**Endorsement Agreement -- Athlete and Fast Moves.**

 ENDORSEMENT AND BASKETBALL CONSULTANT CONTRACT

 **THIS CONTRACT**, made and entered into this 1st day of October, 1988, by and between Maurice "Stretch" Stevens (hereinafter referred to as "PLAYER") and FAST MOVES, Inc., a Colorado corporation, having its principal place of business at 4200 West Cimarron Boulevard, Colorado Springs, Colorado (hereinafter referred to as "FAST MOVES").

 WITNESSETH:

 **WHEREAS**, PLAYER is recognized and widely known as a highly skilled professional basketball player; and

 **WHEREAS**, FAST MOVES is engaged in the manufacture, distribution and sale of athletic and athleisure shoes and apparel ("Products" as defined herein) and FAST MOVES prides itself on producing the finest Products through its sophisticated research and development and testing programs, and consultation with athletes such as PLAYER; and

 **WHEREAS**, FAST MOVES is desirous of acquiring the exclusive right to utilize PLAYER'S name in connection with the advertisement, promotion and sale of Products; and

 **WHEREAS**, PLAYER has agreed to authorize such use upon the terms and conditions contained below:

 **NOW, THEREFORE**, in consideration of the mutual covenants set forth herein and for other good and valuable consideration, it is agreed as follows:

1.  **DEFINITIONS**  -- As used herein, the terms set forth below shall be defined as follows:

A. "Player Endorsement" shall include the right to use the name, nickname, initials, uniform number, autograph facsimile signature, voice, video or film portrayals, photograph likeness and image or facsimile image of Consultant.

B. "FAST MOVES" shall include FAST MOVES, Inc., its licensees, distributors, subsidiaries and any successor company.

C. "Contract Territory" shall mean the entire world.

D. "Contract Year" shall be the period from October 1 to September 30.

E. "Products" shall include all footwear which PLAYER wears while playing, practicing or otherwise engaging in athletic activities, particularly those related to basketball, including, but not limited to: basketball games, clinics, training sessions, sport camps, meetings and promotional appearances such as photo sessions, autograph sessions and personal appearances; all clothing articles, including socks and pants, of an athletic, athleisure or casual nature which PLAYER wears or may be reasonably expected to wear; and all apparel accessories of an athletic or athleisure nature, including but not limited to headbands and wristbands, which PLAYER wears or may be reasonably expected to wear.

F. "FAST MOVES Products" shall mean "Products" on or in connection with which the Trademark FAST MOVES and/or the FAST MOVES Design Trademark are used.

G. "Active Roster" shall mean the twelve (12) man roster and the injured reserve list.

H. "NBA" shall mean National Basketball Association.

I. "NBA Regular Season Games" shall mean the eighty-two (82) games played by each NBA team, specifically excluding exhibition games, play-off games and the NBA All-Star game.

2.  **TERM**  -- Subject to the provisions of Paragraph 4, this Contract shall remain in full force and effect from the date of execution hereof until September 30, 1990, unless sooner terminated in accordance with the terms and conditions hereof.

3.  **BASE COMPENSATION**  -- Subject to the provisions of Paragraph 13, PLAYER shall receive as Base Compensation for the Contract Term One Hundred Twenty-five Thousand Dollars ($125,000.00) in the Second Contract Year. These annual amounts shall be payable in equal quarterly installments on December 15, March 15, June 15 and September 15 of each Contract Year.

4.  **OPTION YEAR**

A. FAST MOVES shall have the option, at its sole discretion, to extend the Contract Term for a Third Contract Year to be defined as the period from October 1, 1990 to September 30, 1991. FAST MOVES must notify PLAYER, in writing, of its intention to exercise the option provided herein on or before July 1, 1990.

