

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (the "Agreement") between PERFECT GAME INCORPORATED including its successors or its assigns (the "Company"), and DONNIE DARBY ("Employee") and is made effective as of July 31st, 2021 (the "Effective Date").

WHEREAS, Company engages in the business of youth baseball sports league, tournaments, ranking, sponsorship and branding (the "Business");

WHEREAS, the Company desires to employ the Employee, and the Employee desires to accept such employment on the terms and conditions hereinafter set forth;

NOW, THEREFORE, as and for consideration for the mutual promises, covenants and agreements as set forth herein, and for other good and value consideration, receipt and sufficiency of which is hereby acknowledged, the Company and the Employee (each a "Party" and collectively the "Parties") agree as follows:

1. TERM.

The term of the Employee's employment under this Agreement (the "Term" or "Relationship") shall be the Initial Term (as hereinafter defined) and the Renewal Term (as hereinafter defined). The initial term of this Agreement shall be the period commencing as of the Effective Date and, unless earlier terminated in accordance with the provisions hereof, terminating three (3) years thereafter (the "Initial Term"). Unless earlier terminated in accordance with this Agreement, upon the expiration of the Initial Term, and upon the expiration of each subsequent Renewal Term hereof, this Agreement shall be automatically renewed for succeeding terms of one year (each a "Renewal Term") on the same terms and conditions hereof, unless otherwise agreed to by the Parties.

2. EMPLOYMENT.

2.1 Employment by the Company.

During the Relationship and subject to the conditions set forth in this Agreement, the Company agrees to employ the Employee and the Employee agrees to be employed by the Company. During the Relationship, Employee shall perform the services he is required to perform under this Agreement at the Company's offices, located at Florida or at other locations as the Parties mutually deem necessary or appropriate.

2.2 Title and Duties.

During the Term, the Employee shall serve as a director of events in Alabama and Tennessee.

PRIMARY OBJECTIVE:

To oversee and execute the pre-event, on-site event, and post-event sales and operations of all events assigned to within the region (Alabama and Tennessee) or other outside events assigned to.

RESPONSIBILITIES:

Lead staff in assigned region, office, and/or events as directed by Company.

- Create a schedule for the territory to be approved by Company for each season of the year.
- Secure facilities to execute above schedule, per approval by Company.
- Secure all needed event and seasonal staff to execute above schedule. This includes gatekeepers, scorekeepers, scouts, trainers, field crew (if necessary), and others in order to execute above schedule per Company standards and expectations. This includes all registration, training, supervision, and post-event payment submission.
- Lead all sales efforts for approved schedule ensuring annual growth.
- Follow all Company operations policies and procedures to execute above schedule.
- Follow and execute all forecast and budgeting exercises as required by Company for region.
- Provide the satisfactory level of customer service expected per Perfect Game standards.
- Work directly with Perfect Game's designated travel bureau, enforcing Stay-to-Play on all teams participating in events.

2.3 Performance of Duties.

During the Term, the Employee shall faithfully and diligently perform his duties hereunder and serve the Company and its interests to the best of his ability. The Employee shall devote his entire productive time, ability and attention to his duties and to the business and affairs of the Company under this Agreement for the Term of Employee's employment, subject to paid time-off and sick leave in accordance with Company policy. Employee is not required to perform his duties at the Company premises. He may perform some of his services from tournaments or events. Employee shall not directly or indirectly engage in any other employment, business or enterprise, which would materially impact Employee's ability to perform his duties to the Company, whether such activity is pursued for gain or profit, except with the written consent of the Company. Employee agrees and understands that the Company's consent is required to ensure that any other employment, business, or enterprise does not interfere with Employee's employment or create a conflict of interest. Employee represents to Company that he has no other outstanding commitments inconsistent with any of the terms of this Agreement or the services to be rendered under it. Employee agrees that the services to be performed under this Agreement are of a special, unique, unusual, extraordinary, and intellectual character that gives them peculiar value to Company, the loss of which cannot be reasonably or adequately compensated in damages in an action at law. Employee agrees that Company, in addition to any other rights or remedies Company may have, shall be entitled to injunctive and other equitable relief to prevent or remedy a breach of this Agreement by Employee.

