# CONFIDENTIAL
# MEMORANDUM OF UNDERSTANDING

This Confidential Memorandum of Understanding is entered into this 30 day of May, 2019, by and between Gow Media, LLC, a Texas Limited Liability Company located at 5353 W Alabama Street, Suite 415, Houston, Texas 77056 ("Gow"), and Vegas Sports Information Network, Inc., a Nevada Corporation located at 3033 Simpson Street, Evanston, Illinois 60201 ("VSiN"). Gow and VSiN are referred to herein individually as a "Party" and collectively as the "Parties".

1. **MUTUAL UNDERSTANDING**
   The Parties agree to be bound by the terms and conditions of this MOU. They agree to sign the MOU in their capacity of their respective legally formed business organizations.

2. **WORKING TITLE**
   There shall be no working title for the Parties' shared business acts and each Party shall continue to operate through their own individual fully formed and legally constituted business organizations.

3. **TERM**
   The term of the agreement shall commence on the date indicated above, and shall continue for one year. Each Party may terminate the agreement for any reason upon 90 days written notice to the other Party.

4. **EXCLUSIVITY**
   The parties agree that Gow shall provide its services as an exclusive manager of affiliate sales, affiliate relations, advertising sales, and distribution for certain selected VSiN programming ("Specified Programming") for the Term of this Agreement. VSiN shall not contract with any other company or individual regarding the management of affiliate sales, affiliate relations, advertising sales, and distribution of the Specified Programming. Notwithstanding the foregoing, VSiN shall have the continual right to enter into other third-party agreements for distribution of any of its programming to distributors of audio/video content as well as other non-terrestrial distributors of audio content.

   This exclusivity provision terminates immediately upon either party properly noticing their right to terminate the contract upon 90 days written notice (as set out in Section 3 ("Term"), above.

5. **HARD COSTS INCURRED BY VSIN**
   The following services provided by third parties are required to effectuate this agreement:
   a. a subscription to Counterpoint Software;
   b. Fee to access a T-1 Line to New York City; and
   c. the renting of a Westwood One (WWO) Satellite.

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The contracts required for the above-listed services are with third-parties and include terms outside the scope of this Agreement. As part of the division of risk associated with this Agreement, Gow shall negotiate the terms of the contracts for the above-listed services, but VSiN shall sign such contracts and be solely responsible for all obligations under the contracts, including payment.

Gow agrees to utilize its best efforts to negotiate monthly payments according to the following breakdown:

a. Counterpoint Software - $500.00 per month;
b. T-1 Line - $1,000.00 per month; and
c. WWO Satellite - $5,000.00 per month.

**6. AUDIOVAULT SERVER RENTAL FEE TO GOW**

Gow shall provide VSiN with an AudioVault Flex Server ("Server") to be stored as VSiN's headquarter in Las Vegas and to be used for the delivery of the Specified Programming from VSiN studios to the Satellite provider. In consideration for the use of the Server, VSiN shall pay Gow a monthly leasing fee of $750.00 per month ("Leasing Fee"). This Leasing Fee shall be due monthly, as invoiced by Gow.

VSiN shall be solely responsible to Gow for repair costs for the Server due to damage to the Server while in VSiN's possession.

VSiN shall be solely responsible for replacement costs for the Server if the Server is stolen, damaged beyond repair, or suffers any other catastrophic failure while in VSiN's possession. Both parties agree that the fair market value of the Server as of May 21, 2019 is $7,000.00.

**7. HARD COSTS INCURRED BY GOW AND PASSED ON TO VSIN**

As part of Gow's ownership of the Server, Gow is obligated to pay a licensing fee directly to AudioVault ("Licensing Fee"). The amount of the Licensing Fee is determined by AudioVault based on multiple factors, such as size of company, size of network, etc. The parties agree that for the Term of this Agreement, VSiN shall reimburse Gow for the Licensing Fee monthly, as invoiced by Gow.

