

Memorandum of Understanding

These terms and conditions govern your rights and obligations as a contracting organization (“Contracting Organization”) entering into a business relationship with Bridge Base On Line, LLC (“BBO”).

Memorandum of Understanding (MOU) with Contracting Organizations of Bridge Base On Line, LLC:

- 1) All Contracting Organizations shall obey and fully comply with [BBO's Rules of the Site](#) and [Terms of Service](#), the General Operation Guidelines (set forth below), as well as all additional rules, obligations and conditions detailed herein and in BBO’s established policies and procedures. The foregoing are incorporated herein by reference in their entirety, as if fully set forth herein.
- 2) BBO reserves the sole right to terminate this relationship at any time upon 30-days’ notice. Notice of termination may be provided by email or other written instrument.
- 3) BBO reserves the right, in its sole discretion, to terminate this relationship immediately at any time without advance notice for any of the following reasons:
 - a) Contracting Organization has violated any BBO Rules of the Site or Terms of Service, or any other established BBO policies and procedures.
 - b) Contracting Organization has cheated and/or abused or otherwise circumvented in any manner either BBO or BBO-sanctioned members. (By way of example and not limitation, a Contracting Organization may be deemed to be cheating BBO if such organization used BBO to entice players to play on a competitor site, app or software).
 - c) Contracting Organization has not generated revenues of at least \$100/month for BBO for at least 2 consecutive months. In the event of such default, BBO may deem the Contracting Organization inactive or suspended.
 - d) Contracting Organization can request a temporary “pause” by informing BBO in advance via email or delivery of written notice. In that case, BBO may, but is not obligated to, grant the Contracting Organization additional time on request before being declared idle.
 - e) Contracting Organization has not followed the General Operation Guidelines for a BBO pay organization (detailed in #4 below).

- 4) General operation guidelines (“General Operation Guidelines”) for BBO pay organizations include, but are not limited to:
 - a) Respecting the other Contracting Organizations in operation.
 - b) Prohibiting fraudulent or improper methods of promoting tournaments (e.g. promising a BB\$ prize and not awarding it, organizing a contest and not honoring the promised conditions of contest etc.).
 - c) Obeying the laws, rules and regulations of bridge, and applying them fairly and evenly in a tournament to all players.
 - d) Properly training all sub-contractors who will interact with the BBO players. An example of a sub-contractor would be a tournament director engaged by the tournament organization.
 - e) Making sure only players who are BBO members in good standing or better are hired as sub-contractors. A BBO member is deemed to be in good standing so long as they haven’t been warned, banned, or otherwise violated in some manner BBO’s Rules of the Site or Terms of Service or other governing policy. In the event that a Contracting Organization hires a BBO member who is not in good standing with BBO (i.e. someone BBO has tried to keep out), BBO shall have the option to terminate its contract with said Contracting Organization.
 - f) Promptly and accurately paying each sub-contractor working for the Contracting Organization directly, without involvement of or obligation imposed upon BBO. By way of example and not limitation, in the event that a tournament director has worked and accrued wages as a sub-contractor of a Contracting Organization, it is the sole and exclusive responsibility of such organization to pay such tournament director in accordance with the agreed upon method between such director and the Contracting Organization, inclusive of any applicable withholding requirements imposed by federal, state or local tax regulations. For the avoidance of doubt, BBO shall have no obligation or liability with respect to the employees, independent contractors, sub-contractors or other personnel engaged by a Contracting Organization, and shall in no way be considered an agent of Contracting Organization.

- 5) BBO retains the sole right to add new Contracting Organizations.

- 6) BBO agrees to pay each Contracting Organization at the beginning of each month for the previous month's work, subject to and in accordance with paragraph (i) below and the established payment agreement between BBO and such Contracting Organization.

(i) Invoicing and Payment:

- a) Each payment will be calculated and verified via email with each Contracting Organization representative.
- b) Within five (5) days of receipt of such email confirmation, the Contracting Organization representative or designated personnel will remit to BBO an invoice in the agreed amount for payment.
- c) Upon receipt of such invoice, BBO shall remit payment to the Contracting Organization in accordance with the method of payment previously agreed upon between BBO and such Contracting Organization.
- d) Payment may be made in the form of (i) BB\$, (ii) payment sent via Paypal to the Contracting Organization's Paypal email address, and/or (iii) payment sent via bank transfer to the Contracting Organization's US bank account (non-US organizations can use Transferwise to set up a US bank account).
- e) BBO agrees to start the proceedings of payment by sending out email confirmation within five (5) business days of the the-current month, for the previous month's work. BBO agrees to start payout proceedings within five (5) business days of receiving a confirmation and payment agreement from each Contracting Organization. Should BBO be unable to provide either of the foregoing within the duration stated, Contracting Organizations will be made aware of the fact in advance to the extent practicable under the circumstances. In no event shall such delay be deemed a default by BBO hereunder.

