

## **KWANMUKAN BLACK BELT AGREEMENT**

This agreement made this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, between **the International Kwanmukan**, having a principal place of business at 1550 Ritchie Road, Stow, Ohio hereinafter referred to as Kwanmukan, and \_\_\_\_\_, a Black Belt of the Kwanmukan hereinafter referred to as Black Belt. By extension, this agreement shall also be between the Black Belt and all Kwanmukan member martial arts schools or places of instruction.

### **Term of Contract**

This agreement will become effective when signed, and will continue in effect for a period of 10 years, or until the services provided for herein have been performed, or until terminated as provided herein, and this agreement shall be automatically renewed for consecutive annual terms provided neither party; submits a notice of termination.

### **Scope**

In accordance with the mutual covenants contained herein, the parties agree that the Black Belt shall receive the permission of the Kwanmukan to teach the Kwanmukan style of the martial arts. In consideration of this permission, the Black Belt agrees to the fee arrangement established for all Black Belts.

### **Compensation**

The Black Belt will be entitled to certain compensation as outlined below.

### **Fees**

The Black Belt may receive such compensation for his services as a Black Belt in the martial arts as he may be entitled. All Black Belt testing fees shall be the property of the Kwanmukan or as otherwise stipulated by written agreement.

### **Method**

The method, details, and means of instruction in the martial arts will be in accordance with Kwanmukan requirements and quality. Prior permission for any place of instruction must be received from the Kwanmukan.

### **Protected Territory**

The Kwanmukan shall as much as possible and within reason protect the territory in which a Kwanmukan place of instruction exists. Black Belt agrees to honor all territorial commitments made by the Kwanmukan. Black Belt agrees to and understands that prior permission must be received from the Kwanmukan before the commencement of any teaching of the martial arts in any location or for any reason.

### **Employment of Assistants**

Black Belt may, at his own expense, employ such assistants as deemed necessary to run a martial arts instruction center. However, all employed Black Belts must sign a Kwanmukan Black Belt Agreement.

### **Trade Secrets Clause**

It is a further consideration of this agreement that trade secrets of the Kwanmukan will not be disclosed to any party during the term of this agreement and perpetually afterward. Black Belt will not at any time directly or indirectly divulge, disclose, or communicate to any person, firm, or corporation in any manner whatsoever any information of any kind, nature, or description concerning any matters affecting or relating to the business of the Kwanmukan, including, without limitation, the names of any of its students, customers, and/or members, its fees or prices it obtains or has obtained, or at which it offers its services or sells products of any kind or nature, or any other information concerning the operations of the Kwanmukan, its manner of operation, or its plans, processes, or other data of any kind, nature, or description without regard to whether any or all of the foregoing matters would be deemed confidential, material, or important.

The parties to this agreement hereby stipulate that, as between them, the foregoing and following matters are important, material, and confidential, and gravely affect the effective and successful conduct of the business of the Kwanmukan, and its goodwill, and that any breach of the terms of this clause is a material breach of this agreement.

### **Acknowledgment of Trade Secrets**

It is agreed and acknowledged that the following items of the Kwanmukan are secret, confidential, unique, and valuable; were developed by the Kwanmukan at great cost and over a long period of time; and disclosure of any of these items to anyone other than Kwanmukan officers, agents, or authorized employees and authorized students will cause the Kwanmukan irreparable injury.

—Membership and Customer Lists and other confidential data including ranking records;

- —Memoranda, notes, records, and other confidential technical data verbal or written;
- —Sketches, plans drawings, and other confidential research and developmental data;
- —Teaching Systems, Drills, and Methods
- —Ranking Requirements
- —Anything relating specifically to the Kwanmukan Style of the Martial Arts

### **Agreement not to Disclose Trade Secrets**

It is agreed that trade secrets will be disclosed to no one other than Kwanmukan officers, agents, or authorized employees and authorized students unless otherwise directed in writing by the Kwanmukan. Any of the items listed above or any of the Kwanmukan's other confidential information or trade secrets whether developed before or after the date of this agreement are also covered under the terms of this clause.