B. In the event FAST MOVES decides to exercise the option provided by this Paragraph 4, Base Compensation for the Third Contract Year shall be the total of PLAYER'S earnings in Base Compensation and Performance Bonuses earned during the Second Contract Year plus twenty percent (20%) of such Second Contract Year earnings. For illustration purposes only: in the event at the end of the Second Contract Year, PLAYER has earned, under the terms of this Contract, One Hundred Twenty-five Thousand Dollars ($125,000.00) in Base Compensation and Thirty Thousand Dollars ($30,000.00) in Performance Bonuses, the PLAYER's Base Compensation for the Third Contract Year will amount to Two Hundred Twenty-five Thousand Five Hundred Dollars ($225,500.00) as calculated by the following: $205,000.00 x 10% = $20,500.00 + $205,000.00 = $225,500.00.

C. If FAST MOVES chooses not to exercise the option provided by this Paragraph 4, PLAYER shall still be subject to the Right of First Refusal provisions contained in Paragraph 14.

5.  **APPEARANCES**

A. If requested to do so by FAST MOVES, PLAYER shall make up to five (5) appearances in each Contract Year in connection with advertisement, promotion and sale of FAST MOVES Products. Such appearances may include, but are not limited to, appearances to shoot posters, brochures, or in-store displays; photo or production sessions related to video productions, radio and television advertising, billboards and wallboard; attendance at in-store appearances, autograph sessions, clinics, celebrity events, and other public appearances.

B. Except as provided in subparagraph D below, PLAYER shall receive no additional compensation for the five (5) appearances called for above, it being understood and agreed to by the parties that the consideration for the appearances is encompassed by the Base Compensation.

C. FAST MOVES may request appearances. For each such additional appearance, PLAYER shall receive a fee agreed upon between FAST MOVES and PLAYER.

D. For each appearance made by PLAYER:

(i) FAST MOVES agrees to pay all reasonable out-of-pocket expenses incurred by PLAYER in connection with such appearance; and

(ii) FAST MOVES shall provide PLAYER with free air transportation, if necessary, for travel to said appearances at the following levels: first-class for any flight exceeding one thousand five hundred (1,500) miles; coach for any flight less than one thousand five hundred (1,500) miles; and

(iii) FAST MOVES shall give PLAYER not less than seven (7) days' notice of the time and place FAST MOVES desires PLAYER to appear; and

(iv) FAST MOVES shall not schedule any such session or appearance at a time which would conflict with PLAYER's performance of his obligations as a professional basketball player; and

(v) No single appearance or photo session shall exceed six (6) hours duration, exclusive of travel time; and

(vi) No single promotional appearance or photo session shall exceed twenty-four (24) hours in duration, including travel time unless agreed upon to the contrary in advance.

E. If requested to do so by FAST MOVES, PLAYER shall provide written notice of his off-season schedule no later than thirty (30) days after the NBA Championships for purposes of coordination of scheduling of appearances.

6.  **PERFORMANCE BONUSES**  -- FAST MOVES shall pay bonuses to PLAYER based on the following performance achievements by PLAYER during any Contract Year:

A. If, at the end of the NBA season, PLAYER is selected as:

|  |  |
| --- | --- |
| All-NBA First Team member | $45,000.00 |
| All-NBA Second Team member | $10,000.00 |
| NBA All-Star Game Team member | $10,000.00 |

B. If, at the end of the NBA Regular season, PLAYER has played a total of:

|  |  |
| --- | --- |
| 1604 to 1967 minutes | $10,000.00 |
| 1968 or more minutes | $15,000.00 |

This subparagraph shall apply only to minutes played by PLAYER in NBA Regular Season Games.

C. All bonuses earned under this paragraph shall be paid within thirty (30) days of the release of the official NBA statistics at the end of the season.

