Case 2:14-cv-03503-MAM Document 1 Filed 06/12/14 Page 1 of 52 CIVIL COVER SHEET

JS 44 (Rev. 12/12)

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. *(SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)*

I. (a) PLAINTIFFS			M	DEFENDANT	Scor LLC		
Piotr Nowak				ajor League So ajor League So		s Union	
(b) County of Residence of First Listed Plaintiff <u>Delaware County, PA</u> (EXCEPT IN U.S. PLAINTIFF CASES)				County of Residence of First Listed Defendant <u>New York County, NY</u> (IN U.S. PLAINTIFF CASES ONLY) NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.			
(c) Attorneys (Firm Name, Clifford Haines Haines & Associates, 183 Phila, PA. 19103 215 246 220				Attorneys (If Known	n)		
II. BASIS OF JURISDI	CTION (Place an "X" in G	ne Box Only)	II. CITIZ	ENSHIP OF	PRINCIPA	L PARTIES	(Place an "X" in One Box for Plaintiff
1 U.S. Government Plaintiff	□ 3 Federal Question (U.S. Government)	Not a Party)	(For) PTF DEF (24(1 □ 1	Incorporated or Pr of Business In T	
2 U.S. Government Defendant	☑ 4 Diversity (Indicate Citizensh	ip of Parties in Item III)				Incorporated and I of Business In a	Another State
			Citizen or Foreign			Foreign Nation	□ 6 □ 6
IV. NATURE OF SUIT			FODE	NOTE TO STORES A CASE OF A	DIA		CONTROL OF A TELEFOR
CONTRACT 110 Insurance 120 Marine 130 Miller Act 140 Negotiable Instrument 150 Recovery of Overpayment & Enforcement of Judgment 151 Medicare Act 152 Recovery of Defaulted Student Loans (Excludes Veterans) 153 Recovery of Overpayment of Veteran's Benefits 160 Stockholders' Suits 190 Other Contract 195 Contract Product Liability 196 Franchise <u>REAL PROPERTY</u> 210 Land Condemnation 220 Foreclosure 230 Rent Lease & Ejectment 240 Torts to Land 245 Tort Product Liability 290 All Other Real Property	PERSONAL INJURY 310 Airplane 315 Airplane Product Liability 320 Assault, Libel & Slander 330 Federal Employers' Liability 340 Marine 345 Marine Product Liability 350 Motor Vehicle 355 Motor Vehicle 355 Motor Vehicle 360 Other Personal Injury 362 Personal Injury - Medical Malpractice CIVIL RIGHTS 440 Other Civil Rights 441 Voting 442 Employment 443 Housing/ Accommodations 445 Amer. w/Disabilities - Employment 446 Amer. w/Disabilities - Other 448 Education	PERSONAL INJURY 365 Personal Injury - Product Liability 367 Health Care/ Pharmaceutical Personal Injury Product Liability 368 Asbestos Personal Injury Product Liability 368 Asbestos Personal 10jury Product 370 Other Fraud 371 Truth in Lending 380 Other Personal Property Damage Roduct Liability PRISONERPETITIONS Habeas Corpus: 463 Alien Detainee 510 Motions to Vacate Sentence 530 General	 Gest Draw of of of 690 Oth of 720 Lab Regional content of	LABOR r Labor Standards	□ 422 Appe □ 423 With 28 U PROPEL □ 820 Copy □ 830 Paten □ 840 Trade 0 861 HIA □ 862 Black □ 863 SSD □ 864 SSD □ 864 SSD □ 865 RSI (0 870 Taxes or De 0 871 IRS 26 U	al 28 USC 158 drawal SC 157 CTY RIGHTS rights tt emark (1395ff) (1395ff) c Lung (923) C/DIWW (405(g)) 'Title XVI	 375 False Claims Act 400 State Reapportionment 410 Antitrust 430 Banks and Banking 450 Commerce 460 Deportation 470 Racketeer Influenced and Corrupt Organizations 480 Consumer Credit
	noved from 3 in 3 i	Appellate Court	4 Reinstate Reopened	Anoth (specij	ter District	6 Multidistr Litigation	
VI. CAUSE OF ACTIC	N Brief description of ca	tute under which you are t use: nce with a contract	filing (Do not	cite jurisdictional st	atutes unless div	versity):	
VII. REQUESTED IN COMPLAINT:	UNDER RULE 2	IS A CLASS ACTION 3, F.R.Cv.P.	DEMA	ND \$		HECK YES only URY DEMAND:	if demanded in complaint: XI Yes □ No
VIII. RELATED CASE IF ANY	(See instructions):	JUDGE The Honorab			DOCKE	T NUMBER 2:1	2-cv-04165
DATE 06/12/2014 FOR OFFICE USE ONLY	G	signature of atte	tar				·
	IOUNT	APPLYING IFP		JUDGE		MAG. JUI	DGE

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FOR THE EASTERN DISTRICT OF PENNSYLVANIA — DESIGNATION FORM to a assignment to appropriate calendar.	be used by counsel to indicate the category of the case for the purpose of
Address of Plaintiff: 102 Hayfield Lane, Chadds Ford, F	2419137-9208
Address of Defendant: 420 Fifth Ave., New York, NY 10	
Place of Accident, Incident or Transaction: Bethesda,	Maryland
Does this civil action involve a nongovernmental corporate party with any parent corporation a	and any publicly held corporation owning 10% or more of its stock?
(Attach two copies of the Disclosure Statement Form in accordance with Fed.R.Civ.P. 7.1(a)) Yes□ No□
Does this case involve multidistrict litigation possibilities? RELATED CASE, IF ANY: Case Number: 2:12-cv-04165 JudgeHom. Mary McLaughl	Yes□ No
Civil cases are deemed related when yes is answered to any of the following questions:	
 Is this case related to property included in an earlier numbered suit pending or within one ye Does this case involve the same issue of fact or grow out of the same transaction as a prior s 	Yes Work No
action in this court?3. Does this case involve the validity or infringement of a patent already in suit or any earlier r terminated action in this court?	Yes $N_0 \square$ numbered case pending or within one year previously. Yes \square No \square
4. Is this case a second or successive habeas corpus, social security appeal, or pro se civil right	ts case filed by the same individual? Yes No
CIVIL: (Place 🖌 in ONE CATEGORY ONLY)	
A. Federal Question Cases:	B. Diversity Jurisdiction Cases:
1. D Indemnity Contract, Marine Contract, and All Other Contracts	1. □ Insurance Contract and Other Contracts
2. \Box FELA	2. D Airplane Personal Injury
3. 🗆 Jones Act-Personal Injury	3. □ Assault, Defamation
4. □ Antitrust	4. 🗆 Marine Personal Injury
5. 🗆 Patent	5. 🗆 Motor Vehicle Personal Injury
6. 🗆 Labor-Management Relations	6. 🗆 Other Personal Injury (Please specify)
7. 🗆 Civil Rights	7. 🗆 Products Liability
8. 🗆 Habeas Corpus	8. 🗆 Products Liability — Asbestos
9. □ Securities Act(s) Cases	9. All other Diversity Cases
10. □ Social Security Review Cases	(Please specify)
11. □ All other Federal Question Cases (Please specify)	
Clifford E Hairon (Check Appropriate Ca	the going (
I, <u>Clifford E. Haines</u> , counsel of record do hereby certif Pursuant to Local Civil Rule 53.2, Section 3(c)(2), that to the best of my knowledge and b \$150,000.00 exclusive of interest and costs; Relief other than monetary damages is sought.	y: belief, the damages recoverable in this civil action case exceed the sum of
DATE: 6/12/14 Clifford & June Attorney-at-Law	09882 Attorney I.D.#

NOTE: A trial de novo will be a trial by jury only if there has been compliance with F.R.C.P. 38.

