

IN THE SUPREME COURT OF THE STATE OF NEVADA

MMAWC, LLC, a Nevada limited liability company; BRUCE DEIFIK, an individual; and NANCY AND BRUCE DEIFIK FAMILY PARTNERSHIP LLLP, a Colorado limited liability partnership,

Appellants

v.

ZION WOOD OBI WAN TRUST and SHAWN WRIGHT as trustee of ZION WOOD OBI WAN TRUST; WSOF GLOBAL, LLC, a Wyoming limited liability company,

Respondents.

APPEAL No. 75596

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Eighth Judicial District Court  
Case No. A-17-764118-C

**APPELLANTS' APPENDIX**  
**Volume 2 (part 1) of 2**

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# **EXHIBIT 1**

**CONFIDENTIAL SETTLEMENT AGREEMENT**

("Agreement")

**The Parties**

(collectively the "Parties" / singular "Party")

This Confidential Settlement Agreement and Mutual Release of all Claims (the "Agreement") is entered into as of February 19<sup>th</sup>, 2016, among the following parties:

MMAWC L.L.C. d/b/a World Series of Fighting ("WSOF");  
Bruce Deifik ("Deifik");  
Nancy and Bruce Deifik Family Partnership, LLLP ("DFP");  
Carlos Silva ("Silva");  
Barry Pincus ("Pincus");  
Keith Evans ("Evans");  
Ali Abdel Aziz ("Aziz");  
Shawn Wright ("Wright");  
Vince Hesser ("Hesser");  
Michael Hesser ("M. Hesser");  
Tropyx Corp. ("Tropyx");  
United Bamboo, L.L.C. ("Bamboo");  
Zion Wood OB Wan Trust ("Zion");  
WSOF Asia Holdings Limited ("Global I");  
WSOF Asia, Limited ("Global II");  
Royal Union, LLC ("Royal LLC");  
Royal Union Nevada, LLC ("Royal Nevada");  
Royal Union Nevada Corp. ("Royal NV Corp.");  
Royal Union Trust ("Royal Trust"); and  
Royal Union Properties, LLC ("Royal Properties").

**Recitals**

- A. WSOF is a Las Vegas-based company promoting professional events in the sport mixed martial arts ("MMA"). WSOF is dedicated to fans and fighters to create the ultimate entertainment experience.
- B. Silva and Evans are current employees of WSOF. Pincus and Aziz are former employees of WSOF.
- C. Deifik is the Chairman of the Board of Managers of WSOF and an investor in WSOF through DFP.
- D. DFP is a Colorado family partnership. Deifik is the General Partner of DFP.
- E. Wright and Hesser are former employees, officers and/or directors of WSOF.

- F. Bamboo is a Nevada limited liability company. Wright is the Manager of Bamboo.
- G. Tropyx is a Nevada corporation. Wright is the President and Director of Tropyx.
- H. Zion is a Nevada trust. Wright is the Trustee of Zion.
- I. Global I and Global II are limited liability companies formed and organized pursuant to the laws of the Hong Kong Special Administrative Region of the People's Republic of China. Global I and Global II are in the business of promoting professional MMA events. Wright is the Director of Global and the Director of Global II.
- J. Royal LLC is a Delaware limited liability company. Royal Union Trust is the Managing Member of Royal LLC.
- K. Royal Nevada is a Nevada limited liability company. Royal NV Corp. is a Nevada Corporation and the Manager of Royal Nevada. Wright is the Secretary of Royal NV Corp.
- L. Royal Trust is a Nevada trust. Marlon Steele Jr. is the Trustee of Royal Trust.
- M. Royal Properties is a Nevada limited liability company. Wright is a Manager of Royal Properties.
- N. On November 1, 2012, the members of WSOF executed that certain *Third Amended and Restated Operating Agreement of MMAWC, L.L.C.* ("11/01/12 Operating Agreement").
- O. ACAK Revocable Trust executed a Promissory Note dated October 15, 2012 ("ACAK 10/12/12 Note"), promising to pay Tropyx \$150,000 and, among other things, transferring two (2) ownership units of WSOF from ACAK to Tropyx.
- P. WSOF and Hesser entered into a Consulting and Master Licensing Agreement dated October 15, 2012 ("10/15/12 Hesser License") whereby, among other things, WSOF granted Hesser an "exclusive master license for the WSOF brand to be used or licensed outside the US territory for mixed martial arts events, or any other related business."
- Q. WSOF and Royal Trust entered into a WSOF Licensing Agreement dated October 23, 2012 ("10/23/12 Royal Trust License") whereby, among other things, WSOF granted Royal Trust an "exclusive License to market hold and conduct WSOF Asia MMA [mixed martial arts] events and to operate a WSOF branded company" in "the entire continent of Asia and all countries within."
- R. WSOF and Royal Trust are parties to an agreement dated December 11, 2012 ("12/11/12 Technology Agreement"), whereby WSOF retained Royal Trust to create, develop, maintain, sell and distribute certain applications, games and internet subscription services, among other things.

S. WSOF (as sublessee) and M. Hesser (as sub-landlord/lessee) are parties to a Sublease Agreement dated October 1, 2014 ("10/1/14 Sublease") regarding a portion of the premises located at 3275 South Jones Blvd., Suite 104, Las Vegas, Nevada 89146.

T. WSOF and Royal Trust, together with Real Deal Interactive, LLC, are parties to that Letter of Intent-License dated March 11, 2015 ("Real Deal 3/11/15 LOI").

U. *Bamboo Notes*. WSOF executed the following Promissory Notes to Bamboo (collectively, the "Bamboo Notes"):

- (1) WSOF executed a Promissory Note dated November 7, 2014, promising to pay Bamboo \$320,412.88 ("11/7/14 Bamboo Note");
- (2) WSOF executed a Promissory Note dated November 14, 2014, promising to pay Bamboo \$250,000 ("11/14/14 Bamboo Note"); and
- (3) WSOF executed a Promissory Note dated December 23, 2014, promising to pay Bamboo \$75,000 ("12/23/14 Bamboo Note").

V. *Zion Notes*. WSOF executed the following Promissory Notes to Zion (collectively, the "Zion Notes"):

- (1) WSOF executed a Promissory Note dated March 17, 2013, promising to pay Zion \$250,000 ("3/17/13 Zion Note");
- (2) WSOF executed a Promissory Note dated June 24, 2013, promising to pay Zion \$75,000 ("06/24/13 Zion Note");
- (3) WSOF executed a Promissory Note dated December 3, 2013, promising to pay Zion \$41,968.31 ("12/3/13 Zion Note");
- (4) WSOF executed a Promissory Note dated February 19, 2014, promising to pay Zion \$33,994.33 ("2/19/14 Zion Note"); and
- (5) WSOF executed a Promissory Note dated March 24, 2014, promising to pay Zion \$43,563.57 ("3/24/14 Zion Note").

W. WSOF executed a Security Agreement dated November 14, 2014 ("11/14/14 Security Agreement") in favor of Bamboo and/or Zion or their assignees securing the 11/14/14 Bamboo Note and, among other things, "all debts, liabilities, obligations, monies advanced, covenants and duties...arising under the [11/14/14 Bamboo Note], previous promissory notes or moneys advanced to ACAK Revocable Trust...."

X. On May 6, 2015, the members of WSOF executed that certain *First Amendment To Third Amended and Restated Operating Agreement of MMAWC, LLC and Membership Interest Assignment Agreement* ("05/06/15 Operating Agreement").

Y. Certain disputes ("Disputes") have developed among the Parties regarding, among other things, the foregoing agreements and notes and the operations of WSOF. The parties' Disputes are pending in the following actions (collectively sometimes referred as "Actions");

(1) *MMAWC L.L.C. d/b/a World Series of Fighting v. Shawn Wright et al.*, Case No. A-15-724474-B, pending in the Eighth Judicial District Court;

(2) *MMAWC L.L.C. d/b/a World Series of Fighting v. Vincent Hesser et al.*, Case No. 2:15-cv-02399-RFB-GWF, pending in the U.S. District Court for the District of Nevada (removed from the Eighth Judicial District Court, Case No. A-15-725225-B);

(3) *Michael Hesser v. MMAWC L.L.C. d/b/a World Series of Fighting and Bruce Deifik*, Case No. A-15-725975-C, pending in the Eighth Judicial District Court; and

(4) *WSOF Asia, Limited v. MMAWC L.L.C. d/b/a World Series of Fighting et al.*, Case No. 2:15-cv-02065-JAD-VCF, pending in the U.S. District Court for the District of Nevada.

Z. The Parties want to resolve, compromise and settle their Disputes and the Actions on the terms and conditions expressed in this Agreement.

AA. WSOF executed an agreement with OneCap Japan ("OneCap") dated December 4, 2013 ("12/04/13 OneCap Agreement"), for OneCap Japan to act as WSOF's exclusive Japanese and Asia management representative.

BB. WSOF executed a *Business Collaboration Agreement* with Smash KK ("Smash KK") dated October 19, 2013 ("10/19/13 Smash KK Collaboration").

CC. WSOF executed a *WSOF Licensing Agreement* with Smash KK dated October 19, 2013 ("10/19/13 Smash KK License").

DD. Hesser executed a *World Series of Fighting (WSOF) Confidential Term Sheet* with W. International China Co. Limited dated February 17, 2015 ("02/17/15 China Term Sheet").

#### Representations & Warranties

I. Bamboo represents and warrants that it has not assigned any of the Promissory Notes identified at Paragraph U in the Recitals (*i.e.*, 11/7/14 Bamboo Note, 11/14/14 Bamboo Note and 12/23/14 Bamboo Note) or any of its rights thereunder to any third-parties. Bamboo further

represents and warrants that: (a) there are no other Promissory Notes or similar debt instruments between Bamboo and WSOF; and (b) that WSOF does not owe Bamboo any money other than those amounts stated in the Promissory Notes identified at Paragraph U in the Recitals (*i.e.*, 11/7/14 Bamboo Note, 11/14/14 Bamboo Note and 12/23/14 Bamboo Note).

II. Zion represents and warrants that it has not assigned any of the Promissory Notes identified in Paragraph V in the Recitals (*i.e.*, 3/17/13 Zion Note, 06/24/13 Zion Note, 12/3/13 Zion Note, 2/19/14 Zion Note and 3/24/14 Zion Note) or any of its rights thereunder to any third-parties. Zion further represents and warrants that: (a) there are no other Promissory Notes or similar debt instruments between Zion and WSOF; and (b) that WSOF does not owe Zion any money other than those amounts stated in the Recitals (*i.e.*, 3/17/13 Zion Note, 06/24/13 Zion Note, 12/3/13 Zion Note, 2/19/14 Zion Note and 3/24/14 Zion Note)

III. Tropyx represents and warrants that it has not assigned the ACAK 10/12/12 Note or any of its rights thereunder to any third-parties. Tropyx further represents and warrants that: (a) there are no promissory notes or other similar debt agreements, directly or indirectly, between Tropyx and WSOF; and (b) WSOF does not owe Tropyx any money. Tropyx has no claim or security interest against the DFP or the ownership interest in WSOF owned by DFP. Tropyx agrees that DFP or WSOF may file a termination of the UCC Financing Statement filed with the Nevada Secretary of State as Document Number 2015004016-0, listing ACAK Revocable Trust as the debtor.

IV. Tropyx, Hesser, Wright, Bamboo and Zion represent and warrant that: (a) they have not assigned the 11/14/14 Security Agreement or any of their rights thereunder to any third-parties; and (b) there are no other security agreements, directly or indirectly, between them and WSOF.

V. Hesser represents and warrants that: (a) he has provided WSOF with copies of all licenses, agreements, and other arrangements entered into under the 10/15/12 Hesser License; and (b) except for the 10/15/12 Hesser License, he does not have any other similar agreements, directly or indirectly, with WSOF regarding WSOF's business operations or intellectual property. Global I and Global II represent and warrant that they have no agreements with WSOF.

VI. Royal Trust represents and warrants that: (a) it has not assigned the 10/23/12 Royal Trust License; and (b) it has no other agreements, directly or indirectly, with WSOF.

VII. Royal Trust represents and warrants that: (a) it has not assigned the 12/11/12 Technology Agreement or any of its rights thereunder to any third-parties; and (b) it has no other agreements, directly or indirectly, with WSOF.

VIII. M. Hesser represents and warrants that: (a) he has not assigned the 10/1/14 Sublease or any of his rights thereunder to any third-parties; and (b) he has no other agreements, directly or indirectly, with WSOF.

IX. Royal Trust represents and warrants that: (a) it has not assigned the Real Deal 3/11/15 LOI or any of its rights thereunder to any third-parties; and (b) it has no other agreements, directly or indirectly, with WSOF.



X. Hesser and Wright represent and warrant that – other than the entities that are Parties to this Agreement - there are no other entities in which they have an interest or are officers, directors or employees, or in or over which they have or exercise control (whether directly or indirectly) that have any claims against WSOF or any affiliate, member, officer, manager, or employee of WSOF.

XI. Global I, Global II, Royal LLC, Royal Nevada, Royal NV Corp., Royal Trust, Royal Properties, Bamboo, Zion and Tropix represent and warrant that – other than the entities that are Parties to this Agreement – there are no other entities that they are affiliated with or over which they have or exercise control that have any claims against WSOF or any affiliate, member, officer, manager, or employee of WSOF.

XII. Hesser represents and warrants that he did not purportedly enter into any other agreements on behalf of WSOF purportedly licensing WSOF's rights and intellectual property other than the agreements identified in this Agreement or that have not been previously disclosed to WSOF.

XIII. WSOF and Deifik each represents and warrants that it or he has not entered into any agreements on behalf of WSOF that would interfere with the Hesser License rights.

NOW, THEREFORE, in consideration of the mutual agreements made herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. **AMENDED AND RESTATED WSOF OPERATING AGREEMENT.** Concurrently with the execution of this Agreement, Zion and DFP shall execute and deliver to the other an executed counterpart of an amended and restated operating agreement in the form attached here as Exhibit A (the "Operating Agreement"). The Operating Agreement shall supersede and terminate all previous operating agreements of WSOF, including without limitation the 11/01/12 Operating Agreement. Pursuant to and as a result of the execution of the Operating Agreement, Zion's membership interest shall be reduced to 4.50% of the total outstanding ownership units in WSOF (and any of its current or future subsidiaries, parents, successors or assigns), which interest shall remain non-dilutable, as set forth in the Operating Agreement.

2. **LICENSE ASSIGNMENT AGREEMENTS; AND OTHER AGREEMENTS**

2.1. The 10/15/12 Hesser License shall be reaffirmed and remain in full force and effect as of the date of this Agreement, as amended by the execution of the Amendment to Consulting and Master Licensing Agreement in the form attached hereto and incorporated herein as Exhibit B. The license is a material part of settlement on behalf of Hesser and Wright and is not subject to any modification, cancellation, assignment, pledge, lien, or encumbrance by WSOF or any of its creditors and shall survive any restructure, sale, receivership or bankruptcy of WSOF.

2.2. Except the 10/15/12 Hesser License (as amended by the amendment thereto attached hereto as Exhibit B), all documents, writings, and agreements existing prior to the

execution of this Agreement between WSOF on the one hand and the following parties on the other hand (including, without limitation, the (1) 12/04/13 OneCap Agreement, (2) 10/19/13 Smash KK Collaboration, (3) 10/19/13 Smash KK License, (4) 02/17/15 China Term Sheet, (5) 12/11/12 Technology Agreement, (6) the 10/1/14 Sublease, and (7) the Real Deal 3/11/15 LOI) are hereby terminated and of no further force or effect: Wright, Hesser, M. Hesser, Tropyx, Bamboo, Zion, Global I, Global II, Royal LLC, Royal Nevada, Royal NV Corp., Royal Trust and/or Royal Properties (such parties, and all entities and natural persons in any way affiliated with or controlled by such parties, are referred to herein collectively as the "Hesser/Wright Parties"). Hesser and Wright represent and warrant that they have the authority to terminate the 12/04/13 OneCap Agreement, the 10/19/13 Smash KK Collaboration, and the 10/19/13 Smash KK License on behalf of OneCap and Smash KK.

