

AAC Arbitration Agreement:

Summation: The African American Connection greatly values its relationships with its licensees. We realize that no matter how hard we may try, an occasional breakdown in the relationship may occur. The purpose of this Mediation and Arbitration Agreement is to help avoid the time, expense and emotions associated with dragging our problems through the litigation system.

Mediation is a non-binding process allowing the parties to resolve claims without extensive cost, time and emotion.

1. [Agreement to Mediate] – The licensee and the Company, herein after known as the parties, agree to first attempt a mediation of any dispute covered by this Agreement. This mediation shall be conducted pursuant to the Rules and Procedures of the American Arbitration Association for the resolution of employment disputes, or as otherwise stipulated by the parties.

The parties agree to make a good faith effort at mediating any dispute prior to filing a claim for arbitration.

2. Agreement to Arbitrate; Designated Claims – The parties agree that all references to the "Company" in this Agreement shall include all of its subsidiary and affiliated entities, including all former, current and future officers, directors and Licensees of all such entities, in their capacity as such or otherwise; all benefit plans and their sponsors, fiduciaries, administrators, affiliates and agents, in their capacity as such and otherwise; and all successors and assigns of any of them. Except as otherwise provided in this Agreement, the Company and the Licensee hereby consent to the resolution by binding arbitration of all claims or controversies for which a federal or state court would be authorized to grant relief, whether or not arising out of, relating to or associated with the Licensee's relationship with the Company.

Claims covered by this Agreement include, but are not limited to, claims for wages or other compensation due; claims for breach of any contract or covenant, express or implied; tort claims; claims for discrimination or harassment on bases which include but are not limited to race, sex, sexual orientation, religion, national origin, age, marital status, disability or medical condition; claims for benefits, (except as excluded in paragraph 7), and claims for violation of any federal, state or other governmental constitution, statute, ordinance, regulation, or public policy including but not limited to Title VII of the Civil Rights Act, Age Discrimination in Employment Act, The Americans with Disabilities Act, Family and Medical Leave Act, Equal Pay Act and their state equivalents. The purpose and effect of this Agreement is to substitute arbitration as the forum for resolution of the Claims; all responsibilities of the parties under the statutes applicable to the Claims shall be enforced.

3. Neutral Mediator or Arbitrator – Any mediation or arbitration of disputes shall be conducted by a single neutral mediator/arbitrator.

4. Governing Law – All arbitrations covered by this Agreement shall be adjudicated in accordance with the state or federal law which would be applied by a United States District Court sitting at [the place of the hearing].

5. Location of Arbitration – The parties agree that any dispute shall be held at the offices of the Company.

6. Rights – Please understand that by signing this agreement, and except for those matters excluded, the Licensee and Company waives any right to have their related disputes litigated in a court or by jury trial.

7. Claims Not Covered by This Agreement – This Agreement does not apply to or cover claims for workers' compensation or unemployment compensation benefits; claims resulting from the default of any obligation of the Company or the Licensee under a loan agreement; claims for injunctive and/or other equitable relief for intellectual property violations, or claims based upon an Licensee pension or benefit plan that either (1) contains an arbitration or other non-judicial resolution procedure, in which case the provisions of such plan shall apply, or (2) is underwritten by a commercial insurer which decides claims. If either the Company or the Licensee has more than one claim against the other, one or more of which is not covered by this Agreement, such claims shall be determined separately in the appropriate forum for resolution of those claims. Nothing in this Agreement shall preclude the parties from agreeing to resolve claims other than Claims covered by this Agreement pursuant to the provisions of this Agreement.

8. Statute of Limitations – Any claim governed by this Agreement shall be filed no later than one year from the date of discovery, or one year from the last date of notification by either party, which ever comes first.

9. Initiation of Mediation Process – Licensee or Company can initiate the mediation process by filing a Request for Mediation to the other party by registered mail.

10. Initiation of the Arbitration Process – To initiate the arbitration process, the aggrieved party must file a written Claim within the Statute of Limitations stated in paragraph (8) of this agreement, and in compliance with paragraph (9) .

