

STATE OF TEXAS §
 §
COUNTY OF COLLIN §

ARENA LICENSE

This Arena License (the "License") is made by and between the City of Allen, Texas (hereinafter referred to as "City") and SideK Sports Management, LLC, a Texas limited liability company (hereinafter referred to as "Team") (each a "Party" or collectively the "Parties"), acting by and through their respective authorized officers.

WITNESSETH:

WHEREAS, City is the owner of a multi-purpose sports and entertainment facility in the City of Allen, Texas (the "Facility"); and

WHEREAS, City has hired a ticketing services company as the exclusive ticket seller for the Facility ("Ticketer"); and

WHEREAS, Team desires to use the Facility for indoor soccer games for the Major Arena Soccer League (the "League");

NOW THEREFORE, in consideration of the mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

Article I
Definitions

In this License, the following words and phrases have the following meanings:

"Applicable Game Hours" means from one (1) hour before the start of each of Team's exhibition, regular season and play-off games to one (1) hour after the conclusion thereof, regardless as to when City decides to open or close the Facility to the public.

"Applicable Usage Hours" means from five (5) hours before the start of each of Team's exhibition, regular season and play-off games to two (2) hours after the conclusion thereof, regardless as to when City decides to open or close the Facility to the public.

"Base Level of Service" means the services, personnel, and use of equipment set forth in **Exhibit "B"**.

"Business Day" means any day which is not a Saturday, Sunday or holiday recognized by City for which the main offices of the City of Allen are closed.

"City" shall mean the City of Allen, Texas.

“Complimentary Ticket” means a ticket that is not sold, including in sponsorship package or traded in kind for any value whatsoever, but distributed as a free ticket for the purpose of promoting games or events.

“Concession Revenue” means gross revenue generated from Concessions during the specified food and beverage period, less City’s costs, expenses, applicable sales and use taxes, and gratuities, if any.

“Concessions” means the sale or distribution of food and beverages (including alcoholic beverages) in the Facility by City, or person or entity contracted by City. Concessions do not include the sales of event merchandise.

“Effective Date” shall mean the last date of execution hereof.

“Event of Default” has the meaning given to it in Section 5.1.

“Excluded Areas” means the following areas of the Facility: (i) all “sit-down” restaurant or bar areas within the Facility where food and/or beverages are prepared and/or served for consumption within such premises, (ii) Concessions areas; (iii) any office/retail areas used by City or designated by City from time to time for licensing to third parties; (iv) Facility common areas, meeting rooms, and exterior plazas; (v) the community ice rink facility; (vi) future expansions of Facility; and (vii) all other areas within the Facility including, but not limited to, areas designated by City and used for storage, security, maintenance or other operational purposes.

“Facility” shall mean the Allen Event Center located at 200 E. Stacy Road, Allen, Texas 75002, not including the Excluded Areas.

“Game Drop Count” shall mean the number of attendees entering the building and verified by either electronically scanned or stubbed tickets as confirmed by City.

“League” means the Major Arena Soccer League (“MASL”), or such other league as may be approved by the City.

“License Fee” means the fees set forth in Exhibit “A”.

“Office/Retail Areas” mean the areas within the Facility that City has leased for office and retail purposes.

“Premium Seats” means suite and loge/club seating within the Facility.

“Team” shall mean the SideK Sports Management, LLC, a Texas limited liability company, a member of the Major Arena Soccer League (MASL).

“Ticketer” means the company contracted by City, from time to time, to sell tickets for seats at the Facility, from time to time.

