

**FBC CAROLINA ELITE
PLAYER EXPENSE REIMBURSEMENT & NIL (Name, Image, & Likeness) AGREEMENT**

Congratulations for your accomplishment of earning a position on one of our national exposure teams. The following terms and conditions apply in regards to the reimbursement of expenses incurred on your journey to become a college recruitable student-athlete as part of the FBC Carolina Elite family.

PROGRAM PARTICIPANT STATUS

Positions on exposure teams are generally offered in the fall/winter leading up to early March each year. Once you accept this agreement AND play your first spring event with FBC Carolina Elite Basketball, you become “active” and eligible to begin receiving reimbursement for certain eligible expenses. As an active player, FBC Carolina Elite will provide reimbursement of several categories of expenses such as training, lodging, travel, and a few additional misc. items.

SERVICES PROVIDED

Active program participant athletes are required to be present at all team functions and contribute to the activities with whole-hearted effort to compete, with an attitude that well represents our organization, and without disparagement of teammates, coaches, event/game officials, or FBC leadership.

As part of the services required to execute this responsibility, players are REQUIRED to attend a minimum of 6 team practice weekends per year (typically one or two in March, one or two in April, one in May, one in September, and one during the winter months. Team practices are not the same as player training sessions that take place in the student-athlete’s local area; they are sessions where the coach has planned for the entire team to come together to have a unit practice.

In addition to tournaments, showcase events, and team practices, program participants are expected to attend club “Jungle Sessions”. These are open workout/scrimmage sessions that include top FBC players and also allow newly interested players to come and check out our process. As a sponsored athlete, attendance and participation is expected for 2-3 of these sessions per year. If you are coming from out of town, lodging accommodations will generally be provided.

There are a few miscellaneous activities that active program participants are expected to participate with, such as media day, club photo shoots, team community service projects, etc. We try to plan these extra activities on a weekend that the team is already together, so not to create additional burden on our families.

TERM OF AGREEMENT

This agreement commences upon the signing of this contract AND the completion of first day of active participation in a spring team tournament. The term of the agreement will last until the last day of the fall team schedule (typically first week of October). If a program participant leaves the FBC Carolina Elite organization prior to the end of this term or discontinues their participation with the activities described in the "SERVICES PROVIDED" section of this agreement, the agreement would be considered terminated and no further expenses or payments would be provided.

COVERED EXPENSES (2022/23 SEASON)

Active players' families will receive reimbursement for the following expenses incurred as a contributing member of an FBC Carolina Elite exposure team:

Player Training: During the months September, October, March, April, and May each year, active players may submit receipts of payments to approved basketball trainers for up to \$25 per session for up to 2 sessions per week.

Travel Expenses: For team events that require a 3-hour drive (each way) or longer, active players may submit receipts for fuel up to a specific dollar amount per event. For events that the team is flying to, active players may submit receipts for flights for the player and, on occasion, one adult companion (depending on team budget for that event), for reimbursement up to a specific dollar amount per event.

Lodging Expenses: For team events that require overnight stay (a player is more than 2 hours from their home city and has a requirement to be present the evening before and the morning of..), active players may submit receipts for hotel stays from the team designated hotel for each event. Players' families will be typically be reimbursed for 50% of the cost of the hotel, such that, if two or more players share a room there would be no effective cost for the stay.

Gear / Uniform Expenses: FBC Carolina will provide for multiple game uniforms and accessories throughout the year. Players on sponsored teams do not pay for gear. Additional items are made available for purchase on occasion for parents and fans. These additional items are not covered under this agreement.

Team Event Entry Fees: For FBC Carolina Elite national exposure teams' players, we cover their portion of each of the team events the team participates in throughout the year.

Individual Event Entry Fees: As a sponsored payer on a national exposure team, there are numerous individual showcase opportunities and college elite camps that are important for you to attend in order to improve your college recruitability. Typically, we will reimburse half of the cost to enter these events. However, these need to be pre-approved so that our college recruiting staff can make certain that the program you want to attend is aligned with your actual college recruiting level or goals.

PERFORMANCE:

The parties herein agree to do everything necessary to ensure that the terms of this Agreement take effect.