**8. MANAGEMENT FEES TO GOW**

**A. Base Management Fee**

For management of services herein, VSiN shall pay to Gow a base monthly management fee of $5,556.00 per month ("Base Management Fee").

| | |
|---|---|
| Operations - Traffic | $1,806.00/month |
| Affiliations | $3,750.00/month |
| TOTAL | $5,556.00/month |

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Gow shall perform the following tasks as part of its management duties as consideration for the Base Management Fee:

1. Gow shall distribute the Specified Programming to terrestrial radio stations throughout the United States.
2. Gow shall promote the Specified Programming to Gow's current customer base, including:
   a. Commercials – Gow shall air 30-second remnant commercials created by VSiN that promote the VSiN brand and sell its products. Gow shall have the right to refuse to air a particular commercial if the content is not consistent with Gow's brand. If Gow refuses to air a particular commercial, then Gow will air a previously-approved commercial at VSiN's request. The commercials will include a promo code that is dedicated to Gow, and for each such sale. The parties shall share in the net revenue as specified in Section 9, herein.
   b. Guest Appearances - Gow shall endeavor to schedule regular guest appearances for VSiN hosts on SB Nation Radio Shows to discuss the betting news of the day and promote VSiN on Gow digital platforms. The timing and general content of these guest appearances shall be at Gow's sole discretion.
3. Gow shall assign two members of Gow's staff to work non-exclusively on VSiN affiliate sales and relations.

**B. Key Market Management Fee**

In addition to the Base Management Fee set out above, Gow shall receive an additional Key Market Management Fee of $5,000.00 per month once Gow reaches the threshold of clearing ~~PSR~~ affiliations with at least one radio station located in a minimum of four (4) of the following markets, as defined by Nielsen Designated Market Areas ("DMA"):

- New York City (#1 DMA);
- Chicago (#3 DMA);
- Philadelphia (#4 DMA)[1];
- Washington, D.C./Hagerstown, MD (#6 DMA);
- Houston (#7 DMA);
- Detroit (#14 DMA);
- Pittsburgh (#24 DMA); and,
- Las Vegas (#39 DMA)[2].

**C. NFL Market Management Fee**

[1] Although Atlantic City is radio market #154, the radio stations there fall into the Philadelphia DMA for network radio purposes.

[2] For the purposes of this memorandum, Las Vegas remains a key market, but is not an NFL market until 2020.

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In addition to the Base Management Fee and Key Market Management Fee set out above, Gow shall receive an additional NFL Market Management Fee of $5,000.00 per month once Gow reaches the threshold of clearing ~~PSR A~~affiliations with at least one radio station located in a minimum of eleven (11) of the following markets, as defined by Nielsen DMAs.

- LOS ANGELES (#2 DMA);
- DALLAS-FORT WORTH (#5 DMA);
- SAN FRANCISCO-OAKLAND (#8 DMA);
- BOSTON (MANCHESTER) (#9 DMA);
- ATLANTA (#10 DMA);
- TAMPA-ST. PETE (SARASOTA) (#11 DMA);
- PHOENIX (PRESCOTT) (#12 DMA);
- SEATTLE-TACOMA (#13 DMA);
- MINNEAPOLIS-ST. PAUL (#15 DMA);
- MIAMI-FT. LAUDERDALE (#16 DMA);
- DENVER (#17 DMA);
- CLEVELAND-AKRON (#19 DMA);
- CHARLOTTE (#23 DMA);
- PITTSBURGH (#24 DMA);
- BALTIMORE (#26 DMA);
- NASHVILLE (#27 DMA);
- INDIANAPOLIS (#28 DMA);
- KANSAS CITY (#32 DMA);
- CINCINNATI (#35 DMA);
- JACKSONVILLE (#42 DMA);
- BUFFALO (#52 DMA);
- GREEN BAY-APPLETON (#67)

For the purpose of the Key Market Management Fee and NFL Market Management Fee, a station is cleared when it carries at least 10 hours per week of Specified Programming.

This Base Management Fee, Key Market Management Fee, and NFL Market Management Fee shall be due monthly, as invoiced by Gow. The Key Market and NFL Market Management Fees being due on the monthly invoice following Gow reaching the required applicable threshold for each fee.