I certify that, to my knowledge, the within case is not related to any case now pending or within one year previously terminated action in this court except as noted above.

DATE: 6/12/14

CIV. 609 (5/2012)

Oufford & Danier Attorney-at-Law

09882

Attorney I.D.#

IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF PENNSYLVANIA

CASE MANAGEMENT TRACK DESIGNATION FORM

CIVIL ACTION

PIOTR NOWAK

v.

MAJOR LEAGUE SOCCER, LLS AND MAJOR LEAGUE : SOCCER PLAYERS UNION

NO.

SOCCER PLAYERS UNION In accordance with the Civil Justice Expense and Delay Reduction Plan of this court, counsel for plaintiff shall complete a Case Management Track Designation Form in all civil cases at the time of filing the complaint and serve a copy on all defendants. (See § 1:03 of the plan set forth on the reverse side of this form.) In the event that a defendant does not agree with the plaintiff regarding said designation, that defendant shall, with its first appearance, submit to the clerk of court and serve on the plaintiff and all other parties, a Case Management Track Designation Form specifying the track to which that defendant believes the case should be assigned.

SELECT ONE OF THE FOLLOWING CASE MANAGEMENT TRACKS:

(a) Habeas Corpus – Cases brought under 28 U.S.C. § 2241 through § 2255.	()
(b) Social Security – Cases requesting review of a decision of the Secretary of Health and Human Services denying plaintiff Social Security Benefits.	()
(c) Arbitration – Cases required to be designated for arbitration under Local Civil Rule 53.2.	()
(d) Asbestos – Cases involving claims for personal injury or property damage from exposure to asbestos.	()
(e) Special Management – Cases that do not fall into tracks (a) through (d) that are commonly referred to as complex and that need special or intense management by the court. (See reverse side of this form for a detailed explanation of special management cases.)	()
(f) Standard Management - Cases that do not fall into any one of the other tracks.	()

6/12/14	Clifford E. Haines	Plaintiff
Date	Attorney-at-law	Attorney for
21 <u>5-246-2200</u>	215-246-2211	chaines@haines-law.con
Telephone	FAX Number	E-Mail Address

(Civ. 660) 10/02

UNITED STATES DISTRICT COURT EASTERN DISTRICT OF PENNSYLVANIA

PIOTR NOWAK	:	CIVIL ACTION
Plaintiff	:	
	:	NO.:
VS.	:	
	:	
MAJOR LEAGUE SOCCER, LLS and	:	
MAJOR LEAGUE SOCCER PLAYERS	:	
UNION	:	
Defendants	:	

COMPLAINT

This action is brought pursuant to § 766 of the Restatement of Torts as adopted in Pennsylvania in <u>Adler Barish, Daniels, Levin and Creskoff vs. Daniels</u>, 393 A.2d 1175 (1973) by Plaintiff, Piotr Nowak, against Defendants Major League Soccer LLC ("MLS") and Major League Soccer Players Association ("Players Union"), (collectively "Defendants") seeking damages for tortious interference with an existing employment contract between Plaintiff and Pennsylvania Professional Soccer LLC ("The Philadelphia Union").

PARTIES

Plaintiff, Piotr Nowak ("Plaintiff" or "Mr. Nowak") is a citizen of the United
 States Commonwealth of Pennsylvania with an address of 102 Hayfield Lane, Chadds Ford, PA
 19137-9208.

2. Defendant Major League Soccer LLC ("MLS") is a limited liability corporation with a principal place of business located at 420 Fifth Avenue, New York, New York 10018.

3. Defendant Major League Soccer Players Union is a collective bargaining entity organized to provide labor and employment protection to MLS soccer players with a principal place of business at 7605 Arlington Road in Bethesda, Maryland.

JURISDICTION

4. Jurisdiction of this Court is predicated on 28 U.S.C.A. § 1332 in that there is complete diversity of citizenship between the Plaintiff and the Defendants and the amount in controversy is in excess of \$150,000.00 exclusive of interests and costs.

VENUE

5. Venue lies within the Eastern District of Pennsylvania because all relevant activities between the parties as it relates to this claim have occurred in this District.

BACKGROUND

6. On June 13, 2012, The Philadelphia Union announced the firing of the Union's coach and Team Manager, Piotr Nowak.

At the time of his firing, Mr. Nowak was under contract with the Philadelphia
 Union to perform services as the Union's Coach and Team Manager through December 31,
 2015.

8. The termination of Piotr Nowak was directly caused by the tortious interference of the Defendants MLS and the Players Union as more fully set forth below.

FACTS

9. Piotr Nowak is an internationally renowned professional soccer player and coach who served as the coach of the United States Olympic team in 2008.

10. On or about June 1, 2009, The Philadelphia Union and Mr. Nowak entered into the Manager Employment Agreement ("Original Agreement"), a contract which employed Mr. Nowak as the Team Manager of the Philadelphia Union through December 31, 2012. A copy of this agreement is attached as Exhibit "A".

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11. The Original Agreement provides for different terms related to termination depending on whether termination was "for cause" (Paragraph III(A) and (B)).

12. The Original Agreement provides, "[w]hether Club has terminated this Agreement pursuant to Paragraph III(A) or (B) shall be determined in good faith." *See* Ex. A at Paragraphs III (C).

13. The Original Agreement also stated that "prior to terminating Manager pursuant to Paragraph III (A), Club shall specify in reasonable detail the reason Manager is being so terminated and give Manager an opportunity to respond thereto." *See* Ex. A at Paragraph III (C).

14. The Original Agreement also provides that in certain circumstances related to a for cause termination, the "Club shall allow Manager fifteen (15) days to cure the occurrence." *See* Ex. A at Paragraph III (C).

15. On or about December 20, 2011, with Mr. Nowak having commendably performed his duties under the Original Agreement, the Club named Mr. Nowak as the Union's "Manager and Executive Vice President of Soccer Operations" and extended Mr. Nowak's contract through December 31, 2015 via a letter extension and amendment ("Extension Agreement"). A copy of the Extension Agreement is attached hereto as Exhibit "B".

16. On or about June 13, 2012, Mr. Nowak was notified verbally that he was being terminated.

17. Also on June 13, 2012, defendants provided Mr. Nowak with written "options" as follows: (1) sign a Separation Agreement and General Release which would deem him terminated as of June 13, 2012, but continue his salary through December 31, 2012 (while depriving him of the salary and benefits to which he was otherwise contractually entitled through December 31, 2015 or (2) if he refused to sign, a letter would be issued indicating that

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he was being terminated for cause pursuant to Paragraph III (A) of the Original Agreement, in which case, Mr. Nowak would receive no severance. A copy of the Separation Agreement and General Release is attached hereto as Exhibit "C". A copy of the proposed "For Cause" letter is attached hereto as Exhibit "D".

18. All of the allegations in the proposed termination letter are curable and are pretextual. *See* Exhibit "D".

19. Defendants notified Plaintiff that if he did not sign the Separation Agreement and General Release by Friday, July 20, 2012, the letter terminating him for cause will be issued.