7.  **PLAYER CAMPS**

A. During each Contract Year, FAST MOVES agrees to supply PLAYER with up to:

(i) three hundred (300) t-shirts

(ii) ten (10) coaching shirts, and

(iii) fifteen (15) travel bags

to be used at camps sponsored by PLAYER. Style and design of shirts shall be mutually agreed upon by FAST MOVES and PLAYER. If PLAYER requires additional t-shirts and/or coaching shirts, PLAYER may purchase those at the FAST MOVES wholesale price. FAST MOVES shall be responsible for screening the t-shirts and coaching shirts as required by PLAYER.

B. The receipt of the merchandise in Subparagraph A above shall be non-assignable, and is personal to PLAYER. PLAYER further agrees that at any camp he will not sponsor, co-sponsor or endorse any Product manufactured or sold by any manufacturer other than FAST MOVES. PLAYER understands that FAST MOVES shall not supply athletic footwear for use at this camp. PLAYER may purchase FAST MOVES athletic footwear for this camp at wholesale price.

8.  **FAST MOVES PRODUCTS FOR PLAYER'S USE**

A. During the Contract Term, FAST MOVES agrees to supply PLAYER, at no charge, such quantities of PLAYER basketball shoes as he may reasonably request for his own personal use to fulfill his obligations under this Contract.

B. In addition, during each Contract Year, PLAYER will be entitled to order from the FAST MOVES Promotions Department, at no expense, FAST MOVES merchandise up to a retail value of Four Thousand Dollars ($4,000.00).

C. FAST MOVES shall not be liable to PLAYER for any injury or damage suffered by PLAYER from wearing or using Products, except such injury or damage resulting from the negligence of FAST MOVES, and PLAYER specifically waives, only as against FAST MOVES, all warranties, express or implied, or merchantability or fitness for a particular purpose.

9.  **PLAYER TO WEAR FAST MOVES PRODUCTS**

A. PLAYER agrees to wear FAST MOVES Products exclusively while participating in all athletic activities, including, but not limited to, all basketball practices and games, all sports camps, and all other occasions at which he wears a basketball uniform, poses for basketball photographs, or is otherwise engaging in athletic activities. PLAYER agrees to make best efforts to wear, whenever possible, FAST MOVES Products when promoting products of other non-competing manufacturers. PLAYER agrees to wear shoes on which the FAST MOVES Swoosh Logo color contrasts with the remainder of the upper of the shoe.

B. PLAYER shall neither give approval for nor make any attempt to change any FAST MOVES Product worn or used by PLAYER to appear to be a non-FAST MOVES Product, the occurrence of which would be grounds for immediate termination of this Contract.

C. PLAYER agrees that he will not wear Products manufactured by companies other than FAST MOVES. PLAYER shall not wear Products manufactured by companies other than FAST MOVES which have been changed to appear to be FAST MOVES Products; any attempt to change any non-FAST MOVES Product to resemble a FAST MOVES Product is grounds for immediate termination of this Contract.

D. Without FAST MOVES' prior written approval, PLAYER shall not permit the tradename, trademark, name, logo, or any other identification of any person, company or other business entity other than FAST MOVES to appear on FAST MOVES Products worn or used by PLAYER.

10.  **GRANT OF ENDORSEMENT**

A. PLAYER grants to FAST MOVES the exclusive right and license during the Contract Term and within the Contract Territory to use the PLAYER Endorsement in connection with the advertisement, promotion and sale of Products. PLAYER shall receive no additional compensation for such use, it being understood and agreed to by the parties that the consideration for the grant of the exclusive right and license called for herein is encompassed by the Base Compensation.

B. PLAYER shall retain all rights in and to PLAYER's name and Endorsement and PLAYER shall not be prevented from using, permitting or licensing others to use PLAYER's name or Endorsement in connection with the advertisement, promotion or sale of any product or service other than Products. FAST MOVES and PLAYER agree that they shall take all necessary steps during the Contract Term to protect the PLAYER Endorsement in connection with the advertisement, promotion and sale of Products.