2.3. The Hesser/Wright Parties covenant and agree, and represent and warrant, that there are no other documents, agreements or writings that give or purport to give any of the Hesser/Wright Parties any right, privilege, benefit, guaranty, or promise of any kind related to WSOF or WSOF's business, and to the extent any such document, agreement, or other writing exists that is not expressly set forth in this Agreement, such document, agreement, or other writing is hereby terminated and of no further force or effect. For the avoidance of doubt, it is the express and stated intention of WSOF and the Hesser/Wright Parties that as of and after the Effective Date, the only documents, agreements, or writings that govern the relationship between WSOF and the Hesser/Wright Parties or give such parties rights pertaining to each other related to WSOF or WSOF's business are this Agreement, the License Agreement(s), and the Operating Agreement. The Hesser/Wright parties represent and warrant that all agreements of which they have knowledge related to the licensing of any right of WSOF to any other party have been disclosed to WSOF and/or have been terminated.

3. **PAYMENTS; SATISFACTION OF NOTES.** Zion and Bamboo hereby agree that the total amount of all debts owed by WSOF to Zion, Bamboo, Tropyx, and any other Hesser/Wright Party is \$753,285.00 in principal, and \$147,197.26 in interest, for a total outstanding amount due of \$900,482.26 (the "Zion/Bamboo Debt"). Except for the Zion/Bamboo Debt, neither WSOF nor any of its members, officers, or managers owes Zion, Bamboo, Tropyx, or any of the other Hesser/Wright Parties any money. WSOF shall pay to Zion and Bamboo, by wire transfer, upon execution of this Agreement, the sum of Seven Hundred Fifty Thousand Dollars (\$750,000), which shall represent a payment in full satisfaction of the Zion/Bamboo Debt. Subsequent to receipt of payment funds by the payee, WSOF is authorized to file a termination of the UCC Financing Statement filed with the Nevada Secretary of State as Document No. 2015005015-8 listing MMAWC, LLC as debtor and United Bamboo, LLC as creditor. In the event the payment is not received within one (1) business day of execution of this Agreement, this Agreement will be cancelled and considered null and void, and of no force and effect. The Wright/Parties represent and warrant that concurrently with the execution of this Agreement they have delivered to WSOF the originals all notes, documents, and other debt instruments evidencing the Zion/Bamboo Debt.

4. **RELEASES.** Effective with the execution of this Agreement, the Parties, jointly and severally, irrevocably, and unconditionally agree to the following releases:

4.1 Bamboo together with each of its respective or mutual, predecessors, successors and assigns, and all affiliated persons, agents and entities, jointly and severally, irrevocably and unconditionally, compromise, settle, forever release, and discharge WSOF and its past and present subsidiary corporations, limited liability companies, parent corporations, affiliates, partners, joint venturers, heirs, successors, assigns, contractors, subcontractors, officers, directors, managers, members, shareholders, employees, agents, attorneys, advisors, and insurers (in their individual or representative capacities) from: (a) Any and all debt and obligations under the 11/7/14 Bamboo Note, 11/14/14 Bamboo Note, 12/23/14 Bamboo Note and 11/14/14 Security Agreement; and (b) Any and all claims, demands, losses, damages, actions, causes of action, suits, debts, promises, liabilities, obligations, liens, costs, expenses, attorneys' fees, indemnities, subrogations (contractual or equitable), or duties, of any nature, character or description whatsoever, whether known or unknown, whether in law, equity, or arbitral, fixed or contingent, accrued or not yet accrued, matured or not yet matured, anticipated or unanticipated, asserted, unasserted or which could have been asserted, arising from or related to, directly or indirectly, the Actions or any agreements entered into before the date of this Agreement.

4.2 Zion together with each of its respective or mutual, predecessors, successors and assigns, and all affiliated persons, agents and entities, jointly and severally, irrevocably and unconditionally, compromise, settle, forever release, and discharge WSOF and its past and present subsidiary corporations, limited liability companies, parent corporations, affiliates, partners, joint venturers, heirs, successors, assigns, contractors, subcontractors, officers, directors, managers, members, shareholders, employees, agents, attorneys, advisors, and insurers (in their individual or representative capacities) from: (a) Any and all debt and obligations under the 3/17/13 Zion Note, 06/24/13 Zion Note, 12/3/13 Zion Note, 2/19/14 Zion Note, 3/24/14 Zion Note and 11/14/14 Security Agreement; and (b) Any and all claims, demands, losses, damages, actions, causes of action, suits, debts, promises, liabilities, obligations, liens, costs, expenses, attorneys' fees, indemnities, subrogations (contractual or equitable), or duties, of any nature, character or description whatsoever, whether known or unknown, whether in law, equity, or arbitral, fixed or contingent, accrued or not yet accrued, matured or not yet matured, anticipated or unanticipated, asserted, unasserted or which could have been asserted, arising from or related to, directly or indirectly, the Actions or any agreements entered into before the date of this Agreement.

4.3. Tropyx together with each of its respective or mutual, predecessors, successors and assigns, and all affiliated persons, agents and entities, jointly and severally, irrevocably and unconditionally, compromise, settle, forever release, and discharge WSOF and its past and present subsidiary corporations, parent corporations, affiliates, partners, joint venturers, heirs, successors, assigns, contractors, subcontractors, officers, directors, shareholders, employees, agents, attorneys, and insurers (in their individual or representative capacities) from: (a) Any and all debt and obligations under the ACAK 10/12/12 Note; and (b) Any and all claims, demands, losses, damages, actions, causes of action, suits, debts, promises, liabilities, obligations, liens, costs, expenses, attorneys' fees, indemnities, subrogations (contractual or equitable), or duties, of any nature, character or description whatsoever, whether known or unknown, whether in law, equity, or arbitral, fixed or contingent, accrued or not yet accrued, matured or not yet matured, anticipated or unanticipated, asserted, unasserted or which could have been asserted, arising from or related to, directly or indirectly, the Actions or any agreements entered into before the date of this Agreement.

4.4 Bamboo together with each of its respective or mutual, predecessors, successors and assigns, and all affiliated persons, agents and entities, jointly and severally, irrevocably and unconditionally, compromise, settle, forever release, and discharge Deifik. DFP. Silva. Pincus. Evans and Aziz and any of their past and present subsidiary corporations, limited liability companies, parent corporations, affiliates, partners, joint venturers, heirs, successors, assigns, contractors, subcontractors, officers, directors, managers, members, shareholders, employees, agents, attorneys, advisors, and insurers (in their individual or representative capacities) from any and all claims, demands, losses, damages, actions, causes of action, suits, debts, promises, liabilities, obligations, liens, costs, expenses, attorneys' fees, indemnities, subrogations (contractual or equitable), or duties, of any nature, character or description whatsoever, whether known or unknown, whether in law, equity, or arbitral, fixed or contingent, accrued or not yet accrued, matured or not yet matured, anticipated or unanticipated, asserted, unasserted or which could have been asserted, arising from or related to, directly or indirectly, the Actions or any agreements entered into before the date of this Agreement.

4.5 Zion together with each of its respective or mutual, predecessors, successors and assigns, and all affiliated persons, agents and entities, jointly and severally, irrevocably and unconditionally, compromise, settle, forever release, and discharge Deifik. DFP. Silva. Pincus. Evans and Aziz and any of their past and present subsidiary corporations, limited liability companies, parent corporations, affiliates, partners, joint venturers, heirs, successors, assigns, contractors, subcontractors, officers, directors, managers, members, shareholders, employees, agents, attorneys, advisors, and insurers (in their individual or representative capacities) from any and all claims, demands, losses, damages, actions, causes of action, suits, debts, promises, liabilities, obligations, liens, costs, expenses, attorneys' fees, indemnities, subrogations (contractual or equitable), or duties, of any nature, character or description whatsoever, whether known or unknown, whether in law, equity, or arbitral, fixed or contingent, accrued or not yet accrued, matured or not yet matured, anticipated or unanticipated, asserted, unasserted or which could have been asserted, arising from or related to, directly or indirectly, the Actions or any agreements entered into before the date of this Agreement.

4.6 Tropyx together with each of its respective or mutual, predecessors, successors and assigns, and all affiliated persons, agents and entities, jointly and severally, irrevocably and unconditionally, compromise, settle, forever release, and discharge Deifik. DFP. Silva. Pincus. Evans and Aziz and any of their past and present subsidiary corporations, limited liability companies, parent corporations, affiliates, partners, joint venturers, heirs, successors, assigns, contractors, subcontractors, officers, directors, managers, members, shareholders, employees, agents, attorneys, advisors, and insurers (in their individual or representative capacities) from any and all claims, demands, losses, damages, actions, causes of action, suits, debts, promises, liabilities, obligations, liens, costs, expenses, attorneys' fees, indemnities, subrogations (contractual or equitable), or duties, of any nature, character or description whatsoever, whether known or unknown, whether in law, equity, or arbitral, fixed or contingent, accrued or not yet accrued, matured or not yet matured, anticipated or unanticipated, asserted, unasserted or which could have been asserted, arising from or related to, directly or indirectly, the Actions or any agreements entered into before the date of this Agreement.

4.7 Wright, Hesser, M. Hesser, Global I, Global II, Royal LLC, Royal Nevada, Royal NV Corp., Royal Trust and Royal Properties together with each of their respective or mutual, predecessors, successors and assigns, and all affiliated persons, agents and entities, jointly and severally, irrevocably and unconditionally, compromise, settle, forever release, and discharge WSOF, Deifik, DFP, Silva, Pincus, Evans and Aziz and any of their past and present subsidiary corporations, limited liability companies, parent corporations, affiliates, partners, joint venturers, heirs, successors, assigns, contractors, subcontractors, officers, directors, managers, members, shareholders, employees, agents, attorneys, advisors, and insurers (in their individual or representative capacities) from any and all claims, demands, losses, damages, actions, causes of action, suits, debts, promises, liabilities, obligations, liens, costs, expenses, attorneys' fees, indemnities, subrogations (contractual or equitable), or duties, of any nature, character or description whatsoever, whether known or unknown, whether in law, equity, or arbitral, fixed or contingent, accrued or not yet accrued, matured or not yet matured, anticipated or unanticipated, asserted, unasserted or which could have been asserted, arising from or related to, directly or indirectly, the Actions or any agreements entered into before the date of this Agreement.

4.8 WSOF, Deifik, DFP, Silva, Pincus, Evans and Aziz together with each of their respective or mutual, predecessors, successors and assigns, and all affiliated persons, agents and entities, jointly and severally, irrevocably and unconditionally, compromise, settle, forever release, and discharge Wright, Hesser, M. Hesser, Global I, Global II, Royal LLC, Royal Nevada, Royal NV Corp., Royal Trust, Royal Properties, Bamboo, Zion and Tropyx and any of their past and present subsidiary corporations, limited liability companies, parent corporations, affiliates, partners, joint venturers, heirs, successors, assigns, contractors, subcontractors, officers, directors, managers, members, shareholders, employees, agents, attorneys, advisors, and insurers (in their individual or representative capacities) from any and all claims, demands, losses, damages, actions, causes of action, suits, debts, promises, liabilities, obligations, liens, costs, expenses, attorneys' fees, indemnities, subrogations (contractual or equitable), or duties, of any nature, character or description whatsoever, whether known or unknown, whether in law, equity, or arbitral, fixed or contingent, accrued or not yet accrued, matured or not yet matured, anticipated or unanticipated, asserted, unasserted or which could have been asserted, arising from or related to, directly or indirectly, the Actions or any agreements entered into before the date of this Agreement.

4.9 The obligations created in this Agreement shall not be released by the releases contained in this Section 4.

5. **DISMISSAL OF ACTIONS.** A Stipulation for Dismissal with Prejudice of the respective Actions shall be executed by counsel for the Parties and filed in the respective Actions upon execution of this Agreement.

6. **INDEMNIFICATION.**

6.1 Royal Trust shall defend, indemnify, and hold WSOF harmless from and against any and all claims, demands, actions, causes of action, damages, and costs (including attorney's fees) arising out of or concerning the Real Deal 3/11/15 LOI.

6.2 Royal LLC shall defend, indemnify, and hold WSOF harmless from and against any and all claims, demands, actions, causes of action, damages, and costs (including attorney's fees) arising out of or concerning that certain Letter of Intent dated March 11, 2015, between Royal LLC and Real Deal Interactive, LLC concerning, among other things, an agreement "to set up a joint venture to incorporate, enhance and operate [Real Deal Interactive, LLC's] proprietary software that provides an operating platform enabling social, free, premium, gameplay, rewards content delivery and other features for certain interactions promoted therein under the 'WSOF' brand...."

6.3 Global I and Global II LLC shall defend, indemnify, and hold WSOF, Deifik, DFP, Silva, Pincus, and Evans harmless from and against any and all claims, demands, actions, causes of action, damages, and costs (including attorney's fees) arising out of or concerning any following MMA agreements entered into by Global I or Global II prior to this Agreement and the execution of the license agreements provided by Section 2 of this Agreement: promotion agreements, sponsorship agreements, license agreements, media agreements, fighter/participant/athlete agreements, event agreements or agreements similar thereto.

6.4 WSOF shall defend, indemnify, and hold Wright; Hesser; M. Hesser; Tropyx; Bamboo; Zion; Global I; Global II; Royal LLC; Royal Nevada; Royal NV Corp.; Royal Trust; and Royal Properties harmless from and against any and all claims, demands, actions, causes of action, damages, and costs (including attorney's fees) arising out of or concerning any following MMA agreements entered into by WSOF after June 1, 2015: promotion agreements, sponsorship agreements, license agreements, media agreements, fighter/participant/athlete agreements, event agreements or agreements similar thereto.

7. **NO ADMISSIONS.** The Parties have each entered into this Agreement solely for the purpose of settling and compromising the Actions. Nothing contained in this Agreement, its performance, or any negotiations or proceedings leading up to this Agreement, shall be deemed to be an admission of any kind by either Party. The existence and value of the respective claims were vigorously disputed and denied by the Parties. The Parties expressly agree, as a condition of this Agreement, that they may not suggest or represent to anyone that any of the Parties admitted any wrongdoing or liability in connection with these matters.

8. **SEVERABILITY.** In the event that any provision contained in this Agreement shall for any reason be held or determined to be unenforceable, all remaining provisions shall survive and remain in full force and effect as if such unenforceable provisions had never been contained herein.

9. **ENTIRE AGREEMENT.** Save and except the separate agreements provided in Sections 1 and 2 above, this Agreement contains the entire agreements and understandings between the Parties as to the resolution of their Disputes and the Actions and may be modified only by a written document executed by the Parties. This Agreement shall be effective upon execution.

10. **JOINT CONSTRUCTION.** In the event it becomes necessary to construe and interpret this Agreement for any reason, it shall be construed as being jointly prepared and drafted

by all Parties and shall be governed by and interpreted in accordance with the laws of the State of Nevada, without reference to conflict of law principles.

**11. ATTORNEYS' FEES.** In the event that any legal proceeding is commenced for the purpose of interpreting or enforcing any provision of this Agreement, the prevailing Party in such proceeding shall be entitled to recover, in addition to all other awards, judgments, and amounts, such Party's reasonable attorneys' fees and costs in such proceeding. For the purposes of this provision, the "prevailing Party" shall be that Party who has been successful with regard to the main issue, even if that Party did not prevail on all the issues.

**12. COUNTERPART EXECUTION.** This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original, but all of which shall constitute one agreement, and may be effectively and validly executed and delivered by facsimile or other electronic transmission.

**13. NO WAIVERS.** Neither the failure nor any delay on the part of any Party to exercise any right, remedy, power, or privilege under this Agreement shall operate as a waiver of that right, remedy, power, or privilege. No waiver of any right, remedy, power, or privilege with respect to any particular occurrence shall be construed as a waiver of such right, remedy, power, or privilege with respect to any other occurrence.