9. **COMMERCIAL REVENUE SPLIT BETWEEN VSIN AND GOW**

The Parties agree to use their best efforts to sell the available commercial inventory ~~on PSR.~~ for the Specified Programming.

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The advertising agencies for the Parties shall be permitted to bundle the available inventory for Action Updates[3], the Specified Programming, and other Gow network properties, for the purpose of boosting audience, inventory and spot rates ("Bundled Content").

The Commercial Revenue Split is based on net revenue from the sale of commercial spots for the Specified Programming, Action Updates, and Bundled Content. Net revenue is gross profits less industry-standard commissions paid to third-party advertising partners.
Each party shall pay the other party their appropriate portion of the commercial revenue split within thirty (30) days of the first party receiving payment from the third-party payor.

Sales of Specified Programming, Action Updates, or Bundled Content shall be split according to the following breakdown:

| PRODUCT | VSiN Percentage | Gow Percentage |
|---|---|---|
| Specified Programming (All Sales) | 100% of net revenue until net revenue reaches $55,000/month<br><br>70% of net revenue that exceeds $55,000/month | 0% of net revenue until net revenue reaches $55,000/month<br><br>30% of net revenue that exceeds $55,000/month |
| Bundled Inventory (VSiN Clients airing spots on SBNR) | 30% Net Revenue | 70% Net Revenue |

**10. CONFIDENTIALITY**

The Parties agree to act with the utmost discretion in communicating with third-parties concerning this MOU, and shall hold their collaborative business in the highest confidence, sharing information about it only when it furthers their collective goals.

a. Confidential Information. "Confidential Information" means all nonpublic information, whether in oral, written, or other tangible form that the party disclosing the information (the "Disclosing Party") designates as being confidential or which, under the circumstances surrounding disclosure, the receiving party (the "Recipient") knows or has reason to know should be treated as confidential, including, without limitation, the terms and conditions of this Agreement, marketing proposals/programs, contracts with third parties (suppliers, customers,

[3] Gow's distribution of VSiN's Action Update content is governed under a separate contract entitled "Content and Distribution Agreement" executed on or about August 20, 2018 and the "Reinstatement and Amendment to the Original Content and Distribution Agreement" executed on ______________.

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affiliates, advertisers, investors, etc., that were made available to the receiving party - those not previously known by the receiving party) its revenue, pricing, marketing plans, strategy and profitability. Notwithstanding the foregoing, Confidential Information does not include information that (i) is or becomes generally available to the public other than (a) as a result of a disclosure by Recipient or its employees or (b) in violation of a confidentiality obligation to Disclosing Party or a third party, (ii) is or becomes available to Recipient on a nonconfidential basis from a source which is entitled to disclose it nonconfidentially to Recipient, or (iii) was developed by employees or agents of the Recipient independently of and without reference to an information communicated to Recipient by the Disclosing Party.

b. Use of Confidential Information. The Parties and their agents are authorized to have access to and make use of Confidential Information solely to the extent necessary for performance under this Agreement. Upon the termination or expiration of this Agreement, the Recipient will return, or at the Disclosing Party's option completely destroy, all Confidential Information of the Disclosing Party in the possession of the Receiving Party and its agents.
c. Public Relations. Each Party may look for appropriate opportunities to demonstrate the effectiveness of their association with potential third-party shared clients. The Parties shall not distribute any press releases or public relations material without the prior written consent of the other Party, which shall not be unreasonably withheld.
d. Survival. The rights and obligations under this Section survive the expiration or termination of this agreement for two (2) years.

## 11. CONTRIBUTION AND INTEREST

The Parties agree that their collaboration does not warrant a joint expenditure of any kind, and each Party shall be responsible for their own expenses, until such time as they mutually agree that an expense should be shared and except for those expenses specifically allocated within this Agreement under Section 5 ("Hard Costs Incurred by VSiN") and Section 7 ("Hard costs Incurred by Gow and Passed on to VSiN"), above. Each Party agrees that it shall not hold itself out as the agent of the other, but that the collaborative arrangement is proceeding with each Party acting in concert with the other on an equal basis.

