

# EXHIBIT “B”



American Arbitration Association  
Dispute Resolution Services Worldwide

### ARBITRATION

#### Answering Statement and Counterclaim Request /Demand for Arbitration

<b>MEDIATION:</b> If you would like the AAA to contact the other parties and attempt to arrange mediation, please check this box. <input type="checkbox"/> There is no additional administrative fee for this service.					
Name of Claimant Piotr Nowak		Additional Respondent: Pino Sports, LLC		Name of Representative (if known) Clifford E. Haines and Hollie B. Knox	
Address: 112 1st Avenue North		Name of Firm (if applicable) Haines & Associates			
		Representative's Address: 1835 Market Street, Suite 2420			
City Naples	State FL	Zip Code 34102	City Philadelphia	State PA	Zip Code 19103
Phone No.	Fax No.		Phone No. (215) 246-2200	Fax No. (215) 246-2211	
Email Address:			Email Address: chaines@haines-law.com; hknox@haines-law.com		
AAA CASE # (if known) 14 166 015 89 12			Filing a Counterclaim: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If yes, please describe nature of counterclaim in space below.		
PLEASE ANSWER CLAIMANT DEMAND FOR ARBITRATION (AND DESCRIBE COUNTERCLAIM, IF APPLICABLE): Attach additional pages as necessary.  See attached answering statement and description of counterclaims. Respondent asserts in this regard counterclaims against Claimant, and adds claims against Pino Sports, LLC, the particulars of which are set forth on the attached statement and are incorporated herein by reference.					
Dollar Amount of Claim or Counterclaim \$ 151,880.85			Other Relief Sought: <input checked="" type="checkbox"/> Attorneys Fees <input checked="" type="checkbox"/> Interest <input checked="" type="checkbox"/> Arbitration Costs <input type="checkbox"/> Punitive/ Exemplary <input type="checkbox"/> Other		
Amount Enclosed \$ 2,800.00 In accordance with Fee Schedule: <input type="checkbox"/> Flexible Fee Schedule <input checked="" type="checkbox"/> Standard Fee Schedule					
PLEASE DESCRIBE APPROPRIATE QUALIFICATIONS FOR ARBITRATOR(S) TO BE APPOINTED TO HEAR THIS DISPUTE:					
Experience with employment contracts. Commercial litigation experience.					
Hearing locale Philadelphia, PA (check one) <input type="checkbox"/> Requested by Respondent <input checked="" type="checkbox"/> Locale provision included in the contract					
Estimated time needed for hearings overall: 15.00 hours or 3.00 days					
Signature (may be signed by a representative) 		Date: 1/8/13		Name of Representative Thomas G. Collins and Anthony F. Andrisano, Jr.	
Name of Respondent PA Professional Soccer LLC; Keystone Sports & Entertainment LLC		Name of Firm (if applicable) Buchanan Ingersoll & Rooney PC			
Address (to be used in connection with this case) 2501 Seaport Drive, Suite 500		Representative's Address: 409 N. Second Street, Suite 500			
City Chester	State PA	Zip Code 19013	City Harrisburg	State PA	Zip Code 17101
Phone No. (610) 497-6282	Fax No. (610) 497-3309		Phone No. (717) 237-4843	Fax No. (717) 233-0852	
Email Address: ddebusschere@philadelphiaunion.com			Email Address: thomas.collins@bipc.com; anthony.andrisano@bipc.com		
PLEASE SEND TWO COPIES OF THIS ANSWERING STATEMENT, WITH THE FILING FEE FOR ANY COUNTERCLAIM, AS PROVIDED FOR IN THE RULES, TO THE AAA. SEND THE ORIGINAL ANSWERING STATEMENT TO THE CLAIMANT.					
Please visit our website at <a href="http://www.adr.org">www.adr.org</a> if you would like to file this counterclaim online. AAA Customer Service can be reached at 800-778-7879					

**Answering Statement, Counterclaim Request and Demand for Arbitration**

**Answering Statement**

Claimant, Piotr Nowak (hereinafter, "Claimant" or "Manager"), was employed exclusively by Pennsylvania Professional Soccer LLC (hereinafter, the "Club"), pursuant to that certain Manager Employment Agreement dated June 1, 2009 (the "Employment Agreement," attached hereto as Exhibit "A"). Contemporaneously with Manager's execution of the Employment Agreement, and as expressly contemplated in Section VI of the Employment Agreement, Club entered into a separate agreement with Pino Sports, LLC, a Florida limited liability company which held the marketing rights to Manager's name and likeness (the "Pino Agreement," attached hereto as Exhibit "B"). Upon information and belief, Manager is the sole owner and "Manager" of Pino Sports, LLC. The Pino Agreement was suggested by Manager in conjunction with his negotiations with Club over the Employment Agreement to provide for separate compensation with respect to Club's use of Manager's name and likeness. The Employment Agreement and Pino Agreement were later modified by Letter Agreement dated December 20, 2011 (the "Letter Agreement," attached hereto as Exhibit "C"). Both the Employment Agreement and Letter Agreement were attached to Claimant's Demand for Arbitration with the AAA (hereinafter, the "Demand"). The Pino Agreement was omitted from such filing, but is attached hereto as Exhibit "B." The Pino Agreement likewise contains an express provision compelling arbitration with the AAA in the event of any dispute or disagreement between the parties. (See Exhibit "B," at Section 5.6.)

In the Demand, Manager asserts simply that the Club lacked justification to assert that his termination of employment was "for cause" under the terms of the Employment Agreement. Manager further alleges that he should have been permitted the opportunity to cure any default and that the Club is somehow withholding information with respect to the basis for his termination. The applicable termination provisions are found at Section III (A) of the Employment Agreement in this regard; wherein the Club has reserved the right to terminate Manager "for cause" in the case of certain enumerated events or contingencies. (See Employment Agreement at Section III (A) (1) -- (8).) The Club will establish at the Arbitration of this matter that Manager was in fact terminated "for cause," as defined in Section III (A) of the Employment Agreement. The Club denies Manager's claim of wrongful termination under the Employment Agreement. The Club also denies that it is obligated further to Manager under the terms of the Employment Agreement in any manner. To the contrary, the Club has complied with the terms of the Employment Agreement in all material respects and Manager's termination was in fact "for cause" and justified under the circumstances and facts known to the Club.

The Club notes that Manager has included Keystone Sports and Entertainment LLC as a Respondent to the Demand. Manager was employed at all times by the Club and not Keystone Sports and Entertainment LLC. Keystone Sports and Entertainment LLC joins in this answering statement with the Club and denies any liability to Manager or other wrongdoing.

**Counterclaims / Club vs. Manager****(1) Counterclaim for loan proceeds, interest, attorney's fees and costs of collection pursuant to Section XXI of the Employment Agreement.**

Pursuant to the terms of the Letter Agreement, upon which Manager relies, the Club extended a loan to Manager in the principal amount of \$60,000.00. (See Letter Agreement, attached hereto as Exhibit "C," at pg. 2; adding a new Section XXI to the Employment Agreement). Interest was to accrue on such loan "at a fixed rate of 5.00% per annum and be immediately due and payable upon the earlier of ... (ii) the date that Manager is no longer employed by Club for any reason (i.e., termination of this Agreement pursuant to Paragraph III) (in either case the "Maturity Date") ..." (Section XXI (A) of Employment Agreement, as amended by the Letter Agreement) (emphasis added.) Manager was terminated by the Club "for cause" pursuant to Paragraph III (A) of the Employment Agreement effective June 13, 2012. All principal and interest outstanding on the loan became immediately due and payable on June 13, 2012. (*Id.*) Manager has failed to make any payment after June 13, 2012, and interest is accruing on a daily basis for periods thereafter at the rate of 7.00% per annum pursuant to Section XXI (B) of the Employment Agreement. At present, approximately \$55,839.19 remains due and outstanding. The Club is also entitled to its attorneys' fees and costs incurred in collection pursuant to Section XXI (C) of the Employment Agreement, and demand is hereby made for such attorney's fees and costs.

This counterclaim seeking the outstanding loan proceeds arises under Section XXI of the Employment Agreement, as amended by the Letter Agreement, and, accordingly, is a "controversy or claim arising out of or relating to" the Employment Agreement triggering the Club's right to arbitration.