Article II

Grant of License; Term; Renewal

2.1 Grant.

(a) License. Upon the terms and conditions set forth in this License, and subject to Team's continued satisfaction and compliance with the terms and conditions set forth herein, City hereby grants to Team, and Team hereby takes and accepts from City, an exclusive license to use the Facility (except for the Excluded Areas) during Applicable Usage Hours during the League season during the Term of this License for the purposes of: (i) playing Team's League exhibition, regular season and play-off home games as required by Section 4.4, below; (ii) holding Team's practices subject to availability as determined by City; (iii) use of designated rooms as Team's dressing room, visiting team's dressing room, a game official's room, a hospitality room for scouts and members of the media, a Team office, all on the day of event only; and (iv) any other use specifically permitted under this License (collectively the "Permitted Use"). The Permitted Use for exhibition, games and play-off games shall be limited to Applicable Game Hours. The public is not admitted to the Facility until the Applicable Game Hours. Admission of the public to the Facility prior to or after the Applicable Game Hours or for practices is not covered by the Base Level of Service. If Team desires to admit the public prior to and after the Applicable Game Hours Team shall pay such charges and fees for additional Facility personnel and costs, as determined by City.

(b) Office Space. Team shall, during the term of this License, maintain office space at Team's sole expense within the City.

(c) Facility Access. The Team recognizes and agrees that City may limit Team access to the facility, which will not be unreasonably withheld, outside of game day Applicable Usage Hours, during events booked by the City; and Team agrees to comply with such limitations. Team agrees to communicate Facility access requests outside of Team game days to City with reasonable advance notice where City can accommodate. As a Facility user, Team has the obligation to ensure and assist in keeping the Facility secure by following security policies and procedures and not conduct actions that compromise the security of the Facility. Failure to adhere to the Facility security policies and procedures shall result in Team paying additional staffing costs to the City.

2.2 Term. The term of this License shall be the period commencing on the Effective Date and ending on May 30, 2021, unless sooner terminated as provided herein ("Initial Term").

2.3 Option to Renew. If no uncured "Event of Default" on the part of Team exists, Team shall have the option to extend the term of this License for an additional period of three (3) years ("Renewal Term") to begin on June 1 immediately following the end of the Initial Term, and ending on May 30 of the third year. Renewal Term's Base Level of Service set forth in "Exhibit A" will be subject to a six percent (6%) increase. Team shall notify City in writing of its intention to exercise its option to extend the Term not less than sixty (60) days prior to the expiration of the Initial Term. The word "Term" shall mean the Initial Term and the Renewal Term.

2.4 **Scheduling.** Not later than June 1 of each year, City and Team shall negotiate the scheduling of Team's League home games for the then ensuing League season. City will use all commercially reasonable efforts each year to accommodate Team in scheduling its games at the Facility. Without limiting the generality of the foregoing, City and Team shall co-operate with each other in good faith with respect to the scheduling of Team's regular season and play-off home games. For the purposes of establishing game dates for Team, the regular League season will occur during the months of December 1 through April 15, with play-offs generally occurring during the month of April ("Soccer Season"). If the season dates have not been confirmed by September 15 of each year, the City shall provide team with a 14-day notice to confirm the dates, if the dates are not confirmed by Team and League at expiration of 14-day period, the City has no obligation to hold dates and may release such dates for other events and use by others. The schedule may not be changed once a schedule for the League Season has been mutually agreed to by the Parties, and confirmed by the League for the indoor season; unless mutually agreed by the Parties. City acknowledges that Team does not control the League's scheduling of games. City in good faith will provide Team with a minimum of ten (10) weekend dates (defined as Friday, Saturday, Sunday, Federal Holidays and North Texas ISD Holiday Breaks), of which five (5) will be Saturdays as game options to select from during the Soccer Season with regular season opening game being a Saturday; all parties acknowledge that in Year 1 of the "Term" the weekend minimum may not be met. City will have no obligation to hold future League Season dates if Team has an uncured "Event of Default" after applicable cure period or if the Letter of Credit is not in place and current by June 1 each year of Term (or Renewal Term). It is acknowledged by the Parties that City will take reasonable measures to maximize the use and profitability of the Facility and that there will be other events held at the Facility that may, from time to time, conflict with dates requested by Team.

2.5 **Practice.** Team may schedule use of the Facility for its Team practices and for visiting teams, but such use is subject to availability and only during normal operating hours. Any practice that is open to the public will not be covered by the Base Level of Service and will require Team to pay such rates and charges established by City for additional personnel and other costs for such usage. City understands that practice time on game or exhibition days may be required by the League or Team and shall accommodate requests for such practices on days which Team is scheduled to play a game at the Facility.