20. Plaintiff notified the Philadelphia Union that he would not sign the Separation Agreement and General Release, creating a material dispute between the parties.

21. The Philadelphia Union had no good faith basis for their assertion of a "for cause" termination.

22. In addition, even if the Philadelphia Union had grounds for a claim of contractual breach under Paragraph III (A), the Philadelphia Union failed to satisfy the condition precedent to termination of the contract and/or breach the contract by (1) failing to provide Mr. Nowak with notice of the termination before it actually occurred and/or (2) failing to provide Mr. Nowak with an opportunity to cure the concerns as stated in the "for cause" letter.

23. Subsequent to his termination, Plaintiff brought an action in this court seeking a declaratory judgment regarding his termination, *Piotr Nowak v. Pennsylvania Professional Sports, LLC and Keystone Sports & Entertainment LLC*, No. 2:12-cv-04165-MAM.

24. Relying on an arbitration clause in the contract, this Court remanded Plaintiff's claims to arbitration however, retained jurisdiction subject to the outcome of the arbitration.

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25. During the discovery phase of Plaintiff's case against the Philadelphia Union, Plaintiff learned that his termination was precipitated by an investigation demanded by the Major League Soccer Players Association and conducted by the Major League Soccer which resulted in a Report.

26. Although the Report made allegations of and concerning Piotr Nowak, Mr. Nowak was not notified of the investigation, nor was he questioned during the investigation, nor were any of the allegations independently verified. Mr. Nowak did not see the investigation Report until after he was fired and commenced his lawsuit against the Philadelphia Union.

27. During the deposition testimony of Philadelphia Union President and owner, Jay Sugarman related to the arbitration between the Philadelphia Union and Mr. Nowak (the "Arbitration"),, Mr. Sugarman testified that the decision to fire Piotr Nowak was based on a directive from MLS that Mr. Nowak be terminated as a coach.

28. During the Arbitration hearing conducted in late May of 2014, the Executive Director of the Players Union testified that an investigation of Piotr Nowak was demanded by the Player's Union in May of 2012 over a disputed training exercise.

29. The Players Union also demanded that Piotr be fired.

30. The termination of Piotr Nowak, as coach of the Philadelphia Union was precipitated and directly caused by Major League Soccer and the Major League Soccer Players Association.

COUNT I

TORTIOUS INTERFERENCE WITH CONTACTUAL REALTIONS AGAINST MAJOR LEAGUE SOCCER PLAYERS UNION

31. Plaintiff incorporates paragraphs 1 through 30 as though they were fully pled herein.

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32. At the time the Major League Soccer Players Union demanded the termination of Piotr Nowak, Piotr Nowak had a contact of employment with the Philadelphia Union Soccer Club.

33. The Major League Soccer Players Union intended to harm Piotr Nowak by interfering with his contractual relationship between Nowak and the Philadelphia Union Football Club.

34. The action of the Major League Soccer Players Union was not privileged to interfere with the contract between Piotr Nowak and the Philadelphia Union.

35. As a direct and proximate result of the Players Union's intentional acts, Piotr Nowak lost the value of the remaining years on his contact with the Philadelphia Union.

36. As a direct and proximate result of the Player's Union's intentional actions, Piotr Nowak has been ostracized from the Major League Soccer League and deprived of the opportunity to earn a living.

WHEREFORE, plaintiff seeks damages from defendants in a sum in excess of \$1,000,000.00 together with lawful interest, penalties and counsel fees.

COUNT II TORITUUS INTEREFERECE WITH CONTRACTUAL RELATIONS AGAIST MAJOR LEAGUE SOCCER LLC

37. Plaintiff incorporates paragraphs 1 through 36 as though they were fully pled herein.

38. At the time the Major League Soccer demanded the termination of Piotr Nowak, Piotr Nowak had a contact of employment with the Philadelphia Union Soccer Club.

39. Major League Soccer intended to harm Piotr Nowak by interfering with the contractual relationship between Mr. Nowak and the Philadelphia Union Soccer Club.

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40. The action of Major League Soccer was not privileged to interfere with the contract between Piotr Nowak and the Philadelphia Union.

41. As a direct and proximate result of the intentional acts of MLS, Piotr Nowak lost the value of the remaining years on his contact with the Philadelphia Union.

42. Upon information and belief, Major League Soccer has directed and/or advised other professional soccer clubs not to employ Piotr Nowak, thus also interfering with Mr. Nowak's prospective contractual relations with the Chicago Fire and other MLS soccer teams

43. As a direct and proximate result of Defendants intentional actions, Piotr Nowak has been ostracized from the Major League Soccer League and deprived of the opportunity to earn a living.

WHEREFORE, plaintiff seeks damages from defendants in a sum in excess of \$1,000,000.00 together with lawful interest, penalties and counsel fees.

Respectfully Submitted

Edam

CLIFFORD E. HAINES Haines & Associates 1835 Market Street Suite 2420 Philadelphia, PA 19103 Telephone: 215-246-2200 Fax: 215-246-2211 Attorneys for Plaintiff

Date: June 12, 2014

DEMAND FOR JURY TRIAL

Plaintiff hereby demands a trial by jury as to all issues.

Upper Ethine

Clifford E. Haines Attorney for Plaintiff

Dated: June 12, 2014

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EXHIBIT A

EXECUTION COPY

MANAGER EMPLOYMENT AGREEMENT

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

WIINESSETH:

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

I. <u>EMPLOYMENT</u>

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

(1) arranging for, conducting and supervising the Team's practices, training camps and training sessions;

(2) coaching as head coach the Team in all exhibition, regular season, playoff, tournament, international and other games and, in connection therewith, deciding the Team's tactics for such games;

(3) preparing for all games played by the Team, including developing game strategies and supervising the scouting of opposing teams;

(4) overseeing off-season player development programs for the Team;

(5) assisting in the scouting, evaluation and recruitment of potential players for the Team and in the preparation for the League draft;

(6) consulting and advising with respect to the composition of the Team's roster (e.g., player signings and player trades) and Club agrees to consult with Manager prior to determining the composition of the Team's roster;

(7) consulting and advising with respect to the composition of the Team's coaching staff and Club agrees to consult with Manager prior to determining the composition of the Team's coaching staff,

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

II. TERM

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

III. TERMINATION

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

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

YN.

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

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

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

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

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

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

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

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

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

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

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

IV. <u>COMPENSATION</u>

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

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

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

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

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

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

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

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

V. <u>ADDITIONAL BENEFITS</u>

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

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

(C) Each year during the Term while Manager is actually providing his services hereunder as manager of the Team and the Club's soccer operations, Club shall provide Manager, at Club's expense, an aggregate of sixteen (16) (prorated for 2009) roundtrip, coach class airline tickets for use by Manager and his immediate family between Naples, Florida and Philadelphia, Pennsylvania; provided, however that Manager shall personally use such tickets for a reasonable number of trips each calendar year and only to the extent such travel by Manager does not interfere with Manager fulfilling his duties hereunder. Club will book all such airline tickets for Manager and his immediate family and shall be given reasonable prior notice by Manager.