**(2) Counterclaim for attorneys' fees and costs incurred in defending against the Demand.**

Section XIII of the Employment Agreement expressly provides that "[w]ith respect to any dispute arising hereunder, the prevailing party shall be entitled to prompt reimbursement from the other party for reasonable attorneys' fees and costs incurred in connection therewith." (Employment Agreement at Section XIII, attached hereto as Exhibit "A") (emphasis added). The Club was forced in this regard to incur significant expenses, including reasonable attorney's fees and costs, in defending against Manager's claims in the suit initiated by Manager in the United States District Court for the Eastern District of Pennsylvania, captioned Piotr Nowak v. Pennsylvania Professional Soccer, LLC, and docketed at Case No. 2:12-cv-04165 (the "Litigation"). Club's reasonable attorney's fees and costs in the Litigation were in excess of \$50,000.00. The Club was successful in the Litigation in that a stay was granted compelling the instant Arbitration. Manager is, accordingly, liable to Club for the reasonable attorney's fees and costs incurred in obtaining such stay of the Litigation. Moreover, the Club will continue to incur additional attorney's fees and costs as this matter proceeds to Arbitration. To the extent that the Club is successful in establishing at the Arbitration of this matter that Manager was terminated "for cause," then Club is further entitled to reimbursement for its reasonable attorneys' fees and costs incurred in defending against Manager's Demand. Such costs and attorney's fees are ongoing in this regard and continue to accrue.

This counterclaim seeking reimbursement for Club's reasonable attorneys' fees and costs incurred in defending against the Litigation and Manager's subsequent Demand arise under Section XIII of the Employment Agreement, as amended by the Letter Agreement, and, accordingly, is a "controversy or claim arising out of or relating to" the Employment Agreement triggering the Club's right to arbitration.

**Arbitration Demand/Counterclaim under the Pino Agreement for amounts advanced prior to termination. Club vs. Manager and Pino Sports, LLC**

The Pino Agreement was executed at Manager's request contemporaneously with the Employment Agreement at issue in the current Demand. Pursuant to the terms of the Pino Agreement, Manager's limited liability company was compensated at the rate of \$85,000.00 per annum for Club's use of Manager's name and likeness. Pino Sports, LLC was paid in advance for all such services contemplated in 2012. Pino Sports, LLC ceased, however, to provide any services to the Club upon Manager's termination "for cause" on June 13, 2012. The Club is entitled to recoup, on a pro-rata basis, fees for services after June 13, 2012. The Club seeks reimbursement in the amount of \$46,041.66 (representing 6.5 months of advanced compensation) under the Pino Agreement.

This counterclaim against Manager, and separate Demand for Arbitration against Pino Sports, LLC, seeking reimbursement under the Pino Agreement constitutes a "controversy or claim arising out of or relating to" the Original Employment Agreement, thereby triggering the Club's right to arbitration. The Pino Agreement also contains an express provision compelling arbitration with the AAA in the event of any dispute or disagreement between the parties under the Pino Agreement subjecting Pino Sports, LLC to arbitration in this forum. (*See* Exhibit "C," at Section 5.6.)

## **EXHIBIT “A”**

EXECUTION COPY

MANAGER EMPLOYMENT AGREEMENT

This Manager Employment Agreement (the "Agreement") is made and entered into as of June 1, 2009, by and between PENNSYLVANIA PROFESSIONAL SOCCER LLC (the "Club"), which has entered into an expansion agreement to become the operator of the Major League Soccer (the "League") team currently known as the Philadelphia Union, which is scheduled to begin playing in the League during the 2010 season (the "Team"), and PIOTR NOWAK ("Manager").

WITNESSETH:

In consideration of the mutual promises hereinafter contained, the parties hereto promise and agree as follows:

I. EMPLOYMENT

(A) Subject to the terms and conditions set forth herein, Club hereby employs Manager to be, and Manager accepts employment as, the sole manager of the Team and the Club's soccer operations; provided, however, that the parties acknowledge that such employment role as manager is separate and apart from the role of manager of the Club currently served by Jay Sngantian under the Delaware Limited Liability Company Act and Limited Liability Company Agreement of the Club. In this regard, the parties agree that Manager shall have the following duties and render the following skilled services throughout the Term (as defined below):

- (1) arranging for, conducting and supervising the Team's practices, training camps and training sessions;
- (2) coaching as head coach the Team in all exhibition, regular season, playoff, tournament, international and other games and, in connection therewith, deciding the Team's tactics for such games;
- (3) preparing for all games played by the Team, including developing game strategies and supervising the scouting of opposing teams;
- (4) overseeing off-season player development programs for the Team;
- (5) assisting in the scouting, evaluation and recruitment of potential players for the Team and in the preparation for the League draft;
- (6) consulting and advising with respect to the composition of the Team's roster (e.g., player signings and player trades) and Club agrees to consult with Manager prior to determining the composition of the Team's roster;
- (7) consulting and advising with respect to the composition of the Team's coaching staff and Club agrees to consult with Manager prior to determining the composition of the Team's coaching staff.

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(8) directing and supervising the Team's coaching staff and trainers and coordinating with the Team doctor and other third-party personnel that provide medical services for the Team;

(9) enforcing Team Rules and League Rules (each as defined below) applicable to the Team's players, coaching staff, trainers and doctor;

(10) overseeing the Club's youth development activities;

(11) participating in promotional, sponsorship and public relations activities requested of him by Club upon reasonable prior notice, including, but not limited to, ticket, game, Team and Stadium (as defined below) promotions, clinics, speeches, interviews, photo sessions, public appearances, sponsor activities and participating in television, radio and internet programs featuring the Team, to the extent such activities are not excessive in number during any calendar year of the Term and do not have an adverse impact on Manager's performance of his other duties hereunder; and

(12) such other duties and services as may reasonably be assigned by Club to Manager that are consistent with employment as manager of a team in the League and of soccer operations of a professional soccer team.

(B) Manager covenants and agrees that throughout the Term he will (1) only report to the Chief Executive Officer or Chairman of the Club, (2) be physically present in the geographical location determined by Club in connection with performing, with diligence and fidelity, the services and duties set forth in Paragraph I(A), (3) provide his services and duties to Club on a full time, 12 month per year basis, subject to his right to receive three (3) weeks of paid vacation (to be taken at a time mutually agreeable to Club and Manager) during each full calendar year he is providing services hereunder to Club (and prorated for the 2009 calendar year) and (4) obey and comply with all Team rules, regulations, policies and guidelines ("Team Rules") applicable to the coaching staff (copies of which will be made available to the Manager) and all constitutions, bylaws, rules, regulations, policies, guidelines, directives, instructions, rulings, orders and agreements ("League Rules") of the League, its Commissioner and Soccer United Marketing, LLC ("SUM") applicable to head coaches and directors of soccer operations of teams in the League, in each case as they exist on the date hereof and as they may be adopted, supplemented, amended and modified from time to time during the Term. Without limiting the foregoing, League Rules shall include all guidelines and directives issued by the League regarding apparel and/or equipment required to be worn or used by players, the coaching staff and other members of the Team at games, practices, training camps, training sessions, clinics, while traveling for the Team and such other events as designated by the League.

(C) Manager expressly acknowledges that Manager is subject to the jurisdiction of the Commissioner of the League and that the Commissioner (subject to any due process and appeals process provided for in League Rules) and Club (subject to Paragraph XIII) may impose sanctions and other disciplinary measures, including, without limitation, suspending Manager (with or without pay) and imposing fines (which may be deducted from amounts payable to Manager pursuant to Paragraph IV), for violations of this Agreement or for actions (including on-field actions) that materially adversely affect the integrity or reputation of the League or the

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Team. Without limiting the foregoing, Manager expressly acknowledges and agrees that he shall be subject to discipline by the League (subject to any due process and appeals process provided for in League Rules) or Club (subject to Paragraph XIII), including, without limitation, fines, suspension (with or without pay) or termination of this Agreement, if:

(i) he (or any person acting in association with him) is involved with any attempt to fix, throw or otherwise improperly affect the outcome of any soccer game;

(ii) he (or any person acting in association with him) gives or offers to give a bribe or gambles on the outcome of any soccer game;

(iii) he fails to report to the League and Club his knowledge of any attempt by any person to give or receive a bribe or to fix, throw or otherwise improperly affect the outcome of any soccer game;

(iv) he uses alcohol or drugs in a manner that interferes with the performance of his duties hereunder; or

(v) he makes a statement or engages in conduct (including, without limitation, criticism of officiating and League disciplinary rulings) that is materially prejudicial to the interests of the League or the Team or materially detrimental to the public image and/or reputation of the League, the Club and/or the game of soccer.

The League (subject to any due process and appeals process provided for in League Rules) or Club (subject to Paragraph XIII), as applicable, shall determine, in good faith and its sole discretion, whether Manager has engaged in any of the above-listed behaviors.

(D) Club hereby agrees to provide Manager with the facilities, supplies and other items reasonably necessary for the Manager to perform his duties hereunder.

## **II. TERM**

The term of this Agreement (the "Term") will commence on the date hereof and will continue, unless sooner terminated as provided herein, until December 31, 2012.