2.6 **Non-Game Days Facility Usage.** The use of the Facility on days on which Team is not scheduled to play a game at the Facility is subject to availability and not subject to the Base Level of Service and will require Team to pay such rates and charges established by City for personnel and other costs (including additional conversion and staffing) incurred for such usage unless specified in "**Exhibit B**".

2.7 **Food and Beverage.** Team shall exclusively use the food and beverage concession and catering services offered by City. Team shall not bring or cause to be brought into the Facility any food and beverages unless specified in "**Exhibit E**". Team shall pay such costs, charges and rates (including deposits) as established by City, from time to time for such food and beverage services, which is subject to the terms and conditions set forth in "**Exhibit E**". Team shall pay the costs and charges for food and beverage services for each event to City at the settlement following the applicable event. Team, shall not offer, sell, or provide any sponsor, patron or other person any

food and beverage package, coupon or voucher for any exhibition, game or play-off game without the prior written approval of City and prior payment (or deposit at the discretion of City) to City for such food and beverage package, coupon or voucher.

2.8 **City Exclusive Rights**. City shall have, and retain the exclusive right to use and operate the Facility, except for the Permitted Use and other rights granted herein to Team. City's exclusive rights shall include but is not limited to:

- (a) grant leases, licenses and sell tickets to use Premium Seats (including "party suites" to be leased or licensed on an event-by-event basis) within the Facility that have not been designated by City for use and sale by Team (see Section 2.9);
- (b) to provide for, operate (or contract with others to provide or operate) all restaurants, food and beverage services and Concessions within the Facility;
- (c) to sell permanent and non-permanent advertising rights to third parties for all areas within or on the exterior of the Facility that are part of the building inventory (including the advertising on the center field for the Facility naming rights sponsor, the scoreboards, the LED ribbon board when allowable under contract), including back-lit non-back-lit signs, outdoor plaza space and other promotional and advertising platforms, all at the sole discretion of City or City's agent, but no such advertising shall include or utilize the name or logo of Team without the prior written consent of Team which may be granted or withheld in its sole discretion; Team may be granted the right to sell certain advertising or sponsorship rights on commission basis mutually agreed to between Team and City; It is understood that where City sells market category dominance sponsorship agreements, Team shall be included to the extent that Team's exclusive rights are impacted. City to provide detailed floorplan of non-permanent areas for advertising rights to be controlled by Team);
- (d) to sell the naming rights to the entire Facility and to seek capital sponsorships of specific components of, or items forming a permanent part of the Facility, such as, but not limited to, two side advertising panels per scoreboard, playing field/surface (if owned by City), wall signage, Volm Signage, Concourse Signage, Box Office, Premium Level, Bars, Concessions and pouring rights in respect of non-alcoholic beverages, and all advertising/promotion/or sponsorship material for alcohol as allowed by Texas Alcohol Beverage Commission (all revenue of which shall belong to City). The Party obtaining such naming rights shall be entitled to significant and prominent interior signage locations, established in the reasonable discretion of City. Each capital sponsor of a specific component of or item forming a part of the Facility shall be entitled to a significant interior sign and, where practicable, such sign shall be located on or near the component or item so sponsored, the elements of which shall be established in the reasonable discretion of City. All of the revenues from the sale of such naming rights and all of the

proceeds of such capital sponsorships and all costs associated with obtaining same, shall be for the account of City exclusively with any marketing company being compensated by City. It is understood that where City sells market category dominance sponsorship contracts, Team shall be included to the extent that Team's exclusive rights are impacted. City to provide detailed floorplan of non-permanent areas for advertising rights to be controlled by Team);

