

**DELEGATION OF AUTHORITY TO
THE UNITED STATES FIGHT LEAGUE
(Federal Tax ID Number: 46-5636147)
TO ADMINISTER YOUTH PANKRATON IN CALIFORNIA
(Business & Professions Code Section 18646)**

This Delegation Agreement is made and entered into by and between the California State Athletic Commission ("Commission") and the United States Fight League, collectively referred to as "Parties".

AUTHORIZATION

Pursuant to California Business and Professions Code Section 18640, the Commission has the sole direction, management, control of, and jurisdiction over all forms and combinations of forms of full contact martial arts and mixed martial arts contests and matches or exhibitions conducted, held, or given within California.

Youth Pankration is a form of "full contact" (full and unrestrained contact even though there may be no strikes to the head) martial arts and is regulated by the California Athletic Commission.

Pursuant to Business and Professions Code Section 18646(b), the Commission may authorize one or more nonprofit martial arts clubs to administer, license, and govern Youth Pankration in the State of California.

Pursuant to California Business and Professions Code Section 18646(b), the Commission hereby exercises its discretion and authorizes the United States Fight League (USFL), a non-profit martial arts club, to administer its rules for Youth Pankration contests, subject to the following terms and conditions.

USFL is a domestic nonprofit organization (Entity ID Number: 36-47806).

The Commission retains the discretion to rescind this delegation at a regularly noticed meeting.

TERMS AND CONDITIONS

1. USFL's nonprofit corporation status shall remain in good standing throughout the terms of this delegation. In the event USFL's nonprofit status is suspended or cancelled by the state or federal government, this delegation shall be deemed rescinded.

2. This delegation is expressly conditioned on the Commission's approval of USFL's by-laws and the Commission making an affirmative finding that the standards

and enforcement of similar rules by USFL meet or exceed the Commission's safety and fairness standards.

3. With this delegation in force, the USFL shall administer its rules, as set forth in its "California Youth Rulebook, United States Fight League" (8/18/2014), incorporated herein as "Attachment A."

4. In the event the Commission's Executive Officer determines that USFL has failed to maintain standards or enforce rules that, at a minimum, meet the Commission's safety and fairness standards, the Executive Officer may suspend this delegation. The USFL may appeal such a suspension to the Commission within 10 days of the suspension. The matter will be heard at the next scheduled Commission meeting and the Commission's action on that matter shall be final.

5. In the event that the Commission's Executive Officer determines that USFL is acting in violation of California Youth Rulebook, Article XII, "Promoters/Promotion of Events", the Executive Officer shall suspend the delegation with respect to the event until USFL has corrected the violation.

6. At all times while this delegation is in effect, the USFL shall ensure that:

a. Every contestant, participating in a match shall undergo a physical examination as specified by the Commission, prior to the contest.

b. All provisions of the California Youth Rulebook, Article XI, "Medical Screenings and Support", are strictly adhered to.

c. It provides a licensed physician, approved and certified by the Commission pursuant to B & P Code Section 18705 at each and every event.

d. A medical insurance program, approved by the Commission covering all contestants shall remain in effect during the duration of this delegation. Such insurance plan shall provide accidental medical expense benefit in the amount of at least \$100,000 for each contestant.

Coverage may be provided on a secondary basis. If no other coverage is in force, this coverage becomes primary.

e. Liability Insurance covering the event, in the amount of at least \$1,000,000, is to be provided by the promoter, naming USFL as an insured.

7. Whenever USFL conducts a contest where money is collected for the event, USFL shall furnish a written financial report of receipts and disbursements to the Commission within 90 days of the event.

8. Pursuant to Business and Professions Code Section 18646(f), USFL shall report injuries occurring at amateur events, to the Commission or a Commission Representative, within twelve (12) hours of the occurrence, and USFL shall maintain an injury log that shall be made available to the Commission upon request.

9. USFL shall obtain the approval of the Commission prior to adopting any changes to the following:

- a. USFL By-laws;
- b. The USFL's Youth Rulebook;
- c. Regulations, guidelines and safety policies affecting competitors, inspectors, officials or events;
- d. Any medical insurance impacting Youth Pankration competitors;
- e. Insurance program(s) that impact Youth Pankration competitors.

10. The USFL shall promptly provide the Commission with the following:

- a. Schedule of licensing fees;
- b. Schedule of event fees for all Youth Pankration events;
- c. Schedule of any other fees charged by the USFL;
- d. Schedule of events, which must be updated every 30 calendar days;
- e. Current filings with the Internal Revenue Service and the State Franchise Tax Board.

11. Upon request by the Commission, USFL shall attend Commission meetings and make a full report.

12. The performance of USFL shall be subject to at least an annual review by the Commission. If, following such review, the Commission determines that USFL has

failed to comply with any of the terms of this delegation, the Commission may amend, suspend or revoke this delegation.

13. The Commission has the right to have present at any contest, without charge or restriction, such representatives as are necessary to review and obtain compliance with this delegation.

14. The USFL shall maintain files relating to all contests held and shall make the files available for inspection by the Commission, upon request.

15. This delegation is not transferable.

MISCELLANEOUS

1. The "California Youth Rulebook, United States Fight League" (8/18/2014) is made a part of this delegation as though fully set forth herein.

2. This delegation shall be governed and interpreted in accordance with the laws of the State of California.

3. This delegation may be executed in counterparts, and it is not necessary that all parties' signatures be contained on any one counterpart hereof; each counterpart shall be deemed an original, but all of which together shall constitute one and the same instrument.

By the signatures below, the parties agree to and accept the terms of this delegation.

Dated: _____, 2014

By John Frierson, Chairman
California State Athletic Commission

Dated: _____, 2014

By Jon Frank, President
United States Fight League