## **III. TERMINATION**

(A) This Agreement, and Manager's employment hereunder, will be deemed to be terminated prior to the expiration of the Term upon the death of Manager. In addition, Club may terminate this Agreement, and Manager's employment hereunder, upon written notice by Club to Manager in the event of the occurrence of any of the following:

(1) disability of Manager that renders him incapable of performing his services for at least a total of 90 days out of any 12-month period;

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(2) Manager's willful failure, neglect or refusal to render services hereunder, or any material breach of this Agreement or the Pino Agreement (as defined below) by Manager;

(3) Manager's gross negligence or willful misconduct in performing his duties hereunder;

(4) Manager's commission of any felony or a misdemeanor involving a crime of moral turpitude;

(5) Manager's commission of any action or involvement in any occurrence that (x) brings Manager into public disrepute or (y) reflects in a materially adverse manner on the integrity, reputation or goodwill of Club or the Team;

(6) Manager engages in any activity set forth in Paragraph I(C);

(7) Manager's failure to comply in all material respects with Team Rules (consistently applied to the coaching staff of the Team) or League Rules; or

(8) Club is directed by the Commissioner of the League to terminate or suspend this Agreement as a result of the acts or omissions of Manager.

(B) Club may also terminate this Agreement upon written notice to Manager for any reason other than as set forth in Paragraph III(A) above or for no reason. Furthermore, instead of terminating this Agreement and Manager's employment hereunder, Club may assign Manager a different job, with a different (but not demeaning) title and different (but not demeaning) duties and responsibilities, within the Club's soccer operations, in which event Manager shall still be entitled to the Base Salary Amounts set forth in Paragraph IV(A). Manager may terminate this Agreement upon ten (10) days' prior written notice to the Club.

(C) Upon termination of this Agreement pursuant to Paragraph III(A) or (B) above, all of the rights and obligations of the parties hereunder, except as set forth in Paragraph XX, shall forever cease, including, without limitation, the rights and obligations of the parties under Paragraphs IV and V, except that (1) Club shall remain obligated to pay Manager any portion of the applicable Base Salary Amount and all bonuses that have been earned by Manager pursuant to Paragraph IV(A) or IV(C), as applicable, below but have not yet been paid as of the date of termination and (2) in the event of Manager's termination by Club pursuant to Paragraph III(B) above or by Manager pursuant to Paragraph III(B) above due to a material breach of Paragraph IV below or Section 1.2 of the Pino Agreement by Club that is not cured within ten (10) days after written notice thereof is provided to Club, Club shall remain obligated to pay Manager, in accordance with the payment schedule set forth in Paragraph IV(B) below and subject to the terms of Paragraph III(D) below, the applicable Base Salary Amount provided for in Paragraph IV(A) below through December 31, 2012 (the "Severance Payments"). Whether Club has terminated this Agreement pursuant to Paragraph III(A) or (B) shall be determined in good faith by Club at its reasonable discretion; provided that (i) prior to terminating Manager pursuant to Paragraph III(A), Club shall specify in reasonable detail the reason Manager is being so terminated and give Manager an opportunity to respond thereto, (ii) such determination shall be subject to Paragraph XIII and (iii) prior to terminating Manager pursuant to clause (2), (3), or (7)

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of Paragraph III(A), Club shall allow Manager fifteen (15) days to cure the occurrence, except that Club shall have no obligation to provide Manager such opportunity to cure if Club determines, in its good faith judgment, that the occurrence is of a nature that is not curable or that Manager's continued employment during a cure period could be reasonably be expected to result in material harm to Club.

(D) In the event that Club terminates this Agreement pursuant to Paragraph III(B) above or Manager terminates this Agreement pursuant to Paragraph III(B) above due to a material breach of Paragraph IV below or Section 1.2 of the Pino Agreement by Club that is not cured within ten (10) days after written notice thereof is provided to Club, Manager agrees that in consideration of, and as a condition to, the Severance Payments to be paid by Club to Manager, (1) Manager shall execute a full release of claims against Club, its affiliates and their respective owners, officers and employees, (2) Manager shall comply with the covenants in Article IX and (3) Club shall have the right to mitigate and set off against its obligations to pay such Severance Payments any amounts Manager and/or Pino earns or receives as a result of any services Manager renders for, or rights granted by Pino to, another person or entity, whether as an employee, consultant or independent contractor, subsequent to such termination and through December 31, 2012 (the "Severance Period"), regardless of whether such services or rights are comparable in nature to the employment hereunder or to the rights granted under the Pino Agreement or soccer related. It is the intent of the parties that if Club terminates Manager's employment pursuant to Paragraph III(B) above or if Manager terminates his employment pursuant to Paragraph III(B) above due to a material breach of Paragraph IV below or Section 1.2 of the Pino Agreement by Club that is not cured within ten (10) days after written notice thereof is provided to Club, and Manager and/or Pino subsequently performs services or grant rights during the remainder of the Severance Period and for periods thereafter, the amounts earned or received by Manager and/or Pino therefrom shall be fairly apportioned over all of the periods during which Manager and/or Pino is performing such services or granting such rights. In said situation, Manager and/or Pino shall furnish Club with verification from the person or entity for which Manager and/or Pino is performing services or granting rights of the amounts to be earned by or paid to Manager or Pino therefor. Manager covenants and agrees that such amounts (1) shall be reached as a result of good faith negotiations between such person or entity and Manager or Pino, as applicable, and (2) shall not be intentionally paid or provided to him in intervals that would penalize or prejudice Club hereunder.

#### IV. COMPENSATION

(A) In consideration of his services to be rendered hereunder, Manager shall be entitled to compensation at the following annual rates of base salary ("Base Salary Amounts"):

(1) For the period from the date hereof through December 31, 2009, the Base Salary Amount shall be \$350,000 (which, therefore, means the base salary actually payable to Manager for such period shall be \$204,167); and

(2) For the period commencing January 1, 2010 through December 31, 2010, the Base Salary Amount shall be \$373,050;

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(3) For the period commencing January 1, 2011 through December 31, 2011, the Base Salary Amount shall be \$373,050; and

(4) For the period commencing January 1, 2012 through December 31, 2012, the Base Salary Amount shall be \$373,050.

(B) The Base Salary Amount shall be paid by Club to Manager in semi-monthly installments or in such other periodic installments (but not less frequently than monthly) consistent with the regular payroll policies adopted by Club from time to time for non-player personnel.

(C) Commencing in 2010, for each calendar year during the Term that Manager is actually providing his services as manager of the Team and the Club's soccer operations hereunder at the time an event set forth on Schedule A attached hereto occurs, in addition to the Base Salary Amounts set forth in Paragraph IV(A) above, Manager shall receive the bonus compensation set forth opposite such event on Schedule A attached hereto, which bonus compensation shall be paid by Club to Manager within 30 days following the applicable event.

(D) Club shall pay Manager a one time signing bonus of \$69,500 by January 15, 2010 unless this Agreement has been terminated other than by Manager due to a breach by Club of its obligations hereunder or by Club pursuant to Paragraph III(B); provided, however, that if Manager terminates this Agreement (other than due to a breach by Club of its obligations hereunder) prior to the Team's first regular season League game during the 2010 season, then Manager shall reimburse Club for the full amount of such signing bonus, plus the full amount of the \$75,000 fee payable by Club to U.S. Soccer Federation Inc. to secure its permission for Manager to enter into this Agreement, within thirty (30) days after such termination.

#### **V. ADDITIONAL BENEFITS**

(A) During the Term, Manager shall be entitled to participate in, subject to eligibility requirements and the terms of the applicable benefit plans and programs, the same group life, medical, dental and vision insurance, 401(k), retirement and disability plans and programs, if any, that are generally made available by Club or its parent entity, Keystone Sports and Entertainment LLC, to its non-player personnel.

(B) During the Term while Manager is actually providing his services hereunder as manager of the Team and the Club's soccer operations, Club shall provide Manager use of an automobile, the make and model of which shall be mutually agreed upon by Manager and Club. Manager shall be responsible for all costs associated with use of the applicable automobile, including, without limitation, obtaining and maintaining insurance for such automobile and costs related to maintenance, parking and fuel.

(C) Each year during the Term while Manager is actually providing his services hereunder as manager of the Team and the Club's soccer operations, Club shall provide Manager, at Club's expense, an aggregate of sixteen (16) (prorated for 2009) roundtrip, coach class airline tickets for use by Manager and his immediate family between Naples, Florida and Philadelphia, Pennsylvania; provided, however that Manager shall personally use such tickets for a reasonable number of trips each calendar year and only to the extent such travel by Manager

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does not interfere with Manager fulfilling his duties hereunder. Club will book all such airline tickets for Manager and his immediate family and shall be given reasonable prior notice by Manager.

