial one-time non-refundable fee (includes Club application fee) range is \$1,420,813.76 to 1,440,813.76.



**Location & Designated Area.** The Club Member is granted the right and Club Membership to own and operate one \_\_\_\_\_ Club Membership at \_\_\_\_\_ (“Location”).

The rights that are granted to the Club Member under this Agreement are for the specific Location and cannot be transferred to any other location without the prior written approval of the League. If the Club Member has operated a \_\_\_\_\_ Club Membership for not less than 60 months and desires to relocate it to an alternative site, the Club Member must set forth its reasons for requesting the relocation in writing to the League, along with a proposed new location. The League and Executive League Members with a two-thirds vote will have 90 days from receipt of the Club Member’s written request to respond.

If the League approves the relation and the proposed new location, and if the ownership of the Club Member does not change in any respect from the ownership of the Club Member before the relocation, then the Club Member may move its Club Membership to the new approved location, provided that the Club Member signs the League’s then-current form of League Agreement and opens the Club Membership at the new location within 12 months after the Club Membership closes at its former Location. In addition, the Club Member will be required to pay a nonrefundable fee of \$50,000 as a fee for the preparation of a design for Club Member’s new Location. A similar fee will also apply if the Club Member requests assistance in its Club Membership at any time during the term of this Agreement.

**Training.** After the Club Member executes a lease for the Location, the Club Member or, if the Club Member is not an individual, the person designated by the Club Member to assume primary responsibility for the management of the \_\_\_\_\_ Club Membership (“General Manager”) is required to attend and successfully complete the initial training program which is offered by the League at one of the League’s designated training facilities.

The League’s initial training program shall consist of 5 days of instruction at a location designated by the League; provided, however, that the League reserves the right to waive a portion of the League’s training program or alter the training schedule if, in the League’s sole discretion, the Club Member or General Manager has sufficient prior experience or training. From time to time, the League may present seminars, conventions, or continuing development programs or conduct meetings for the benefit of the Club Member.

**Development Assistance.** In addition to the League’s initial training, equipment list, design services, Operations Manual, and other pre-opening services described elsewhere in this Agreement, League will provide the Club Member prior to opening with a list of approved and designated suppliers and an advertising plan and advertising copy for Club Member’s grand opening.

In addition to the other operational assistance and advice provided by the League pursuant to other provisions of this Agreement, at the opening of the Club Member’s location and for a period of 15 days thereafter, the League shall provide the on-site services of a representative to assist the Club Member and provide further on-site training in connection with the operation of the Club Member’s location.

**PFL Bylaws & Constitution.** The League agrees to loan to the Club Member one or more manuals, technical bulletins, and other written materials (collectively referred to as the “Manual”) covering name and principal, purposes and objects, membership, territory rights, meeting of the League, executive and other committees, officers, Commissioner, disciplinary powers of Commissioner, miscellaneous powers of the Commissioner, prohibited conduct, broadcasting and television, player rules, eligibility of players, schedule, selection meeting, player contracts, assignment of player contracts, player limits and eligibility, waivers, conduct of regular season games, divisional playoff games, conference championship games, Prime™ Bowl Game, preseason and postseason games, notices, amendments, and resolutions.



The Club Member agrees to use the Marks and Licensed Methods only as specified in the Manual. The Manual is the sole property of the League and shall be used by the Club Member only during the term of this Agreement and in strict accordance with the terms and conditions hereof. The Club Member shall not duplicate the Manual or disclose its contents to persons other than its employees or officers who have signed the form of Confidentiality and Non-Disclosure Agreement. The Club Member shall return the Manual to the League upon the expiration, termination, or transfer of this Agreement. The League reserves the right to revise the Manual from time to time as it deems necessary to update or change operating and marketing techniques, standards, and specifications for all components of the Licensed Methods. Promptly after receiving any update from the League, the Club Member shall update his or her copy of the Manual as instructed by the League and shall conform operations with the updated provisions within a reasonable time after receipt of such updated information.

The Club Member shall at all times during the term of this Agreement own and control the \_\_\_\_\_ Club Membership authorized hereunder. The Club Member shall not operate any other business or profession from or through the Club Membership location. If the Club Member is an entity, the entity shall only operate the \_\_\_\_\_ Club Membership governed by this Agreement and no other business, unless the Club Member receives the League's prior written approval.