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

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

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

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

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

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

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

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VL SIGNING AND MARKETING RIGHTS

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

VIL ADDITIONAL ACTIVITIES

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

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

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

IX. COVENANTS

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

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

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

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

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

X. TAXES: WITHHOLDINGS

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

XL SUCCESSION

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

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

XII. NON-WAIVER

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

XIII. GOVERNING LAW, ARBITRATION AND ATTORNEYS' FEES

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

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XIV. <u>NOTICE</u>

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

If to Club:	Pennsylvania Professional Soccer LLC 1105 N. Market Street, 4th Floor Wilmington, Delaware 19801 Attention: Nick Saklewicz
With a copy to:	Katten Muchin Rosenman LLP 525 W. Monree St. Chicago, Illinois 60661 Attention: Adam R. Kicin
If to Manager:	Piotr Nowak 112 1st Avenue North Naples, Florida 34102
With a copy to:	Nisen & Elliott, LLC 200 West Adams Street, Suite 2500 Chicago, Illinois 60606 Attention: William G. Daluga, Jr.

XV. HEADINGS

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

XVI. ENTIRE AGREEMENT

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

XVIL SEVERABILITY

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

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

XVIIL COUNTERPARTS

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

XIX. <u>REPRESENTATIONS</u>

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

XX. SURVIVAL

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

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

CLUB:

PENNSYLVANIA PROFESSIONAL SOUCER LLC

PARTNER

lts:

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CEO & Oppersting

MANAGER:

PIULKNUWAK

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

CLUB:

PENNSYLVANIA PROFESSIONAL SOCCER LLC

By:

lts:

MANAGER:

PIOTR NOWAK

P.N.

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SCHEDULE A

BONUSES

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

To the extent coach of the team that wins the League Supporter's Shield is not automatically selected as Head Coach for the League's All-Star Game.

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EXHIBIT B

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

December 20, 2011

Piotr Nowak

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

Dear Piotr:

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

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

The parties hereto hereby agree as follows:

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

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

Piotr Nowak December 21, 2011 Page 2

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

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

- 7. Paragraph XIX of the Original Employment Agreement is hereby amended by replacing the words "December 31, 2012" with the words "December 31, 2015".
- 8. The Original Employment Agreement is hereby amended by inserting a new Paragraph XXI as follows:

"XXI. Loan

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

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

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

Piotr Nowak December 21, 2011 Page 3

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

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

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

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

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

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

Sincerely,

PENNSYLVANIA PROFESSIONAL SOCCER LLC

By:				
Name:	·	<u> </u>		
Its:		-	•	

and solely for the purposes of Section 1 hereof:

KEYSTONE SPORTS AND ENTERTAINMENT LLC

By:	·	
Name:		
Its:		

Agreed and accepted as of the date first above written:

Piotr Nowak

PINO SPORTS, LLC, a Florida limited liability company

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

By:	·
Name:	
Its:	

Amortization Schedule						
	Total	Interest	Principal	Ending		
Pay Period	Payment	Payment	Payment	Loan Balance		
Tuj Tonou	- r aymone			\$60,000		
Jan 15	\$690	\$125	\$565	\$59,435		
Jan 31	\$690	\$124	\$566	\$58,868		
Feb 15	\$690	\$123	\$568	\$58,301		
Feb 28	\$690	\$121	\$569	\$57,732		
March 15	\$690	\$120	\$570	\$57,162		
March 31	\$690	\$119	\$571	\$56,591		
April 15	\$690	\$118	\$572	\$56,019		
April 30	\$690	\$117	\$574	\$55,445		
May 15	\$690	\$116	\$575	\$54,870		
May 31	\$690	\$114	\$576	\$54,294		
June 15	\$690	\$113	\$577	\$53,717		
June 30	\$690	\$112	\$578	\$53,139		
July 15	\$690	\$111	\$580	\$52,559		
July 31	\$690	\$109	\$581	\$51,979		
Aug 15	\$690	\$108	\$582	\$51,397		
Aug 31	\$690	\$107	\$583	\$50,814		
Sept 15	\$690	\$106	\$584	\$50,229		
Sept 30	\$690	\$105	\$586	\$49,644		
Oct 15	\$690	\$103	\$587	\$49,057		
Oct 31	\$690	\$102	\$588	\$48,469		
Nov 15	\$690	\$101	\$589	\$47,880		
Nov 30	\$690	\$100	\$590	\$47,289		
Dec 15	\$690	\$99	\$592	\$46,697		
Dec 31	\$690	\$97	\$593	\$46,104		
FY 2012	\$16,566	\$2,670	\$13,896	\$46,104		
Jan 15	\$690	\$96	\$594	\$45,510		
Jan 31	\$690	\$95	\$595	\$44,915		
Feb 15	\$690	\$94	\$597	\$44,318		
Feb 28	\$690	\$92	\$598	\$43,720		
March 15	\$690	\$91	\$599	\$43,121		
March 31	\$690	\$90	\$600	\$42,521		
April 15	\$690	\$89	\$602	\$41,919		
April 30	\$690	\$87	\$603	\$41,316 \$40,740		
May 15	\$690	\$86	\$604	\$40,712		
May 31	\$690	l <i>≿</i> \$60	\$605	\$40,107 \$20,500		
June 15	\$690	\$84	\$607	\$39,500		
June 30	\$690	\$82	\$608	\$38,892		
July 15	\$690	\$81	\$609	\$38,283 \$37,673		
July 31	\$690	\$80	\$610	\$37,672		
Aug 15	\$690	\$78	\$612	\$37,061 \$36,448		
Aug 31	\$690	\$77	\$613			
Sept 15	\$690	\$76	\$614 \$616	\$35,833 \$35,218		
Sept 30	\$690	\$75	\$616	φυυ _ν ειο		

<u>Exhibit A</u> Amortization Schedule

Oct 15	\$690	\$73	\$617	\$34,601
Oct 31	\$690	\$72	\$618	\$33,983
Nov 15	\$690	\$71	\$619	\$33,363
Nov 30	\$690	\$70	\$621	\$32,743
Dec 15	\$690	\$68	\$622	\$32,121
Dec 31	\$690	\$67	\$623	\$31,497
FY 2013	\$16,566	\$1,958	\$14,607	\$31,497
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Jan 15	\$690	\$66	\$625	\$30,873
Jan 31	\$690	\$64	\$626	\$30,247
Feb 15	\$690	\$63	\$627	\$29,619
Feb 28	\$690	\$62	\$629	\$28,991
March 15	\$690	\$60	\$630	\$28,361
March 31	\$690	\$59	\$631	\$27,730
	\$690	\$58	\$632	\$27,097
April 15	-		\$634	\$26,464
April 30	\$690	\$56 \$55	\$635	\$25,829
May 15	\$690 \$690	\$55 \$64		\$25,192
May 31	\$690	\$54	\$636 ¢638	\$23,192
June 15	\$690	\$52	\$638 \$638	· · · · · · · · · · · · · · · · · · ·
June 30	\$690	\$51	\$639	\$23,915 \$22,975
July 15	\$690	\$50	\$640	\$23,275
July 31	\$690	\$48	\$642	\$22,633
Aug 15	\$690	\$47	\$643	\$21,990
Aug 31	\$690	\$46	\$644	\$21,346
Sept 15	\$690	\$44	\$646	\$20,700
Sept 30	\$690	\$43	\$647	\$20,053
Oct 15	\$690	\$42	\$648	\$19 <u>,</u> 404
Oct 31	\$690	\$40	\$650	\$18,755
Nov 15	\$690	\$3 9	\$651	\$18,103
Nov 30	\$690	\$38	\$653	\$17,451
Dec 15	\$690	\$36	\$654	\$16,797
Dec 31	\$690	\$35	\$655	\$16,142
FY 2014	\$16,566	\$1,210	\$15,355	\$16,142
	4 - 1		1	
Jan 15	\$690	\$34	\$657	\$15,485
Jan 31	\$690	\$32	\$658	\$14,827
Feb 15	\$690	\$31	\$659	\$14,168
Feb 28	\$690	\$30	\$661	\$13,507
March 15	\$690	\$28	\$662	\$12,845
March 31	\$690	7	\$663	\$12,182
April 15	\$690	\$25	\$665	\$11,517
April 30	\$690	\$24	\$666	\$10,851
•	\$690	\$23	\$668	\$10,183
May 15	\$690	\$21	\$669	\$9,514
May 31		\$20	\$670	\$8,843
June 15	\$690 \$690	\$18	\$672	\$8,172
June 30	\$690 \$600	\$10 \$17	\$673	\$7,498
July 15	\$690 \$600		\$675	\$6,824
July 31	\$690 ¢600	\$16 \$14	\$676	\$6,148
Aug 15	\$690 \$690	\$14	\$677	\$5,470
Aug 31	\$690	\$13	ψυτι	ψυ, ν