(D) Each year during the Term while Manager is actually providing his services hereunder as manager of the Team and the Club's soccer operations, Club shall provide, at the beginning of the applicable season at Club's expense, Manager with three (3) suits, three (3) dress shirts, three (3) pairs of shoes and three (3) ties, which shall be worn by Manager on the sidelines during Team games and during Club events. If a men's clothing store or manufacturer supplies such suits in connection with being a sponsor of the Team, then consistent with Article VI, Manager shall endorse such men's clothing store or manufacturer to the extent requested by Club.

(E) The Club shall reimburse Manager for his reasonable out-of-pocket expenses incurred in transitioning various items from Naples, Florida to the Philadelphia area, which he shall do by August 31, 2010; provided, however, that such reimbursement shall not exceed \$10,000. The Club shall also provide temporary housing to Manager in the Philadelphia area, and Manager shall utilize such temporary housing, until the earlier of such transition and August 31, 2010.

(F) Club shall provide Manager with a company business credit card to the extent it issues such business credit card to other Club executives.

(G) Club shall reimburse Manager for all reasonable and necessary travel, lodging and fees incurred by Manager, as well as accommodate Manager's non-game work schedule, to allow him to complete his UEFA PRO Coaching License during working hours, so long as obtaining such UEFA PRO Coaching License does not interfere with Manager fulfilling his duties hereunder.

(H) All travel by Manager for games, training camps and scouting, as well as any other travel requested by the Club in connection with Manager providing his services hereunder, will be in Business Class on three cabin aircraft and First Class in two cabin aircraft on domestic flights in excess of three hours and all international flights and hotel accommodations will be at least a Junior Suite.

(I) The Club will provide Manager with a pda/mobile phone that has domestic and international calling and data service. If such pda/mobile phone is damaged or not working properly, Club shall pay for expenses necessary to service or repair such cell phone, except to the extent any damage or malfunction thereof was caused intentionally by Manager or due to Manager's negligence, in which case Manager shall be responsible for such expenses.

(J) Club shall reimburse Manager for all reasonable out-of-pocket work-related expenses incurred by Manager in connection with performing his duties hereunder, subject to Manager's compliance with Club's reimbursement policies and procedures adopted from time to time. Manager shall provide Club with documentation evidencing all expenses for which he is entitled to reimbursement under this Agreement.

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**VI. SIGNING AND MARKETING RIGHTS**

As a condition to this Agreement, the Club and Pino Sports, LLC, a Florida limited liability company that is an affiliate of Manager ("Pino"), are simultaneously herewith executing and entering into an agreement with respect to marketing rights of Manager (the "Pino Agreement").

**VII. ADDITIONAL ACTIVITIES**

During the Term and subject to the Pino Agreement, Manager will have the right to make public appearances, accept speaking engagements, participate in films or radio, television or internet programs, write or sponsor newspaper or magazine articles and engage in other related activities (the "Additional Activities") and retain all compensation therefrom; provided, however, that (1) Manager may not undertake any Additional Activities without providing Club at least five (5) days' prior notice thereof, and (2) such Additional Activities shall (a) not unreasonably interfere with Manager's duties hereunder, (b) be consistent with Team Rules and League Rules, as well as the image desired to be portrayed by Club, the League and SUM, (c) not conflict with the rights and interests of the Team, the Team's home stadium (the "Stadium"), League sponsors and licensees and (d), unless otherwise consented to by Club, the Stadium operator, the League or SUM, as applicable, not utilize any marks, insignia, logos, uniforms, name or other intellectual property of the Team, the Stadium or the League or SUM or otherwise imply that a third party is a sponsor of, or that a third party or its products, services or brands are endorsed by, the Team, the Stadium, the League or SUM. Other than providing services as manager of the Team and soccer operations of the Club hereunder and Additional Activities in accordance with this Article VII, Manager shall not engage in any other business activity during the Term. Furthermore, during the Term, Manager shall not (1) engage in discussions with any other professional soccer team regarding employment by such team or (2) enter into any oral or written agreement with, or accept any payment from, any Team player or member of Team's staff for the provision of any services; provided, however, that in the event that Club and Manager have not agreed to an extension of this Agreement at least sixty (60) days prior to the expiration of the Term, Manager shall during the remainder of the Term have the right, subject to League Rules, to engage in discussions with other professional soccer teams regarding employment.

**VIII. EQUITABLE RELIEF**

Manager represents and agrees that he has extraordinary and unique knowledge, skill and ability as manager of a professional soccer team and its operations, that the services Manager is to provide to Club hereunder cannot be replaced or the loss thereof adequately compensated for in money damages and that any breach by Manager of this Agreement will cause irreparable injury to Club. Therefore, Manager agrees that in the event of a breach of this Agreement by Manager (including, without limitation, Paragraph IX or the second sentence of Paragraph XIX), Club (in addition to any other remedies that may be available at law or in equity) shall have the right to obtain a decree enjoining any further breach of this Agreement, including, without limitation, a decree enjoining Manager from providing or performing any coaching, scouting, player personnel, administrative, supervisory or operational management services for any other

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team in the League during the Original Term (as defined below) if Manager breaches clause (y) of the second sentence of Paragraph XIX.

**IX. COVENANTS**

(A) Manager and Club each covenants and agrees, except as required by law or the League or to the extent necessary for Manager to carry out his duties hereunder, (1) to treat all information, no matter how obtained, regarding Club, the Team, the Stadium, the Stadium operator, any affiliate of the foregoing and their respective owners, officers, employees and agents and the Team's players, as well as regarding the League and its affiliates, other teams and other players, on the one hand, and the Manager and Pino, on the other hand, as well as this Agreement, the Pino Agreement and the negotiations related thereto, with the strictest confidentiality and (2) to not disclose such confidential information to any third party, including the media, or otherwise use such confidential information. The foregoing sentence shall not apply to information legitimately in the public domain through no fault of Manager or Club, as applicable.

(B) During the Term and for twelve months thereafter, Manager shall not, directly or indirectly, solicit or recruit any person employed by Club, the Stadium operator or the Club's parent, any Team or Stadium sponsor or any Team player to leave their employment or terminate their relationship with Club, nor shall Manager otherwise interfere with the relationship between Club and such person, player or sponsor.

(C) All correspondence between Manager and the Team's players, scouting reports, contracts, programs, databases, equipment and tangible articles and other property and information associated with the Team and its games or provided by Club for Manager's use shall be and are the property of Club and upon expiration or termination of this Agreement all tangible embodiments and copies thereof shall be returned by Manager to Club (in good working condition, subject to ordinary wear and tear, in the case of equipment and other tangible articles).

(D) Manager and Club each covenants and agrees that during the Term and for twelve months thereafter, Manager and the executives of Club shall refrain from making any disparaging remarks regarding Club or the Team, its players, management, ownership or employees or the Stadium, on the one hand, and Manager or Pino, on the other hand.

(E) During the Term and thereafter, Manager shall reasonably cooperate with Club in connection with assisting Club in any litigation or potential litigation or other legal matters and testifying and preparing to testify at any deposition or trial. In addition, during the twelve month period following termination of the Term, Manager agrees to make himself reasonably available to Club to furnish information to, and otherwise consult with, Club regarding business matters that were being handled by Manager prior to his termination, as well as to transition key business related functions. Club shall schedule any required activity at a time and place reasonably acceptable to Manager and shall reimburse Manager for any reasonable out-of-pocket expenses incurred as a result of such cooperation.

*PM*



**X. TAXES; WITHHOLDINGS**

In the event Manager owes any taxes by virtue of any payments made or benefits conferred by Club hereunder, Club shall not be liable to pay or obligated to reimburse Manager for any such taxes or to make any adjustment of Manager's compensation under this Agreement. Any and all amounts due Manager from Club hereunder shall be subject to all applicable withholdings for federal, state or local income tax, employment tax, social security tax or any other amounts required by law to be withheld.

**XI. SUCCESSION**

(A) This Agreement shall be binding upon and inure to the benefit of Club, its successors and assigns. Notwithstanding anything to the contrary herein, it is agreed that Club may assign its rights, powers, privileges and obligations hereunder to any person or entity that may hereafter acquire the right to operate the Team, in which event a novation shall be deemed to occur and Club shall thereupon be relieved of any and all obligations, liabilities and responsibilities hereunder, but the new operator of the Team shall be bound to Manager for all obligations, liabilities and responsibilities as stated in this Agreement.

(B) Manager shall not have the right to sell, assign or otherwise transfer his rights, including the amounts due him, or obligations under this Agreement.

**XII. NON-WAIVER**

The waiver by either party of the breach of any provisions of this Agreement by the other party shall not be deemed a waiver by such non-breaching party of any subsequent breach.