**14. NO ASSIGNMENT OR THIRD PARTY BENEFICIARIES.**

a. The Parties represent and warrant (1) that they have not made an assignment of any claim, cause of action, or right embodied in any of the claims that are the subject of this Agreement, and (2) that no person or entity of any kind had or has any interest, subrogation, or lien in any of the demands, obligations, actions, or causes of action, debts, liabilities, rights, contracts, damages, attorneys' fees, costs, expenses, losses, or claims to which this Agreement applies.

b. Nothing in this Agreement is intended to confer any rights or remedies under or by reason of this Agreement on any person or entity other than the Parties, nor is anything in this Agreement intended to relieve or discharge the obligation or liability of any third persons to any Party to this Agreement, nor shall any provision give any third person any right or subrogation or action over or against any Party to this Agreement, except as provided for in the Releases above.

**15. CONFIDENTIALITY.** The terms and conditions of this Agreement shall be kept confidential and shall not be disclosed by the Parties or their representatives or agents in any manner, except any Party may disclose the terms and conditions of this Agreement to the extent necessary for the conduct of its business affairs: (a) to its professional advisors, attorneys, accountants, regulatory or taxing authorities or present or proposed corporate affiliates; (b) pursuant to court order issued by a court of competent jurisdiction; or (c) to enforce this Agreement. The Parties may only publicly or privately state that the Actions and Disputes have been settled.

16. **NON-DISPARAGEMENT.** The Parties agree that they shall not disparage any other Party, including that Party's officers, directors or employees, sponsors, fighters, or any sub-contractors. Each Party also agrees not to directly contact or interfere with the other Party's business agreements, contracts, vendors, sponsors, fighters, or sub-contractors.

17. **NOTICES.** All notices or demands of any kind that any Party is required or desires to give or make upon others in connection with this Agreement shall be in writing and shall be deemed to be delivered by (1) sending such notice by fax and (2) depositing the notice or demand in the United States mail, postage prepaid, addressed to the other party as follows:

**WSOF**

c/o Chief Executive Officer ("CEO")  
2520 St. Rose Parkway, Suite 310  
Henderson, Nevada 89074

with copy to:

Maximiliano D. Couvillier III, Esq.  
Todd E. Kennedy, Esq.  
Black & LoBello  
10777 West Twain Ave. #300  
Las Vegas, NV 89135

**Carlos Silva**

2520 St. Rose Parkway, Suite 310  
Henderson, Nevada 89074

with copy to:

Maximiliano D. Couvillier III, Esq.  
Todd E. Kennedy, Esq.  
Black & LoBello  
10777 West Twain Ave. #300  
Las Vegas, NV 89135

**Barry Pincus**

630 W 24th St.  
Barry Pincus 10471

with copy to:

Maximiliano D. Couvillier III, Esq.  
Todd E. Kennedy, Esq.  
Black & LoBello  
10777 West Twain Ave. #300  
Las Vegas, NV 89135

**Keith Evans**

2520 St. Rose Parkway, Suite 310



Henderson, Nevada 89074

with copy to:  
Maximiliano D. Couvillier III, Esq.  
Todd E. Kennedy, Esq.  
Black & LoBello  
10777 West Twain Ave. #300  
Las Vegas, NV 89135

Ali Abdel Aziz

---

with copy to:  
Maximiliano D. Couvillier III, Esq.  
Todd E. Kennedy, Esq.  
Black & LoBello  
10777 West Twain Ave. #300  
Las Vegas, NV 89135

Bruce Deifik and Nancy and Bruce Deifik Family Partnership, LLLP

2520 St. Rose Parkway, Suite 310  
Henderson, Nevada 89074

with copy to:  
Christopher Childs, Esq.  
Childs Watson & Gallagher, PLLC  
770 East Warm Springs Road, Suite 225  
Las Vegas, Nevada 89119

Shawn Wright, Tropyx Corp. and United Bamboo, L.L.C.

c/o Shawn Wright  
3275 S. Jones Blvd., Suite 104  
Las Vegas, Nevada 89146

with copy to:  
Byron E. Thomas, Esq.  
3275 S. Jones Blvd. #104  
Las Vegas, NV 89146

Vince Hesser, Zion Wood OB Wan Trust; WSOF Asia Holdings Limited;  
WSOF Asia, Limited; Royal Union, LLC; Royal Union Nevada, LLC;  
Royal Union Nevada Corp. ; Royal Union Trust; and  
Royal Union Properties, LLC.

c/o Vince Hesser

3275 S. Jones Blvd., Suite 104  
Las Vegas, Nevada 89146

with copy to:  
Byron E. Thomas, Esq.  
3275 S. Jones Blvd. #104  
Las Vegas, NV 89146

Michael Hesser  
3275 S. Jones Blvd., Suite 104  
Las Vegas, Nevada 89146

with copy to:  
Byron E. Thomas, Esq.  
3275 S. Jones Blvd. #104  
Las Vegas, NV 89146

17.1 Any Party may change its address for receiving notices or demands by a written notice given in the manner provided in this Section.

**18. AUTHORIZATION TO SIGN THIS AGREEMENT.** Each Party warrants that it has the authority to sign this Agreement, and each individual executing this Agreement on behalf of any entity specifically warrants that he has the authority to bind that entity by his signature. If any third-party ever disputes the authority of a Party or an individual executing this Agreement on behalf of any entity ("Signature Dispute"), said Party or individual shall defend, indemnify, and hold all other Parties harmless from and against any and all claims, demands, actions, causes of action, damages, and costs (including attorney's fees) arising from such Signature Dispute.

\*\*\*Signatures Start On Next Page\*\*\*

SIGNATURES

MMAWC L.L.C. d/b/a World Series of Fighting

By: Bruce Deifik  
Print: Bruce D. Deifik  
Its: MANAGER

Bruce Deifik  
Bruce Deifik

Nancy and Bruce Deifik Family Partnership, LLLP

By: Bruce Deifik  
Print: Bruce D. Deifik  
Its: GENERAL MANAGER

\_\_\_\_\_  
Carlos Silva

\_\_\_\_\_  
Barry Pincus

\_\_\_\_\_  
Keith Evans

\_\_\_\_\_  
Ali Abdel Aziz

\_\_\_\_\_  
Shawn Wright

\_\_\_\_\_  
Vince Hesser

SIGNATURES

MMAWC L.L.C. d/b/a World Series of Fighting

By: \_\_\_\_\_  
Print: \_\_\_\_\_  
Its: \_\_\_\_\_

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**Bruce Deifik**

Nancy and Bruce Deifik Family Partnership, LLLP

By: \_\_\_\_\_  
Print: \_\_\_\_\_  
Its: \_\_\_\_\_

  
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**Carlos Silva**

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**Barry Pincus**

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**Keith Evans**

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**Ali Abdel Aziz**

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**Shawn Wright**

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**Vince Hesser**

**SIGNATURES**

**MMAWC L.L.C. d/b/a World Series of Fighting**

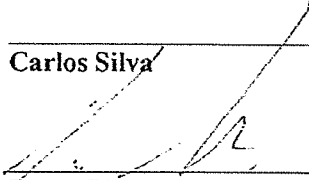
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**Nancy and Bruce Deifik Family Partnership, LLLP**

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

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**Shawn Wright**

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**Vince Hesser**

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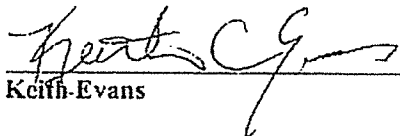
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**Bruce Deifik**

**Nancy and Bruce Deifik Family Partnership, LLLP**

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**Shawn Wright**

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**Vince Hesser**

**SIGNATURES**

**MMAWC L.L.C. d/b/a World Series of Fighting**

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**Bruce Deifik**

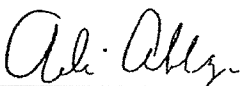
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Its: \_\_\_\_\_

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**Barry Pincus**

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**Keith Evans**

  
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**Ali Abdel Aziz**

\_\_\_\_\_  
**Shawn Wright**

\_\_\_\_\_  
**Vince Hesser**

SIGNATURES

MMAWC L.L.C. d/b/a World Series of Fighting

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

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Bruce Deifik

Nancy and Bruce Deifik Family Partnership, LLLP

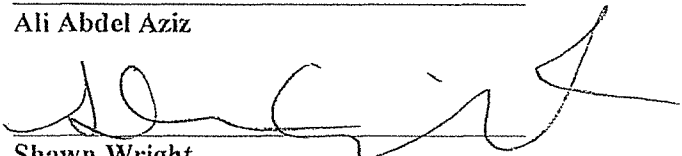
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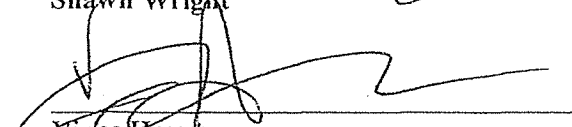
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Carlos Silva

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Barry Pincus

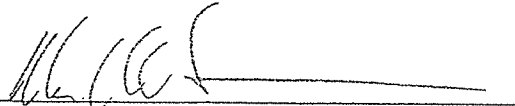
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Keith Evans

\_\_\_\_\_  
Ali Abdel Aziz

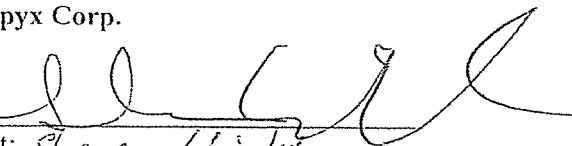
  
Shawn Wright

  
Vince Hesser

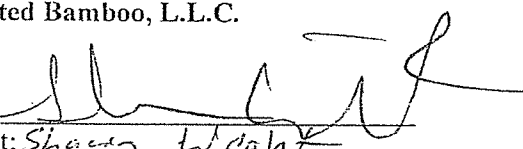


  
Michael Hesser

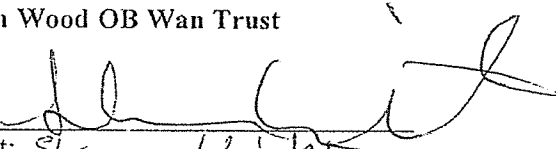
Tropyx Corp.

By:   
Print: Shawn Wright  
Its: President

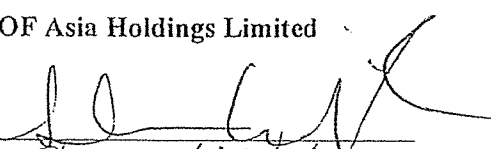
United Bamboo, L.L.C.

By:   
Print: Shawn Wright  
Its: Manager

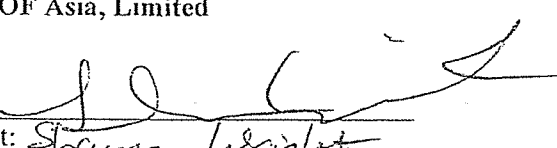
Zion Wood OB Wan Trust

By:   
Print: Shawn Wright  
Its: Trustee

WSOF Asia Holdings Limited

By:   
Print: Shawn Wright  
Its: President

WSOF Asia, Limited

By:   
Print: Shawn Wright  
Its: Secretary

Royal Union, LLC

By: 

Print: Shawn Wright

Its: Manager

Royal Union Nevada, LLC

By: 

Print: Shawn Wright

Its: Manager / Sec

Royal Union Nevada Corp.

By: 

Print: Shawn Wright

Its: Secretary

Royal Union Trust

By: 

Print: Marlon Mack Steele Jr

Its: Trustee

Royal Union Properties, LLC

By: 

Print: Shawn Wright

Its: Manager / Secretary

# **EXHIBIT 2**

Agreement  
**EXHIBIT A**  
(the [new] Operating Agreement for WSOF Per Section 1)

**FOURTH AMENDED AND RESTATED  
OPERATING AGREEMENT  
OF  
MMAWC L.L.C.**

**THIS FOURTH AMENDED AND RESTATED OPERATING AGREEMENT of MMAWC L.L.C.** (this "Operating Agreement" or this "Agreement"), is effective as of February \_\_\_\_, 2016 (the "Effective Date"), by and among (i) Sig Rogich as Trustee of the Rogich 2004 Family Irrevocable Trust ("Rogich"), (ii) Ray Sefo as Trustee of the RDS Revocable Trust, (iii) Janis Laverty Jones as Trustee of the Janis Laverty Jones Revocable Trust, (iv) the Nancy and Bruce Deifik Family Partnership LLLP, a Colorado limited liability limited partnership (the "Deifik Partnership"), (v) Dreamwork LLC, a Nevada limited liability company, (vi) Shawn Wright as Trustee of the Zion Wood O.B. Wan Trust ("Zion"), (vii) Bruce Bendell, (viii) Dealer Breaks LLC ("Dealer Breaks"), and (ix) WSOF-EIP, LLC, a Nevada limited liability company ("WSOF-EIP") (each of the foregoing a "Member," and collectively, the "Members").

**RECITALS**

**WHEREAS**, the Members, or their predecessors in interest, are parties to that certain Third Amended and Restated Operating Agreement of MMAWC, LLC dated November \_\_\_\_, 2012 (the "Third Operating Agreement"). The Third Operating Agreement amended, restated, and entirely replaced all prior operating agreements of MMAWC L.L.C., a Nevada limited liability company, d/b/a World Series of Fighting, d/b/a WSOF (the "Company");

**WHEREAS**, since the date the Third Operating Agreement became effective, Bruce Bendell transferred a portion of his Membership Interest in the Company to Dealer Breaks, and Bruce Deifik transferred all of his Membership Interest in the Company to the Deifik Partnership, and Dealer Breaks and the Deifik Partnership were duly admitted as and became Members of the Company;

**WHEREAS**, the Third Operating Agreement was amended by that certain First Amendment to Third Amended and Restated Operating Agreement of MMAWC, LLC and Membership Interest Assignment Agreement dated May 6, 2015 (the "First Amendment");

**WHEREAS**, pursuant to the First Amendment, (i) the entire ownership interest in the Company owned by the ACAK Irrevocable Trust was assigned and transferred to the Deifik Partnership, (ii) the entire ownership interest in the Company owned by The EAB & ELB Family LLC, a Nevada limited liability company was assigned transferred to the Deifik Partnership, and (iii) a portion of the ownership interest in the Company owned by Dealer Breaks was assigned and transferred to the Deifik Partnership;

**WHEREAS**, pursuant to that certain Membership Interest Purchase Agreement and Assignment dated May 28, 2015, the entire ownership interest in the Company owned by The ARL Revocable Trust dated June 8, 2006 was assigned and transferred to the Deifik Partnership;

**WHEREAS**, certain Members of the Company are holders of outstanding loans, promissory notes, and other debts of the Company, which loans, promissory notes, and other debts (collectively, the "Member Debt") were made and given from time to time in order to fund the Company's operations;

**WHEREAS**, as of the Effective Date, the total outstanding amount of the Member Debt is

\$6,247,619;

**WHEREAS**, some or all of the Member Debt is past due, and the Members have determined that the existence of the Member Debt is burdensome to the Company and makes it extremely difficult for the Company to obtain additional funding and investment from third-party sources and from the existing Members of the Company;

**WHEREAS**, each of the Members holding Member Debt (except for Dealer Breaks) desire to contribute their entire Member Debt to the Company, subject to the terms and conditions of this Agreement;

**WHEREAS**, the total amount of Member Debt held by each Member of the Company (or such Member's Affiliates) as of the Effective Date that each member intends to contribute to the Company pursuant to this Agreement is as set forth on Schedule B attached hereto and incorporated herein by this reference;

**WHEREAS**, the Company previously approved raising up to \$5,000,000 in additional capital (the "Shah Capital"), under which an entity owned or related to Bhavin Shah (the "Shah Entity") was to have loaned funds and contributed capital to the Company in exchange for certain rights and benefits, including the issuance to the Shah Entity of new Units of the Company;

**WHEREAS**, the Shah Entity has not contributed or loaned any funds to the Company, and certain of the Members of the Company, in order to permit the Company to continue to operate its business, have contributed most of the Shah Capital to the Company on, and subject to, the understanding that the Members contributing or loaning such funds to the Company would be issued new Units of the Company equal to 35% of the issued and outstanding Units of the Company;

**WHEREAS**, the Members believe it to be in the best interests of the Company for the Company to issue new Units of the Company to the Members of the Company who have loaned or contributed and/or will loan or contribute the Shah Capital;

**WHEREAS**, as of the date of this Agreement, the portion of the Shah Capital that has not been funded is equal to the amount of \$258,556 (the "Remaining Shah Funding"), and the Deifik Partnership desires to contribute to the Company, subject to the terms set out in this Agreement, the Remaining Shah Funding;

**WHEREAS**, Rogich and the Deifik Partnership have entered into an agreement whereby Rogich has sold and transferred to the Deifik Partnership three (3) Units of the Company, the transfer of which Units to the Deifik Partnership;

**WHEREAS**, the Members believe it to be in the best interests of the Company for the remaining Units owned by Rogich, as set out in this Agreement, to at no time be less than two percent (2%) of the issued and outstanding Units of the Company, without Rogich's written consent, unless and until such time as the Capital Threshold (as defined below) has been met;

**WHEREAS**, there exist certain disputes between the Company and Zion and certain affiliates of Zion (the "Zion Disputes"), all as more fully described in that certain Settlement Agreement between Zion, the Company, and certain other parties, dated as of the Effective Date (the "Settlement Agreement");

WHEREAS, as part of the settlement of the Zion Disputes and in consideration of the concessions and payments made in the Settlement Agreement, Zion has agreed to accept as its ownership interest in the Company the Units described in this Agreement;

WHEREAS, as part of the Settlement Agreement and as part of the consideration for settlement of the Zion Disputes, the Members believe it to be in the best interests of the Company, for the Units owned by Zion as set out in this Agreement to be at no time be less than four and one half percent (4.5%) of the issued and outstanding Units of the Company, without Zion's written consent; and

WHEREAS, the undersigned, being all of the Members of the Company, desire to amend, restate, and entirely replace the Third Operating Agreement by entering into this Operating Agreement, for the purpose of ratifying and carrying into full effect the transactions described in the above recitals, and for the purposes more fully described in this Operating Agreement.