- (e) to market and use the video board and the LED ribbon board, for the sole purpose of fulfilling City's promoting concession sales, special events and activities at the Facility or City, and Grande Communication Plaza related marketing may be included in video board advertising; the amount of time and length of usage shall be during the game or exhibition and will be mutually agreed upon by both Parties and shall not exceed a total of 10 minutes during each game;
- (f) to market and use up to twenty-five percent (25%) of the time or usage of the LED ribbon board during pre-game and post-game to promote Concessions, City special events and activities;
- (g) in City's sole discretion, make available to Team the right to sell non-Team seat inventory on terms to be agreed to by the Parties;
- (h) to sell and retain all Facility parking, if applicable. City will not charge for parking in Facility controlled garage during Term of this License for patrons to attend Team games unless mutually agreed by the Parties;
- (i) to lease common area and meeting space;
- (j) upon request to receive up to thirty (30) complimentary tickets per game from Team to be pulled reasonably from all price levels;
- (k) to charge any broadcast/Internet provider, an origination fee for either broadcast or webcast of event, established by City from time to time to cover reasonable expenses and fees;
- (l) to place City name and/or Facility logo on field at mutually agreed location (with prominent visibility) at City's expense;
- (m) to exclusively provide all food and beverage services for the Facility;
- (n) to use City designated suites, including tickets;
- (o) at City's request, Team may be granted the right to sell certain advertising or sponsorship rights on commission mutually agreed to by the Parties; and
- (p) all other rights related to the Facility not described in this License or expressly granted to City.

2.9 **Team's Exclusive Rights.** Team shall, in connection with the Permitted Use, have the right:

- (a) to receive the revenue for all Premium (assigned in "Exhibit D") and non-Premium Seats through Ticketer. Team may release unsold seats prior to a game for City to sell on behalf of Team;
- (b) to sell game programs/magazine(s) for Team's games in the Facility during Applicable Game Hours, to sell advertising space therein, to set up a reasonable number of portable kiosks in the Facility, the number and locations to be determined by Team, to sell Team souvenirs bearing the Team name, the logos or colors of Team, the League or member teams of League;
- (c) to enter into agreements with third parties concerning the broadcasting on radio, television, satellite, broadband or other media, of Team's games played at the Facility; provided such company pays to City the applicable origination fee to cover expenses and fees. Team shall be responsible for the costs associated with the set-up and/or transmission of such broadcasts;
- (d) to sell Team and/or league or League member team branded souvenirs at locations in the Facility designated by City;
- (e) to sell advertising rights for the LED ribbon board, the playing field and the dasher boards/side boards and other non-permanent advertising and marketing or distribution of products in the concourse areas, as more particularly described in Section 3.3(a);
- (f) to place Team logo and/or Team's sponsor logo on the center of the playing field;
- (g) the personal use of the suite (included in the suites designated for use and sale by Team) known as the "Owner's Suite" (twelve seat) during League events including tickets (however, Team shall pay for any food and beverages served in the suite); and
- (h) to use and sell Premium Seats designated by City set forth in **Exhibit "D"**.

2.10 **Team Obligations.**

- (a) Team agrees that the name "Allen Texas" and/or "Allen" will be included in all references to the home city of the Team and in all Team references to the Facility. Team agrees that all of its marketing and promotional material which refers to the home field of the Team will contain a reference to the Allen Event Center, Facility logo identification; the Facility address, and the Facility main telephone number will be included if space allows.

- (b) Team shall provide at its sole costs the turf and field, goals, and any other equipment necessary for game operations at the Facility.
- (c) Team shall be responsible for all expenses and costs for use of the Facility for the Permitted Use in excess of the Base Level of Service and the following additional expenses: (i) collection of state and local sales taxes for taxable sales by Team; (ii) credit card charges or surcharges for Facility Box Office and Ticketer sales; (iii) fees charged by City as established from time to time, for services, equipment usage, set up, spot light operators, change-over from one type of event to another, housekeeping clean up personnel, stage hand labor, conversions, guest services, audio visual system and operation of said equipment, food and beverage in excess of the Base Level of Service; (iv) catering upon request at rates established by City from time to time; (v) food and beverage service including food and beverage packages, coupons and vouchers; and (vi) any other service, personnel, or equipment not included in the Base Level of Service.
- (d) Payment of the License Fee.
- (e) Team shall exclusively utilize Ticketer in the sale of all tickets to Team's games played at the Facility. If Team elects to use Ticketmaster Archtics platform at its sole discretion, Team will be responsible for a portion of the cost of Ticketmaster Archtics Ticketing Platform annually to be billed in settlement after each home game. The amount billed to the team for each regular season home game will be \$250.00. In addition to the per game cost, the Team shall be responsible for any fees associated with database installation build or annual database fees specific to Team.
- (f) Exclusively use the food and beverage services offered by City in accordance with the terms and conditions set forth in **Exhibit "E"**; and pay for the cost for such food and beverages for each event to City at the settlement following the applicable event.