Employee agrees to conduct himself at all times with due regard to public conventions and morals. Employee agrees not to engage in any conduct that will reasonably tend to degrade him or bring Company into public hatred, contempt, or ridicule, or tend to offend the community in which Employee represents Company, or to prejudice Company's position in the Company's industry. Employee acknowledges and agrees that this provision is necessary to protect the Company's goodwill in the community in which Employee represents it and to protect the profitability of Company's business.

2.4 Compliance with Policies, Laws, and Handbook.

During the Term, the Employee shall comply with the Company's rules, standards, policies and procedures now existing, or hereinafter adopted, and provided to Employee, which are hereby incorporated by reference, including but not limited to those relating to protecting confidential information and those pertaining to legal compliance and business ethics. As a term and condition of employment, Employee acknowledges that he is subject to and agrees to adhere to the policies, procedures, rules and regulations of a certain Employee Handbook in effect from time to time, as may be modified by the Company from time to time.

2.5 Opportunities.

During the Term, the Employee shall inform the Company of each business opportunity related to the Business of the Company of which he becomes aware and the Employee shall not directly or indirectly, exploit or usurp any such opportunity for personal gain or his own account in violation of Section 2.3 of the Agreement.

3. **COMPENSATION AND BENEFITS.**

3.1 Salary/Incentives/Bonus:

The Employee's salary (the "Base Salary") for 2021 shall be prorated based on an annual rate of \$100,000 for the remainder of the Term shall be \$100,000 for the remainder of the Term to be paid consistent with Company's regular payroll practices. All amounts and benefits payable under this Agreement shall be subject to applicable federal and state taxes and statutory withholdings.

Employee's Incentives/Bonus shall be based on reaching milestones as described in Exhibit A.

3.2 Employee Benefits.

During the Term, the Employee shall be eligible to participate in the Company's standard employee benefit plans made generally available to employees of the Company, as may be modified from time to time, subject to eligibility requirements.

3.3 Paid Time Off.

Vacation and paid time off from work shall be governed by the Company's paid-time-off ("PTO") and holiday policies in effect from time to time, as may be modified from time to time.

3.4 Cessation of Employment.

In the event the Employee shall cease to be employed hereunder for any reason, then the Employee's compensation, incentives/bonus and entitlement thereto and benefits shall cease on the date of such event, except as otherwise provided herein or in any applicable employee benefit plan or program.

4. TERMINATION.

4.1 The Employee's employment hereunder may be terminated only under the following circumstances:

i. Death.

The Employee's employment hereunder shall terminate immediately upon the Employee's death, without further action by any Party, at which time the Company shall have no further obligations of any kind to the Employee.

ii. Disability.

The Company or the Employee may terminate the Employee's employment hereunder at any time by reason of Disability (as hereinafter defined). For purposes of this Agreement, "Disability" means: (i) where the Employee is insured under a long term disability insurance policy that is in force, the receipt, or eligibility for receipt, by the Employee of payments under such policy by virtue of being disabled pursuant to the policy or (ii) if there is no such insurance, the Employee's inability by reason of injury or sickness to carry out the Employee's duties and responsibilities under this Agreement for a period of twelve (12) consecutive months.

iii. Termination by the Company for Cause.

In addition to any other rights that the Company may have, the Company may, in its sole and absolute discretion, terminate the Agreement for Cause. For purposes of this Agreement, "Cause" means:

A. the gross neglect or willful failure or willful refusal of the Employee to perform the Employee's duties and responsibilities hereunder (other than as a result of total or partial incapacity due to physical or mental illness not related to alcohol or other substance abuse) or the Employee, in the determination of the Management Committee, has been grossly negligent in the performance of his duties;

B. the engaging by the Employee in misconduct, which would reasonably be expected to be known by the Employee to be improper or which causes injury to the Company, monetarily or otherwise;

C. the perpetration by the Employee of a fraud, theft, embezzlement, misappropriation of Company assets, against or affecting the Company or any customer, client, agent, or employee thereof;