**XIII. GOVERNING LAW, ARBITRATION AND ATTORNEYS' FEES**

This Agreement shall be governed by and construed in accordance with Pennsylvania law, without giving effect to any choice or conflict of laws provision or rule thereof. Any controversy or claim arising out of or relating to this Agreement or the breach hereof, including, without limitation, any claims for wrongful termination or employment discrimination or disputes regarding Manager's right to Severance Payments hereunder, shall be settled by arbitration in accordance with the rules of the American Arbitration Association and under the laws of the State of Pennsylvania (without giving effect to the choice or conflict of law principles thereof); provided, however, that nothing herein shall prevent either party from seeking equitable relief from a court of competent jurisdiction. Judgment on any award rendered may be entered in any court of competent jurisdiction. Any such arbitration shall be in the Philadelphia, Pennsylvania metropolitan area and the parties hereby consent to jurisdiction of any court located in Pennsylvania as may be necessary to enforce this provision or from which equitable relief is sought hereunder. With respect to any dispute arising hereunder, the prevailing party shall be entitled to prompt reimbursement from the other party for reasonable attorneys' fees and costs incurred in connection therewith.

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#### **XIV. NOTICE**

All notices required hereunder shall be in writing and shall be deemed delivered upon receipt, (1) pursuant to personal delivery, (2) pursuant to delivery by U.S. certified or registered mail, return receipt requested, or (3) pursuant to delivery by a reputable overnight air courier service, in each case to the following addresses (or such other addresses as may be designated by either party):

If to Club: Pennsylvania Professional Soccer  
LLC  
1105 N. Market Street, 4th Floor  
Wilmington, Delaware 19801  
Attention: Nick Saklewicz

With a copy to: Katten Muchin Rosenman LLP  
525 W. Monroe St.  
Chicago, Illinois 60661  
Attention: Adam R. Klein

If to Manager: Piotr Nowak  
112 1st Avenue North  
Naples, Florida 34102

With a copy to: Nisen & Elliott, LLC  
200 West Adams Street, Suite 2500  
Chicago, Illinois 60606  
Attention: William G. Daluga, Jr.

#### **XV. HEADINGS**

The headings of this Agreement are inserted for convenience only and are not to be considered in construction of the provisions thereof.

#### **XVI. ENTIRE AGREEMENT**

This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all previous written or oral understandings, representations, warranties or covenants between the parties with respect to such subject matter. Nothing contained in this Agreement shall be modified, altered or amended, except by a writing signed by both Club and Manager.

#### **XVII. SEVERABILITY**

If any provision of this Agreement is declared invalid by any court or other tribunal of competent jurisdiction, then such provision shall be deemed automatically adjusted to the minimum extent necessary to conform to the requirements for validity as declared at such time and, as so adjusted, shall be deemed a provision of this Agreement as though originally included

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herein. In the event that the provision invalidated cannot be so adjusted, the provision shall be deemed deleted from this Agreement as though such provision had never been included herein. In either case, the remaining provisions of this Agreement shall remain in force and effect.

#### XVIII. COUNTERPARTS

This Agreement may be executed in one or more counterparts, each of which, including facsimiles or .pdfs thereof, shall be deemed an original, but all of which together shall constitute one and the same Agreement.

#### XIX. REPRESENTATIONS

Each party hereby represents and warrants to the other party that such party has the legal right to enter into this Agreement and to perform all of the obligations to be performed by such party hereunder in accordance with its terms and that such party is not a party to any agreement or understanding, written or oral, including, without limitation, any other employment, services or consulting agreement, or any pending or, to such party's knowledge, threatened litigation that (1) could prevent such party from entering into this Agreement or from performing all of such party's obligations hereunder, (2) such party would breach by virtue of entering into this Agreement or (3) has not been previously disclosed to the other party. In addition, Manager agrees, represents and warrants to Club that (x) he will not engage in any communication, action or other activity that may be deemed to interfere with the contractual rights of third parties and (y) if he terminates this Agreement (other than due to a breach by Club of its obligations hereunder), he will not provide or perform any coaching, scouting, player personnel, administrative, supervisory or operational management services for any other team in the League through December 31, 2012 (the "Original Term"). Each party acknowledges and agrees that the other party is relying on the foregoing representations in entering into this Agreement and agrees to indemnify and hold harmless the other party, its affiliates and their respective owners, officers, employees and agents from any claim, cost, damages or liability resulting from any breach thereof by such party.

#### XX. SURVIVAL

Paragraphs III(C), III(D) and VII through XX shall survive any expiration or termination of this Agreement.

PN

IN WITNESS WHEREOF, Manager and Club have caused this Agreement to be executed as of the first date set forth above.

CLUB:

PENNSYLVANIA PROFESSIONAL SOCCER LLC

By: 

Its: CEO & Operating Partner

MANAGER:

PIOTR KOWAK



IN WITNESS WHEREOF, Manager and Club have caused this Agreement to be executed as of the first date set forth above.


CLUB:

PENNSYLVANIA PROFESSIONAL SOCCER LLC

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

Its: \_\_\_\_\_

MANAGER:

  
\_\_\_\_\_  
PIOTR NOWAK

*PN*

SCHEDULE ABONUSES

<u>Event</u>	<u>Bonus</u>
Team wins the MLS Cup Championship	\$50,000
Team wins MLS Conference Championship	\$25,000
Team wins the League's Supporters' Shield	\$50,000
Team wins the US Open Cup	\$50,000
Group Phase Advance by Team in the CONCACAF Champions' League	\$25,000
Team wins the CONCACAF Champions' League	\$75,000
Team wins the semi-finals of the SuperLiga Tournament	\$25,000
Team wins the Championship of the SuperLiga Tournament	\$50,000
Advance by Team to semi-finals of FIFA World Club Championship	\$100,000
Team wins FIFA World Club Championship	\$200,000
Manager is selected as Head Coach for the League's All-Star Game <sup>1</sup>	\$15,000

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<sup>1</sup> To the extent coach of the team that wins the League Supporner's Shield is not automatically selected as Head Coach for the League's All-Star Game.

**EXHIBIT “B”**



**EXECUTION COPY**

**AGREEMENT**

THIS AGREEMENT (this "Agreement") is entered into as of the 1<sup>st</sup> day of June, 2009, by and between Pennsylvania Professional Soccer LLC, a Delaware limited liability company (the "Club"), and Pino Sports, LLC., a Florida limited liability company ("Pino").

**INTRODUCTION**

WHEREAS, the Club and Piotr Nowak, of Naples, Florida and an affiliate of Pino ("Manager"), are simultaneously herewith executing and entering into a Manager Employment Agreement (the "Employment Agreement");

WHEREAS, Pino is the exclusive owner of the marketing rights of Manager; and

WHEREAS, as a condition to the Employment Agreement, Pino must grant Club the marketing rights of Manager on the terms and conditions set forth herein.

NOW, THEREFORE, IN CONSIDERATION OF THE PREMISES and the obligations undertaken by the parties pursuant hereto, the parties hereby agree as follows:

**ARTICLE I**

**MARKETING RIGHTS**

Section 1.1. Marketing Rights Granted. Pino hereby permits Club, Major League Soccer (the "League") and Soccer United Marketing, LLC ("SUM"), on a non-exclusive basis, to film, record and photograph Manager, alone or together with others. Club, the League and SUM (and their licensees with whom they enter into business relationships, such as sponsors, service providers and merchandise providers) may use, throughout the world, Manager's photograph, quotations, name, image and likeness, as well as any videotape, motion picture, audio tape, recording or other record of Manager, for publicity or promotional purposes related to the Club's League team currently known as the Philadelphia Union (the "Team"), its home stadium or the League, including appearing in locally produced television, radio and internet shows about the Team and the League. Furthermore, Pino hereby grants Club the non-exclusive right to use, and grant third parties the right to use, throughout the world, the Manager's photograph, quotations,

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name, image and likeness, as well as any videotape, motion picture, audio tape, recording or other record of Manager, to market, promote or endorse third parties and/or their products, services or brands. Pino shall (i) cause Manager to cooperate in connection with any activities related to the rights granted to Club by Pino hereunder, including appearing in advertisements or commercials or at events and using a sponsor's products or services and displaying signage that promotes such sponsor and/or its products, services or brands, and (ii) promptly notify Club if it grants any such marketing rights of Manager to a third party, as well as whether any such grant of marketing rights of Manager provides a third party with product or service category exclusivity. Club shall retain all revenues from the exploitation of the rights granted to Club by Pino hereunder and neither Pino nor Manager shall receive any additional compensation therefore (other than reimbursement for reasonable out-of-pocket expenses incurred in connection with Manager participating in such related activities).

Section 1.2. Payment. In consideration for the Marketing Rights set forth in Section 1.1 above, Club agrees to pay Pino as follows (the "Fees"):

- a) For the period commencing January 1, 2010 through December 31, 2010, \$85,000 payable in semi-monthly installments;
- b) For the period commencing January 1, 2011 through December 31, 2011, \$85,000 payable in semi-monthly installments; and
- c) For the period commencing January 1, 2012 through December 31, 2012, \$85,000 payable in semi-monthly installments.