NOW THEREFORE, pursuant to the Nevada Limited Liability Company Act (the "Act") the following Operating Agreement, including the schedules attached hereto and by reference incorporated herein, shall constitute the Operating Agreement of the Company.

## ARTICLE I DEFINITIONS

1.01 General Definitions. The following terms used in this Operating Agreement shall have the following meanings (unless otherwise expressly provided herein).

"Accountants" shall mean the firm of independent certified public accountants engaged by the Board of Managers from time to time to perform accounting and tax services on behalf of and at the cost of the Company.

"Act" means the Nevada Limited Liability Company Act, Nev. Rev. Stat. §§ 86.011 to 86.590, as amended from time to time.

"Action or Proceeding" shall mean any action, suit, proceeding, arbitration or Governmental Authority investigation.

"Adjusted Capital Account Deficit" with respect to any Member means the deficit balance, if any, in such Member's Capital Account as of the end of any Fiscal Year after giving effect to the following adjustments: (i) credit to such Capital Account the sum of (A) any amount which such Member is obligated to restore to such Capital Account pursuant to any provision of this Agreement, plus (B) an amount equal to such Member's share of Company Minimum Gain (as defined in Regulations Section 1.704-2(d)) and determined under Regulations Section 1.704-2(g), and such Member's share of Nonrecourse Debt Minimum Gain (as defined in accordance with Regulations Section 1.704-2(i)(3)) and as determined under Regulations Section 1.704-2(i)(5), plus (C) any amounts which such Member is deemed to be obligated to restore pursuant to Regulations Section 1.704-1(b)(2)(ii)(c); and (ii) debit to such Capital Account the items described in Regulations Sections 1.704-1(b)(2)(ii)(d)(4), (5) and (6).

"Affiliate" means a Person that directly, or indirectly through one or more intermediaries, controls,

is controlled by, or is under common control with, a specified Person. For the purpose of this definition of Affiliate, the term "control" shall mean the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract, or otherwise.

**"Bankruptcy"** shall mean, with respect to any Person, an adjudication that such Person is bankrupt or insolvent, such Person's admission of its inability to pay its debts as they mature, such Person's making a general assignment for the benefit of creditors, such Person's filing a petition in bankruptcy or a petition for relief under any section of the United States Bankruptcy Code or any other bankruptcy or insolvency statute, or the filing against such Person of any such petition which is not discharged within sixty (60) days thereafter.

**"Board"** or **"Board of Managers"** has the meaning ascribed thereto in Section 8.01(a).

**"Business Day"** shall mean a day other than a Saturday, a Sunday, or a state or federally recognized holiday on which banks in the State of Nevada are permitted to close.

**"Business Hours"** shall mean 8:00 A.M. to 5:00 P.M. Standard Time or Daylight Time, as the case may be, at a location specified in this Operating Agreement. If no location is specified, a reference to Business Hours shall refer to Business Hours as determined by Pacific Standard Time or Pacific Daylight Time, as the case may be.

**"Capital Account"** means an account maintained for each Member in accordance with Regulations Sections 1.704-1(b) and 1.704-2

**"Capital Contribution"** means the amount of money and the fair market value (as reasonably determined by the Board of Managers as of the date of contribution) of other property contributed, or services rendered or to be rendered, to the Company by a Member.

**"Code"** shall mean the Internal Revenue Code of 1986 or corresponding provisions of subsequent superseding federal revenue laws.

**"Company"** has the meaning ascribed thereto in the recitals.

**"Confidential Information"** has the meaning ascribed thereto in Section 10.01(a).

**"Dissolution Event"** has the meaning ascribed thereto in Section 12.01.

**"Entity"** shall mean any general partnership, government entity, limited partnership, limited liability company, corporation, joint venture, trust, business trust, cooperative, association or similar organization or Person.

**"Fiscal Year"** shall mean the taxable year of the Company for federal income tax purposes as determined by Code Section 706 and the Regulations thereunder.

**"Force Majeure Event"** means, with respect to each Manager or any Member, any cause, condition, event or circumstance, whether foreseeable or unforeseeable, beyond its reasonable control,



including the following to the extent beyond its reasonable control: (i) labor disputes (however arising and whether or not employee demands are reasonable or within the power of the Member or Manager to grant), (ii) the inability to obtain on reasonably acceptable terms any permit or license, consent or other authorization, and any actions or inactions by any Governmental Authorities or private third parties that delay or prevent the issuance or granting of any authorization required to conduct operations beyond the reasonable expectations of the Member or Manager seeking the authorization, including (a) changes in the law, and instructions, requests, judgment and order of Governmental Authorities, (b) curtailments or suspensions of activities to remedy or avoid an actual or alleged, present or prospective violation of laws, (c) acts of terrorism, acts of war, and conditions arising out of or attributable to terrorism or war, whether declared or undeclared, (d) riots, civil strife, insurrections and rebellions, (e) fires, explosions and acts of God, including earthquakes, storms, floods, sink holes, droughts and other adverse weather conditions, (f) delays and failures of suppliers to supply, or of transporters to deliver, materials, parts, supplies, services or equipment, (g) contractors' or subcontractors' shortage of, or inability to obtain, labor, transportation, materials, machinery, equipment, supplies, utilities or services, (h) accidents, (i) breakdowns of equipment, machinery or facilities, (j) actions by special interest groups, and (k) other similar causes, conditions, events and circumstances, whether similar or dissimilar to the foregoing, beyond its reasonable control.

**"Governmental Authority"** shall mean any court, tribunal, arbitrator, authority, administrative or other agency, commission official or other authority or instrumentality of the United States or any state, county, city or other political subdivision.

**"Law"** shall mean any law, regulation (proposed, temporary or final), administrative rule or procedure, self-regulatory organization rule or interpretation, or rule or procedure binding upon, or which the Board of Managers reasonably determines may be binding upon (in each case, as applicable in light of the context), any Member, any Managing Person, the Company as a whole, or any Affiliate of any of the foregoing or to which any of their property is subject.

**"Manager"** means a "manager" (within the meaning of the Act) of the Company and includes each manager comprising the Board of Managers (it being understood, however, that no individual Manager shall have the power or authority to bind the Company except as expressly provided in this Agreement).

**"Managing Person"** means a Manager, officer, director, or their agents.

**"Manager Representative"** means a Person designated by the Board of Managers to serve as the representative of the Board of Managers for purposes of public filing documents, such as Secretary of State Annual Lists, and for any other purpose or purposes determined by the Board of Managers. The Manager Representative may be a Member, a Manager, or an officer of the Company.

**"Member"** means those Persons executing this Agreement and any Person who may hereafter become an additional or substitute Member.

**"Membership Interest"** means a Member's Units, and the associated right to vote (if any) on or participate in management of the Company, the right (if any) to share in profits, losses, and distributions, and any and all benefits to which the holder of such Units may be entitled pursuant to this Agreement, together with all obligations to comply with the terms and provisions of this Agreement.

**"Net Cash From Operations"** means the gross cash proceeds from Company operations

(including sales and dispositions of Property in the ordinary course of business) less the portion hereof used to pay or establish reserves for all Company expenses, debt payments, capital improvements, replacements, and contingencies, all as determined by the Board of Managers in its sole discretion. Net Cash From Operations shall not be reduced by depreciation, amortization, cost recovery deductions or similar allowances, but shall be increased by any reductions of reserves.

**"Net Cash From Sales and Refinancings"** means the net cash proceeds from all sales and other dispositions (other than in the ordinary course of business) and all refinancings of Property, less any portion thereof used to establish reserves, all as determined by the Board of Managers in its sole discretion.

**"NRS"** means the Nevada Revised Statutes, as the same may be modified and amended from time to time.

**"Operating Agreement"** or **"Agreement"** shall mean this Fourth Amended and Restated Operating Agreement of MMAWC L.L.C., as amended from time to time.

**"Person"** means a corporation, joint venture, partnership, limited liability partnership, limited partnership, limited liability limited partnership, limited liability company, trust, estate, business trust, association, Governmental Entity, and any other Entity, or a natural person and the heirs, executors, administrators, legal representatives, successors, and assigns of such Person where the context so requires.

**"Principal Line of Business"** means all business activities related to mixed martial arts, including, but not limited to, financing, development, sales, marketing, management, and all other activities, products, matters, and items incident thereto.

**"Property"** means all real and personal property, tangible and intangible, owned by the Company.

**"Public Offering"** means an underwritten public offering and sale of Successor Stock pursuant to an effective registration statement under the Securities Act; provided that a Public Offering shall not include an offering made in connection with a business acquisition or combination pursuant to a registration statement on Form S-4 or any similar form, or an employee benefit plan pursuant to a registration statement on Form S-8 or any similar form.

**"Regulations"** means the federal income tax regulations, including temporary (but not proposed) regulations promulgated under the Code.

**"Reserves"** shall mean funds set aside or amounts allocated to reserves that shall be maintained in amounts deemed sufficient by the Board of Managers for working capital and to pay taxes, insurance, debt service, or other costs or expenses incident to the ownership or operation of the business of the Company, or incident to the liquidation of the Company.

**"Securities Act"** means the Securities Act of 1933, as amended.

**"Successor"** has the meaning ascribed thereto in Section 13.01.

**"Successor Stock"** has the meaning ascribed thereto in Section 13.02(b).

“Super Majority” shall mean seventy-five percent (75%).

“Units” as to any Member shall mean and refer to the cumulative number of Units of the Company held by such Member. The initial number of Units in the Company are shown next to the name of such Member on Schedule A of this Agreement.

## ARTICLE II FORMATION OF COMPANY

2.01 Formation. The Company was formed pursuant to Articles of Organization filed with the Secretary of State of the State of Nevada on August 1, 2011.

2.02 Name. The name of the Company is MMAWC L.L.C. d/b/a World Series of Fighting.

2.03 Principal Place of Business. The principal place of business of the Company within the State of Nevada shall be 2520 St. Rose Parkway, Suite 310, Henderson, Nevada 89074. The Company may locate its places of business and registered office at any other place or places as the Board of Managers may from time to time deem advisable.

2.04 Registered Office and Agent. The registered agent of the Company for service of process shall be as set forth in the Articles or as changed by the Board of Managers from time to time. The Company shall have as its registered office in the State of Nevada the street address of its registered agent.

2.05 Term. Unless the Company is dissolved in accordance with the provisions of this Agreement, the Act, or other laws of the State of Nevada, the existence of the Company shall be perpetual.

## ARTICLE III BUSINESS OF THE COMPANY

3.01 Permitted Businesses. The purpose of the Company shall be to engage in any lawful business and to do any lawful act concerning any and all lawful business for which a limited liability company may be organized under the laws of the State of Nevada.

3.02 Limits on Foreign Activity. The Company shall not directly engage in business in any state, territory or country that does not recognize limited liability companies or the effectiveness of the Act in limiting the liabilities of the Members of the Company. If the Company desires to conduct business in any such state, it shall do so through an Entity that will ensure limited liability to the Members.

3.03 Limits on Trade or Business Activity. The Company shall not directly or indirectly except through a subsidiary classified as a corporation for U.S. federal income tax purposes engage in transactions that would cause the Company to be engaged in a U.S. trade or business within the meaning of Section 864(b) of the Code or would result in the Company earning income other than income described under Section 851(b)(2)(A) of the Code.

## ARTICLE IV ISSUANCE OF ADDITIONAL UNITS

4.01 Issuance of Units. The Company, by appropriate action of and in the sole and absolute discretion of the Board of Managers, shall be permitted to issue, allot, grant options over, sell, or otherwise dispose of Units in addition to those held by the Members as of the Effective Date (any such Units, the "New Units"), all on such terms and conditions as the Board of Managers deems fit in its sole and absolute discretion, for the purpose of raising additional capital for Company operations or for any other purpose whatsoever. Such New Units may or may not carry the same rights and obligations as the Units held by the Members as of the Effective Date, and may be sold or issued for such consideration (if any), and at such valuation as the Board of Managers elects in its sole and absolute discretion. Subject to Section 5.05 below, the issuance of New Units may have the effect of diluting the Members' Membership Interest in the Company. The Board of Managers may also impose restrictions on the New Units that do not apply to the existing Members' Units, whether in regard to distribution, voting, return of capital or otherwise. The Board of Managers may reserve an appropriate number of New Units for the time being unissued. Without limiting the foregoing, the Board of Managers may issue New Units to (or reserve new units for issuance to) WSOE-EIP, for the benefit of advisors, employees, officers, and directors of the Company on such terms as the Board of Managers determines in its sole and absolute discretion.

4.02 Classes. The Board of Managers may authorize the division of the New Units into any number of classes and the different classes shall be authorized, established and designated (or re-designated as the case may be) and the variations in the relative rights (including, without limitation voting and redemption rights, participation in profits and losses, vesting, and cash distributions), restrictions, preferences, privileges and payment obligations as between the different classes (if any) may be fixed and determined by the Board of Managers.

4.03 Subscriptions. The Board of Managers may refuse to accept any application or subscription for New Units, and may accept any application or subscription in whole or in part, for any reason or for no reason.

4.04 Fractional Units. The Company may issue fractions of Units and, if so issued, a fraction of a Unit shall be subject to and carry the corresponding fraction of liabilities, limitations, preferences, privileges, qualifications, restrictions, rights (including, without prejudice to the generality of the foregoing, voting and participation rights) and other attributes of a whole Unit. If more than one fraction of a Unit is issued to or acquired by the same Person such fractions shall be accumulated.

4.05 Lien Against Units. The Company has a first and paramount lien on every New Unit for all amounts (whether presently payable or not) payable to the Company with respect to the issuance of such New Unit and for all amounts owing by the holder of any Unit to the Company (whether or not presently payable). The Board of Managers may at any time declare a Unit to be wholly or in part exempt from the provisions of this Article. The Company may sell, in such manner as the Board of Managers in their absolute discretion think fit, any Unit on which the Company has a lien, if a sum in respect of which the lien exists is presently payable, and is not paid within five (5) business days after notice has been received or deemed to have been received by the registered holder of the Units, or to the Person entitled thereto by reason of his death or bankruptcy of the holder, demanding payment and stating that if notice is not complied with the Units may be sold. For giving effect to any such sale the Board of Managers may authorize any Person to execute an instrument to transfer the Units sold to, or in accordance with the directions of the purchaser. The purchaser or his nominee shall be registered as the holder of the Units comprised in any such transfer and the purchaser's or nominee's title to the Units shall not be affected by an irregularity or invalidity in the sale or the exercise of the Company's power of sale under this Agreement.