D. any willful or intentional improper act that is intended to result in injury to the reputation, business, or business relationships of the Company or the Employee's

reputation or business relationships, or any act that is taken with disregard for the fact that such harm would or could be expected to occur;

E. conviction (including conviction on a nolo contendere plea) of a felony or any crime involving, in the good faith judgment of the Company, any law, rule or regulation governing or applying to the Company's industry, fraud, dishonesty or moral turpitude;

F. the breach of any material provision of this Agreement, breach of fiduciary duty to the Company or the Confidentiality Agreement between Employee and the Company of even date herewith (the "Confidentiality Agreement"), including any policy or other document incorporated herein by reference, or in Section 6;

G. the Employee's breach of any written or oral agreement with the Company;

H. use of illegal drugs during performance of Employee's duties; and

I. that the Employee is adjudged bankrupt, whether voluntary or involuntary and;

With respect to Subsections 4.1(iii)(A), (B), (D), (F), and (G), the Company shall provide notice to the Employee setting forth the acts allegedly constituting Cause hereunder to enable Employee to cure the alleged acts. If, for any reason, the Employee shall not have cured such acts within thirty (30) days of the receipt of such notice, the Company may nonetheless terminate the Agreement. The Company may terminate the Employee's employment hereunder for Cause by giving the Employee written notice of such termination. It is further understood that nothing in this Agreement precludes the Company's right to take disciplinary measures against Employee during Employee's employment with the Company.

iv. Termination by the Employee for Good Reason.

The Employee may terminate his employment hereunder at any time for Good Reason. For purposes of this Agreement, "Good Reason" shall mean the occurrence of a material breach of this Agreement by the Company which remains uncured following thirty (30) days' notice by the Employee to the Company setting forth, in detail, such breach. Termination of employment by the Employee for Good Reason pursuant to this Section 4.1(iv) shall not constitute a breach of this Agreement by the Employee.

4.2 No Voluntary Resignation by the Employee; No Other Termination by the Company.

The Employee shall not terminate this Agreement at any time during the Term except by reason of death under Section 4.1(i), by reason of Disability under Section 4.1(ii) or for Good Reason under Section 4.1(iv), unless prohibited by applicable law. Any termination of this Agreement by the Employee other than by reason of death, Disability or for Good Reason shall constitute a breach

of this Agreement by the Employee. The Company shall not terminate this Agreement at any time during the Term except by reason of death under Section 4.1(i), Disability under Section 4.1(ii) or for Cause under Section 4.1(iii). Any termination of this Agreement by the Company other than by reason of death, Disability or for Cause shall constitute a breach of this Agreement by the Company.

4.3 Termination on Expiration of Term.

Notwithstanding anything herein contained, either Party shall have the right to terminate this Agreement on the expiration of the Initial Term and on the expiration of any Renewal Term by giving the other Party not less than ninety (90) days' written notice prior to the end of the Initial Term or Renewal Terms (as applicable). Notwithstanding the provisions of this Section 4.3, Company and Employee may terminate this Agreement at any time upon their mutual, written consent.

4.4 Notice of Termination; Termination Date.

Any permitted termination of the Employee's employment hereunder by the Company or by the Employee (other than termination upon the Employee's death, which does not require further action by any Party), shall be effective on the Termination Date (as hereinafter defined), upon the giving of written Notice of Termination (as hereinafter defined) to the other Party. For purposes of this Agreement, a "Notice of Termination" means a notice that states the Termination Date and identifies the provision or provisions of this Agreement relied upon as the basis for termination.

"Termination Date" means: (i) if the Employee's employment terminates by his death, the date of his death; (ii) if the Employee's employment terminates upon expiration of the Initial Term, the date following the last day of the Initial Term; (iii) if the Employee's employment terminates and upon expiration of a Renewal Term, the date following the last day of the Renewal Term; and (iv) if the Employee's employment terminates for any other reason, the date specified in the applicable Notice of Termination.

4.5 Compensation and Benefits Following Termination.

i. Payment on Termination.