Upon request of the League, the Club Member shall promptly provide to the League proof, reasonably acceptable to the League, of such ownership.

**Royalty Gross Revenue.** Throughout the term of this Agreement, the Club Member agrees to pay to the League a continuing monthly royalty ("Gross Revenue") equal to 7% percent or \$5000 whichever is greater of its Gross Revenue generated from or through the \_\_\_\_\_ Club Membership.

"Gross Revenue" shall be defined as receipts and income of any kind from all products or services sold from or through the \_\_\_\_\_ Club Membership, including any such sale of products or services made for cash or upon credit, or partly for cash and partly for credit, regardless of collection of charges for which credit is given, fewer returns for which refunds are made, provided that the refund shall not exceed the sales price and exclusive of discounts, sales taxes, and other taxes, amounts received in settlement of a loss of merchandise, shipping expenses paid by the customer and discount sales to corporations or to charities for fund-raising purposes. "Gross Revenue" shall also include the fair market value of any services or products received by the Club Member in barter or in exchange for his services and products.

The Club Member agrees that Gross Revenue payments shall be paid monthly and sent to the League, post-marked on the 3rd of each month based on Gross Revenue for the immediately preceding month. Gross Revenue payments shall be accompanied by monthly reports and standard transmittal forms containing information regarding the Club Member's Gross Revenue and such additional information as may be requested by the League.

**Advertising.** The Club Member shall obtain the League's prior written approval of all advertising or other marketing or promotional programs published by any method, including print, broadcast and electronic media, regarding the \_\_\_\_\_ Club Membership, including, without limitation, "Yellow Pages" advertising, newspaper ads, flyers, brochures, coupons, direct mail pieces, specialty and novelty items, radio, television, and Internet advertising. The Club Member acknowledges and agrees that the League may disapprove of any advertising, marketing, or promotional programs submitted to the League for any reason in the League's sole discretion. The Club Member shall also obtain the League's prior written approval of all promotional materials provided by vendors. The proposed written advertising or a description of the marketing or promotional program shall be submitted to the League before publication, broadcast, or use.



**Quality Control.** The Club Member agrees to maintain and operate their \_\_\_\_\_ Club Membership strictly in compliance with this Agreement and the standards and specifications contained in the Manual, as the same may be modified from time to time by the League in accordance with this Agreement. The Club Member is prohibited from offering or selling any products or services not authorized by League.

If the Club Member proposes to offer, conduct or utilize any products, services, materials, forms, items or supplies for use in connection with or sale through \_\_\_\_\_ which are not previously approved by the League as meeting its specifications, the Club Member shall first notify the League in writing requesting approval. The League may, in its sole discretion, for any reason whatsoever, elect to withhold such approval. In order to make such determination, the League may require submission of specifications, information, or samples of such products, services, materials, forms, items, or supplies. The League will advise the Club Member within a reasonable time whether such products, services, materials, forms, items, or supplies meet its specifications.

**Term and Termination.** This Agreement shall be effective on the date hereof and shall continue for a period of 10 years or until the expressly agree upon date of the completion of the Services, unless it is earlier terminated in accordance with the terms of this Agreement (the "Term").

Either Party may terminate this League Agreement upon ninety (90) days written notice or as required.

If either Party subject to this Agreement fails to follow through with their obligations under this Agreement, the non-breaching Party can terminate this Agreement by providing 90 day written notice to the breaching Party.

The League shall have the right, at its option, to terminate this Agreement and all rights granted the Club Member hereunder, without affording the Club Member any opportunity to cure any effective upon receipt of notice by the Club Member, upon the occurrence of any of the following events:

- a. Abandonment. If the Club Member ceases to operate the \_\_\_\_\_ Club Membership or otherwise abandons the \_\_\_\_\_ Club Membership for a period of 5 consecutive days, or any shorter period that indicates an intent by the Club Member to discontinue operation of the \_\_\_\_\_ Club Membership, unless and only to the extent that full operation of the \_\_\_\_\_ Club Membership is suspended or terminated due to fire, flood, earthquake or other similar causes beyond the Club Member's control and not related to the availability of funds to the Club Member;
- b. Insolvency; Assignments. If the Club Member becomes insolvent or is adjudicated bankrupt; or any action is taken by the Club Member, or by others against the Club Member under any insolvency, bankruptcy or reorganization act, (this provision may not be enforceable under federal bankruptcy law), or if the Club Member makes an assignment for the benefit of creditors, or a receiver is appointed by the Club Member;
- c. Criminal Conviction. If the Club Member is convicted of a felony, a crime involving moral turpitude, or any crime or offense that is reasonably likely, in the sole opinion of the League, to materially and unfavorably affect the Licensed Methods, Marks, goodwill or reputation thereof;
- d. Failure to Make Payments. If the Club Member fails to pay any amounts due the League or affiliates, including any amounts which may be due as a result of any subleases or lease assignments between the Club Member and the League, within 10 days after receiving notice that such fees or amounts are overdue;