The net proceeds of the sale after deduction for expenses and fees incurred by the Company shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exist as is presently payable, and the residue shall (subject to a like lien for sums not presently payable as existed upon the Units prior to the sale) be paid to the Person entitled to the Units immediately prior to the sale.

## ARTICLE V MEMBERSHIP INTERESTS

5.01 Current Interests. The number of Units held by each Member is set forth opposite such Member's name on Schedule A attached hereto.

5.02 Securities Law Qualification. THE MEMBERS ARE AWARE THAT THE MEMBERSHIP INTERESTS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT, OR THE SECURITIES LAWS OF ANY STATE. THE MEMBERSHIP INTERESTS CANNOT BE RESOLD OR TRANSFERRED WITHOUT (i) REGISTRATION UNDER THE SECURITIES ACT OR (ii) AN EXEMPTION FROM REGISTRATION. THERE IS NO PUBLIC TRADING MARKET FOR THE MEMBERSHIP INTERESTS, AND IT IS NOT ANTICIPATED THAT ONE WILL DEVELOP. ADDITIONALLY, THERE ARE SUBSTANTIAL RESTRICTIONS UPON THE TRANSFERABILITY OF THE MEMBERSHIP INTERESTS. SALE OR ASSIGNMENT BY A MEMBER OF ITS MEMBERSHIP INTERESTS OR SUBSTITUTION OF MEMBERS MAY BE SUBJECT TO CERTAIN CONSENTS. THEREFORE, MEMBERS MAY NOT BE ABLE TO LIQUIDATE THEIR INVESTMENTS IN THE EVENT OF AN EMERGENCY. FURTHER, MEMBERSHIP INTERESTS MAY NOT BE READILY ACCEPTED AS COLLATERAL FOR A LOAN. MEMBERSHIP INTERESTS SHOULD BE CONSIDERED ONLY AS A LONG-TERM INVESTMENT.

5.03 Certificates of Interest. Each Member shall be entitled to have a certificate certifying the number of Units owned by such Member, which certificates shall in all instances be signed by a member of the Board of Managers. In addition to any other restrictive legends that may be imposed, each certificate evidencing ownership of the Units shall bear, and be subject to, the following legend:

THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO RESTRICTIONS ON TRANSFER AS SET FORTH IN THE OPERATING AGREEMENT OF THE COMPANY.

5.04 Adjustments to Units. The Units of a Member shall be adjusted (i) upon the resignation of a Member under this Agreement or upon the redemption of Member's Units, to reflect the cancellation of Member's Units; (ii) upon the transfer by a Member of all or less than all of its Units under this Agreement; and (iii) upon the failure by a Member to fulfill capital commitments and/or make any required capital contributions.

5.05 Non-Dilution of Rogich and Zion.

a. Notwithstanding anything contained in this Agreement, the Members agree that Rogich's interest in the Company shall be deemed non-dilutable (unless Rogich agrees in writing that such interest may be diluted), unless and until such time as the Capital Threshold has been met. Accordingly, if at any time after the Effective Date additional Units of the Company are issued, Units of the Company shall

also be issued to Rogich so that Rogich at all times holds two percent (2%) of the issued and outstanding Units of the Company, unless and until such time as the Capital Threshold has been met. At and after such time as the Capital Threshold has been met, the Units held by Rogich may be diluted to the same extent, on a proportional basis, as any other Member's Units may be diluted. As used in this Agreement, "Capital Threshold" means \$50,000,000.00, and the Capital Threshold shall have been met at such time as the Members and/or any person or entity who is admitted as a Member after the Effective Date have contributed or loaned to the Company, in the aggregate and since the formation of the Company, together with any accrued interest or accrued Priority Return on such loans or contributions, a total of \$50,000,000.00.

b. Notwithstanding anything contained in this Agreement, the Members agree that Zion's interest in the Company shall be deemed non-dilutable (unless Zion agrees in writing that such interest may be diluted). Accordingly, if at any time after the Effective Date additional Units of the Company are issued, Units of the Company shall also be issued to Zion so that Zion at all times holds four and one half percent (4.5%) of the issued and outstanding Units of the Company. Zion will have no obligation to make any future capital calls.

## ARTICLE VI CONTRIBUTIONS TO THE COMPANY

6.01 Capital Contributions. The Units in the Company held by each Member are as set forth on Schedule A hereto. The total Capital Contributions (including Member Debt converted pursuant to Section 6.02 below) of each Member as of the Effective Date are set forth on Schedule A. Deifik Partnership shall contribute the Remaining Shah Capital (\$258,556.00) to the Company at such time or times as is determined by the Board of Managers.

6.02 Contribution of Member Debt. Each of the Members holding Member Debt (except for Dealer Breaks) agrees that the entire balance of their respective Member Debt is hereby contributed to the Company as a Capital Contribution. Some of the Member Debt may be evidenced by Promissory Notes or other documents given by the Company (such documents, collectively, the "Notes and Debt Documents"). With respect to each Member's Member Debt and the Notes and Debt Documents, if any, evidencing each Member's Member Debt, each Member holding Member Debt (except for Dealer Breaks) hereby represents and warrants to the Company, and covenants and agrees, as follows:

a. The Member may or may not be in possession of the original Notes and Debt Documents evidencing its member Debt. To the extent that Member is in possession of the original Notes and Debt Documents, such originals have been delivered to Company concurrently with the execution of this Agreement and have been marked by the Member as "cancelled."

b. The Member is the legal and beneficial owner and holder of the Notes and Debt Documents evidencing its Member Debt. Neither the Member Debt nor the Notes and Debt Documents, nor any portion thereof, have been forgiven, discharged, satisfied, cancelled, assigned, subordinated, sold, transferred, encumbered, pledged, hypothecated or paid in full.

c. All Notes and Debt Documents are hereby cancelled, terminated, and of no further force or effect. All rights and privileges afforded to each Member under its respective Notes and Debt Documents are hereby agreed and declared to be terminated or waived or both. Any and all accrued interest, default interest, late fees, and other similar charges and fees are waived in their entirety.

d. The Member Debt constitutes the total amount of all debts owed to the Member or any of its Affiliates or related parties by the Company (it being acknowledged and agreed that capital contributions made by the Member to the Company are not debts of the Company).

e. Each Member hereby indemnifies the Company and the Company's employees, members, officers, managers, attorneys, affiliates, representatives and each of their successors and assigns (collectively, "Indemnitees"), against all losses, damages, costs and expenses, including, without limitation, attorneys' fees and costs, arising from the failure of such Member to produce the original Notes and Debt Documents related to its Member Debt and to mark them as "cancelled."

f. Each Member shall immediately deliver to the Company any original Notes and Debt Documents related to its Member Debt if found and mark any such document as "cancelled."

6.03 Additional Capital Contributions. Except as otherwise provided for under the Act and in Section 6.01 of this Agreement, unless all Members agree, no Member shall be obligated to make any additional Capital Contributions to the Company. If the Company needs additional capital to meet its obligations, it shall seek such capital in such manner as the Board of Managers shall determine, including, without limitation, in any of the following manners (without any particular order of priority):

a. From additional Capital Contributions from the Members in proportion to their Membership Interest (provided, however, that no Member shall be required to make any additional Capital Contributions to the Company);

b. From any source from which the Company may borrow additional capital, including, without limitation, any Member (provided, however, no Member shall be obligated to make a loan to the Company); or

c. By issuing New Units in accordance with the provisions of Article IV hereof.

6.04 Withdrawal or Reduction of Members' Contributions to Capital. Except as otherwise expressly provided herein, a Member shall not resign from the Company before the dissolution and winding up of the Company pursuant to this Agreement unless all Members consent, provided that a Member may deliver written notice to the Company of such Member's intention to abandon all right, title and interest in and to all Units held by such Member without any compensation to such Member, and such abandonment shall be effective as a resignation by such Member and such Member shall have no right to demand a return of its contribution to capital or to receive the fair value of such Member's Units.

6.05 No Interest on Capital Contribution. Except as otherwise provided herein, no Member shall be entitled to or shall receive interest on such Member's Capital Contribution or Capital Account.

6.06 Return of Contributions. Except as expressly provided in this Agreement, no Member shall be entitled to the return of any part of its Capital Contributions. No Capital Contribution that has not been returned shall constitute a liability of the Company, the Board of Managers or any Member. A Member is not required to contribute or to lend cash or property to the Company to enable the Company to return any Member's Capital Contributions.

**ARTICLE VII**  
**PROFITS, LOSSES, DISTRIBUTIONS AND TAX MATTERS**

7.01 Distributions. Except as otherwise provided in Article XII hereof, and subject to the reasonably anticipated business needs and opportunities of the Company and the limitations set forth in the Act, the Board of Managers may elect, in its sole and absolute discretion, to distribute Net Cash From Operations and Net Cash From Sales and Refinancings to the Members at such intervals as the Board of Managers shall determine, in its sole and absolute discretion, from time to time as follows:

a. First, to the Members in proportion to and until each Member has received an amount equal to the excess, if any, of such Member's cumulative Priority Return (as defined in Section 7.03 of this Operating Agreement) from the Effective Date to the time of the distribution, over the sum of all prior distributions to such Member pursuant to this Section 7.01(a);

b. Second, to the Members in proportion and to the extent of their respective Unreturned Capital Contributions (as defined in Section 7.02 below); and

c. The balance, if any, to each Member, pro rata in proportion to the number of outstanding Units held by such Member as compared to all of the issued and outstanding Units in the Company.

7.02 Unreturned Capital Contribution. The "Unreturned Capital Contributions" of any Member on any particular date shall be equal to the excess, if any, of the aggregate of Capital Contributions made the Member, over the aggregate distributions then made as of such date to such Member pursuant to Section 7.01(b) or Article XII of this Agreement.

7.03 Priority Return. The "Priority Return" of any particular Member means a sum equal to twelve percent (12%) per annum, determined on the basis of a year of 365 or 366 days, as the case may be, for the actual number of days occurring in the period for which the Priority Return is being determined, cumulative (but not compounded), of the average daily balance of such Member's Unreturned Capital Contributions from time to time during the period for which the Priority Return relates.

7.04 Allocation of Profits and Losses. After giving effect to the special allocations set forth in Section 7.05, and subject to any limitations contained therein, profits and losses shall be allocated and, to the extent necessary, individual items of income, gain, loss or deduction, of the Company from all other sources shall be allocated among the Members in a manner such that the Capital Account of each Member, immediately after making such allocation, is, as nearly as possible, equal (proportionately) to the distributions that would be made to such Member if the Company were dissolved, its affairs wound up and its assets sold for cash equal to their book value, all Company liabilities were satisfied (limited with respect to each nonrecourse liability to the book value of the assets securing such liability), and the net assets of the Company were distributed in accordance with Section 12.02 to the Members immediately after making such allocation. The Company shall have the authority to vary the allocations from those set forth above, if after consultation with its tax advisors, such variation is reasonably necessary or appropriate in order to



reflect the intended economic arrangement among the Members, including the equitable allocation of tax liabilities. The losses allocated pursuant to this Section shall not exceed the maximum amount of losses that can be so allocated without causing any Person to have an Adjusted Capital Account Deficit at the end of any Fiscal Year. In the event some but not all of the Persons being allocated losses would have Adjusted Capital Account Deficits as a consequence of an allocation of losses pursuant to this Section 7.04 the limitation set forth in this Section 7.04 shall be applied on a Person by Person basis so as to allocate the maximum permissible losses to each Person under Regulations Section 1.704-1(b)(2)(ii)(d). Notwithstanding the provisions of this Section 7.04, one hundred percent (100%) of the profits shall be allocated, prior to any other allocations of profits, to the Persons up to the aggregate of, and in proportion to, any losses previously allocated to each Person in accordance with this Section 7.04 in the reverse order in which such losses were allocated.

7.05 Special Allocations.

a. Qualified Income Offset. If a Person unexpectedly receives any adjustments, allocations, or distributions described in Regulations Section 1.704-1(b)(2)(ii)(d)(4)-(d)(6), Section 1.704-1(b)(2)(ii)(d)(5) or Section 1.704-1(b)(2)(ii)(d)(6), items of Company income and gain shall be specially allocated to each such Person in an amount and manner sufficient to eliminate, to the extent required by the Regulations, the Adjusted Capital Account Deficit of such Person as quickly as possible, provided that an allocation pursuant to this Section 7.05(a) shall be made only if and to the extent that such Person would have an Adjusted Capital Account Deficit after all other allocations provided for in this Article VII have been tentatively made as if this Section 7.05(a) were not in the Agreement. This provision is intended to be a "qualified income offset" within the meaning of Regulations Section 1.704-1(b)(2)(ii)(d) and shall be interpreted and implemented as therein provided.

b. Section 704(c) Allocations. In accordance with Code Section 704(c) and the applicable Regulations issued thereunder, income, gain, loss, and deduction with respect to any property contributed to the capital of the Company shall, solely for tax purposes, be allocated among the Members so as to take account of any variation between the adjusted basis of such property to the Company for federal income tax purposes and initial Asset Value of such property. In the event the Asset Value of any Company Property is adjusted pursuant to this Agreement, subsequent allocations of income, gain, loss, and deduction with respect to such property shall take into account any variation between the adjusted basis of such property for federal income tax purposes and Asset Value of such property in the same manner as under Code Section 704(c) and the Regulations thereunder. Any elections or other decisions relating to such allocations shall be made by the Managers in any manner that reasonably reflects the purpose of this Agreement. Allocations made pursuant to this Section 7.05(b) are solely for purposes of federal, state, and local taxes and shall not affect or in any way be taken into account in computing any Person's Capital Account or share of profits, losses, other items, or distributions pursuant to any provision of this Agreement. "Asset Value" with respect to any Company asset means: (1) the fair market value when contributed of any asset contributed to the Company by any Member; (2) the fair market value of any Company asset when such asset is distributed to any Member; (3) The fair market value of all Property at the time of the happening of any of the following events: (i) the admission of a Member to, or the increase of a Membership Interest of an existing Member in, the Company in exchange for a Capital Contribution; (ii) the grant of an interest in the Company as consideration for the provision of services to, or for the benefit of, the Company by an existing Member acting in a Member capacity, or by a new Member acting in a Member capacity or in anticipation of being a Member; (iii) the distribution of any asset distributed by the Company to any Member as consideration for a Membership Interest in the Company; (iv) the liquidation of the Company

under Regulations Section 1.704-1(b)(2)(ii)(g); or (4) in all other circumstances, the basis of the asset from time to time for federal income tax purposes. For purposes of the definition of Asset Value, fair market value shall be determined by the Board of Managers.

c. Minimum Gain Chargeback. Notwithstanding anything to the contrary in this Agreement, profits and losses shall be allocated as though this Agreement contained (and there is hereby incorporated herein by reference) a minimum gain chargeback and partner minimum gain chargeback provisions, which comply with the requirements of Regulations Section 1.704-2. For purposes of applying the minimum gain chargeback, nonrecourse deductions for any Fiscal Year shall be specially allocated among the Members in the same proportions that losses for any such Fiscal Year would be allocated under Section 7.04.

d. Allocations in Event of Recharacterization. If transactions between the Company and a Member or Transferee is recharacterized, imputed or otherwise treated in a manner the effect of which is to increase or decrease the profits or losses of the Company, and correspondingly decrease or increase the taxable income, deduction or loss of one or more Members, the allocations set forth in this Article VII shall be adjusted to eliminate, to the greatest extent possible, the consequences of such recharacterization or imputation.

e. Other Allocations. The Managers shall make such other special allocations as are required in order to comply with any mandatory provision of the Regulations or to reflect a Member or Transferee's economic interest in the Company determined with reference to such Person's right to receive distributions from the Company and such Person's obligation to pay the Company's expenses and debt.

f. Acknowledgment. The Members are aware of the income tax consequences of the allocations made by this Article VII and hereby covenant to be bound by the provisions of this Article VII in reporting each Person's share of Company profits and losses.

