

**Perfect Game SEC:** Alabama | Georgia | North Carolina | South Carolina | Tennessee | Virginia

**Subject:** Proposed Partnership Structure Agreement

**Position:** Managing Partner, PG SEC Softball (North Carolina and surrounding states)

**Introduction:** The following outlines the terms of a proposed partnership between Southeastern Top Gun Softball, LLC and Perfect Game SEC, LLC, with the objective of achieving a highly successful and profitable collaboration through the integration of our respective expertise and resources.

**Initial Payment: \$400,000**

- **Sign on Bonus:** Upon execution of this partnership agreement, Southeastern Top Gun Softball LLC will receive a signing bonus of \$300,000, with a payment of \$100,000 to be made at the conclusion of the 2025 fiscal year, resulting in a cumulative total of **\$400,000**.

**Ownership Position: 50%**

- **Equity Stake:** Southeastern Top Gun Softball, LLC receives a **50%** acquisition distribution after a standard 50/50 partner payout and per the partnership agreement.

**Annual Compensation: \$632,600 to \$1,132,600+**

- **Baseline:** Mary Williams of Southeastern Top Gun Softball, LLC will retain her current baseline salary of **\$500,000** each year.
- **All-State Program:** At a player price of \$299, achieving a 73.9% margin yields a net profit of \$221 per player. With a conservative estimate of 1,200 players annually, this translates to a profit of **\$132,600**. However, the potential for growth is substantial. Expanding the All-State program into additional markets could easily reach over 6,000 players. At this scale, the annual profit would exceed **\$663,000**, demonstrating the program's significant earning potential.

**Additional Revenue Streams:** This additional revenue above and beyond your annual compensation.

- **National Expansion Through Strategic Territory Acquisition:** Mary Williams (Southeastern Top Gun Softball, LLC) and Perfect Game SEC, LLC will jointly expand the program by recruiting directors and integrating acquired softball businesses. Compensation for integration will be mutually agreed upon.
- **50/50 Net Profit Split:** Mary Williams of Southeastern Top Gun Softball, LLC, will receive 50% of the net profits generated above the **company's \$500,000** baseline, in addition to her baseline salary.
- **Showcase:** Develop strategic partnerships with colleges and universities for revenue-generating DiamondKast showcase events and tournaments.
- **Team Registrations:** Annually, you will receive a 50% revenue share, equating to \$49.50 per softball team registration, within your current area and any future expansion areas.
- **Merchandise:** Mary Williams (Southeastern Top Gun Softball, LLC) will receive 10% of the gross revenue generated from all Perfect Game merchandise sales.
- **Tournament Shirts:** Mary Williams (Southeastern Top Gun Softball, LLC) will retain 100% of the revenue generated from tournament shirt sales.

## Terms:

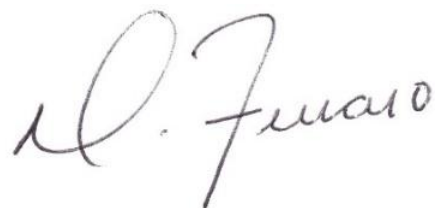
- Perfect Game Corporate will provide a comprehensive support structure, encompassing both a dedicated support team and robust back-office operations, at no cost to you. This support is designed to ensure your success and streamline your operations
- This partnership is established with the intention of lasting indefinitely.
- Provisions for the first right of refusal, including buy-out options, will be comprehensively outlined in the formal partnership agreement.
- Southeastern Top Gun Softball will receive quarterly financial reports.