11.  **POSTERS**

A. PLAYER grants FAST MOVES the non-exclusive right to use the PLAYER Endorsement in promotional and retail posters.

B. If PLAYER uses PLAYER in a FAST MOVES retail poster, FAST MOVES shall pay PLAYER the following sums for each poster sold by FAST MOVES:

(i) If poster features PLAYER alone, the sum of ten cents ($.10) per poster sold;

(ii) If poster features PLAYER and one (1) other player, the sum of fifteen cents ($.15) per poster sold shall be divided equally between players;

(iii) If poster features PLAYER and two (2) other players, the sum of twenty cents ($.20) per poster sold shall be divided equally among the players;

(iv) If poster features PLAYER and three (3) or more other players, the sum of twenty-five cents ($.25) per poster sold shall be divided equally among the players.

C. All amounts owed to players shall be determined semi-annually, for the six-month periods ending November 30 and May 31 each year, and all payments, share and share alike, shall be made within sixty (60) days of the end of each six-month period.

D. PLAYER agrees that FAST MOVES shall have the right to sell all posters printed and/or ordered as of the effective termination or expiration date of the Contract. PLAYER shall continue to receive royalties on the sale of such posters in accordance with the provision of subparagraphs B and C above.

12. PLAYER WARRANTY -- PLAYER warrants and represents that he is not a party to any agreement, contract or understanding, whether oral or written, for the endorsement of Products which would prevent, limit or hinder his performance of any of his obligations under this Contract. During the Contract Term, PLAYER further warrants that he will not, without the prior written consent of FAST MOVES:

A. Sponsor, wear or endorse Products sold by any manufacturer or seller other than FAST MOVES; or

B. Enter into any endorsement, promotional, consulting or similar agreement with any other manufacturer or seller of athletic shoes or other Products other than FAST MOVES; or

C. Knowingly take any action inconsistent with the endorsement of FAST MOVES Products.

13. RIGHT TO PRORATION -- FAST MOVES shall have the right to reduce PLAYER's Base Compensation in the event of the occurrence of any one or more of the following:

A. If, while PLAYER is on an Active Roster, the number of NBA Regular Season Games in which he fails to make an official game appearance as a starter or substitute during competitive play exceeds twenty (20), then his annual Base Compensation shall be reduced by the proportion that the total number of NBA Regular Season Games in which he fails to make such an official game appearance bears to the eight-two (82) game regular season.

In addition to its right to proration set forth in Subparagraph A above, FAST MOVES shall have the following rights to reduce PLAYER's Base Compensation;

B. If PLAYER fails to start an NBA season on an Active Roster, his annual Base Compensation shall be reduced by the proportion that the number of NBA Regular Season Games player prior to his placement on an Active Roster bears to the eighty-two (82) game regular season.

C. If PLAYER retires as an NBA player or voluntarily sits out all or part of a season, or is waived or suspended, his annual Base Compensation shall be reduced by the proportion that the number of NBA Regular Season Games missed by virtue of the foregoing reasons bears to the eight-two (82) game regular season.

D. If there is a strike, work stoppage or any labor dispute, PLAYER's annual Base Compensation for the regular season shall be reduced by a proportion that the number of games not played by PLAYER bears to the eight-two (82) game regular season.

In the event PLAYER exercises his rights to proration as provided herein, such reductions may be effected either 1) by withholding payment of Base Compensation for that Contract Year or subsequent Contract Years, if any, or 2) by receiving reimbursement from PLAYER for Base Compensation already paid in excess of the amount to which PLAYER would be entitled after proration; provided that PLAYER shall make such reimbursement within thirty (30) days of receiving notice from PLAYER that such payment is due.