(ii) Payment Terms:

- a) BBO is entitled to a percentage of each Contracting Organization's gross tournament sales, the amount of which is negotiated with each Contracting Organization and agreed upon in advance between such organization and BBO.
- b) Each Contracting Organization's percentage share with BBO and the duration of such share shall be clearly spelled out and agreed upon prior to rendering any services.
- c) The percentage share shall be determined on the basis of certain characteristics of each Contracting Organization:
 - for all national bridge organizations, sharing is based upon a predetermined and agreed upon fixed fee;
 - for all Virtual clubs which use the BB\$ payment mechanisms to charge their customers, sharing is based upon a predetermined and agreed upon

percentage of the net revenue (after deduction of all taxes and reasonable costs and expenses).

- for all Virtual clubs which do not wish to use the BB\$ payment mechanisms, sharing is based upon a predetermined and agreed upon fix per table fee payable to BBO.

- d) If the Contracting Organization needs more time before officially starting its activity, it will notify BBO in writing (email being acceptable), after agreeing to this Memorandum, and will establish an official date to start their activity, subject to ultimate approval by BBO in its sole discretion.

7) Prizes.

- a) It is not permitted to offer prizes in cash or other real world value for online events organized using the BBO platform.
- b) Only prizes in BB\$ are allowed, provided that they remain reasonable as determined by BBO in its sole discretion.
- c) BB\$ are not cash. They are not refundable, nor can they be sold or withdrawn as cash. BBO shall not be responsible for improper use of BB\$ by the Contracting Organization or its personnel and reserves all rights and remedies with respect to the same.
- d) Contracting Organizations shall not use the BBO platform in conjunction with real money gaming of any kind. BBO does not allow events or services that facilitate online gambling, including, but not limited to, online casinos, betting and lotteries, and games of skill that offer prizes of cash or other real world value. BBO shall not be responsible for violations of the foregoing by the Contracting Organization or its personnel and reserves all rights and remedies with respect to the same.

- 8) BBO agrees to support each approved Contracting Organization with technical assistance. This technical assistance can come in various formats, including but not limited to the following:

- a) special reports and protected websites that only approved Contracting Organizations can access to maintain their operations;
- b) special monthly reports with masterpoint summations, or requiring players to enter NBO numbers (if available) before they can play a tournament;
- c) occasional, free advertisement or logo placement on any BBO platform in form and substance approved by BBO in its sole discretion;
- d) technical or bridge advice support, when requested;
- e) special advice about problem players, when requested; or
- f) investigations into Unauthorized Information behaviour by players.

- 9) BBO cannot guarantee perpetually smooth and problem free game playtime. Contracting Organizations must accept that BBO services could be temporarily interrupted for maintenance or to resolve technical issues. BBO will do what it can to ensure interruptions are kept to a minimum for all players. BBO will also make every attempt to provide advance warning to organizations about impending service disruptions. Notwithstanding the foregoing, BBO shall in no event be liable for any such interruption, downtime or technical issues.
- 10) This agreement is non-transferable and non-assignable.
- 11) BBO recognizes only one (1) Contracting Organization representative for each organization it contracts with. If the Contracting Organization is comprised of a coalition or a group of owners, such organization must designate one (1) representative on behalf of the coalition or group of owners to be recognized by BBO. This person alone is the one that BBO will talk to about sensitive issues, such as, but not restricted to, monthly payments and other obligations.
- 12) In the case of death or incapacitation of said Contracting Organization representatives (as listed in #11 above),
 - a) If the owner or Contracting Organization has an established and detailed contingency plan previously approved by BBO, BBO will try to work with the plan and the new representative in charge.
 - b) If the owner or Contracting Organization does not have an established and detailed contingency plan previously approved by BBO, BBO will provide the representative's heirs a period of 60 days to apply for consideration as a successor to the Contracting Organization representative and present a proposal and plan in support of the same. It should be noted that a Contracting Organization shall in no event be considered a property of the representative that can be passed on to such representative's heirs automatically. BBO retains the sole right and discretion to decide who it will work with in all cases.
 - c) It is the duty of each Contracting Organization representative to appoint a successor representative, although BBO strongly suggests that representative and Contracting Organizations, together, draw out a contingency plan and present it for approval before resorting to #12(b).
- 13) BBO reserves the right to amend this agreement in its sole discretion and at any time, effective upon 30 days' notice to each Contracting Organization.