e. Misuse of Marks. If the Club Member misuses or fails to follow the League's directions and guidelines concerning use of the League's Marks and fails to correct the misuse or failure within ten days after notification from the League;

f. Unauthorized Disclosure. If the Club Member intentionally or negligently discloses to any unauthorized person the contents of or any part of the League's Manual or any other trade secrets or confidential information of the League;

g. Repeated Non-Compliance. If the Club Member has received two previous notices of default from the League and is again in default of this Agreement at any time during the term of this Agreement, regardless of whether the previous defaults were cured by the Club Member.

Other: \_\_\_\_\_  
\_\_\_\_\_

**Restrictive Covenants.** The Club Member acknowledges that, in addition to the license of the Marks hereunder, the League has also licensed commercially valuable information which comprises and is a part of the Licensed Methods, including without limitation, operations, marketing, advertising, and related information and materials and that the value of this information derives not only from the time, effort and money which went into its compilation, but from the usage of the same by all the Club Members of the League using the Marks and Licensed Methods. The Club Member, therefore, agrees that other than the \_\_\_\_\_ Club Membership licensed herein, neither the Club Member nor any of the Club Member's officers, directors, shareholders or partners, nor any member of his or their immediate families, shall during the term of this Agreement have any direct or indirect controlling interest as a disclosed or beneficial owner in a "Competitive Business."

The Club Member shall treat all information it receives which comprises or is a part of the Licensed Methods licensed hereunder as proprietary and confidential and will not use such information in an unauthorized manner or disclose the same to any unauthorized person without first obtaining the League's written consent. The Club Member acknowledges that the Marks and the Licensed Methods have valuable goodwill attached to them, that the protection and maintenance thereof is essential to the League, and that any unauthorized use or disclosure of the Marks and Licensed Methods will result in irreparable harm to the League.

**Insurance.** The Club Member shall procure, maintain, and provide evidence of:

- a. Comprehensive general liability insurance for the Location and its operations;
- b. Automobile liability insurance covering all employees of the \_\_\_\_\_ Club Membership with authority to operate a motor vehicle in an amount not less than any statutorily imposed minimum coverage;
- c. Unemployment and worker's compensation insurance with broad form all-states endorsement coverage sufficient to meet the requirements of the law.

All of the required policies of insurance shall name the League as an additional named insured and shall provide for a 30-day advance written notice to the League of cancellation.

The Club Member will provide proof of insurance to the League prior to commencement of operations at the \_\_\_\_\_ Club Membership. This proof will show that the insurer has been authorized to inform the League in the event any policies lapse or are canceled. The League has the right to change the minimum amount of insurance the Club Member is required to maintain by giving the Club Member prior reasonable notice, giving due consideration to what is reasonable and customary in the similar business.



The Club Member's failure to comply with the insurance provisions set forth herein shall be deemed a material breach of this Agreement. In the event of any lapse in insurance coverage, in addition to all other remedies, the League shall have the right to demand that the Club Member cease operations of the \_\_\_\_\_ Club Membership until coverage is reinstated, or, in the alternative, pay any delinquencies in premium payments and charge the same back to the Club Member.

**Dispute Resolution. Jurisdiction to Resolve Disputes.** The Commissioner shall have full, complete, and final jurisdiction and authority to arbitrate:

- a. Any dispute involving two or more members of the League or involving two or more holders of an ownership interest in a member club of the League, certified to him by any of the disputants.
- b. Any dispute between any player, coach, and/or other employee of any member of the League (or any combination thereof) and any member club or clubs;
- c. Any dispute between or among players, coaches, and/or other employees of any member club or clubs of the League, other than disputes unrelated to and outside the course and scope of the employment of such disputants within the League;
- d. Any dispute between a player and any official of the League;
- e. Any dispute involving a member or members in the League or any players or employees of the members of the League or any combination thereof that in the opinion of the Commissioner constitutes conduct detrimental to the best interests of the League or professional football.