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\$16,566	\$424	\$16,142	\$0
A 4 A 7 A A	A 1 A 1	@40.440	<u> </u>
\$690	\$1	\$689	<u>\$0</u>
\$690	\$3	\$687	\$689
\$690	\$4	\$686	\$1,376
\$690	\$6	\$685	\$2,062
\$690	\$7	\$683	\$2,747
\$690	\$9	\$682	\$3,430
\$690	\$10	\$680	\$4,141
\$690	\$11	\$679	\$4,792
	\$690 \$690 \$690 \$690 \$690 \$690 \$690	\$690 \$10 \$690 \$9 \$690 \$7 \$690 \$6 \$690 \$6 \$690 \$4 \$690 \$3 \$690 \$1	\$690 \$10 \$680 \$690 \$9 \$682 \$690 \$7 \$683 \$690 \$6 \$685 \$690 \$6 \$686 \$690 \$4 \$686 \$690 \$3 \$687 \$690 \$1 \$689

EXHIBIT C

SEPARATION AGREEMENT AND GENERAL RELEASE

This Separation Agreement and General Release (this "Agreement") is made and entered into by and among Pennsylvania Professional Soccer LLC, a Delaware limited liability company (the "Company"), Piotr Nowak (the "Employee") and Pino Sports, LLC, a Florida limited liability company ("Pino").

RECITALS

A The Company has employed Employee as Manager pursuant to a Manager Employment Agreement dated June 1, 2009, as amended by a letter agreement dated December 20, 2011 (the "Employment Agreement");

B. The Company has engaged Pino to provide certain marketing rights to the Company pursuant to an Agreement dated June 1, 2009, as amended by a letter agreement dated December 20, 2011 (the "Marketing Agreement" and together with the Employment Agreement, the "Existing Agreements");

C. The parties have agreed that Employee's employment with the Company shall be terminated effective as of the Separation Date (as hereinafter defined), which automatically also terminates Pino's engagement with the Company;

D. The parties desire to resolve all outstanding matters with respect to Employee's employment and termination of employment and Pino's engagement and termination of engagement with the Company and to assure that there is no future dispute between them with respect to such matters; and

E. Each of Employee and Pino, on the one hand, and the Company, on the other hand, desires to compromise, finally settle, and fully release all claims which he or it in any capacity may have or claim to have against the other party arising out of, or in any way related to, his or its employment or engagement, as applicable or termination of employment or engagement, as applicable, with the Company.

NOW, THEREFORE, in consideration of the promises and mutual covenants and agreements set forth below, Employee, Pino and the Company hereby agree as follows:

1. Separation; Final Payments.

(a) Notwithstanding anything to the contrary in the Existing Agreements, each of Employee's and Pino's last day employed or engaged, as applicable, by the Company shall be June 13, 2012 (the "Separation Date").

(b) The Company will pay Employee his regular base salary at an annual rate of \$373,050, less the deductions and withholdings required by law and payable in accordance with the Company's regular payroll practice, through the Separation Date. Employee hereby acknowledges and agrees that he is not entitled to any performance or other

bonus from the Company relating to 2012 or any other year. The Company shall send Employee payments pursuant to this paragraph 1 at his address on file with the Company's Human Resources Department as of the date of his execution of this Agreement. Employee shall be responsible for notifying the Company of any change of address. The Company shall, subject to paragraph 5(a), pay to Employee a lump sum payment of \$20,725, less applicable withholdings, for accrued but unused vacation pay through the Separation Date (the "Unused Vacation Payment").

(c) Each of Employee and Pino acknowledges that with the payments set forth in paragraphs 1 and 2 hereof, Employee and Pino will have received all compensation and benefits owed to Employee and Pino by the Company and shall not be entitled to receive any other compensation or benefits of employment or engagement from the Company or any of its affiliates following the Separation Date.

2. Severance Payments. In consideration for the releases and covenants by Employee in this Agreement and provided that Employee complies with all obligations herein. the Company will, subject to paragraph 5(a), provide Employee with severance pay (the "Severance Payments") equal to: (i) Employee's regular base monthly salary (\$31,087.50/month), less applicable withholdings, from the Separation Date through December 31, 2012, to be paid at regular payroll intervals following the revocation period set forth below; and (ii) if Employee timely elects continuing coverage under the Company's group medical insurance benefit plan pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended, the Company shall pay for a portion of the monthly cost of such continuation coverage in an amount equal to the same portion of the monthly cost of Employee's coverage under the Company's group medical insurance plan that was paid by the Company during May 2012 (by way of example only, if the Company paid \$500 per month of the cost of Employee's coverage under the Company's group medical insurance plan in May 2012, then the Company will pay \$500 per month of the cost of such continuation coverage) until the earlier of (A) December 31, 2012 and (B) the date that Employee is eligible to be covered under another employer's group medical insurance plan.

3. Employee Release: Company Release.

(a) Each of Employee and Pino (on behalf of his or its affiliates, officers, equityholders, agents, representatives, attorneys, assigns, heirs, executors, successors and administrators) fully releases and forever discharges the Company (including the Company's past and present parents, subsidiaries, owners, affiliates, predecessors, successors, assigns, members, managers, officers, employees, agents, consultants, employee benefit plans, and attorneys (and the owners, members, managers, directors, officers, employees, agents, and attorneys of such parents, subsidiaries, owners, affiliates, predecessors, successors, assigns and members)), Jay Sugarman, and all persons acting by, through, under, or in concert with any of them (collectively, the "Releasees"), from, and agrees not to bring any action, proceeding or suit against any of the Releasees regarding, all actions, causes of action, debts, liabilities, fees, expenses, sums of money, accounts, covenants, contracts, obligations, agreements, promises, damages, judgments, claims, and demands whatsoever, whether known or unknown, either in law or equity, whether statutory or common law, whether federal, state, local, or otherwise,

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including, but not limited to, any claims related to, or arising out of any aspect of Employee's employment or Pino's engagement with the Company, any agreement concerning such employment or engagement, or the termination of such employment or engagement, including, but not limited to, any and all claims:

(i) violation of any written or unwritten contract, agreement, understanding, policy, benefit, retirement or pension plan, severance plan, or covenant of any kind, or failure to pay wages, bonuses, accrued vacation, employee benefits, other compensation, attorneys' fees, damages, or any other remuneration;

