

Term Sheet

Subject Company:

Example Sports, Inc.
123 Main Street
San Diego, CA 92126

Business Interest to be Acquired:

Substantially all of the assets of Example Sports, Inc.

Purchase Price for Business Interest:

The Proposed Purchase Price for the Business Interest shall be 16,500,000 to be paid as follows:

Cash or Immediately Available Funds at Closing	10,000,000	
Seller Provided Funding, payable over 60 Months, with Interest at 6.5%	5,500,000	
Total Price for Business Interest		15,500,000

Covenant-Not-To-Compete:

In the amount of \$1,000,000 to be paid in 60, Monthly Payments of: \$16,667 **1,000,000**

Summary:

Purchase Price for Business Interest	15,500,000	
Covenant-Not-To-Compete	1,000,000	
Total of Payments to Seller (excluding contingent payments)		16,500,000

Form of Payment to Seller:

Payable in Cash at Closing	10,000,000	
Notes Payable to Seller	5,500,000	
Deferred Portion of Covenant-Not-To-Compete	1,000,000	
Total of All Payments to Seller (excluding contingent payments)		16,500,000