**Governing Law.** This Agreement shall be governed in all respects by the laws of the State of Missouri without regard to the conflict of law provisions of such state. This Agreement shall be binding upon the successors and assigns of the respective parties.

**Notice.** All notices or requests required or contemplated by this Agreement shall be in writing and such notice shall be delivered as follows:

(a) if from the League to the Club Member shall be hand-delivered or mailed to:

324 W College St #304 Independence MO, 64050 and email [info@professionalfootballleague.org](mailto:info@professionalfootballleague.org)

or such other address as the League shall specify in written notice to the Club Member.

(b) if from the Club Member to the League, shall be hand-delivered or mailed to:

TBD

or such other address as the Club Member shall specify in written notice to the League.

**No Right to Set Off.** The Club Member shall not be allowed to set off amounts owed to the League for gross revenue, fees, or other amounts due hereunder, against any monies owed to Club Member, nor shall the Club Member, in any event, withhold such amounts due to any alleged nonperformance by the League hereunder, which right of set-off is hereby expressly waived by the Club Member.

**Payment of Taxes.** The Club Member shall reimburse the League, or its affiliates and designees, promptly and when due, the amount of all sales taxes, use taxes, personal property taxes, and similar taxes imposed upon, required to be collected or paid by the League, or its affiliates or designees, on account of services or goods furnished by the League, its affiliates or designees, to the Club Member through sale, lease or otherwise, or on account of collection by the League, its affiliates or designees, of the initial





Club Membership fee, Gross Revenue, Marketing and Promotion Fees or any other payments made by the Club Member to the League required under the terms of this Agreement.

**Warranty.** The Club Member shall provide its services and meet its obligations set forth in this Agreement in a timely and satisfactory workmanlike manner, using its knowledge and recommendations for performing its services which generally meets standards in the Club Member's region and community, and agrees to provide a standard of care, equal or superior to care used by other professionals in the same profession.

The Club Member shall perform the services in compliance with the terms and conditions of the Agreement.

**Legal Fees.** Should a dispute between the named Parties arise lead to legal action, the prevailing Party shall be entitled to any court costs, including, but not limited to reasonable attorneys' fees.

**No Assignment.** This Agreement shall be binding upon the undersigned and their respective heirs, representatives, successors and permitted assigns. This Agreement may not be assigned by either party without the prior written consent of the Commissioner.

**Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, email, or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement. A wet signature copy must be forwarded to the League.

**Electronic Signatures.** This Agreement and related documents entered into in connection with this Agreement are signed when a party's signature is delivered electronically, and these signatures must be treated in all respects as having the same force and effect as original signatures. A wet signature copy must be forwarded to the League.

**Severability.** If any term or provision of this Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.

**Captions for Convenience.** All captions herein are for convenience or reference only and do not constitute part of this Agreement and shall not be deemed to limit or otherwise affect any of the provisions hereof.

**No Waiver.** No waiver of or failure to act upon any of the provisions of this Agreement or any right or remedy arising under this Agreement shall be deemed or shall constitute a waiver of any other provisions, rights or remedies (whether similar or dissimilar).

**Amendment.** This Agreement may be amended only by a writing signed by all and final approval of the Commissioner.

**Entire Agreement.** This Agreement constitutes the sole and entire agreement of the Parties regarding the subject matter contained herein, and supersedes all prior and contemporaneous understandings, agreements, representations, and warranties, both written and oral, regarding such subject matter. This Agreement may only be amended, modified, or supplemented by an agreement in writing signed by each Party hereto and final approval of the Commissioner.





IN WITNESS WHEREOF, the undersigned have executed this Franchise Agreement effective as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_ (the "**Effective Date**").

Dated: _____ _____ League's Signature _____ League's Printed Name or Entity	Dated: _____ _____ Club Member's Signature _____ Club Member's Printed Name or Entity
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<b>League's Contact Information:</b> Address: _____ Phone Number: _____ Email Address: _____	<b>Club Member's Contact Information:</b> Address: _____ Phone Number: _____ Email Address: _____
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CONFIDENTIAL