In the event that the Employee's employment hereunder is terminated by reason of his death, by reason of Disability or upon the expiration of the Term, the Company shall be obligated to provide to the Employee (or his estate or beneficiaries, as the case may be) only:

A. accrued but unpaid Base Salary and any reimbursable expenses incurred through the Termination Date required to be reimbursed in accordance with this Agreement;

B. a lump-sum payment in respect of pro-rata accrued but unused paid time off as provided for in the Company's policies;

C. any benefits to which he may be entitled upon termination pursuant to the plans, policies and arrangements in accordance with the terms of such plans, policies and arrangements.

In the event that the Employee's employment hereunder is terminated for Cause, the Company shall be obligated to provide to the Employee only earned but unpaid Base Salary and reimbursable expenses through the Termination Date, provided that nothing herein shall preclude the Company from seeking damages from the Employee or enforcing any of its rights pursuant to this Agreement or the Confidentiality Agreement, in the event of any breach of this Agreement by the Employee.

ii. Debt Repayment.

Following the termination of the Employee's employment hereunder, the Employee shall repay all outstanding debts and loans within sixty (60) days of the Termination Date due to the Company and the Company shall be entitled to a right of offset against any amounts due to the Employee hereunder in respect of such debts and loans, including any paid prior to termination that exceeds the actual Bonus paid to Employee, and in respect of any damages due to the Company as a result of the breach by the Employee of any of the provisions of this Agreement.

iii. No Further Liability; Release.

Payment made and performance by the Company in accordance with this Agreement shall operate to fully discharge and release the Company and its directors, officers, employees, subsidiaries, affiliates, stockholders, successors, assigns, agents and representatives from any further payment obligation with respect to the Employee's employment and termination of employment and the Employee does hereby so release all such persons and entities. Other than making such payments as are required under this Agreement (as applicable), the Company and its directors, officers, employees, subsidiaries, affiliates, stockholders, successors, assigns, agents and representatives shall have no further obligation to the Employee or any other person or entity under this Agreement.

5. COMPANY'S CONFIDENTIALITY AGREEMENT/NON-COMPETE/RESTRICTIVE COVENANTS.

5.1 As and for additional consideration for the Company's obligations set forth herein, the Employee has agreed to the Confidentiality provision contained in the Asset Purchase Agreement and as a term and condition of employment, Company's Confidentiality Agreement is hereby incorporated by reference as though fully set forth herein.

5.2 The Parties hereto hereby acknowledge and agree that Employee is bound by those certain non-competition and non-solicitation provisions (collectively, the "Non-Compete") set forth in that certain Asset Purchase Agreement of even date herewith to which Employee is a party being entered into by Employee in connection with the Transaction. The Parties hereto hereby incorporate the Non-Compete as though fully set forth herein.

5.3 The Employee acknowledges that he has carefully read and considered the Confidentiality Agreement and the Non-Compete provisions in the Asset Purchase Agreement and agrees and accepts that the restrictions set forth therein and herein are fair and reasonable, are supported by valid consideration, and are reasonably required to protect the legitimate business interests of the Company.

6. ASSIGNMENT AND TRANSFER.

This Agreement is binding upon the Parties and their respective successors and assigns. This Agreement shall inure to the benefit of the Parties, their respective successors and permitted assigns, and their heirs and legal representative(s) (in the case of the Employee). The rights and obligations of the Company under this Agreement may be assigned or transferred by the Company upon prior written notice to the Employee; provided that such assignee covenants and agrees to assume Company's obligations hereunder. Notwithstanding the foregoing, the Employee's rights and obligations under this Agreement may not be assigned or transferred by him other than his rights to compensation and benefits, which may be transferred only by will or by operation of law.

7. JURISDICTION; FORUM.

7.1 All disputes between the Company and Employee involving shall be governed by, interpreted and enforced in accordance with the internal laws of the State of Iowa without regard to principles of conflicts of laws. All disputes between that Company and Employee involving issues other than those identified in Section 9.1 shall be submitted to binding arbitration in Iowa, before one arbitrator in accordance with the governing Employment Arbitration Rules of the American Arbitration Association then in effect. Judgment may be entered and enforced on the arbitrator's award in any court of competent jurisdiction. The Parties further agree that, the arbitrator, and not any federal, state, or local court or agency, shall have exclusive jurisdiction to resolve any dispute relating to the interpretation, applicability, enforcement, or formation of this Agreement, including, but not limited to, any claim that all or any part of this Agreement is void or voidable, including the arbitrability of this Agreement. Accordingly, therefore this Agreement will be submitted to binding arbitration under this Section 7.1. **EACH PARTY HEREBY WAIVES ANY RIGHT TO TRIAL BY JURY IN ANY ACTION, LAWSUIT OR PROCEEDING RELATING TO ANY DISPUTE ARISING UNDER OR IN CONNECTION WITH THIS AGREEMENT.**

