

KRAV MAGA ALLIANCE
AFFILIATION & TRAINING AGREEMENT

THIS AGREEMENT is made by and between Krav Maga Alliance (hereinafter known as “KM ALLIANCE”) and

(hereinafter referred to as “Affiliate”).

WITNESSETH WHEREAS, Affiliate acknowledges that KM ALLIANCE is the owner of the name “Krav Maga Alliance” and any variation thereof (the “Name”); and

WHEREAS, KM ALLIANCE provides specialized training, instruction, and teaching certification in the self defense system Krav Maga (the “Program”), which Affiliate is desirous to learn from KM ALLIANCE;

WHEREAS, the Affiliate is desirous of using the Name in connection with operation of a self defense business;

NOW, THEREFORE, in consideration of the mutual promises herein contained the parties hereto agree as follows:

1. Grant of License. KM ALLIANCE hereby grants to Affiliate and Affiliate hereby accepts the right, privilege, and nonexclusive license to use the Name solely in connection with operation of a _____ (state) based self defense and training business (the “Business”). Said Business will promote a program that represents the Program.
2. Term. The term of the Agreement shall be effective on date of execution of this Agreement and shall continue for 1 year, unless sooner terminated in accordance with the provisions hereof. Said agreement shall be annually renewed upon good performance. The contract will be considered renewed upon accepted payment.
3. Fee. Affiliate shall pay to KM ALLIANCE an Affiliation Fee of \$2,500, payable at \$208 per month for 12 months. Payment shall be made by electronic funds transfer from a credit card or checking account. Payment may be made in full at the start of the term at a discounted rate of \$2,250. Said fee can/shall be adjusted upon annual renewal to reflect reasonable cost and operation increases. Such adjustments shall not exceed an annual increase of 10% should the Affiliate remain in good standing.
 - a. By signing this Agreement, Affiliate acknowledges that the Fee is \$2,500, NOT simply a monthly payment. The Affiliate shall pay the entire Affiliate Fee.

4. Certification Fee. The affiliation fee includes all training for one individual during the affiliation year. For each additional person, the cost for each level of certification is \$375 per instructor per level for affiliates. Non-affiliates pay \$1,750 per instructor per level.
5. Non-exclusivity and Demographic Protection. Nothing, other than what is set forth in this agreement, shall prevent KM ALLIANCE from providing to any third parties training or the right to use of the Name in any manner whatsoever.
6. Good Will. Affiliate recognizes that there exists great value and good will associated with the Name, and acknowledges that the Name and all rights therein and good will pertaining thereto belong exclusively to KM ALLIANCE and/or John Whitman. Affiliate also covenants to make best efforts to preserve, protect, and enhance KM ALLIANCE's good will value of the name.
7. Licensor's Title and Protection of Licensor's Rights
 - a. Licensee agrees that it will not, during the term of this Agreement, or, thereafter, attack the title or any rights of Licensor in and to the Name or attack the validity of the license granted herein.
 - b. Licensee agrees to assist Licensor to the extent necessary in the procurement of any protection or to protect any of Licensor's right to the Name, and Licensor, if it so desires, may commence or prosecute any claims or suits in its own name or join Licensee as a party thereto. Licensee shall notify Licensor in writing of any infringements or imitations by others of the Name which may come to Licensee's attention, and Licensor shall have the sole right to determine whether or not any action shall be taken on account of any such infringements or imitations. Licensee shall not institute any suit or take any action on account of any such infringements or imitation without first obtaining the written consent of the Licensor to do so.
 - c. Licensee agrees to cooperate fully and in good faith with Licensor for the purpose of securing and preserving Licensor's rights in and to the Name. It is agreed that nothing contained in this Agreement shall be construed as an assignment or grant to the Licensee of any right, title or interest in or to the Name, it being understood that all rights relating thereto are reserved by Licensor, except for the license hereunder to license of the right to use and utilize the Name only as specifically and expressly provided in this Agreement. Licensee will be deemed to have assigned, transferred and conveyed to Licensor any trade rights, equities, good will, titles, or other rights in and to the Name which may have been obtained by Licensee or which may have vested in Licensee in pursuance of

any endeavors covered hereby, and that Licensee will execute any instruments requested by licensor to accomplish or confirm the foregoing. Any such assignment, transfer or conveyance shall be without other consideration than the mutual covenants and considerations of this Agreement.