## Southeastern Top Gun Softball, LLC - Partnership Summary:

<b>1. Initial Payment</b>	<b>\$400,000 Total</b>
* Sign-on Bonus	\$300,000 upon agreement execution; \$100,000 at end of 2025 fiscal year.
<b>2. Ownership Position</b>	<b>50% Equity Stake</b>
* Equity Stake	50% acquisition distribution after standard 50/50 partner payout.
<b>3. Annual Compensation</b>	<b>\$632,600 to \$1,132,600+</b>
* Baseline Salary	\$500,000 annually (Mary Williams)
* All-State Program Profit	\$132,600 (conservative, 1,200 players) to \$663,000+ (potential, 6,000+ players)
<b>4. Additional Revenue Streams</b>	<b>(Beyond Annual Compensation)</b>
* National Expansion	Joint expansion with Perfect Game SEC, LLC
* Net Profit Split	50% of net profits exceeding \$500,000 baseline
* Showcase Events & Tournaments	Revenue from partnerships with colleges/universities for DiamondKast events
* Team Registrations	50% of registration fees (\$49.50 per team) in current and expanded areas
* Merchandise Sales	10% of gross revenue from Perfect Game merchandise
* Tournament Shirts	100% of revenue from tournament shirt sales

**Confidentiality:** Both parties agree to maintain the confidentiality of all sensitive information related to this proposal.

**Director Protection Clause:** Southeastern Top Gun Softball, LLC shall maintain exclusive ownership and operational control of its fields. Transfer or encumbrance to any party, excluding Perfect Game SEC, LLC, requires the joint written consent of both parties.



**Dominick J. Ferraro**  
**Perfect Game SEC, Managing Partner**



**Perfect Game SEC:** Alabama | Georgia | North Carolina | South Carolina | Tennessee | Virginia

**Subject:** Fees and Prizes Package Comparison Breakdown

This comparison chart is based on data provided by the company and is believed to have a high probability of accuracy.

Category	TopGun	Perfect Game	Savings	Notes
<b>1. Tournament Fees</b>	-	-	-	-
a. Zone Qualifiers	\$75 *(\$50 x 149) (\$7,450)	\$0	\$7,450	Additional \$25 - line (d)
b. National Championship	\$100 *(25)	\$0	\$0	Nash County Deal
c. World Series	\$100 *(25)	\$0	\$0	Nash County Deal
d. Per Team Fee	\$25 x 2932 teams (\$73,300)	\$0	\$73,300	2,932 teams in 2024
<b>2. Weekly Award Package</b>	-	-	-	-
a. Team Awards (800 Sets)	\$219 x 800 (\$175,200)	\$90.10 x 800 (\$72,080)	\$103,120	Plaques/Banners tec
b. Rings - Per Team (1538)	*\$39,936 (\$7.68 per)	PG: Awards Included	\$39,936	Paid \$6.03 more per ring
c. Rings - Per Team - (Triad)	\$0	PG: Awards Included	\$0	1394 teams / \$99 - No fee
d. Homerun Trophy - \$3	\$0	PG: Awards Included	\$0	PG: 2 MVP Plates/Awards
e. Homerun Medal - \$2	\$2 x 4,000 (\$8,000)	PG: Awards Included	\$8,000	4000 ordered in 2024
<b>3. National Awards Package</b>	-	-	-	-
a. World Series	*\$289 (N/A)	\$0	\$0	N/A
b. National Championships	*\$289 (N/A)	\$0	\$0	N/A
<b>4. Softballs</b>	-	-	-	-
a. Softballs Ordered	\$650 / Case (\$31,200)	\$288 / Case (\$13,824)	\$17,376	48 Cases in 2024
<b>Total Costs</b>	<b>\$335,086 (Paid to TopGun)</b>	<b>\$85,904 (Paid to PG)</b>		
			<b>\$249,182</b>	<b>Additional Net Profit</b>

\* **1. (a, b, c) Tournament Fees:** Zone qualifiers are \$75 total (\$50 promotional, \$25 team). Note: the \$25 team fee is already included in item (d) 'Per Team Fee'. World Series/Halloween events are \$25 per team, with Nash County covering prizes, fields, and umpire accommodations.

\* **2. (b) Rings - Per Team:** Reflects the minimum ring costs for Southeastern Top Gun Softball, LLC to TopGun Sports USA.

\* **3. (a, b) National Awards Package:** Due to Southeastern Top Gun Softball, LLC agreement with Nash County, they didn't pay for national award packages. They only paid the \$25 per team fee, already included in the 'Per Team Fee' section.