### **Information Developed by Black Belt**

The restrictions contained in this agreement include confidential information and trade secrets developed during the term of this agreement and/or separately derived from the specialized knowledge or information after the term of this agreement.

### **Trademark**

Black Belt makes no claim for the use of the trademark Kwanmukan except as provided for In this agreement.

### **Agreement Binding After Agreement Expires**

This trade secrets clause will not terminate upon the termination of this agreement. Its terms and conditions will be perpetually binding following the termination of this agreement regardless of the reason for such termination.

### **Return of Secret and Confidential Material**

Upon termination of this agreement for any reason, all secret and confidential information in possession of control will be immediately returned to the Kwanmukan. This is including but not limited to those items listed under Acknowledgment of Trades Secrets clause. It is expressly understood that these records are records of the Kwanmukan and not the Black Belt.

### **Successors, Assigns, and Affiliates**

The terms of the trade secrets clause will inure to the benefit of the Kwanmukan and its subsidiaries, affiliates, successors, and assigns.

### **Enforcement**

The trade secrets clause can be enforced by the Kwanmukan, its subsidiaries, affiliates, successors, or assignees. Either equitable relief of damages at law or both may be sought for breaches or threatened breaches of the trade secrets clause.

### **Assignment**

This agreement may not be assigned.

### **Cooperation of Black Belt**

Black Belt agrees to comply with all reasonable requests of the Kwanmukan and provide access to all documents reasonably necessary to the instruction of the martial arts under this Agreement. Under penalty of termination of this agreement by the Kwanmukan, Black Belt agrees to support all Kwanmukan activities such as tournaments, seminars, and clinics. Further, the Black Belt agrees that full priority will be given all Kwanmukan activities over and above any other activity directly or indirectly related to the martial arts.

### **Black Belt's Covenant Not to Compete**

For three years after the termination of this agreement for any reason, the Black Belt agrees that he will not, within 10 miles of any Kwanmukan instruction center, own manage, operate, or control any business similar to that conducted by the Kwanmukan, and further that he will not instruct or teach the martial arts within the same 10 mile radius restriction.

### **Termination**

It is distinctly understood between the parties hereto that the duration of this contract is unspecified and solely rests on the discretion of the Kwanmukan and that this agreement can be terminated at any time for any reason by the Kwanmukan.

### **Entire Agreement of the Parties**

This agreement supersedes any and all agreements, either written or oral, between the parties hereto and contains all of the covenants and agreements between the parties. Each party to this Agreement acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have

been made by any party, or anyone acting on behalf of any party, which are not embodied herein, and that no other agreement, statement, or promise not contained in this Agreement shall be valid, or binding. Any modification of this Agreement will be effective only if it is in writing signed by the party to be charged.

**Partial Invalidity**

If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

**Arbitration**

Any controversy or claim arising out of or relating to this Agreement or the breach thereof will be settled by arbitration in accordance with the rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof.

**Liquidated Damages**

It is agreed that in the event of a breach of this Agreement by the Black Belt, it would be impracticable or extremely difficult to fix the actual damage and, therefore, Black Belt will pay to Kwanmukan as liquidated damages and not as a penalty the sum of ten thousand dollars (\$10,000), which represents a reasonable compensation for any loss incurred because of a breach.

**Attorneys' Fees**

If any action at law or in equity, including an action for declaratory relief, is brought to enforce or interpret the provisions of this Agreement, the prevailing party will be entitled to reasonable attorneys' fees, which may be set by the court in the same action or in a separate action brought for that purpose, in addition to any other relief to which that party may be entitled.

**Governing Law**

This Agreement will be governed by and construed in accordance with the laws of the State of Ohio.

**Signatures**

Executed at \_\_\_\_\_, on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

**International Kwanmukan**

Kwanmukan Signature: \_\_\_\_\_

**Black Belt's Name** \_\_\_\_\_

Black Belt Signature: \_\_\_\_\_

Witness Signature: \_\_\_\_\_