14.  **RIGHT OF FIRST REFUSAL**  -- Upon expiration or termination of this Contract, including the Option Year, if any, FAST MOVES shall, for a period of thirty (30) days, have the right of first refusal to the PLAYER Endorsement and to PLAYER's services in connection with the promotion, consultation and/or sale of Products. PLAYER agrees to notify FAST MOVES in writing of the terms of any bona fide third-party offer for such Endorsement and/or services at least ten (10) days prior to entering into an agreement with such third party. If FAST MOVES equals or betters the offer of such third party within said ten (10) day period, PLAYER agrees to enter into a contract with FAST MOVES to continue his endorsement of FAST MOVES Products on the terms of the offer made by FAST MOVES.

15.  **RIGHT OF TERMINATION BY PLAYER**  -- PLAYER shall have the right to terminate this Contract upon thirty (30) days' prior written notice to FAST MOVES, in the event of the occurrence of any of the following:

A. If FAST MOVES is adjudicated as insolvent, declares bankruptcy or fails to continue its business of selling FAST MOVES basketball shoes; provided, however, that nothing contained in this Contract shall obligate FAST MOVES to sell any specific quantities of FAST MOVES basketball shoes during the Contract Term; or

B. If FAST MOVES fails to make payment to PLAYER of any sums due pursuant to this Contract within thirty (30) days following the receipt by FAST MOVES of written notice from PLAYER that such payment is past due.

16.  **RIGHT OF TERMINATION BY FAST MOVES**

A. FAST MOVES may terminate this Contract upon prior written notice if:

(i) At any time the commercial value of PLAYER is substantially impaired by reason of the commission by PLAYER of any act which is demonstrably injurious to FAST MOVES Products; or which behavior is such as to suggest public dissatisfaction or public ridicule of FAST MOVES Products; or is convicted of a felony; or if PLAYER is admitted to a drug treatment program, PLAYER hereby agrees to notify FAST MOVES and FAST MOVES shall have the right to terminate this Contract under the terms of this Paragraph 16 or to prorate PLAYER's Base Compensation, under the terms of Paragraph 13, for time spent in said treatment program; or

(ii) During any regular NBA season, PLAYER is not on an Active Roster, including injured reserved list, for ninety (90) days or more; or

(iii) PLAYER retires from the NBA as a player; or

(iv) PLAYER violates any of the provisions of Paragraph 5, 9 or 12; or

(v) PLAYER dies.

B. Upon termination under the terms of this paragraph, PLAYER shall not be entitled to any further compensation. PLAYER shall have the right to submit any termination under subparagraph A to binding arbitration at Denver, Colorado under American Arbitration Association (AAA) rules within thirty (30) days of notice of termination.

17.  **RIGHT TO USE OF ENDORSEMENT UPON EXPIRATION OR TERMINATION**  -- Upon expiration or termination, for any reason whatsoever, of this Contract, PLAYER shall have no right to continue to use the PLAYER Endorsement, except as provided below:

A. PLAYER agrees that FAST MOVES shall have the right, for a period of one (1) year following the effective date of termination, to dispose of all advertising and promotional materials bearing the PLAYER Endorsement which were printed or ordered prior to the effective date of termination, except those materials referred to in subparagraph B below.

B. PLAYER agrees that FAST MOVES shall have the right to the in-house, non-commercial use of any videotapes, films or video productions, which feature PLAYER exclusively, in conjunction with other athletes or which specifically feature or highlight PLAYER.

18.  **DEFAULT/ATTORNEYS FEES**  -- The prevailing party in any litigation between FAST MOVES and PLAYER for any alleged breach of this Contract shall be entitled to receive from the losing party, in addition to costs and disbursements reasonably incurred, such reasonable attorneys' fees as shall be set by the court in which the litigation is tried, heard or decided or, in the event of any appeal by the appellate court. For purposes of this paragraph, litigation shall include the submission of a controversy to arbitration under the provisions of Paragraph 16. In such case, the arbitrator shall decide the reasonableness of costs, disbursements and attorneys' fees.