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**ARTICLE II**  
**REDUCTION IN FEES**

If and to the extent Manager is suspended without pay by the League or Club as set forth in Paragraph I(C) of the Employment Agreement, the Fees paid to Pino under Section 1.2 for the applicable year shall be reduced in the same proportion as the Base Salary Amount (as defined in the Employment Agreement) for such year under the Employment Agreement is reduced.

**ARTICLE III**  
**INDEPENDENT CONTRACTOR**

In carrying out its duties hereunder, Pino shall be an independent contractor. Neither this Agreement nor the rights granted to Club or fulfillment of Pino's obligations hereunder shall be deemed to create any partnership, joint venture, association, employment or other relationship between Pino and Club other than that of an independent contractor relationship.

**ARTICLE IV**  
**TERM OF AGREEMENT**

Section 4.1. Term. This Agreement shall have a term that commences on the date hereof and terminates concurrent with the expiration or earlier termination of the Employment Agreement (the "Term"). This Agreement may not be terminated prior to the expiration or earlier termination of the Employment Agreement.

Section 4.2. Effect of Termination. (a) Except as specifically provided in Section 4.2 (b), upon the termination of this Agreement, the rights and obligations of the parties hereunder shall terminate; provided, however, that Article V and, with respect to Manager's photographs, quotations, names, images and likenesses, as well as any videotapes, motion pictures, audio tapes recordings and other records of Manager, existing as of the termination of this Agreement, the second sentence of Section 1.1 shall survive termination of this Agreement.

(b) Upon termination of this Agreement, Pino shall be entitled to receive a pro rated portion of the upcoming semi-monthly installment of unpaid Fees set forth in Section 1.2 that have been earned but not yet paid through the date of termination. In addition, to the extent when this Agreement is terminated Club is obligated to make Severance Payments (as defined in

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the Employment Agreement) to Manager pursuant to Paragraph III(C) of the Employment Agreement, Club shall remain obligated to pay Pino, in accordance with the payment schedule set forth in Section 1.2 and subject to Section 4.2(c), the unpaid Fees set forth in Section 1.2 through December 31, 2012 (the "Pino Severance").

(c) Pino agrees that in consideration of, and as a condition to, the Pino Severance to be paid by Club to Pino pursuant to Section 4.2(b), (1) Pino shall execute a full release of claims against Club, its affiliates and their respective owners, officers and employees, (2) Pino and Manager shall comply with the covenants in Article IX of the Employment Agreement and (3) Club shall have the right to mitigate and set off against its obligations to pay such Pino Severance any amounts Manager and/or Pino earns or receives as a result of any services Manager renders, or rights Pino grants to, another person or entity, whether as an employee, consultant or independent contractor, subsequent to such termination and through December 31, 2012 (the "Severance Period"), regardless of whether such services or rights are comparable in nature to the services under the Employment Agreement or the employment thereunder or to the rights granted hereunder or soccer related. It is the intent of the parties that if Pino is entitled to Pino Severance hereunder and Manager subsequently performs services and/or Pino subsequently grants rights during the remainder of the Severance Period and for periods thereafter, the amounts earned or received by Manager and Pino therefrom shall be fairly apportioned over all of the periods during which Manager is performing such services and Pino is granting such rights. In said situation, Manager and/or Pino shall furnish Club with verification from the person or entity for which Manager and/or Pino is performing services or it is granting rights of the amounts to be earned by or paid to Manager and/or Pino therefor. Pino covenants and agrees that such amounts (1) shall be reached as a result of good faith negotiations between such person or entity and Pino or Manager, as applicable and (2) shall not be intentionally paid or provided to him in intervals that would penalize or prejudice Club hereunder.

## V. MISCELLANEOUS

Section 5.1. Representations and Warranties of the Parties. Each party represents and warrants to the other party hereto that:

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(a) Such party is a limited liability company, validly existing and in good standing under the laws of its organization.

(b) Such party is authorized to enter into this Agreement by all necessary and proper action and that this Agreement has been duly and validly executed and delivered by such party and is a legal, valid and binding agreement of such party, enforceable against it in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws relating to or affecting the rights or remedies of creditors generally and to general principles of equity (regardless of whether considered in a proceeding in equity or at law). Furthermore, Pino represents, warrants and covenants that (i) it is, and covenants it will be throughout the Term of this Agreement, the exclusive owner of the Manager's rights granted by Pino to Club hereunder pursuant to the Contribution and Commercialization Agreement, dated as of April 23, 2009, between Pino and Manager, a true and correct copy of which is attached hereto (the "Contribution Agreement"), (ii) it has the right to exercise and grant such rights as provided herein, (iii) the Contribution Agreement is a legal, valid and binding agreement of Pino and Manager, enforceable against Pino and Manager in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws relating to or affecting the rights or remedies of creditors generally and to general principles of equity (regardless of whether considered in a proceeding in equity or at law), (iv) Manager is not the sole beneficial owner of Pino and (v) Pino shall, and shall cause Manager to, comply with each agreement (a copy of which shall be provided to Pino) entered into by Club with third parties related to the exploitation of the rights of the Manager granted by Pino to Club hereunder. Pino also hereby covenants and agrees to comply with Manager's obligations set forth in Article IX of the Employment Agreement with respect to this Agreement.

(c) Neither the execution and delivery of this Agreement by such party nor the performance of its obligations hereunder will (and Manager represents and warrants that the execution and delivery of the Services Agreement by Pino and Manager did not, and the performance of their obligations thereunder will not) constitute a breach or a default under, or violate, (A) its organizational documents, (B) any applicable law, or any applicable rule, judgment, order, writ, injunction or decree of any court, (C) any applicable rule or regulation of

  
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any administrative agency or other governmental authority or (D) any agreement, indenture, instrument or contract to which it is a party or by which it is bound.

(d) Pino represents, warrants and agrees that if this Agreement is terminated because Manager terminated the Employment Agreement (other than due to a breach by Club of its obligations thereunder), Pino will not, and will not allow Manager, to provide Manager's marketing rights to any other team in the League during the Original Term (as defined in the Employment Agreement).

Each party acknowledges and agrees that the other party is relying on the foregoing representations, warranties and covenants in entering into this Agreement and agrees to (jointly and severally with Manager in the case of Pino) indemnify and hold harmless the other party, its affiliates and their respective owners, officers, employees and agents from any claim, cost, damages and liability resulting from any breach thereof by such party.

Section 5.2. Notices. All notices required hereunder shall be in writing and shall be deemed delivered upon receipt, (1) pursuant to personal delivery, (2) pursuant to delivery by U.S. certified or registered mail, return receipt requested, or (3) pursuant to delivery by a reputable overnight air courier service, in each case to the following addresses (or such other addresses as may be designated by either party):

If to Club: Pennsylvania Professional Soccer LLC  
1105 N. Market Street, 4th Floor  
Wilmington, Delaware 19801  
Attention: Nick Sakiewicz

With a copy to: Katten Muchin Rosenman LLP  
525 W. Monroe St.  
Chicago, Illinois 60661  
Attention: Adam R. Klein

If to Employee: Piotr Nowak  
112 1st Avenue North  
Naples, Florida 34102

With a copy to: Nisen & Elliott, LLC

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200 West Adams Street, Suite 2500  
Chicago, Illinois 60606  
Attention: William G. Daluga, Jr.

Section 5.3. Taxes; Withholdings. In the event Pino or Manager owes any taxes by virtue of any payments made by Club hereunder, Club shall not be liable to pay or obligated to reimburse Pino or Manager for any such taxes or to make any adjustment of such payments to Pino under this Agreement. Pino covenants and agrees that Pino and Manager will treat the Fees as ordinary income for income tax purposes and pay all taxes due on the receipt of the Fees. Pino and Manager shall jointly and severally indemnify and hold harmless Club, its affiliates and their respective owners, officers, directors and agents from any claim, cost, damages, liabilities, taxes, interest, penalties, costs and expenses resulting from (i) Pino or Manager not reporting the Fees as ordinary income or failing to pay taxes with respect to the Fees or (ii) Club not withholding for, or otherwise paying any share of, federal, state or local income tax, employment tax, social security tax or any other amounts with respect to the Fees.

Section 5.4. Succession. (a) This Agreement shall be binding upon and inure to the benefit of Club, its successors and assigns. Notwithstanding anything to the contrary herein, it is agreed that Club shall assign its rights, powers, privileges and obligations hereunder to any person or entity to whom it assigns the Employment Agreement, in which event a novation shall be deemed to occur and Club shall thereupon be relieved of any and all obligations, liabilities and responsibilities hereunder, but the assignee shall be bound to Pino for all obligations, liabilities and responsibilities as stated in this Agreement.