(ii) discrimination, harassment, or retaliation on the basis of any characteristic or trait protected under law (including, but not limited to, race, color, national origin, sex, sexual orientation, religion, disability, marital or parental status, age, union activity or other protected activity), or other denial of protection or benefits under any statute, ordinance, executive order, or regulation (including, but not limited to, claims under Title VII of the Civil Rights Act of 1964, the Civil Rights Act of 1991, the Civil Rights Act of 1866, the Age Discrimination in Employment Act, the Americans with Disabilities Act, the Fair Labor Standards Act, the Family and Medical Leave Act, the Workers' Adjustment and Retraining Notification Act, the Employee Retirement Income Security Act of 1974, the Pennsylvania Human Relations Act, or any other federal, state or local statute, ordinance, or regulation regarding employment, termination of employment, or discrimination in employment); and/or

(iii) violation of any public policy or common law of any state relating to employment or personal injury (including but not limited to claims for wrongful discharge, defamation, invasion of privacy, infliction of emotional distress, negligence, interference with contract)

which, against the Releasees, Employee, Employee's agents, representatives, attorneys, assigns, heirs, executors, successors and administrators ever had, now have, or hereafter can, will, or may have, for, upon, or by reason of any matter, cause, or thing whatsoever from the beginning of the world to the date of Employee's execution of this Agreement.

(b) In consideration of this Agreement and the mutual promises set forth herein, the adequacy of which is hereby acknowledged, the Company, on behalf of its affiliates, officers, equityholders, agents, representatives, attorneys, assigns and successors, fully releases and forever discharges each of Employee and Pino and his and its past and present parents, subsidiaries, owners, affiliates, predecessors, successors, assigns, members, managers, officers, employees, agents, consultants, employee benefit plans, and attorneys (and the owners, members, managers, directors, officers, employees, agents, and attorneys of such parents, subsidiaries, owners, affiliates, predecessors, successors, assigns and members), and all persons acting by, through, under, or in concert with any of them (collectively, the "Company Releasees"), from, and agrees not to bring any action, proceeding or suit against any of the Company Releasees regarding, all actions, causes of action, debts, liabilities, fees, expenses, sums of money, accounts, covenants, contracts, obligations, agreements, promises, damages, judgments, claims, and demands whatsoever, whether known or unknown, either in law or equity, whether statutory or common law, whether federal, state, local, or otherwise; provided,

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however, such release shall in no event apply to Paragraph XXI of the Employment Agreement and Employee's obligation to repay the Loan (as defined in the Employment Agreement) or the 2012 Pino Fee Repayment Amount (as hereinafter defined).

4. <u>Representations and Warranties</u>.

(a) Each of Employee and Pino represents and warrants that neither Employee nor Pino has ever commenced or filed against the Releasees, or any of them, any action, charge, complaint, or other proceeding, whether administrative, judicial, legislative, or otherwise, including, but not limited to, any action or proceeding for attorneys' fees, experts' fees, disbursements, or costs, based upon or seeking relief on account of actions or failures to act by the Releasees, or any of them, which may have occurred or failed to occur before Employee's or Pino's execution of this Agreement.

(b) Each of Employee and Pino represents and warrants that no other person is entitled to assert any claim based on or arising out of any alleged discriminatory, unlawful, wrongful, tortious, or other conduct against Employee or Pino, as applicable, by the Releasees, or any of them, including, but not limited to, any and all claims for attorneys' fees, experts' fees, or damages resulting as a consequence thereof, based upon or seeking relief on account of actions or failures to act by the Releasees which may have occurred or failed to occur before Employee's or Pino's execution of this Agreement. Each of Employee and Pino further represents, warrants and covenants that neither Employee nor Pino has assigned, and will never assign, any such claim and that in the event any such claim is filed or prosecuted by any other person or entity, Employee and Pino will (i) cooperate fully with the Releasees, (ii) move immediately to withdraw Employee's or Pino's, as applicable, name and to disassociate Employee or Pino, as applicable, completely from any such claim, (iii) request such person or entity to withdraw such claim with prejudice and (iv) not voluntarily cooperate with or testify on behalf of the person or entity prosecuting such claim.

5. <u>Continuing Obligations</u>.

Each of Employee and Pino acknowledges and agrees that (i) Employee (a) is obligated to repay to the Company the principal balance of the Loan (together with all accrued but unpaid interest thereon), (ii) Pino has previously received from the Company an amount equal to \$85,000 in respect of the 2012 calendar year Fee (as defined in the Marketing Agreement) (the "2012 Pino Fee"), (iii) Pino is obligated to repay to the Company the portion of the 2012 Pino Fee attributable to the period commencing on the Separation Date and ending on December 31, 2012 (the "2012 Pino Fee Repayment Amount") and (iv) the Severance Payments remain subject to Paragraph III(D) of the Employment Agreement (as such provision relates to the Company's right to mitigate and set off against its obligations to pay such Severance Payments). Employee acknowledges and agrees that interest shall accrue on each of the principal balance of the Loan (together with all accrued but unpaid interest thereon) and the 2012 Pino Fee Repayment Amount at a rate of 5.00% per annum and the Company shall have the right to offset the amount outstanding under each of the Loan (including all accrued but unpaid interest thereon) and the 2012 Pino Fee Repayment Amount against the first dollars otherwise payable to Employee or Pino in respect of the after-tax Severance Payments and/or

the Unused Vacation Payment until such amounts have been repaid in full to the Company. To the extent any amount (including any accrued but unpaid interest) remains outstanding on the Loan or any portion of the 2012 Pino Fee Repayment Amount remains unpaid, as of December 31, 2012, such amount(s) shall be immediately due and payable and interest shall accrue on such amount at a rate of 7.00% per annum.

(b) Employee acknowledges and agrees that Employee remains bound by the restrictive covenant obligations set forth in Paragraph IX(A)-(E) of the Employment Agreement. Employee further acknowledges that his continuing compliance with such provisions is a material condition to Employee's receipt of the consideration set forth herein. Should Employee breach any of such provisions, then in addition to all other remedies available to the Company at law or in equity, Employee shall not be entitled to receive, or shall be required to return in full if already received, the payments set forth in paragraph 2.

(c) If any matter or occurrence set forth in Paragraph III(A) of the Employment Agreement not actually known as of the date hereof by an executive officer of the Company becomes known to the Company after the Separation Date, then the Company may, by delivery of written notice to Employee, treat such termination as being a termination by the Company pursuant to Paragraph III(A) of the Employment Agreement. In such event, the Company shall no longer be obligated to make any payments pursuant to paragraph 1 hereof and Employee and Pino shall repay to Company an amount equal to the payments pursuant to paragraph 1 hereof that Employee or Pino, as applicable, has received previously.

(d) Employee acknowledges and agrees that the following provisions thereof shall survive termination of the Employment Agreement: Paragraphs III(D)(3) (as such provision relates to mitigation), VIII, IX, X, XI, XII, XIII, XIV, XVII and XXI; provided, further, that the following provisions thereof shall survive termination of the Marketing Agreement: Sections 4.2(c) (as such provision relates to mitigation), 5.2, 5.3, 5.4., 5.5., 5.6, 5.7, 5.9 and 5.10.