8. ENFORCEABILITY.

8.1 If any provision of this Agreement shall be held by an arbitrator, arbitration panel, or court of competent jurisdiction to be illegal, invalid or unenforceable, the remaining provisions shall remain in full force and effect

8.2 Employee acknowledges: (i) that Employee has consulted with or has had the opportunity to consult with an attorney of his choice concerning this Agreement and that Employee has been advised of his right to do so by the Company; and (ii) that Employee has read and understands the Agreement and Employee is fully aware of its legal effect, and has entered into it freely based on his own judgment and not on any representations or promises other than those contained in this Agreement.

9. MISCELLANEOUS.

9.1 Injunctive Relief.

The Employee acknowledges and agrees that a remedy at law for any breach or threatened breach of the provisions of this Agreement or the Confidentiality Agreement or the Non-Compete may be inadequate and, therefore, agrees that, where necessary to protect the Company's rights and interests, the Company shall be entitled to injunctive relief in addition to any other available rights and remedies in case of any such breach or threatened breach. Provided, however, that nothing contained herein shall be construed as prohibiting the Company from pursuing any other rights and remedies available for any such breach or threatened breach. **ACCORDINGLY, THE EMPLOYEE EXPRESSLY ACKNOWLEDGES THAT THE COMPANY SHALL BE ENTITLED TO SPECIFIC PERFORMANCE, INJUNCTIVE RELIEF OR ANY OTHER EQUITABLE REMEDY AGAINST THE EMPLOYEE, WITHOUT THE POSTING OF A BOND, IN THE EVENT OF ANY BREACH OR THREATENED BREACH OF THIS AGREEMENT, OR THE CONFIDENTIALITY AGREEMENT OR THE NON-COMPETE, BY THE EMPLOYEE.** Without limiting the generality of the foregoing, if the Employee breaches or threatens to breach the Confidentiality Agreement or the Non-Compete, such breach or threatened breach will entitle the Company, without posting of bond, to an injunction prohibiting: (i) the Employee from disclosing any Company confidential information to any third party; (ii) such third party from receiving from the Employee or using any such confidential information; and/or (iii) the Employee from soliciting employees of, consultants to, agents of or clients of the Company in violation of the Confidentiality Agreement or the Non-Compete.

9.2 Attorneys' Fees.

In the event of any arbitration or other action arising out of or related to this Agreement, the prevailing Party in such arbitration or other action shall be entitled to receive an award of all costs and expenses of such arbitration or other action, including reasonable attorneys' fees and costs and all other expenses in connection therewith, in addition to any other award or remedy provided in such arbitration or action.

9.3 Entire Agreement.

This Agreement contains the complete agreement concerning the employment arrangement between the Parties and shall, as of the effective date hereof, supersede, cancel any prior or contemporaneous written or oral agreements, understandings, commitments between the Parties with respect to such subject matter, all of which are hereby terminated and annulled and shall be of no further force or effect.

9.4 Amendment.

No provision of this Agreement may be amended unless such amendment is set forth in a signed writing which makes express reference to this Agreement as the subject of such amendment and which is signed by the Employee and on behalf of the Company, by a duly authorized officer.

9.5 Waiver.

The failure of either Party to this Agreement to insist upon the performance of any of the terms and conditions of this Agreement shall not be construed as thereafter waiving any such terms and conditions, but the same shall continue and remain in full force and effect as if no waiver had occurred. To be effective, any waiver must be set forth in writing, signed by the waiving Party.