(b) Pino shall not have the right to sell, assign or otherwise transfer its rights, including the amounts due it, or obligations under this Agreement; provided, however that if the Contribution Agreement is terminated, Pino shall assign its rights, powers, privileges and obligations hereunder to Manager (and all amounts due to Manager hereunder shall be subject to all applicable withholdings required by law).

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Section 5.5. Non-Waiver. The waiver by either party of the breach of any provisions of this Agreement by the other party shall not be deemed a waiver by such non-breaching party of any subsequent breach.

Section 5.6. Governing Law, Arbitration and Attorneys' Fees. This Agreement shall be governed by and construed in accordance with Pennsylvania law, without giving effect to any choice or conflict of laws provision or rule thereof. Any controversy or claim arising out of or relating to this Agreement or the breach hereof, including, without limitation, any disputes regarding Pino's right to Pino Severance hereunder, shall be settled by arbitration in accordance with the rules of the American Arbitration Association and under the laws of the State of Pennsylvania (without giving effect to the choice or conflict of law principles thereof); provided, however, that nothing herein shall prevent either party from seeking equitable relief from a court of competent jurisdiction. Judgment on any award rendered may be entered in any court of competent jurisdiction. Any such arbitration shall be in the Philadelphia, Pennsylvania metropolitan area and the parties hereby consent to jurisdiction of any court located in Pennsylvania as may be necessary to enforce this provision or from which equitable relief is sought hereunder. With respect to any dispute arising hereunder, the prevailing party shall be entitled to prompt reimbursement from the other party for reasonable attorneys' fees and costs incurred in connection therewith.

Section 5.7. Headings. The headings of this Agreement are inserted for convenience only and are not to be considered in construction of the provisions thereof.

Section 5.8. Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersede all previous written or oral understandings, representations, warranties or covenants between the parties with respect to such subject matter. Nothing contained in this Agreement shall be modified, altered or amended, except by a writing signed by both Club and Pino.

Section 5.9. Severability. If any provision of this Agreement is declared invalid by any court or other tribunal of competent jurisdiction, then such provision shall be deemed automatically adjusted to the minimum extent necessary to conform to the requirements for validity as declared at such time and, as so adjusted, shall be deemed a provision of this

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Agreement as though originally included herein. In the event that the provision invalidated cannot be so adjusted, the provision shall be deemed deleted from this Agreement as though such provision had never been included herein. In either case, the remaining provisions of this Agreement shall remain in force and effect.

Section 5.10. Equitable Relief. Pino represents and agrees that Manager's marketing rights are extraordinary and unique, that the marketing rights of Manager that Pino is to provide to Club hereunder cannot be replaced or the loss thereof adequately compensated for in money damages and that any breach by Pino of this Agreement will cause irreparable injury to Club. Therefore, Pino agrees that in the event of a breach of this Agreement by Pino (including, without limitation, the last sentence of Section 5.1(b) or Section 5.1(d), Club (in addition to any other remedies that may be available at law or in equity) shall have the right to obtain a decree enjoining any further breach of this Agreement, including, without limitation, a decree enjoining Pino from providing marketing rights of the Manager to any other team in the League during the Original Term if Pino breaches Section 5.1(d).

Section 5.11. Counterparts. This Agreement may be executed in one or more counterparts, each of which, including facsimiles or .pdfs thereof, shall be deemed an original, but all of which together shall constitute one and the same Agreement.

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

Club:

Pennsylvania Professional Soccer LLC

By: [Signature]

Title: CEO & Operating Partner

Pino:

Pino Sports, LLC, a Florida limited liability  
company

By: Pino Sports, LLC, a Delaware limited  
liability company, as managing member

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

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

01/05/16



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

Club:

Pennsylvania Professional Soccer LLC

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

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

Pino:

Pino Sports, LLC, a Florida limited liability company

By: Pino Sports, LLC, a Delaware limited liability company, as managing member

By: 

Title: MANAGER



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**EXHIBIT “C”**

**Keystone Sports and Entertainment LLC  
Pennsylvania Professional Soccer LLC  
FC Pennsylvania Stadium LLC  
2501 Seaport Drive, Switch House, Suite 500  
Chester, PA 19013**

December 20, 2011

Piotr Nowak  
c/o Keystone Sports and Entertainment LLC  
2501 Seaport Drive, Switch House, Suite 500  
Chester, PA 19013

Dear Piotr:

Reference is hereby made to that certain (i) Manager Employment Agreement between Pennsylvania Professional Soccer LLC ("Club") and Piotr Nowak ("Manager"), dated June 1, 2009 (the "Original Employment Agreement") and (ii) Agreement between Club and Pino Sports, LLC, a Florida limited liability company ("Pino"), dated June 1, 2009 (the "Original Pino Agreement" and together with the Original Employment Agreement, the "Original Agreements"). Capitalized terms used but not defined in this letter agreement have the meanings given to them in the Original Employment Agreement.

The purpose of this letter agreement is to extend the term of each of the Original Agreements and to make certain other changes to each of the Original Agreements on the terms and conditions described below.

The parties hereto hereby agree as follows:

1. The parties hereto agree that the Letter Agreement, dated as of December 20, 2010, by and between Piotr Nowak and Nick Sakiewicz, on behalf of Club and Keystone Sports and Entertainment LLC, is null and void.
2. Paragraph I(A) of the Original Employment Agreement is hereby amended by inserting the words "the Executive Vice President of Soccer Operations," after the words "and Manager accepts employment as,".
3. Paragraph II of the Original Employment Agreement is hereby amended by replacing the words "December 31, 2012" with the words "December 31, 2015".
4. Paragraph III(C) of the Original Employment Agreement is hereby amended by replacing the words "December 31, 2012" with the words "December 31, 2015".
5. Paragraph III(D) of the Original Employment Agreement is hereby amended by replacing the words "December 31, 2012" with the words "December 31, 2015".
6. Paragraph IV(A) of the Original Employment Agreement is hereby amended by inserting a new Paragraph IV(A)(5)-(7) as follows:

"(5) For the period commencing January 1, 2013 through December 31, 2013, the Base Salary Amount shall be \$385,000;

Piotr Nowak  
December 21, 2011  
Page 2

(6) For the period commencing January 1, 2014 through December 31, 2014, the Base Salary Amount shall be \$396,550; and

(7) For the period commencing January 1, 2015 through December 31, 2015, the Base Salary Amount shall be \$408,446."

7. Paragraph XIX of the Original Employment Agreement is hereby amended by replacing the words "December 31, 2012" with the words "December 31, 2015".

8. The Original Employment Agreement is hereby amended by inserting a new Paragraph XXI as follows:

"XXI. Loan

(A) Club hereby agrees to provide to Manager an unsecured recourse loan in the aggregate principal amount of \$60,000 (the "Loan"), which Loan shall accrue interest at a fixed rate of 5.00% per annum and be immediately due and payable upon the earlier of (i) December 31, 2015 and (ii) the date that Manager is no longer employed by Club for any reason (i.e., termination of this Agreement pursuant to Paragraph III) (in either case, the "Maturity Date"). Manager shall repay all amounts then outstanding under the Loan (including all accrued but unpaid interest thereon) by permitting Club to withhold from gross base salary amounts (after tax) otherwise payable hereunder in accordance with the repayment schedule attached hereto as Exhibit A (the "Repayment Schedule"); provided, however, (x) all amounts then outstanding under the Loan (including all accrued but unpaid interest thereon) shall be paid in full by Manager to Club upon the Maturity Date and (y) the Loan (including all accrued but unpaid interest) may be prepaid by Manager in whole or in part at any time without premium or penalty, in which case the Repayment Schedule shall be adjusted accordingly. Manager hereby agrees and acknowledges that Club may withhold such gross base salary amounts (after tax) pursuant to such repayment schedule. Manager covenants and agrees to use all of the proceeds of the Loan in connection with the repayment of a mortgage secured by his residence.

(B) If Manager does not repay all amounts then outstanding under the Loan (including all accrued but unpaid interest) on or before the Maturity Date (or, if earlier, the date that Club elects to cause the unpaid principal balance of the Loan (together with all accrued but unpaid interest thereon) to become immediately due and payable pursuant to Paragraph XXI(C)), then (i) interest shall accrue on such unpaid amount at a rate of 7.00% per annum and (ii) Club shall have the right to offset the amount outstanding under the Loan (including all accrued but unpaid interest thereon) against any Severance Payments otherwise owing to Manager. Manager acknowledges that the Loan is a recourse loan and irrevocably agrees that he shall be personally liable for all amounts outstanding under the Loan (including all accrued but unpaid interest).