19.  **REMEDIES**  -- In the event PLAYER breaches any term or condition of this Contract, in addition to any and all other remedies available to FAST MOVES at law or in equity, PLAYER and FAST MOVES agree that:

A. FAST MOVES shall be entitled to injunctive relief from such further violation of this Contract, pending litigation as well as on final determination of such litigation, without prejudice to any other right of FAST MOVES; and

B. PLAYER shall not endorse for compensation, either present or deferred, during the balance of the term of this Contract any Product designed or used in basketball. PLAYER agrees that FAST MOVES shall be allowed injunctive relief in the event of such endorsement for compensation, without prejudice to any other right accruing to FAST MOVES, including damages.

20.  **PLAYER/FAST MOVES RELATIONSHIP**  -- PLAYER's performance of services for FAST MOVES hereunder is in his capacity as an independent contractor. Accordingly, nothing contained in this Contract shall be construed as establishing an employer/employee partnership or joint venture relationship between PLAYER and FAST MOVES. PLAYER shall be solely responsible for the payment of all taxes on any compensation received under this Contract.

21.  **WAIVER**  -- The failure at any time of either PLAYER or FAST MOVES to demand strict performance by the other of any of the terms, covenants or conditions set forth herein shall not be construed as a continuing waiver or relinquishment thereof, and either party may, at any time, demand strict and complete performance by the other of such terms, covenants and conditions.

22.  **NOTICES**  -- All notices and statements provided for herein shall be in writing and shall be deemed given if sent by Registered or Certified mail, postage prepaid, addressed to the parties at their addresses set forth below, or at such other addresses as either party may from time to time designate to the other. In addition, the parties agree that all payments provided for herein will be made to the address designated below unless otherwise indicated in the space provided for such purpose. It is solely PLAYER's obligation to notify FAST MOVES of any address change and PLAYER's responsibility for any consequences of failure to notify:

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| --- | --- |
| TO PLAYER: | Maurice "Stretch" Stevensc/o Attorney Kari Greenberg4238 North TequestaLos Angeles, CA |
| TO FAST MOVES: | Contracts Administrators,PromotionsJack C. Young4200 West CimarronColorado Springs, CO |

23.  **ASSIGNMENT/DELEGATION**  -- PLAYER and FAST MOVES shall not delegate the obligations of this Contract without the consent of the other, but PLAYER shall have the right to assign his financial benefits hereunder, and FAST MOVES hereby consents to such assignment, provided PLAYER continues to perform and guarantee the performance of his obligation hereunder in writing prior to such assignment.

24.  **ENTIRE CONTRACT**  -- This Contract constitutes the entire understanding between PLAYER and FAST MOVES and cannot be altered or modified except by an agreement in writing, signed by both PLAYER and FAST MOVES. All previous agreements between PLAYER and FAST MOVES shall have no further force and effect.

25.  **SEVERABILITY**  -- Every provision of this Agreement is severable. If any term or provision hereof is held to be illegal or invalid for any reason whatsoever, such illegality or invalidity shall not effect the validity of the remainder of this Agreement or any other provision.

26.  **GOVERNING LAW**  -- This Contract shall be governed by and construed in accordance with the laws of the State of Colorado, regardless of the fact that any of the parties hereto may be or may become a resident of a different state or jurisdiction. Any suit or action arising shall be filed in a court of competent jurisdiction within the State of Colorado. The parties hereby consent to the personal jurisdiction of said court within the State of Colorado.

27.  **SECTION CAPTIONS**  -- Section and other captions contained in this Contract are for reference proposes only and are in no way intended to describe, interpret, define or limit the scope, extent or intent of the Contract or any provision hereof.

 **IN WITNESS WHEREOF**, the parties hereto have duly executed this Contract as of the date first above written.

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| --- | --- |
| PLAYER | FAST MOVES |
|  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | BY: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| MAURICE "STRETCH" STEVENS | JACK YOUNG, |
|  | Director of Promotions |
| Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| Social Security No.: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |  |
| Home Address: |  |
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