9.6 Severability.

If any term, provision, covenant or condition of this Agreement or part thereof or the application thereof to any Party, place or circumstance, shall be held to be invalid, unenforceable or void by an arbitrator or a court of competent jurisdiction, the remainder of this Agreement and such term, provision, covenant or condition shall remain in full force and effect, and any such invalid, unenforceable or void term, provision, covenant or condition shall be deemed, without further action on the part of the Parties, modified, amended and/or limited to the extent required to make the term, provision, covenant or condition valid and enforceable, and the court shall have the power to modify, to the extent necessary to render the same and the remainder of this Agreement valid, enforceable and lawful.

9.7 Construction.

Words importing the singular include the plural and vice versa and words importing gender include all genders, including the neuter gender. The headings and captions of this Agreement are provided for convenience only and are intended to have no effect in construing or interpreting this Agreement. The language in all parts of this Agreement shall be in all cases construed according to its fair meaning and not strictly for or against the Company or the Employee.

9.8 Notices.

Any notice, consent, demand, request, or other communication given to a Person in connection with this Agreement shall be in writing and shall be deemed to have been given to such Party (i)

when delivered personally to such Party; (ii) provided a written acknowledgement of receipt is obtained, five (5) business days after being sent by prepaid certified or registered mail, or one business day after being sent by a nationally recognized overnight courier, to the address (if any) specified below for such; or (iii) one (1) business day after it is sent by facsimile to the facsimile number set forth below, with a confirmatory copy sent by certified or registered mail or by overnight courier in accordance with this Section 9.8. Copies shall be sent to the persons, if any, set forth below. The addresses of the Parties are those persons receiving copies are as follows:

If to the Company:
Perfect Game Incorporated
850 Twixt Town Rd NE, Cedar Rapids, IA 52402
Attn: Robert Ponger rponger@perfectgame.org

With a copy to:
Frank J. Longo
flongo@perfectgame.org

If to Employee:

With a copy to:

9.9 Survival.

The provisions of this Agreement that are intended to survive the termination of the Employee's employment with the Company, including without limitation, the Restrictive Covenants contained in Section 8, shall survive such termination in accordance with their respective terms.

9.10 Counterparts.

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall be deemed to be one and the same instrument. Signatures delivered by facsimile shall be effective for all purposes.

9.11 Authority.

Each Party warrants that he or it has the full right, power and authority to enter into this Employment Agreement and make the agreements in this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date and year first written above.

PERFECT GAME INCORPORATED

EMPLOYEE

By: _____
Name: _____
Title: _____

By: _____
Name: Donnie Darby

EXHIBIT A

Incentive/Bonus Plan: Based on Net Profits of events in the territory or assigned to Employee. If the combined Net Income is reached from Events run exclusively by Employee, Employee shall be entitled to receive the corresponding Incentive income. For example, if Alabama Events run by Employee reach net income of \$175,000 then Employee will be entitled to receive \$30,000. Below are the milestones for Incentives:

ALABAMA EVENTS:

\$175k = \$30,000
\$225k = \$35,000
\$250k = \$40,000
\$325k = \$45,000
\$375k = \$50,000
\$450k = \$60,000
\$550k = \$70,000
\$650k = \$80,000
\$750k = \$90,000
\$850k = \$100,000
\$950k = \$110,000
\$1.0m = \$120,000

TENNESSEE EVENTS:

\$175k = \$60,000
\$225k = \$70,000
\$250k = \$80,000
\$325k = \$90,000
\$375k = \$100,000
\$450k = \$115,000
\$550k = \$135,000
\$650k = \$155,000
\$750k = \$175,000
\$850k = \$195,000
\$950k = \$215,000
\$1.0m = \$235,000

Incentive plan will be paid out annually after completion of all fall Events. This compensation structure will be reviewed periodically and may be subject to change. Calculation for Incentives above will include Net Income from entry fees and gate revenue. Events not included in above, include individual Showcase Events and/or National Tournament Events which may be amended from time to time at the sole discretion of Company. All Events in this region will be tracked on a separated P&L. All entry fees, gate, merchandise, team fees, and any income will be collected and processed by Company. All Events and business-related expenses will be paid directly Company. All insurance/legal/admin will be handled Company.