## 12. WARRANTIES

Each Party warrants and represents:

a. Each Party has no other contractual commitments of any kind that will or might interfere of conflict with the performance of their respective obligations hereunder.
b. All statements, representations and material furnished by each Party in the furtherance of the business goals expressed herein, shall respectively be each Party's work, original with them and shall not infringe or violate any copyrights or proprietary rights or the right of privacy or constitute libel, slander, against or violate any common-law rights against any person, firm or corporation.

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c. Each Party agrees to indemnify and hold the other harmless from any and all claims, demands, suits, losses, costs, expenses (including but limited to attorneys' fees) which may be obtained against or imposed upon or suffered by either Party as a result of the other Party's acts in the course of their work hereunder or by reason of any breach or claim of any breach of responsibilities or warranties of either Party under this MOU. This provision shall survive the termination or expiration of this agreement.

**13. INTELLECTUAL PROPERTY**

The Parties shall each continue to control all rights to their individual intellectual property, including all logos and trade dress and agree that where appropriate such property can be utilized in the furtherance of the goals of this MOU.

Both Parties hereby provide the other Party a cost-free license for the Term of this Agreement as to any intellectual property owned by the other Party that allows the other Party to use such intellectual property for the sole purposes of marketing the Products as set out in this Agreement.

**14. MEDIATION**

Should any dispute arise that cannot be amicably settled by the Parties, they shall mediate their dispute with an American Arbitration Association (AAA) Mediator. If the Parties cannot agree on a choice of a mediator, then Gow shall provide VSiN with a list of three to five proposed AAA mediators and VSiN shall make the final choice between them.

15. **ENTIRE UNDERSTANDING & NO ASSIGNMENT**

This agreement constitutes the entire understanding of the Parties and may not be changed except by written agreement of both Parties. This agreement shall be binding upon and inure to the benefit of the Parties hereto, their respective heirs, successors, administrators, and assigns, it being acknowledged however that all rights, duties and obligations of both Parties hereto are non-assignable.

**16. RIGHT TO AUDIT**

Both Parties shall have the right to audit and inspect the other party's accounts and records used in calculating the Commercial Revenue Split once every six (6) months. The reasonable expense of any audit will be borne by the party requesting the audit.

**17. APPLICABLE LAW**

This Agreement shall be governed by the laws of the State of Texas and by applicable federal law. Any action or proceeding with respect to the breach or enforcement of the terms of this Agreement shall be brought in the courts of the State of Texas situated in Harris County, Texas.

**18. SEVERABILITY**

In the event that any of the provisions of this Agreement are held to be invalid or unenforceable in whole or in part, all other provisions will nevertheless continue to be valid and enforceable with the invalid or unenforceable parts severed from the remainder of this Agreement.

**19. COUNTERPARTS**

This Agreement may be executed in any number of counterparts, each of which shall be an original and all of which shall be deemed one and the same instrument.

**20. NOTICES**

Whenever one Party is required or permitted to give notice to another Party under this Agreement, such notice shall be in writing and shall be deemed to be given and received at the other Party's address as follows:

a. Gow
   i. David Gow, CEO
   ii. Gow Media LLC
       5353 West Alabama
       Suit 415
       Houston, Texas 77056
   iii. David.gow@gowmedia.com
b. VSiN
   i. Bill Adee, COO
   ii. VSiN
   iii. full mailing address
   iv. bill@vsin.com

Any Party may designate a different address for notice from time to time upon giving ten (10) days prior notice thereof to the other Party.

********* SIGNATURES TO FOLLOW ON NEXT PAGE**********

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IN WITNESS WHEREOF, the parties have executed this Memorandum Of Understanding as of the day and year first above written.

**GOW MEDIA, LLC**

David Gow

**By: David Gow**
**Its: CEO**

**VEGAS SPORTS INFORMATION NETWORK, INC.**

DocuSigned by:
William Adee
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**By: Bill Adee**

**Its: COO**