11. Arbitration Procedures – Arbitrations pursuant to this Agreement shall be conducted in accordance with the procedures set forth in [the Rules], except where the Rules conflict with this Agreement, in which case the terms of this Agreement shall govern.

12. Representation – Each party may be, but need not be, represented by an attorney at any mediation or arbitration covered by this Agreement.

13. Fees and Costs – The Company will pay reasonable costs of arbitration including filing fees and arbitrator expenses. Each party shall pay for each party's attorneys' fees and costs, if any. However, the arbitrator may, at his/her discretion, permit the prevailing party to recover fees and cost to the extent permitted by applicable law.

14. Discovery – The parties shall be entitled to engage in reasonable discovery in the form of requests for documents, interrogatories, requests for admission, physical and/or mental examinations and depositions, in order to obtain information necessary to prosecute or defend the claims brought. Any disputes between the parties regarding the nature or scope of discovery shall be resolved by the Arbitrator(s) in his or her discretion.

15. Written Award – The Arbitrator shall issue a written award, setting forth the award and basis therefore. The award shall be final and binding upon the parties. The Arbitrator shall have the power to award any type of relief that would be available in court of competent jurisdiction. In addition, the Arbitrator shall have the authority to order any party found to have presented any claim or defense without substantial justification to pay the other party's attorney's fees and costs. Any award may be entered as judgment in any court of competent jurisdiction.

16. Motions – The arbitrator will have the authority to grant motions dispositive of all or part of any claim.



17. Exclusive Remedy – For Claims covered by this Agreement, arbitration is the parties' exclusive legal remedy. The arbitrator has exclusive authority to resolve any dispute relating to the applicability or enforceability of this Agreement.

18. Consideration – In addition to any other consideration, each party's promise to resolve Claims by arbitration in accordance with the provisions of this Agreement, rather than through the courts or other bodies, is consideration for the other party's like promise.

19. Not an Employment Agreement – This Agreement is not, and shall not be construed to create, any contract of employment, express or implied, nor shall this Agreement be construed in any way to change the status of the Licensee from that of at-will employment.

20. Term, Modification, and Revocation – This Agreement shall survive the employer-Licensee relationship between the Company and the Licensee and shall apply to any covered Claim whether it arises or is asserted during or after termination of the Licensee's employment with the Company or the expiration of any benefit plan. This Agreement can be modified or revoked only by a writing signed by the Licensee and an executive officer of the Company that references this Agreement and specifically states an intent to modify or revoke this Agreement.

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21. Severability – A court construing this Agreement may modify, or interpret it in order to render it enforceable. If this Agreement is declared unenforceable and cannot be administered, interpreted, or modified to be enforceable, the parties agree to waive any right to a jury trial with respect to any dispute to which this Agreement applies. If any provision of this Agreement or the Code is adjudged to be void or otherwise unenforceable, in whole or in part, such adjudication shall not affect the validity of the remainder of the Agreement or the Code.

22. Sole and Entire Agreement – This is the complete Agreement of the parties on the subject of arbitration of disputes, except for any arbitration provision contained in any pension or benefit plan. This Agreement supersedes any prior or contemporaneous oral or written agreement or understanding on the subject. In executing this Agreement, neither party is relying on any representation, oral or written, on the subject of the effect, enforceability or meaning of this Agreement except as specifically set forth in this Agreement.

EACH PARTY TO THIS AGREEMENT ACKNOWLEDGES CAREFULLY READING THIS AGREEMENT, UNDERSTANDING ITS TERMS, AND ENTERING INTO THIS AGREEMENT VOLUNTARILY AND NOT IN RELIANCE ON ANY PROMISES OR REPRESENTATIONS OTHER THAN THOSE CONTAINED IN THIS AGREEMENT ITSELF.

EACH PARTY FURTHER ACKNOWLEDGES HAVING THE OPPORTUNITY TO DISCUSS THIS AGREEMENT WITH PERSONAL LEGAL COUNSEL AND HAS USED THAT OPPORTUNITY TO THE EXTENT DESIRED.

By: _____

By: _____

Licensee _____

Employer _____

Date _____

Date _____