6. <u>Confidentiality</u>. Each of Employee and Pino shall not disclose to any person, entity, agency, group, or other organization other than (i) as required by law; or (ii) to his or its tax and legal advisors, and then only if, before such disclosure is made, the person or entity that will be receiving it agrees in writing or is otherwise professionally obligated to be bound by this confidentiality provision either directly or indirectly, any information relating to the existence or contents of this Agreement. The parties agree that breach of this covenant will constitute a material breach of this Agreement, for which the damage to the Company would be difficult, if not impossible, to measure.

7. <u>Arbitration</u>. Any claim arising out of or related to this Agreement or any alleged breach hereof shall be resolved exclusively through final and binding arbitration before a single neutral arbitrator chosen by the parties and judgment on the award of the arbitrator may be entered by any court of competent jurisdiction. Any such arbitration shall take place in the Philadelphia, Pennsylvania metropolitan area. Any such arbitration shall be strictly private and confidential and no party to it, including the arbitrator, and no witness or persons associated with the arbitration process shall discuss its occurrence or result, or the claims involved in it, with any person or entity other than his, her, or its attorneys or tax advisers. The prevailing party in any such arbitration shall be entitled to his or its reasonable attorneys' fees and other costs of suit as determined by the arbitrator. The parties understand and agree that this is a post dispute agreement to arbitrate. If, for any legal reason, a controversy arising out of or relating to the interpretation or application of this Agreement or its subject matter cannot be arbitrated as provided hereinabove, the parties agree that any civil action shall be brought in the United States District Court for the Eastern District of Pennsylvania or, only if there is no basis for federal jurisdiction, in the Court of Common Pleas of Delaware County, Pennsylvania. The parties further agree that, to the extent permitted by law, any such civil action shall be tried to the court, sitting without a jury.

8. <u>Attorneys Fees: Specific Performance</u>. If either the Company, on the one hand, or Employee or Pino, on the other hand, shall commence an action against the other to enforce the specific terms of this Release, the prevailing party shall be entitled to its attorneys' fees and other costs of suit and shall be indemnified for such fees and costs. The Company, on the one hand, or Employee or Pino, on the other hand, each acknowledge that any breach of its or his obligations under this Release shall cause irreparable harm for which there is no adequate remedy at law. Each of the Company, on the one hand, or Employee or Pino, on the other hand, therefore agree that if any obligation of this Release is breached, the nonbreaching party, at its sole discretion, in addition to any other remedies available to it, may bring an action or actions for injunctive relief, specific performance, or both, and have entered a temporary restraining order, preliminary or permanent injunction, or order compelling specific performance and, if successful, recover costs and attorneys' fees from the breaching party.

9. <u>No Admissibility</u>. This Agreement, its execution, and its implementation may not be used as evidence, and shall not be admissible, in any proceeding except one claiming a violation of this Agreement.

10. <u>Severability</u>. Should any provision of this Agreement be declared or determined by a court to be illegal or invalid, the validity of the remaining parts, terms, or provisions will not be affected thereby, and said illegal or invalid part, term, or provision will be deemed not to be a part of this Agreement.

11. Indemnification. Each of Employee and Pino agrees to indemnify and hold harmless each and all of the Releasees from and against any and all loss, cost, damage, or expense, including, but not limited to, attorneys' fees, incurred by the Releasees, or any of them, arising out of any breach by Employee of this Agreement, or the fact that any representation made by Employee in this Agreement was false when made. Each of Employee and Pino also agrees that any tax that may be payable on the consideration received by Employee or Pino pursuant to this Release, other than employer payroll taxes, is the sole responsibility of Employee or Pino, as applicable. Each of Employee and Pino agrees to indemnify, defend, and hold the Company harmless from and against any liability or claim for any tax or other governmental contribution or any penalty or interest thereon that may be incurred or demanded as a result of the receipt of the consideration provided for in this Release.

12. <u>Reference</u>. To the extent Employee wishes to obtain a referral from the Company, Employee shall direct any reference requests solely to the Company's Chief Financial Officer.

13. <u>Governing Law</u>. This Agreement will be deemed to have been made in the Philadelphia, Pennsylvania metropolitan area, and will be interpreted, construed, and enforced, and any and all disputes relating to or arising out of this Agreement will be resolved pursuant to the substantive laws of the Commonwealth of Pennsylvania, without regard to choice of law principles.

14. Entire Agreement. Subject to Paragraph 5(d), this Agreement sets forth the entire agreement between the parties hereto and fully supersedes any and all prior agreements or understandings between the parties, regarding the subject matter hereof (including as set forth in the Existing Agreements), and may not be modified except in a writing signed by both parties. Each of Employee and Pino expressly acknowledges, represents, and warrants that the terms and provisions of this Agreement herein stated are the only consideration for signing this Agreement; that no other promise or agreement of any kind has been made to Employee or Pino by any person or entity whatsoever to cause the signing of this Agreement; and that, in executing this Agreement, Employee and Pino do not rely and have not relied upon any representatives, or attorneys with regard to the subject matter, basis, or effect of this Agreement or otherwise.

15. <u>No Admissions</u>. This Agreement will not in any way be construed as an admission by the Company or any of the Releasees of any liability, or of any unlawful or otherwise wrongful acts against Employee, Pino or any other person, and the Company specifically disclaims any liability to or any unlawful or otherwise wrongful acts against, Employee, Pino or any other person on the part of the Company or any of the other Releasees.

16. <u>Miscellaneous</u>. Notwithstanding any other provision of this Agreement to the contrary:

(a) Employee does not waive rights or claims that may arise after the date this Agreement is executed;

(b) Employee has the right to revoke this Agreement, solely with regard to Employee's release of claims under the Age Discrimination in Employment Act and the Older Workers Benefit Protection Act, for up to seven days after Employee signs it. In order to revoke this Agreement, Employee must sign and send a written notice of the decision to do so, addressed to David P. Debusschere, and that written notice must be received by the Company no later than the eighth day after Employee signed this Agreement, in which case the obligations of the Company shall be those set forth in the Employment Agreement that survive termination of the Employment Agreement, if any; and

(c) Each of Employee represents and warrants that the Company hereby advises Employee to consult an attorney prior to executing this Agreement; and is giving

Employee a period of twenty-one (21) days in which to consider this Agreement before executing it. If Employee or Pino executed this Agreement at any time before the end of such period, such early execution was a knowing and voluntary waiver of Employee's and Pino's right to consider this Agreement for twenty-one (21) days, and was due to Employee's and Pino's belief that Employee and Pino had ample time in which to consider and understand this Agreement and to review this Agreement with Employee's and Pino's Counsel. Each of Employee and Pino understands that if he or it does not sign this Agreement within twenty-one (21) days of receiving it, the Company's offer to enter into this Agreement shall be automatically withdrawn.

EACH OF EMPLOYEE AND PINO EXPRESSLY ACKNOWLEDGES, REPRESENTS, AND WARRANTS THAT HE OR IT, AS APPLICABLE, HAS CAREFULLY READ THIS AGREEMENT; FULLY UNDERSTANDS THE TERMS, CONDITIONS, AND SIGNIFICANCE OF THIS AGREEMENT; HAS HAD AMPLE TIME TO CONSIDER AND NEGOTIATE THIS AGREEMENT; HAS HAD A FULL OPPORTUNITY TO REVIEW THIS AGREEMENT WITH AN ATTORNEY OF HIS CHOICE; AND HAS VOLUNTARILY AND KNOWINGLY EXECUTED THIS AGREEMENT. EMPLOYEE UNDERSTANDS HE OR IT, AS APPLICABLE, IS WAIVING LEGAL RIGHTS BY SIGNING THIS AGREEMENT.