8. Inspection. Licensor, or its nominee, shall have access to the Business during normal business hours for the purpose of ensuring compliance with this Agreement.
9. Use of Name. Upon execution of the agreement, Licensee has the right to affix the Name to any building, sign, merchandise, or other item that Licensee finds beneficial to the marketing of the business.
10. Termination.
 - a. Licensee may not terminate or modify this Agreement without prior written consent of Licensor.
 - b. The license rights granted hereunder may be terminated by Licensor upon immediate notice without the opportunity to cure should any of the following events occur:
 - i. If Licensee shall: (a) admit in writing its inability to pay its debts generally as they become due; (b) file a petition in bankruptcy or a petition to take advantage of any insolvency act; (c) make an assignment for the benefit of its creditors; (d) consent to the appointment of a receiver of itself or of the whole or any substantial part of its property; (e) on a petition in bankruptcy filed against it, be adjudicated as bankrupt; (f) file a petition or answer seeking reorganization or arrangement under the bankruptcy laws or any other applicable law or statute; (g) become subject to a final order, judgment or decree entered by a court of competent jurisdiction appointing, without the consent of Licensee, a receiver of Licensee or of the whole or any substantial part of its property or approving a petition filed against Licensee seeking reorganization or arrangement of Licensee under the bankruptcy laws or any other applicable law or statute; or
 - ii. Licensee shall fail or refuse to perform any other obligation created by this Agreement or Licensee breaches any term or condition of this Agreement or any other agreement between Licensee and Licensor or its affiliates; or
 - iii. Licensee has made any misrepresentations relating to the acquisition of the license granted herein, or Licensee or any of Licensee's shareholders, officers, directors, or managing personnel engages in conduct which reflects unfavorably on

the Name or upon the operation and reputation of the Licensor's business; or

iv. Licensee or any of Licensee's shareholders, officers, directors, or managing personnel is convicted of a felony or any other criminal misconduct which is relevant to the operation of the business of Licensee. In the event of termination of this License for any reason, License shall immediately cease all use of the Name and shall not thereafter use any name, mark or trade name similar thereto. Termination of the license under the provision of this Section 9 shall be without prejudice to any rights which Licensor may otherwise have against Licensee.

c. Licensor has the right not to renew the license if the relationship is not mutually beneficial.

d. Should Licensor decide to terminate the Agreement during the Term, Licensee shall still be obligated to pay the entire Affiliation Fee, or any balance due thereof, unless Licensor at its sole discretion decides to relieve the Licensee of said obligation.

11. Compliance with Laws and Regulations. Licensee shall, and shall cause its shareholders, officers, directors, managing personnel, staff, and trainers to comply with all laws, rules and government regulations pertaining to its business and shall not violate any laws which would create an adverse effect on the name.

12. Relationship of Parties. Licensee shall not in any manner or respect be the legal representative or agent of Licensor and shall not enter into or create any contracts, agreements, or obligations on the part of Licensor, either expressed or implied, nor bind Licensor in any manner or respect whatsoever; it being understood that this Agreement is only a contract for the license of the Name.

13. Name Ownership. Licensee agrees that the name is the sole property of Licensor and that Licensee has no interest whatsoever in such Name, and Licensee shall use the Name only for so long as the license granted hereby remains in full force and effect. Licensee shall not take any actions, or aid or assist any other party to take any actions that would infringe upon, harm or contest the proprietary rights of Licensor in and to the Name.

14. Other Licensees. Licensee agrees not to interfere in any manner with, or attempt to prohibit the use of the Name by, any other licensee duly licensed by Licensor. Licensee further agrees to execute any and all documents and assurances reasonably requested by Licensor to effectuate the licensing of the Name to any other party and agrees to

cooperate fully with Licensor or any other licensees of Licensor to protect Licensor's lawful authority to use the name.