(C) The unpaid principal balance of the Loan, together with all accrued but unpaid interest thereon, shall, at the option of Club, become immediately due and payable if any of the following events shall occur: (i) Club is prevented from or unable to deduct any amount from gross base salary amounts (after tax) otherwise payable hereunder in accordance with the Repayment Schedule or (ii) if a petition under any section or chapter of the Bankruptcy Reform Act of 1978 or any similar law or regulation is filed by or against Manager, if Manager shall make an assignment for the benefit of creditors or if any similar case or proceeding is filed by Manager or against him by his creditors. If the Loan (including all accrued but unpaid interest) is not paid as and when due, Manager covenants and agrees to pay all costs of collection including, without limitation, reasonable attorneys' fees and expenses whether or not suit is instituted."



Piotr Nowak  
December 21, 2011  
Page 3

9. Section 1.2 of the Original Pino Agreement is hereby amended by inserting a new Section 1.2 (d)-(f) as follows:

"d) For the period commencing January 1, 2013 through December 31, 2013, \$85,000 payable in semi-monthly installments;

e) For the period commencing January 1, 2014 through December 31, 2014, \$85,000 payable in semi-monthly installments; and

f) For the period commencing January 1, 2015 through December 31, 2015, \$85,000 payable in semi-monthly installments."

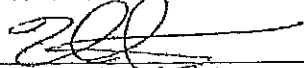
10. Section 4.2(b) of the Original Pino Agreement is hereby amended by replacing the words "December 31, 2012" with the words "December 31, 2015".

11. Section 4.2(c) of the Original Pino Agreement is hereby amended by replacing the words "December 31, 2012" with the words "December 31, 2015".

Except as provided herein, the Original Agreements shall remain unchanged and in full force and effect. If the foregoing accurately sets forth our agreement with respect to the subject matter hereof, please countersign below and return a signed copy of this letter agreement to our attention.


Sincerely,

PENNSYLVANIA PROFESSIONAL SOCCER LLC

By:   
Name: NICK SAKIEWICZ  
Its: CEO & Operating Partner

and solely for the purposes of Section 1 hereof:

KEYSTONE SPORTS AND ENTERTAINMENT LLC


By:   
Name: NICK SAKIEWICZ  
Its: CEO & Operating

Agreed and accepted as of  
the date first above written:

  
\_\_\_\_\_  
Piotr Nowak

PINO SPORTS, LLC, a Florida limited  
liability company

By: Pino Sports, LLC, a Delaware  
limited liability company, its managing  
member

By:   
Name: PIOTR NOWAK  
Its: MANAGER

**Exhibit A**  
**Amortization Schedule**

<u>Pay Period</u>	<u>Total Payment</u>	<u>Interest Payment</u>	<u>Principal Payment</u>	<u>Ending Loan Balance</u>
				\$60,000
Jan 15	\$690	\$125	\$565	\$59,435
Jan 31	\$690	\$124	\$566	\$58,868
Feb 15	\$690	\$123	\$568	\$58,301
Feb 28	\$690	\$121	\$569	\$57,732
March 15	\$690	\$120	\$570	\$57,162
March 31	\$690	\$119	\$571	\$56,591
April 15	\$690	\$118	\$572	\$56,019
April 30	\$690	\$117	\$574	\$55,445
May 15	\$690	\$116	\$575	\$54,870
May 31	\$690	\$114	\$576	\$54,294
June 15	\$690	\$113	\$577	\$53,717
June 30	\$690	\$112	\$578	\$53,139
July 15	\$690	\$111	\$580	\$52,559
July 31	\$690	\$109	\$581	\$51,979
Aug 15	\$690	\$108	\$582	\$51,397
Aug 31	\$690	\$107	\$583	\$50,814
Sept 15	\$690	\$106	\$584	\$50,229
Sept 30	\$690	\$105	\$586	\$49,644
Oct 15	\$690	\$103	\$587	\$49,057
Oct 31	\$690	\$102	\$588	\$48,469
Nov 15	\$690	\$101	\$589	\$47,880
Nov 30	\$690	\$100	\$590	\$47,289
Dec 15	\$690	\$99	\$592	\$46,697
Dec 31	\$690	\$97	\$593	\$46,104
<b>FY 2012</b>	<b>\$16,566</b>	<b>\$2,670</b>	<b>\$13,896</b>	<b>\$46,104</b>
Jan 15	\$690	\$96	\$594	\$45,510
Jan 31	\$690	\$95	\$595	\$44,915
Feb 15	\$690	\$94	\$597	\$44,318
Feb 28	\$690	\$92	\$598	\$43,720
March 15	\$690	\$91	\$599	\$43,121
March 31	\$690	\$90	\$600	\$42,521
April 15	\$690	\$89	\$602	\$41,919
April 30	\$690	\$87	\$603	\$41,316
May 15	\$690	\$86	\$604	\$40,712
May 31	\$690	\$85	\$605	\$40,107
June 15	\$690	\$84	\$607	\$39,500
June 30	\$690	\$82	\$608	\$38,892
July 15	\$690	\$81	\$609	\$38,283
July 31	\$690	\$80	\$610	\$37,672
Aug 15	\$690	\$78	\$612	\$37,061
Aug 31	\$690	\$77	\$613	\$36,448
Sept 15	\$690	\$76	\$614	\$35,833
Sept 30	\$690	\$75	\$616	\$35,218

Oct 15	\$690	\$73	\$617	\$34,601
Oct 31	\$690	\$72	\$618	\$33,983
Nov 15	\$690	\$71	\$619	\$33,363
Nov 30	\$690	\$70	\$621	\$32,743
Dec 15	\$690	\$68	\$622	\$32,121
Dec 31	\$690	\$67	\$623	\$31,497
<b>FY 2013</b>	<b>\$16,566</b>	<b>\$1,958</b>	<b>\$14,607</b>	<b>\$31,497</b>
Jan 15	\$690	\$66	\$625	\$30,873
Jan 31	\$690	\$64	\$626	\$30,247
Feb 15	\$690	\$63	\$627	\$29,619
Feb 28	\$690	\$62	\$629	\$28,991
March 15	\$690	\$60	\$630	\$28,361
March 31	\$690	\$59	\$631	\$27,730
April 15	\$690	\$58	\$632	\$27,097
April 30	\$690	\$56	\$634	\$26,464
May 15	\$690	\$55	\$635	\$25,829
May 31	\$690	\$54	\$636	\$25,192
June 15	\$690	\$52	\$638	\$24,554
June 30	\$690	\$51	\$639	\$23,915
July 15	\$690	\$50	\$640	\$23,275
July 31	\$690	\$48	\$642	\$22,633
Aug 15	\$690	\$47	\$643	\$21,990
Aug 31	\$690	\$46	\$644	\$21,346
Sept 15	\$690	\$44	\$646	\$20,700
Sept 30	\$690	\$43	\$647	\$20,053
Oct 15	\$690	\$42	\$648	\$19,404
Oct 31	\$690	\$40	\$650	\$18,755
Nov 15	\$690	\$39	\$651	\$18,103
Nov 30	\$690	\$38	\$653	\$17,451
Dec 15	\$690	\$36	\$654	\$16,797
Dec 31	\$690	\$35	\$655	\$16,142
<b>FY 2014</b>	<b>\$16,566</b>	<b>\$1,210</b>	<b>\$15,355</b>	<b>\$16,142</b>
Jan 15	\$690	\$34	\$657	\$15,485
Jan 31	\$690	\$32	\$658	\$14,827
Feb 15	\$690	\$31	\$659	\$14,168
Feb 28	\$690	\$30	\$661	\$13,507
March 15	\$690	\$28	\$662	\$12,845
March 31	\$690	\$27	\$663	\$12,182
April 15	\$690	\$25	\$665	\$11,517
April 30	\$690	\$24	\$666	\$10,851
May 15	\$690	\$23	\$668	\$10,183
May 31	\$690	\$21	\$669	\$9,514
June 15	\$690	\$20	\$670	\$8,843
June 30	\$690	\$18	\$672	\$8,172
July 15	\$690	\$17	\$673	\$7,498
July 31	\$690	\$16	\$675	\$6,824
Aug 15	\$690	\$14	\$676	\$6,148
Aug 31	\$690	\$13	\$677	\$5,470

Sept 15	\$690	\$11	\$679	\$4,792
Sept 30	\$690	\$10	\$680	\$4,111
Oct 15	\$690	\$9	\$682	\$3,430
Oct 31	\$690	\$7	\$683	\$2,747
Nov 15	\$690	\$6	\$685	\$2,062
Nov 30	\$690	\$4	\$686	\$1,376
Dec 15	\$690	\$3	\$687	\$689
Dec 31	\$690	\$1	\$689	\$0
<b>FY 2015</b>	<b>\$16,566</b>	<b>\$424</b>	<b>\$16,142</b>	<b>\$0</b>
	<b>\$66,262</b>	<b>\$6,262</b>	<b>\$60,000</b>	