7.06 Accounting Method and Period. The books and records of account of the Company shall be maintained in accordance with the recommendation of the Company's accountants. The Company's accounting period shall be the calendar year.

7.07 Records and Reports. The Board of Managers shall prepare and maintain, or cause to be prepared and maintained, the books of account of the Company, and the following documents shall be transmitted by the Board of Managers to Members as set forth below.

a. Financial Statements. To each Member no later than three (3) months after the close of each Fiscal Year, the following financial statements: (i) a balance sheet of the Company as of the beginning and close of such Fiscal Year; (ii) for such Fiscal Year, both a statement of Company net income or net loss as determined for financial purposes and a statement of profit or losses as determined above hereof; and (iii) a statement of such Member's Capital Account as of the close of such Fiscal Year, and changes therein during such Fiscal Year.

b. Tax Return Information. No later than three (3) months after the close of each Fiscal Year, the following documents: (i) to each Member a statement indicating such Member's share of each item of Company income, gain, loss, deduction or credit for such Fiscal Year for income tax purposes;

and (ii) to each Member a copy of each income tax return, federal or state, filed by the Company for such Fiscal Year.

c. Objection and Confidentiality. All information contained in any statement or other document distributed to any Member pursuant to this Section 7.07 shall be deemed accurate, binding and conclusive with respect to such Member unless written objection is made thereto by such Member to the Company no later than twenty (20) business days after the receipt of such statement or other document by such Member. Each Member covenants that the books and records of account, the items described above, and information on other Members shall only be used by the Member for a purpose related to such Member's interest in the Company and may not be disclosed (whether orally or in writing) to any third party other than in connection with a purpose related to such Member's interest in the Company. The unauthorized use or disclosure by a Member of any information disclosed under this Section 7.07 will cause severe and irreparable damages to the Company that may be difficult to measure with certainty or to compensate through damages. If a Member violates this Section 7.07(c), the Company shall have the right to seek injunctive relief in addition to all other remedies available to the Company at Law or equity.

## **ARTICLE VIII**

### **RIGHTS AND DUTIES OF MANAGERS**

#### **8.01 General Management.**

a. All business and affairs of the Company shall be managed under the direction of a Board of Managers (the "Board" or "Board of Managers"). The members of the Board shall be "managers" within the meaning of the Act (it being understood, however, that no Board member shall have the power or authority to bind the Company except as provided in this Agreement), and individual members of the Board are referred to from time to time in this Agreement as "Managers". Subject to Section 9.02, the Board shall have full, exclusive and complete discretion to manage and control the business and affairs of the Company, to make all decisions affecting the business and affairs of the Company and to take all such actions as it deems necessary or appropriate to accomplish the purposes of the Company as set forth herein.

b. The Board may nominate from time to time a Manager Representative. Such Manager Representative may be listed as the sole Manager on public documents, such as the Articles of Organization and Annual List of the Secretary of State of Nevada, and shall be authorized to sign as the Manager of the Company in these ministerial instances. The Manager Representative shall have no other power or authority, except as delegated to him or her by the Board.

c. The Board shall direct, manage and control the business of the Company and, subject to the limitations and qualifications set forth in this Agreement, shall have full and complete authority, power and discretion to make any and all decisions and to do any and all things which the Board shall deem to be reasonably required in light of the Company's business and objectives. Without limiting the generality of the foregoing, the Board shall have power and authority to:

- (i) acquire property from any Person as the Board may determine;
- (ii) establish policies for investment and invest Company funds (by way of example but not limitation, in time deposits, short term governmental obligations, commercial paper or other investments);

- (iii) make distributions of available cash to Members;
  - (iv) employ accountants, legal counsel, managers, managing agents or other experts or consultants to perform services for the Company with compensation from Company funds;
  - (v) enter into any transaction on behalf of the Company involving the incurrence of any indebtedness or the hypothecation, encumbrance, or granting of a security interest or lien upon any Company Property;
  - (vi) purchase liability and other insurance to protect the Company's Property and business;
  - (vii) organize Entities to serve as the Company's subsidiaries and to determine the form and structure thereof;
  - (viii) establish committees; delegate management decisions thereto; appoint members of the Board thereto and remove members of the Board therefrom;
  - (ix) establish offices of President, Vice President, Secretary, Treasurer, and other offices determined by the Board; delegate to such offices daily management and operational responsibilities; appoint Persons to act as members of such office and remove Persons therefrom;
  - (x) establish reasonable payments or salaries to Persons appointed as officers;
- and
- (xi) cause the Company to engage the athletes, employees, agents, service providers, and professional advisors that the Company may require to carry out the Company's business.

8.02 Other Authorized Persons. Unless authorized to do so by this Agreement or by the Board, no Member, individual Manager, agent, or employee of the Company shall have any power or authority to bind the Company in any way, to pledge its credit or to render it liable pecuniarily for any purpose. However, the Board may act (or may cause the Company to act) by a duly authorized power of attorney.

8.03 Appointment, Removal and Tenure of Board Members. The total number of members of the Board shall be a minimum of one (1) and a maximum of seven (7). The Board shall initially consist of three (3) members who shall be Bruce Deifik (the "Deifik Manager"), Bruce Bendell, and Haskel Iny. The Deifik Manager shall have three (3) votes on all matters considered or voted on by the Board, and Bruce Bendell and Haskel Iny shall each have one (1) vote. Subject to the foregoing, the number of members of the Board may be adjusted from time to time based on the vote of Members holding a Super Majority of the issued and outstanding Units. Each Board member shall serve from the date of his or her appointment to the Board until his or her earlier death, resignation or removal. A member of the Board may be removed at any time or from time to time, with or without cause or reason, by the vote of the Members holding a Super Majority of the issued and outstanding Units. If there exists any vacancy on the Board, a new member of the Board may be appointed by the vote of the Members holding a Super Majority of the issued and outstanding Units; provided, however, that the Deifik Partnership shall have the sole right to appoint fill any vacancy on the Board caused by the death, resignation or removal of the Deifik Manager.

8.04 Meetings of the Board; Action by Written Consent. Meetings of the Managers may be called at any time by any of the Board Members and upon not less than five (5) business days' notice to each other Board member, either personally, by telephone, by mail, by facsimile or by any other means of communication reasonably calculated to give notice. Notice of a meeting need not be given to any Board member if a written waiver of notice, executed by such Board member before or after the meeting, is filed with the records of the meeting, or to any Board member who attends the meeting without protesting prior thereto or at its commencement, the lack of notice. A notice and waiver of notice need not specify the purposes of the meeting. The place of the meetings of the Board shall be Las Vegas, Nevada at the address stated in the notice of meeting, or at such other place either within or outside of the State of Nevada consented to by all of the members of the Board. Meetings of the Board may also be held by means of conference telephone or similar communications equipment by means of which all members participating in the meeting can hear each other, and participation in such meeting shall constitute attendance and presence in person. Any action permitted or required by the Act, the articles of organization of the Company or this Agreement to be taken at a meeting of the Board may be taken without a meeting if a consent in writing, setting forth the action to be taken, is signed by all of the members of the Board. Such consent shall have the same force and effect as a vote at a meeting and may be stated as such in any document or instrument filed with the Secretary of State of Nevada.

8.05 Quorum and Acts of the Board. At all meetings of the Board, the Deifik Manager and at least one other member of the Board (whether present in person, by telephone or other means of telecommunication, or represented by proxy) shall be required to be in attendance to constitute a quorum for the transaction of business, and except as otherwise provided in this Agreement the vote of a majority of the voting power held by the Board members present at any meeting in person or by proxy at which a quorum is present shall be the act of the Board. A Board member may give a proxy to another Board member. If a quorum shall not be present at any meeting of the Board, the Board members present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting until a quorum shall be present. Any instrument or writing executed on behalf of the Company by any one or more of the members of the Board shall be valid and binding upon the Company when authorized by such action of the Board.

8.06 Committees. The Board may designate one or more committees, each committee to consist of one or more of the members of the Board, or such other persons as may be designated by the Board. Any such committee, to the extent provided by the Board, shall have and may exercise all the powers and authority of the Board in the management of the business, property, and affairs of the Company. Each committee which may be established by the Board pursuant hereto may fix its own rules and procedures.

8.07 Board Members and Officers Have No Exclusive Duty to Company. Board members shall not be required to manage the Company as such person's sole and exclusive activity, and each Board member may have other business interests and may engage in other activities in addition to those relating to the Company. Neither the Company nor any Member shall have any right, by virtue of this Agreement, to share or participate in such other investments or activities of any Board member or officer.

8.08 No Liability for Certain Acts. A member of the Board of the Company and each other duly appointed officer of the Company shall perform such person's duties, in good faith, in a manner such person reasonably believes to be in the best interests of the Company; provided that nothing contained herein shall prevent a member of the Board from acting in the interests of the Member or Members having appointed

such member to the Board. Such Board member or officer does not, in any way, guarantee the return of the Members' Capital Contributions or a profit for the Members from the operations of the Company. No such person shall be responsible to any Members because of a loss of their investment in the Company or a loss in the operations of the Company, unless the loss shall have been the result of the Board member or officer not acting in good faith as provided in this Section. A Board member or officer shall incur no liability to the Company or to any of the Members as a result of engaging in any other business or venture; provided that the foregoing shall not relieve any Member of its duties and responsibilities under this Agreement. The foregoing provision shall not preclude liability on the part of a Board member or officer to a Member pursuant to any other agreement between such Member and a Board member or officer. Board members shall be entitled to any other protection afforded to a manager under the Act. A Board member or officer who so performs such person's duties shall not have any liability by reason of being or having been a Board member or officer of the Company. In performing the duties of a Board member or officer, such person shall be entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by persons and groups listed below unless such person has knowledge concerning the matter in question that would cause such reliance to be unwarranted:

- a. one or more employees or other agents of the Company whom the Board member or officer believes in good faith to be reliable and competent in the matters presented;
- b. legal counsel, public accountants, or other Persons as to matters that the Board member or officer believes in good faith to be within such Persons' professional or expert competence; or
- c. a committee, upon which such Board member or officer does not serve, duly designated in accordance with the provisions of this Agreement, as to matters within its designated authority, which committee the Board member or officer believes in good faith to merit confidence.

#### 8.09 Indemnity of Board Members and Officers.

a. The Company agrees to indemnify, pay, protect and hold harmless each Board member and officer from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, proceedings, costs, expenses and disbursements of any kind or nature whatsoever (including, without limitation, all reasonable costs and expenses of defense, appeal and settlement of any and all suits, actions or proceedings instituted against the such person or the Company and all costs of investigation in connection therewith) which may be imposed on, incurred by, or asserted against such person or the Company in any way relating to or arising out of, or alleged to relate to or arise out of, (i) any action or inaction on the part of the Company or on the part of a Board member or officer, acting in a manner believed in good faith to be in the best interests of the Company, (ii) in connection with the formation, operation and/or management of the Company, or the Company's purchase and operation of Property, and/or (iii) as a result of the Board member or officer agreeing to act as a Board member or officer of the Company or any subsidiary. If any action, suit or proceeding shall be pending or threatened against the Company or a Board member or officer relating to or arising out of, or alleged to relate to or arise out of, any such action or inaction, a Board member or officer shall have the right to employ, at the expense of the Company, separate counsel of such person's choice in such action, suit or proceeding and the Company shall advance the reasonable out-of-pocket expenses in connection therewith. The satisfaction of the obligations of the Company under this Section shall be from and limited to the assets of the Company, and no Member, Manager, or officer shall have any personal liability on account thereof. The foregoing rights of indemnification are in addition to and shall not be a limitation of any rights of indemnification as

provided in Sections 86.411 through 86.451 of the Act, as such may be amended from time to time.

b. This Section shall not limit the Company's power to pay or reimburse expenses incurred by a Board member or officer in connection with such person's appearance as a witness in a proceeding at a time when the Board member or officer has not been made a named defendant or respondent in the proceeding.

c. The Company may indemnify and advance expenses to an employee or agent of the Company who is not a Board member or officer to the same or to a greater extent as the Company may indemnify and advance expenses to a Board member or officer.

d. The Company shall use its best efforts to purchase and maintain insurance on behalf of any Person who is or was a Board member or officer, Member, employee, fiduciary, or agent of the Company or who, while a Board member or officer, Member, employee, fiduciary, or agent of the Company, is or was serving at the request of the Company as a manager, member, director, officer, partner, trustee, employee, fiduciary, or agent of any other foreign or domestic limited liability company or any corporation, partnership, joint venture, trust, other enterprise, or employee benefit plan against any liability asserted against or incurred by such Person in any such capacity or arising out of such Person's status as such, whether or not the Company would have the power to indemnify such Person against such liability under the provisions of this Section. Any such insurance may be procured from any insurance company designated by the Board, whether such insurance company is formed under the laws of this state or any other jurisdiction of the United States or elsewhere.

8.10 Appointment of Officers. The Board members may appoint one (1) or more individuals to hold the offices of Chief Executive Officer, Chief Financial Officer, President, Vice President, Secretary, Treasurer or such other office as may be established from time to time by the Board, pursuant to Section 8.01, and to have duties and authority associated therewith that may be prescribed, from time to time, by the Board. Any such officer of the Company may, but need not, be a Board member. Each such officer of the Company shall hold office until such officer resigns or is removed or otherwise is disqualified to serve, or until such officer's successor is appointed. Any single individual can hold two (2) or more offices at the same time.

8.11 Removal and Resignation. Any officer may be removed, either with or without cause, by the Board at any regular or special meeting of the Board. Any officer may resign at any time by giving written Notice to the Board. Any such resignation shall take effect on the date of the Company's receipt of such Notice or at any later time specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

8.12 Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in this Article VIII for appointments to such office.

8.13 Expenses. The Company shall (or shall cause one of its subsidiaries to) reimburse the members of the Board for all reasonable out of pocket expenses incurred by such individual in connection with their attendance of any meeting of the Board, the board of managers, or of any subsidiary or any committee thereof.

**ARTICLE IX**  
**RIGHTS AND OBLIGATIONS OF MEMBERS; COMPETITIVE ACTIVITIES**

9.01 Limitation of Liability. Each Member's liability shall be limited as set forth in this Agreement, the Act and other applicable Law. No Member shall be personally liable for any debts or losses of the Company, except as otherwise required by Law or as specifically assumed in writing by such Member. Without limiting the generality of the foregoing, no Member shall be obligated to personally guarantee any obligation of the Company.

9.02 Member Approval. Except as otherwise provided in this Section 9.02 or elsewhere in this Operating Agreement, the Board of Managers shall not be required to obtain the consent of the Members prior to engaging in any action or matter on behalf of the Company. In addition to any other items expressly set forth in this Operating Agreement, the Board of Managers shall obtain the affirmative vote or written consent of Members holding not less than a Super Majority of the issued and outstanding Units prior to engaging in the following matters:

- a. Conveying, selling, assigning, licensing, leasing, or otherwise disposing or transferring, in one transaction or a series of transactions, all or substantially all of the Company Property or otherwise changing the business of the Company;
- b. Commencing a voluntary Bankruptcy of the Company; or
- c. Merging or consolidating the Company with another, or converting the Company into a corporation or any other form of Entity.

9.03 Priority and Return of Capital. Except as otherwise provided in Article VII and Article XII, no Member shall have priority over any other Member as to the return of Capital Contributions or as to profits, losses, or distributions. This Section 9.03 shall not apply to loans that a Member has made to the Company.

9.04 Non Competition. No Manager shall, during the period such Person is a Manager of the Company:

- a. Directly or indirectly induce or encourage any employee of Company to become employed by any competitor of Company; or
- b. Directly or indirectly, for a Manager's own benefit or for, with, or through any other Person, own, manage, operate, control, invest in, loan money to, or participate in the ownership, management, operation, or control of or be associated as a director, officer, employee, stockholder, partner, consultant, agent, independent contractor, or otherwise of any competitor of the Company.



The Managers acknowledge that violation of this Section 9.04 would cause irreparable injury for which there would be no adequate remedy at Law, and agree that the Company and the non-breaching Members/Managers shall be entitled to preliminary and other injunctive relief against such violation, including the recovery of reasonable attorney's fees and other costs incurred in the Action or Proceeding. Such injunctive relief shall be in addition to, and in no way in limitation of, any and all other remedies or rights which the non-breaching party shall have at Law or in equity.