Pennsylvania Professional Soccer LLC, a Delaware limited liability company

By:

Name: Title: PIOTR NOWAK

Date:

Date:

Pino Sports, LLC, a Florida limited liability company

By:

Name: Title:

Date:

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EXHIBIT D

Pennsylvania Professional Soccer LLC 2501 Seaport Drive, Switch House, Suite 500 Chester, PA 19013

June 13, 2012

Piotr Nowak 112 1st Avenue North Naples, FL 34102

Dear Piotr:

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

Club hereby notifies Manager that it is terminating the Employment Agreement, and Manager's employment thereunder, for cause pursuant to Paragraph III(A) due to:

- 1. various material breaches of League Rules (including the League's Collective Bargaining Agreement), including physical confrontations with players and officials during a Team game resulting in a fine and multi-game suspension, interfering with the rights of Team players to contact the players' union with concerns, subjecting Team players to inappropriate hazing activities and engaging in behavior that put the health and safety of Team players at risk.
- 2. material breaches of the Employment Agreement, including engaging in discussions regarding, and otherwise actively seeking, employment by other professional soccer teams in Europe and making disparaging remarks to third parties regarding Club, its management and its ownership.
- 3. demonstrating gross negligence, including putting the health and safety of Team players at risk by requiring injured players to participate in strenuous training activities, not allowing players to have water during such activities despite temperatures in excess of 80 degrees, ignoring the advice of the head athletic trainer regarding which players are healthy enough to play in games and participate in training sessions and creating an atmosphere where medical issues should be hid from medical staff and not treated.

4. committing actions that have reflected in a materially adverse manner on the integrity, reputation and goodwill of Club and the Team (in the eyes of the League, U.S. Soccer, current and potential Team players, sponsors and fans), including the unusually harsh treatment of players described above, actions during Team games that have resulted in fines and suspensions, the multiple breaches of League Rules and a discussion (by you or your agent on your behalf) with the head of U.S. Soccer that was in very poor taste and left a very bad impression with U.S. Soccer.

5. multiple incidents of insubordination with respect to the Club's Chief Executive Officer, including claiming at one point (in direct contradiction to the terms of the Employment Agreement) that he does not report to the Club's Chief Executive Officer.

6. various material breaches of Team Rules, including creating a hostile work environment and culture of fear for Team players and other front office employees by orally berating and physically intimidating fellow employees.

Club has determined that the above infractions are not capable of being cured and believes your continued employment by Club would continue to cause material harm to Club.

Club wishes to remind you in connection with termination of your employment that the Pino Agreement also is automatically terminated (and you now owe Club the portion of the marketing rights fees (\$46,041) that were prepaid thereunder to Pino for the remainder of the 2012 year), the outstanding principal of, and accrued but unpaid interest on, the Loan are now due and payable and you remain subject to covenants in the Employment Agreement regarding confidentiality, non-solicitation, return of Club property and non-disparagement.

Sincerely,

PENNSYLVANIA PROFESSIONAL SOCCER LLC

By:		-
Name:		
Its:	/	

cc. William G. Daluga, Jr.



Case 2:14-cv-03503-MAM Document 1 Filed 06/12/14 Page 50 of 52

Hollie Knox

From:	Gottshall, Julie L. <julie.gottshall@kattenlaw.com></julie.gottshall@kattenlaw.com>
Sent:	Friday, July 20, 2012 12:42 PM
To:	Clifford Haines
Cc:	Eisenberg, Harris R.; Hollie Knox; William Daluga Jr. (WDaluga@dalugaboland.com)
Subject:	RE: Piotr Nowak
Attachments:	Peter Nowak Termination letter.pdf
Follow Up Flag:	Follow up
Flag Status:	Flagged

Clifford -- Given the representation that your client does not intend to sign the proposed agreement, attached you will find the executed termination letter, which has also been sent by overnight carrier to Mr. Nowak and Mr. Daluga.

I have been authorized to accept service on behalf of my client of whatever you file today. Please send to me by email and regular mail. Thank you.

JULIE L. GOTTSHALL Partner - Employment Law & Litigation Katten Muchin Rosenman LLP 525 W. Monroe Street / Chicago, IL 60661-3693 p / (312) 902-5645 f / (312) 902-1061 julie.gottshall@kattenlaw.com / www.kattenlaw.com

Pennsylvania Professional Soccer LLC 2501 Seaport Drive, Switch House, Suite 500 Chester, PA 19013

June 13, 2012

Piotr Nowak 112 1st Avenue North Naples, FL 34102

Dear Piotr:

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

Club hereby notifies Manager that it is terminating the Employment Agreement, and Manager's employment thereunder, for cause pursuant to Paragraph III(A) due to:

- 1. various material breaches of League Rules (including the League's Collective Bargaining Agreement), including physical confrontations with players and officials during a Team game resulting in a fine and multi-game suspension, interfering with the rights of Team players to contact the players' union with concerns, subjecting Team players to inappropriate hazing activities and engaging in behavior that put the health and safety of Team players at risk.
- 2. material breaches of the Employment Agreement, including engaging in discussions regarding, and otherwise actively seeking, employment by other professional soccer teams in Europe and making disparaging remarks to third parties regarding Club, its management and its ownership.
- 3. demonstrating gross negligence, including putting the health and safety of Team players at risk by requiring injured players to participate in strenuous training activities, not allowing players to have water during such activities despite temperatures in excess of 80 degrees, ignoring the advice of the head athletic trainer regarding which players are healthy enough to play in games and participate in training sessions and creating an atmosphere where medical issues should be hid from medical staff and not treated.
 - committing actions that have reflected in a materially adverse manner on the integrity, reputation and goodwill of Club and the Team (in the eyes of the League, U.S. Soccer, current and potential Team players, sponsors and fans), including the unusually harsh treatment of players described above, actions during Team games that have resulted in fines and suspensions, the multiple breaches of League Rules and a discussion (by you or your agent on your behalf) with the head of U.S. Soccer that was in very poor taste and left a very bad impression with U.S. Soccer.

5.

4.

multiple incidents of insubordination with respect to the Club's Chief Executive Officer, including claiming at one point (in direct contradiction to the terms of the Employment Agreement) that he does not report to the Club's Chief Executive Officer.

6. various material breaches of Team Rules, including creating a hostile work environment and culture of fear for Team players and other front office employees by orally berating and physically intimidating fellow employees.

Club has determined that the above infractions are not capable of being cured and believes your continued employment by Club would continue to cause material harm to Club.

Club wishes to remind you in connection with termination of your employment that the Pino Agreement also is automatically terminated (and you now owe Club the portion of the marketing rights fees (\$46,041) that were prepaid thereunder to Pino for the remainder of the 2012 year), the outstanding principal of, and accrued but unpaid interest on, the Loan are now due and payable and you remain subject to covenants in the Employment Agreement regarding confidentiality, non-solicitation, return of Club property and non-disparagement.

Sincerely,

PENNSYLVANIA PROFESSIONAL SOCCER LLC

By: Jon 1/1 Name: <u>Dawid P. Debusscure</u> Its: <u>Furt</u> (Fo

cc. William G. Daluga, Jr. Nick Sakiewicz