OWNERSHIP OF INTELLECTUAL PROPERTY / MEDIA ASSETS:

All intellectual property and related material, including any Trade Secrets, recruitment data, trademarks, logos, brand assets, photography or video assets created for social media or club promotion, database info, and/or college recruiting contacts assembled in our proprietary Copper college recruiting platform is the express property of FBC Carolina Elite Sports. The use of these assets and content by FBC Carolina Elite Sports will not be restricted in any manner.

RETURN OF PROPERTY:

Upon the expiration of this agreement, the program participant agrees to return all property, gear, equipment, etc.

DISTRIBUTION OF FUNDS:

Due to strict IRS reporting requirements and recent changes in NCAA financial reporting requirements, we are required to track all costs and reimbursed expenses associated with the operation of our teams and program. Each “active” program participant is required to have a parent or legal guardian complete the required tax reporting information prior to any reimbursements. Once the required information is on file, checks or electronic payments will typically be made once per month to your designated account.

Parents/Players will need to upload photos of their receipts for eligible purchases prior to the last day of each month, to receive reimbursement by the 5th of the following month. If you have receipts for eligible expenses from past months in the current season, that have not yet been reimbursed, you may upload these receipts for reimbursement too. (As example, if you paid for player training expenses with an approved FBC trainer in September / October, but did not officially become “active” until March, you can still submit the fall training receipts for reimbursement.)

WITHOLDING BENEFIT FOR NON-PERFORMANCE:

In the event that, an active program participant is not able to meet their obligations under this agreement in a specific month, any expenses recorded for that month will NOT be reimbursed. This does not mean that this agreement is no longer valid. Rather, this provision considers that, if the club had to get a replacement or substitute athlete to stand in for an active participant, or if certain team functions were disabled or reduced in quality, because an active participant could not participate, then payment for services for that month would not be prudent.

GOVERNING LAW:

This agreement is a legal contract between the legal parent or guardian of a student-athlete who has accepted the terms of this agreement in exchange for payments that are being used to support the student-athlete's skill development and college recruiting process. This contract is established under NC executive order #223, signed and ratified into law on July 2, 2021. Under the commonplace provisions of the North Carolina Name, Image, and Likeness statute, the provisions of the payments are specifically identified in this contract. The term of this agreement is established in this agreement. The services to be provided, and the payment schedule are also provided within this agreement. Additionally, FBC nor its subsidiaries will direct, or attempt to direct the student-athlete to attend any particular NCAA post-secondary education institution, thus satisfying all of the legal requirements to enter and NIL contract in the State of North Carolina.

TAXATION:

Not presuming to imply how the payment of income as reimbursement for expenses will affect any family's annual income tax reporting, it is prudent to outline required tax reporting standards to be compliant with IRS guidelines.

IF an active program participant receives payments under the provisions of this agreement, AND the participant completes their service requirements for the duration of this agreement (one season, essentially March thru October), THEN all expenses paid in association with this agreement will be reflected as "program expenses" and not required for FBC or Carolina Elite Sports to report these payments as payments under the terms of an NIL contract (they are not taxable as income). No corresponding 1099 tax document at the participant or parent level would be issued.

IF an active program participant receives payments under the provisions of this agreement, AND the participant DOES NOT COMPLETE their service requirements for the duration of this agreement (one season, essentially March thru October), THEN all expenses paid in association with this agreement will be reflected as payments delivered under the terms of this NIL (Name, IMAGE, & LIKENESS) agreement and it will be required for FBC or Carolina Elite Sports to report these payments as payments as income under the terms of an NIL. New would issue a 1099-MISC tax document to the legal parent of guardian by January 31st of the following year, and mailed to the address of record.

In the event of a termination of agreement prior to the completion of the service term, it is not required to repay ANY of these payments under any circumstance. However, the legal parent or guardian may, if they elect, repay the total of payments under this agreement by December 31st of the same year, and FBC Carolina Elite would reflect the entire transaction as a "voided" contract, and no tax reporting would be necessary.

ENTIRETY

This aforementioned items in this agreement represent the entire agreement, and are no dependent or connected provisions of this agreement, nor any modifications to this expense reimbursement / NIL arrangement not referenced within this complete document.