The covenants of the Managers under this Section 9.04 shall be construed as agreements independent of any other provision of this Agreement, and the existence of any claim or cause of action by a Member or Manager against Company, whether predicated on this Agreement or otherwise, shall not constitute a defense to the enforcement by Company of said covenants. If any of the covenants set forth in this Section 9.04 shall be deemed to be invalid, illegal, or unenforceable by reason of the extent, duration, or geographical scope thereof, or otherwise, then the court shall be empowered to reduce such covenants so as to be enforceable, and such covenants shall be enforced as so reduced. The Members and Managers acknowledge that any activities contemplated by the Consulting and Licensing Agreement dated October 15, 2012 (as amended) between the Company and WSOF Global Limited (as successor to Vince Hesser), and any related acts under such agreement do not constitute a violation of this Section 9.04.

9.05 Member Indemnity. The Company agrees to indemnify, pay, protect and hold harmless any Member (on demand and to the satisfaction of the Member) from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, proceedings, costs, expenses and disbursements of any kind or nature whatsoever in any way relating to any agreement, liability, commitment, expense or obligation of the Company which may be imposed on, incurred by, or asserted against the Member solely as a result of such Member being a Member or becoming a Member (including, without limitation, all reasonable costs and expenses of defense, appeal and settlement of any and all suits, actions or proceedings instituted against the Member and all costs of investigation in connection therewith). The satisfaction of the obligations of the Company under this Section shall be from and limited to the assets of the Company, and no Member shall have any personal liability on account thereof. The foregoing rights of indemnification are in addition to and shall not be a limitation of any rights that may be provided in the Act.

9.06 List of Members. Upon written request of any Member directly holding Units, the Company shall provide a list showing the names, addresses and Units of the Members in the Company subject to the provisions of this Operating Agreement regarding Confidential Information.

9.07 Voting. Members shall be entitled to vote only on matters reserved for their approval or consent in the manner expressly specified herein.

9.08 Additional Members. Except with respect to employees holding Units pursuant to an employee option or incentive plan or as otherwise expressly provided herein (including, without limitation, any transfers permitted under Article XI), no Person shall be admitted to the Company as an additional Member without the consent of the Board of Managers.

9.09 Meetings. Unless otherwise prescribed by the Act, meetings of the Members may be called, for any purpose or purposes, by the Board (or a Managing Person duly authorized by the Board) or by Members holding a majority of the issued and outstanding Units. If Members holding a majority of the issued and outstanding Units shall meet at any time and place, including by conference telephone call, either

within or outside of the State of Nevada, and consent to the holding of a meeting at such time and place, such meeting shall be valid without call or notice.

9.10 Place of Meetings. Meetings shall take place at the Company's principal place of business, or at such other place if consented to by Members holding a majority of the Units.

9.11 Notice of Meetings. Except as provided in this Agreement, written notice stating the date, time, and place of the meeting, and the purpose or purposes for which the meeting is called, shall be delivered not less than five (5) Business Days nor more than fifty (50) calendar days before the date of the meeting, either personally or by mail, facsimile, or overnight or next-day delivery services by or at the direction of the Board, or the Member or Members calling the meeting, to each Member entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered three (3) Business Days after deposit in the United States mail, postage prepaid, addressed to the Member at his or her address as it appears on the books of the Company. If transmitted by way of facsimile, such notice shall be deemed to be delivered on the date of such facsimile transmission to the fax number, if any, for the respective Member which has been supplied by such Member to the Board and identified as such Member's facsimile number. If transmitted by overnight or next-day delivery, such notice shall be deemed to be delivered on the next Business Day after deposit with the delivery service addressed to the Member at his or her address as it appears on the books of the Company. When a meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken, unless the adjournment is for more than thirty (30) calendar days. At the adjourned meeting the Company may transact any business which might have been transacted at the original meeting.

9.12 Record Date. For the purpose of determining Members entitled to notice of or to vote at any meeting of Members or any adjournment thereof, the date on which notice of the meeting is mailed shall be the record date for such determination of Members. When a determination of Members entitled to vote at any meeting of Members has been made as provided in this Section, such determination shall apply to any adjournment thereof, unless notice of the adjourned meeting is required to be given pursuant to Section 9.11 hereof.

9.13 Quorum. Members holding a majority of the issued and outstanding Units, represented in person or by proxy, shall constitute a quorum at any meeting of Members. Business may be conducted once a quorum is present.

9.14 Voting Rights of Members. Each Member shall be entitled to vote based on Units held. If all or a portion of a Membership Interest is transferred to an assignee who does not become a Member, the Member from whom the Membership Interest is transferred shall no longer be entitled to vote the Units transferred nor shall the Units transferred be considered outstanding for any purpose pertaining to meetings or voting. No withdrawn Member shall be entitled to vote nor shall such Member's Units be considered outstanding for any purpose pertaining to meetings or voting.

9.15 Manner of Acting. Except as otherwise expressly provided in the Act, the Company's articles of organization, or this Agreement, the affirmative vote of the Members holding a majority of the Units shall be the act of the Members.

9.16 Proxies. At all meetings of Members, a Member holding Units may vote in person or by proxy executed in writing by the Member or by a duly authorized attorney-in-fact. No proxy shall be valid

after 11 months from the date of its execution, unless otherwise provided in the proxy.

9.17 Action by Members without a Meeting. Any action required or permitted to be taken by vote or at a meeting of Members may be taken without a meeting if the action is evidenced by one or more written consents describing the action taken, circulated to all the Members, signed by that percentage of the Members holding Units required to take or approve the action. Any such written consents shall be delivered to the Secretary of the Company (or other Managing Person duly authorized by the Board) for inclusion in the minutes or for filing with the Company records. Action taken by written consent under this Section shall be effective on the date the required percentage of the Members holding Units have signed and delivered the consent to the Secretary of the Company (or other Managing Person duly authorized by the Board), unless the consent specifies a different effective date. The record date for determining Members entitled to take action without a meeting shall be the date the written consent is circulated to the Members. Prompt notice of the taking of action by written consent shall be given to those Members who have not consented in writing.

9.18 Telephonic Communication. Members may participate in and hold a meeting by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation in such meeting shall constitute attendance and presence in person, except where the Member participates in the meeting for the express purpose of objecting to the transaction of any business on the ground the meeting is not lawfully called or convened.

9.19 Waiver of Notice. When any notice is required to be given to any Member, a waiver thereof in writing signed by the Person entitled to such notice, whether before, at, or after the time stated therein, shall be equivalent to the giving of such notice.

9.20 Intellectual Property, Inventions and Patents. Each Member acknowledges that all discoveries, concepts, ideas, inventions, innovations, improvements, developments, methods, designs, analyses, drawings, reports, patent applications, copyrightable work and mask work (whether or not including any Confidential Information) and all registrations or applications related thereto, all other proprietary information and all similar or related information (whether or not patentable) which relate to the Principal Line of Business which are conceived, developed or made by such Member or its Affiliates (whether alone or jointly with others), belong to the Company. The Members and Managers acknowledge that this Section 9.20 shall not apply to any, and shall not be deemed to conflict with, the activities, products or conduct as permitted under or contemplated by the Consulting and Licensing Agreement dated October 15, 2012 (as amended) between the Company and WSO Global Limited (as successor to Vince Hesser).

## ARTICLE X BOOKS, RECORDS, AND ACCOUNTING

### 10.01 Books and Records.

a. The Company shall maintain or cause to be maintained books of account that reflect items of income and expenditure relating to the business of the Company. Such books of account shall be maintained on the method of accounting selected by the Company and on the basis of the Fiscal Year. Each Member, upon reasonable advance written notice to the Board, at such Member's own expense, shall have the right to inspect the Company's books and records at any time during normal Business Hours. The Members acknowledge that information directly or indirectly regarding the Company or any of its

direct or indirect subsidiaries constitutes business and commercial information not in the public domain or generally known in the mixed martial arts industry including, but not limited to methods, techniques, systems, customer lists, business opportunities, business plans, tax returns, operating and financial statements and knowledge of and experience in the mixed martial arts industry (collectively, "Confidential Information"). Except (i) with respect to its attorneys, accountants, consultants, other professional advisors and its Affiliates, (it being understood that the disclosing Member shall remain responsible for the compliance of any such receiving Entity with the obligations set forth in this Section 10.01(a) with respect to Confidential Information) and (ii) with respect to any Member, any Entity that has a need to know such information and is directed by the disclosing Member to keep such information confidential in accordance with the terms of this Section 10.01 (it being understood that the disclosing Member shall remain responsible for the compliance of any such receiving Entity with the obligations set forth in this Section 10.01(a) with respect to Confidential Information), or (iii) to the extent disclosure thereof is required by applicable law, regulation or court order, each Member agrees that it shall not disclose any Confidential Information to a third party. Each Member agrees that the Confidential Information will be used solely in connection with its investment in the Company. Notwithstanding the foregoing, "Confidential Information" does not include any information, materials, or data that: (A) were rightfully known to a Member prior to its receipt from the Company, or become rightfully known to such Member other than as a result of the relationship between the Company and such Member; (B) are or become generally available to the public other than as a result of such Member's unauthorized direct or indirect acts; (C) were disclosed to such Member by a third party with the right to disclose such information, materials, or data, without restriction or subject to restrictions to which such Member has conformed; or (D) were independently developed by a Member without use of any confidential or proprietary information of the Company.

b. The Company shall keep at its registered office such records as are required by the Act.

10.02 Tax Returns. The Company shall prepare and file, or cause to be prepared and filed, all income tax and other tax returns of the Company. The Company shall furnish to each Member a copy of all such returns together with all schedules thereto and such other information which each Member may request in connection with such Member's own tax affairs. A Schedule K-1 shall be provided by the Company to each Member as soon as possible after the end of the Company's tax year, but in no event later than 90 days after the end of such tax year.

10.03 Bank Accounts. The Company shall establish and maintain one or more separate accounts in the name of the Company in one or more federally insured banking institutions of its choosing into which shall be deposited all funds of the Company and from which all Company expenditures and other disbursements shall be made.

## ARTICLE XI TRANSFER OF UNITS ADMISSION OF ADDITIONAL MEMBERS

11.01 Transfer of Units. No Member (a "Transferring Member") may assign, sell or transfer (a "Transfer") Units to a third Person (a "Transferee") without first complying with the requirements of this Article XI.

11.02 Permitted Transfers.

a. Subject to the terms and provisions of Section 11.03 and the Securities Act, at any time and from time to time, a Member may Transfer all or any portion of such Member's Units to any of the Persons listed below without the consent of the Board of Managers, any Member, or any other party ("Permitted Transfers"):

- (i) To the Company;
- (ii) To any other existing Member; or
- (iii) To a trust for the benefit of the Member (with the trustee of such trust being obligated under the terms of such trust to hold such Units subject to the terms and provisions of this Agreement), or any other corporate form for estate planning purposes.

b. Notwithstanding any other term or provision of this Agreement, but subject to the fulfillment of the requirements set forth below in Section 11.03, upon completion of any Permitted Transfer such Transferee shall be admitted to all of the rights and powers of a Member, including, without limitation, the right to vote the Units to the extent permitted under this Operating Agreement, and shall be subject to all of the restrictions and liabilities of the Member making the Transfer; provided, however, that in every such event the Member making the Transfer is not released from liability to the Company.

11.03 Substitute Members: Rights of Transferees. Upon receipt of a Unit, a Transferee shall become a Member only if and when each of the following conditions is satisfied:

a. The Transferring Member shall send written notice to the Board of Managers setting forth the name and address of the Transferee, the Units Transferred and the effective date of the Transfer;

b. The Transfer shall not cause the Company to be in default under any debt;

c. The Transferee (and such Transferee's spouse, where applicable) shall execute and deliver to the Company: (i) a counterpart of this Agreement, thereby binding such Transferee (and such Transferee's spouse, where applicable) to the terms and provisions of this Agreement, and (ii) such other documents and instruments as the Board of Managers deem necessary or appropriate for admission of the Transferee as a Member; and

d. Unless the Board of Managers approve otherwise, the Transferee shall reimburse the Company for all reasonable accounting, legal and other expenses incurred by the Company in connection with the Transfer of Units to such Transferee and the admission of such Transferee as a Member.

11.04 Transfer to Third Person. Except as provided in Section 11.02, no Person shall Transfer Units to a third Person, unless such Transfer of Units is (i) approved by the Board of Managers, and (ii) the provisions of Section 11.03 are satisfied. If any such Transfer of Units is approved and the admission of such Transferee as a Member is consented to as required by this Section 11.04, then such Transferee shall be admitted to all of the rights and powers of a Member, including, without limitation, the right to vote the Units as permitted under this Operating Agreement, and shall be subject to all of the restrictions and

liabilities of the Transferring Member; provided, however, in every such event the Transferring Member is not released from liability to the Company. Until such time, if any, as a Transferee is admitted to the Company as a substitute Member in accordance with the terms and provisions of this Section 11.04: (i) such Transferee shall be an assignee only, and such Transferee only shall receive, to the extent Transferred, the distributions and allocations profits and losses to which such Transferred Units are entitled; and (ii) such Transferee shall not be entitled or enabled to exercise any other right or power of a Member; provided, however, such assignee shall be subject to all of the terms, conditions, restrictions and obligations set forth in this Agreement. If any such Transferee desires to make a further Transfer of any Units, then such Transferee shall be subject to all of the terms and provisions of this Agreement to the same extent and in the same manner as any Member desiring to make a Transfer.

11.05 Governmental and Administrative Approvals. The Company shall apply for and use commercially reasonable efforts to obtain all Governmental Authority approvals required in connection with the purchase and sale of Units under this Agreement; provided, however, that the Company shall have no duty to participate in, cause or pay for any registration or qualification procedure under federal or state securities laws. The Members shall cooperate in obtaining such approvals and shall execute all documents that may be required to be executed by the Members in connection with such approvals. The Transferring Member and/or the Transferee shall pay all costs and filing fees in connection with obtaining such approvals.

## ARTICLE XII DISSOLUTION AND TERMINATION

12.01 Dissolution. The Company shall be dissolved upon the occurrence of any of the following events (a "Dissolution Event"):

a. if the Company voluntarily enters bankruptcy or another insolvency proceeding that contemplates its final liquidation, or does so involuntarily and such proceeding is not vacated or dismissed within 120 days after commencement thereof; or

b. by the vote or written consent of the Members holding not less than a Super Majority of the Units.

The death, withdrawal, resignation or termination of any Member for any reason shall not constitute a Dissolution Event. As soon as possible following the occurrence of any Dissolution Event, the appropriate duly authorized representative of the Company shall make all filings and do all acts necessary to dissolve the Company.

12.02 Distribution of Assets Upon Dissolution. In settling accounts after dissolution, the assets of the Company shall be distributed in the following order:

a. First, to pay those liabilities to creditors, in the order of priority as provided by Law; and

b. The balance, if any, to the Members in accordance with Section 7.01 of this Agreement.

12.03 Winding Up. Except as provided by Law, upon dissolution, each Member shall look solely to the assets of the Company for the return of its Capital Contributions. If the Property remaining after the payment or discharge of the debts and liabilities of the Company is insufficient to return the Capital Contributions of each Member, such Member shall have no recourse against any other Members or any Manager. The winding up of the affairs of the Company and the distribution of its assets shall be conducted exclusively by the Board (or other Managing Person duly authorized by the Board), who is hereby authorized to take all actions necessary to accomplish such distribution, including without limitation, selling any Company assets the Board deems necessary or appropriate to sell. In the discretion of the Board, a pro rata portion of the amounts that otherwise would be distributed to the Members under this Article may be withheld to provide a reasonable reserve for unknown or contingent liabilities of the Company.

12.04 Notice of Dissolution. Within 90 days of the happening of a Dissolution Event, the Board (or other Managing Person duly authorized by the Board) shall give written notice thereof to each of the Members, to the banks and other financial institutions with which the Company normally does business, and to all other parties with whom the Company regularly conducts business.