15. Indemnification and Insurance

- a. Licensee agrees to defend, indemnify and hold harmless Licensor, John Whitman, KM ALLIANCE's officers, affiliates, directors, agents, and employees from and against any and all property, damage, personal injuries or death and other liability, loss, cost, and expense, or damage, including, without limitation, court costs and reasonable attorney's fees arising out of operations of the Business and/or from Licensee's breach of any of the terms contained therein.
- b. Licensee agrees that it will obtain, at its own expense, liability insurance from a recognized insurance company which is qualified to do business in Licensee's state, providing protection which is standard in the Fitness and Health Club industry for businesses similar to the Business for the benefit of Licensor and its affiliates and their officers, directors, agents, and employees (as well as for Licensee) against any claims, suits, loss or damage arising out of or in connection with the Business. As proof of such insurance, a fully paid certificate of insurance naming Licensor as an insured party will be submitted to Licensor by Licensee for Licensor's approval prior to operation of any Krav Maga Alliance gym or use of the Krav Maga Alliance name. Any proposed change in certificates of insurance shall be submitted to Licensor or Licensor's prior approval.

16. Notices. All notices and statements and all payments to be made hereunder shall be given or made at the respect addresses of the parties as set forth below such party's name unless notification of a change of address is given in writing, and the date of mailing shall be deemed the date the notice or statement is given.

17. No Joint Venture. Nothing herein contained shall be construed to place the parties in the relationship of partners or joint ventures or of franchisor/franchisee.

18. No Assignment or Sublicense by Licensee. This Agreement and all rights and duties hereunder are personal to the Licensee and Licensee shall not, without the written consent of Licensor, which consent shall be granted or denied in the sole and absolute discretion of Licensor, be assigned, mortgaged, sublicensed, or otherwise encumbered by Licensee or by operation of law.

19. No Waiver, Etc. This Agreement may not be waived or modified except by an expressed agreement in writing signed by both parties. There are no

- representations, promises, warranties, covenants or undertakings other than those contained in this Agreement with respect to its subject matter, which represents the entire understanding of the parties. The failure of either party hereto to enforce, or the delay by either party in enforcing any of its rights under this Agreement shall not be deemed a continuing waiver or a modification thereof and either party may, within the time provided by applicable law, commence appropriate legal proceedings to enforce any or all of such rights.
20. **Governing Law.** This agreement shall be construed under the laws of the State of California.
21. **Severability.** Whenever possible each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be prohibited, void, invalid, or unenforceable under applicable law, such provision shall be ineffective to the extent of such prohibition, invalidity, voidability, or enforceability without invalidating the remainder of such provision or the remaining provisions of this Agreement.
22. **Survival.** All obligations of the Licensee contained in this Agreement shall survive the expiration or termination of this Agreement.
23. **Attorneys' Fees.** Should any litigation be commenced between the parties to this Agreement concerning this Agreement, or the rights and duties of either in relation thereto, the party prevailing in such litigation shall be entitled, in addition to such relief as may be granted, to its attorneys' fees and costs in the litigation
- a. **Arbitration.** Licensor has the option of selecting mandatory arbitration and/or mandatory binding arbitration if a dispute shall arise.
24. **Success of Licensee.** Krav Maga Alliance and John Whitman will promote Licensee on www.kravmagaalliance.com, but hold no responsibility in the success of Licensee's business and make no warranty as to the success of Licensee's business. Said promotion shall consist of being listed on the www.kravmagaalliance.com website as a Krav Maga Alliance affiliate.
25. **Merchandise.** Said License cannot be used to promote a product unless specific written authorization and permission is given by John Whitman.
26. **Public Statements.** Licensee understands that he may not speak on behalf of the Krav Maga Alliance organization. Public statements on behalf of Licensor may only be made if express written permission is given by Licensor.
27. **Licensee Limitations.** Licensee may not without specific written permission or authorization do any of the following:

- a. Certify instructors as Krav Maga Alliance licensed instructors.
- b. Licensee may not speak to the media on behalf of Krav Maga Alliance.
- c. Licensee may not publish on behalf of Krav Maga Alliance.
- d. Licensee may not use the Krav Maga Alliance name to promote a product.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement this _____ day of _____, 20__.

KRAV MAGA ALLIANCE
9000 Washington Blvd.
Culver City, CA 90232

Licensee Name _____

Address:

By: _____

By: _____