12.05 Deficit Balance as Non Recourse. If any Member's Capital Account has a deficit balance (after giving effect to all contributions, distributions, and allocations for all Fiscal Years, including the Fiscal Year during which liquidation occurs), such Member shall have no obligation to contribute to the capital of the Company with respect to such deficit, and such deficit shall not be considered a debt owed to the Company or to any other Person for any purposes whatsoever, except to the extent of any required but unpaid Capital Contribution or as otherwise provided in the Act.

### **ARTICLE XIII** **CHANGE IN BUSINESS FORM**

13.01 With the vote or consent of the Members holding a Super Majority of the Units, the Board may upon any initial Public Offering, and the Board shall upon a qualified Public Offering, elect to cause the Company to reorganize as a corporation (the "Successor") in accordance with this Article XIII in anticipation of registration of the common stock of such Successor. The method of effecting such reorganization, whether by merger with and into a corporate subsidiary of the Company or otherwise, shall (subject to the remaining provisions of this Article XIII) be determined by the Board in its discretion; provided that (i) the Company shall to the extent feasible under the circumstances effect any such reorganization in a manner which avoids creation of a taxable income for the Company or any Member and (ii) the Company shall not effect any such reorganization in a way that would adversely affect a Member in a manner disproportionate to any adverse effect such reorganization would have on other Members (not including any disproportionate adverse effect on the particular tax status or attributes of a Member), without the written consent of such Member.

13.02 Each of the Members hereby agrees to take such actions as are reasonably required to effect such reorganization as shall be determined by the Board and irrevocably authorizes and appoints each of the Managers who are in office at such time as such Member's representative and true and lawful attorney-in-fact and agent to act in such Member's name, place and stead as contemplated in this Article XIII and to execute in the name and on behalf of such Member any agreement, certificate, instrument or document to be delivered by the Members in connection with any such reorganization as determined by the Board (but with such power of attorney to be exercised only in the event of the failure of such Member to comply with this Article XIII). In connection with any such reorganization, each of the

transactions described in clauses (a) through (d) below shall be consummated as provided below and deemed to have occurred simultaneously:

a. The Successor shall be organized as a Nevada or Delaware corporation, with customary charter and by-laws, each reasonably acceptable to the Board;

b. Each Unit shall (effective upon and subject to the consummation of such initial Public Offering) convert into shares of common stock of the Successor (the "Successor Stock"), and the shares of Successor Stock shall be allocated among the holders in exchange for their respective Units such that each holder shall receive a number of shares of Successor Stock equal to the quotient of (i) the amount such holder would have received in respect of such holder's Units in a liquidation or dissolution at the time of the initial Public Offering, divided by (ii) the price per share at which the common stock is being offered to the public in the initial Public Offering, in each case net of underwriting discounts and commissions;

c. The Successor shall expressly acknowledge and assume the obligations and liabilities of the Company, including its remaining obligations under this Agreement and as otherwise described in clause (b) above, with such conforming changes as may be necessary or appropriate to reflect the corporate status of the Successor, and in connection with such transactions and those described above the Members shall take such action as may be necessary to consolidate the Company as part of the Successor to the extent such consolidation does not occur by operation of law; and

d. The Successor (and the Company) shall use commercially reasonable efforts to make all filings, obtain all approvals and consents and take such other actions as may be necessary, desirable or appropriate to effectuate the reorganization contemplated by this Section 13.02.

13.03 Without limiting the generality of the foregoing or any other provision of this Agreement, it is understood and agreed that the following structures for any such reorganization and subsequent initial Public Offering shall be utilized by the Company and approved by the Board:

a. The organizational documents of the Successor and/or a stockholders' or other agreement, as appropriate, shall provide that the rights and obligations of the Members hereunder (to the extent such rights and obligations survive consummation of an initial Public Offering) shall continue to apply in accordance with the terms thereof unless the parties thereto otherwise agree in writing pursuant to the terms thereof.

b. In the event of an initial Public Offering, the Company shall, and each Member shall use commercially reasonable efforts to, take all necessary or desirable actions requested by the Board in connection with the consummation of such initial Public Offering, including consenting to, voting for and waiving any dissenters rights, appraisal rights or similar rights with respect to a reorganization of the Company pursuant to the terms of this Article XIII and compliance with the requirements of all laws and regulatory bodies which are applicable or which have jurisdiction over such initial Public Offering. The Company shall pay all filing fees necessary to obtain all authorizations and approvals required by the Hart-Scott-Rodino Antitrust Improvements Act of 1976 as amended and the rules and regulations promulgated thereunder that are required for the consummation of the reorganization contemplated in this Article XIII.

13.04 Nothing in this Operating Agreement shall be construed to require a Member to disclose to any third party or governmental entity the identities of partners, shareholders or members of such



Member or any of its Affiliates or investment advisers, or other confidential proprietary information of a Member or any of its Affiliates or investment advisers.

#### ARTICLE XIV MISCELLANEOUS PROVISIONS

14.01 Notices. Except as otherwise expressly provided herein, any notice or communication required or permitted to be given by any provision of this Agreement, including, but not limited to, any consents, shall be in writing and shall be deemed to have been given and received by the Person to whom directed (a) when delivered personally to such Person or to an officer or partner of the Member to which directed, (b) when transmitted by facsimile or e-mail transmission, with evidence of a confirmed transmission, to the facsimile number or e-mail address of such Person who has notified the Company and every other Member of its facsimile number and e-mail address and received during Business Hours on a Business Day at the destination of such facsimile or e-mail transmission, (c) three (3) Business Days after being posted in the United States mails if sent by registered, express or certified mail, return receipt requested, postage and charges prepaid, or (d) one (1) Business Day after deposited with overnight courier, return receipt requested, delivery charges prepaid, in either case addressed to the Person to which directed at the address, if any, shown on Schedule A attached hereto, or such other address of which such Person has notified the Company and every other Member. If no address appears on Schedule A and if the Company and the Members have not been notified of any other address at which such Person shall receive notifications, then a notice delivered to the Board (or other person duly authorized by the Board), who shall reasonably attempt to forward the notice to such Person, shall constitute sufficient notice to such Person.

Notices shall be addressed as follows:

If to the Company: To the Company's principal office.

If to a Member or Manager: To the address appearing on Schedule A or to the address then appearing for the Member or Manager on the books and records of the Company or at such other address as a Person may from time to time designate by notice hereunder.

#### 14.02 Application of Nevada Law.

a. This Agreement, and the application and interpretation hereof, shall be governed exclusively by its terms and by the laws of the State of Nevada, and specifically the Act.

b. EACH PARTY HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR CLAIM (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE TRANSACTIONS CONTEMPLATED HEREBY OR THE ACTIONS OF SUCH PARTY IN THE NEGOTIATION, ADMINISTRATION, PERFORMANCE AND ENFORCEMENT HEREOF.

c. The parties hereto hereby irrevocably submit to the jurisdiction of the State of Nevada or federal court in or for Clark County, Nevada, in any action or proceeding arising out of or relating to this Agreement and the parties hereto hereby irrevocably agree that all claims in respect of such action

or proceeding may be heard and determined in such State of Nevada court or such federal court. The parties hereto hereby irrevocably waive, to the fullest extent they may effectively do so, the defense of an inconvenient forum to the maintenance of such action or proceeding.

14.03 Waiver of Action for Partition or Derivative Action. Each Member irrevocably waives any right to maintain an Action or Proceeding for partition with respect to the Company Property. The right of any Member or Member to maintain an Action or Proceeding by or in the right of the Company or for any similar derivative relief is hereby denied.

14.04 Amendments. Except with respect to amendments to Schedule A that are required from time to time to correctly reflect the then-current ownership of the Company which shall not require the consent of any other party, amendments, modifications or revisions, in whole or in part, to this Agreement shall require the vote or consent of Members holding at least seventy five percent (75%) of the issued and outstanding Units. Notwithstanding the foregoing, under no circumstances shall the rights granted to Rogich and Zion under Sections 5.05, 9.11, 9.14, 10.01 be changed, amended, or modified without Rogich's or Zion's, as the case may be, express written consent.

14.05 Construction. Whenever the singular number is used in this Agreement and when required by the context, the same shall include the plural, and the masculine gender shall include the feminine and neuter genders and vice versa.

14.06 Headings. The headings in this Agreement are inserted for convenience only and are in no way intended to describe, interpret, define, or limit the scope, extent or intent of this Agreement or any provision hereof.

14.07 Waivers. The failure of any Person to seek redress for violation of or to insist upon the strict performance of any covenant or condition of this Agreement shall not prevent a subsequent act, which would have originally constituted a violation, from having the effect of an original violation, except in the event of a written waiver to the contrary that specifically states that this Section 14.07 shall be inapplicable.

14.08 Rights and Remedies Cumulative. The rights and remedies provided by this Agreement are cumulative, and the use of any one right or remedy by any Person shall not preclude or waive the right or use of any or all other remedies, subject to the provisions of this Agreement. Said rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance or otherwise, subject to the provisions of this Agreement.

14.09 Severability. If any provision of this Agreement or the application thereof to any Person or circumstance shall be invalid, illegal, or unenforceable to any extent, the remainder of this Agreement and the application thereof shall not be affected and shall be enforceable to the fullest extent permitted by Law.

14.10 Heirs, Successors, and Assigns. Each and all of the covenants, terms and provisions, herein contained shall be binding upon and inure to the benefit of the Members and, to the extent permitted by this Agreement, their respective heirs, legal representatives, successors, and assigns.

14.11 Creditors; Third Party Beneficiaries. None of the provisions of this Agreement shall be for the benefit of or enforceable by (i) any creditors of the Company or (ii) any Person not a party to this

Agreement or (iii) any Person not expressly granted the rights of a third-party beneficiary hereunder. The provisions of this Agreement are not intended to be for the benefit of and shall not confer any rights on any creditor or other Person (other than a Member in such Member's capacity as a Member) to whom any debts, liabilities or obligations are owed by the Company or any of the Members.

14.12 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. Execution and or delivery of signature pages to this Agreement by facsimile or other electronic means (such as .pdf files by email) shall be sufficient to bind the parties to this Agreement.

14.13 Further Assurances. The Members and the Company agree that they and each of them will take whatever action or actions as are deemed by counsel to the Company to be reasonably necessary or desirable from time to time to effectuate the provisions or intent of this Agreement, and to that end, the Members and the Company agree that they will execute, acknowledge, seal, and deliver any further instruments or documents which may be necessary to give force and effect to this Agreement or any of the provisions hereof, or to carry out the intent of this Agreement or any of the provisions hereof.

14.14 Entire Agreement. This Agreement, including Schedule A attached hereto, constitute the entire agreement and is intended by all parties hereto to be an integration of all the promises, oral or written agreements, conditions, understandings, warranties, and representations among the parties hereto with respect to the Company, and there are no promises, agreements, conditions, understandings, warranties, or representations, oral or written, express or implied, among them other than as set forth herein. For the avoidance of doubt, this Agreement, including Schedule A attached hereto, supersede all prior agreements and undertakings, both written and oral, express or implied, among the parties with respect to the subject matter hereof and thereof.

14.15 Time of Essence. Time is of the essence of this Agreement and all of the terms, provisions, covenants and conditions hereof.

14.16 Attorneys' Fees. In the event of an action or other proceeding to enforce any rights arising under this Agreement, the party prevailing in such Action or Proceeding shall be paid all reasonable costs and attorneys' fees by the other party, such fees to be set by the court and not by a jury and to be included in any order entered in such Action or Proceeding.

14.17 Neutral Interpretation. Each Member and the Managers, by their execution of this Agreement, covenant and acknowledge that they have been advised that this is an important legal document, that each such party should consult legal counsel regarding its effect and the consequences of executing it (including, without limitation, tax consequences), and that any failure of any party hereto to consult such legal counsel is acknowledged to be a deliberate decision by such party that such consultation is not desired or necessary. Each Member and the Managers, by their execution of this Agreement, covenant and agree that in the interpretation and construction of this Agreement, no inference or interpretation may be drawn against any party that drafted this Agreement or any portion thereof by reason of such draftsmanship, nor shall any inference or interpretation be drawn against any party due to the relative bargaining positions of the parties.

14.18 Force Majeure. Except for any obligation to make additional Capital Contributions or other payments when due under this Agreement, the obligations of a Member or any Manager, shall be suspended

to the extent and for the period that performance is prevented by in whole or in part by a Force Majeure Event. The affected Member or Manager shall give notice to the other Members and Managers of the Force Majeure Event and the suspension of performance, stating in the notice the nature of and the reasons for the Force Majeure Event and its estimated duration. The affected Member or Manager shall resume performance as soon as reasonably possible.

[signature page follows]

IN WITNESS WHEREOF, this Operating Agreement has been executed by the Members as of the date first above written.

**MEMBERS:**

ROGICH 2004 FAMILY  
IRREVOCABLE TRUST

By: \_\_\_\_\_  
Sig Rogich, Trustee

RDS REVOCABLE TRUST DATED JUNE 3, 2011

By: \_\_\_\_\_  
Rey Sefo, Trustee

JANIS LAVERTY JONES REVOCABLE TRUST

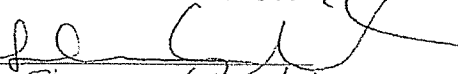
By: \_\_\_\_\_  
Janis Lavery Jones, Trustee

DREAMWORK LLC

By: Dreamwork Management Inc.  
Its: Manager

By: \_\_\_\_\_  
Haskel Iny, President

ZION WOOD O.B. WAN TRUST

By:   
Name: Sharon Wright  
Its: Trustee

\_\_\_\_\_  
BRUCE BENDELL

DEALER BREAKS LLC

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

Nancy and Bruce Deifik Family Partnership LLLP,  
a Colorado limited liability limited partnership

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

WSOF-EIP, LLC,  
a Nevada limited liability company

By: \_\_\_\_\_  
Bruce Deifik, Manager

**SCHEDULE A**  
**MEMBER'S UNITS AND CAPITAL CONTRIBUTIONS**  
[as of the Effective Date]

MEMBER NAME AND ADDRESS	UNITS	TOTAL CAPITAL CONTRIBUTIONS (including Member Debt contributed under Section 6.02)
RDS Revocable Trust date June 3, 2011 _____ _____	3.42	\$0
Rogich 2004 Family Irrevocable Trust 11920 Southern Highlands Pkwy, Suite 301 Las Vegas, Nevada 89141	5.94	\$0
Janis Lavery Jones Revocable Trust _____ _____ _____	1.04	\$44,160
Bruce Bendell _____ _____	42.31	\$3,054,658
Dealer Breaks LLC _____ _____	5.41	\$529,480
Zion Wood O.B. Wan Trust 3275 S. Jones Blvd., Suite 104 Las Vegas, Nevada 89146	13.34	\$1,066,800
Nancy and Bruce Deifik Family Partnership LLLP 1550 Market Street, Suite 400 Denver, CO. 80202	199.84	\$11,892,057
Dreamwork LLC 8350 W. Sahara Avenue, Suite 210 Las Vegas, Nevada 89117	24.34	\$1,977,934
WSOF-EIP, LLC 2520 St. Rose Parkway, Suite 310 Henderson, Nevada 89074	1	\$0
	Total Units Outstanding*: 296.64	Total Capital Contributions*: \$18,565,089

\*As of the Effective Date

**SCHEDULE B**  
**MEMBER DEBT CONTRIBUTED AS**  
**CAPITAL CONTRIBUTIONS UNDER SECTION 6.02**

MEMBER	AMOUNT OF MEMBER DEBT CONTRIBUTED
RDS Revocable Trust date June 3, 2011	\$0
Rogich 2004 Family Irrevocable Trust	\$0
Janis Lavery Jones Revocable Trust	\$0
Bruce Bendell	\$1,393,991
Dealer Breaks LLC	\$0
Zion Wood O.B. Wan Trust	\$0
Nancy and Bruce Deifik Family Partnership LLLP	\$3,999,189
Dreamwork LLC	\$457,354
WSOF-EIP, LLC	\$0
Total Contributed Debt:	\$5,850,534