Article III Financial Terms

3.1 License Fee.

(a) In consideration of the License granted to Team to use the Facility for the Permitted Use during Applicable Game Hours during the Term, Team shall pay to City the License Fee for each exhibition, regular season and play-off game played by Team in the Facility during each League Season during the Term of this License as set forth in **Exhibit "A"** (the "License Fee"). The License Fee for each exhibition game, regular season game or play-off game, as the case may be, shall be paid to City at the Settlement following the applicable event. Failure of Team to pay, or timely pay, the License Fee to City for any exhibition game, regular season game or play-off game and/or any costs and charges for food and beverages or other services provided by City shall

entitle City to suspend Team's Permitted Use of the Facility and/or to draw on the Letter of Credit, as provided in Section 3.8.

(b) In consideration of the payment of the License Fee, Team shall be entitled to the following: (i) the Permitted Use of the Facility, not including the Excluded Areas; (ii) utilities (electrical and HVAC); and (iii) Base Level of Service.

(c) Any service, personnel or use of equipment provided by City for any exhibition, game or play-off game which is not included in the Base Level of Service shall be charged at the then rates or fees established by City which are consistent with regular season games, and paid by Team to City at the Settlement following each such event.

3.2 Revenue Sharing with Team.

(a) City shall pay to Team at Settlement a percentage of the Concession Revenue set forth in Exhibit "C".

(b) Prices. Team shall be entitled to one hundred percent (100%) of the proceeds from the sale of tickets for Premium (assigned in "Exhibit D") and non-Premium Level Seats.

(c) Season Ticket Printing. Team shall pay the costs of printing all season ticket books; and the printer ticket stock (individual game tickets, group sales tickets, promotional tickets) used in the offices of Team that are custom to Team or not used for scannable admission tickets to game at Allen Event Center.

(d) Team shall have the right to monthly audit the applicable Concessions records related to Team games. Audit requests will be made in writing and City will have ten (10) business days to respond.

(e) Team shall retain 100% of the proceeds from sales of merchandise produced by Team. So long as merchandise costs for production and sale are conducted solely by Team and at no cost to City.

3.3 Team Inventory.

(a) Provided Team pays for all associated costs and expenses, Team shall have the right to sell and retain 100% of the revenues from the following inventory items: all dasher boards, all penalty boxes, all player benches, on-playing surface logos and all field logos, and permanent and non-permanent assets identified by City to Team available for Team to sell ("Team Inventory"). The terms of all such sales shall be subject to the prior approval of City which may be withheld, if a potential sponsorship conflict exists or an Arena License Agreement conflict is present. City shall provide prior to the beginning of each season a location layout of all sponsorship and logo placement locations available to Team.

- (b) Except for Team Inventory, City shall have the exclusive right to sell and retain all permanent and non-permanent advertising and signage as indicated in Section 2.8. City to provide detailed floorplan of all permanent and non-permanent advertising and sponsorship areas.
- (c) City and Team recognize the Facility and Team are in the same selling environment and, as such, certain accommodations will have to be made in case of cross-promotional sales. The terms of any cross-promotional sale and revenue distribution thereof will be negotiated between City and Team on a facts and circumstances, case-by-case, good faith basis. (See **Exhibit C** "Revenue Sharing" for examples).

3.4 **Inclusions and Exclusions from the License Fee.** In consideration of payment of the License Fee, Team shall not be responsible for paying the following:

- (a) property taxes, if any, assessed against the Facility, except for any property taxes assessed Team's License interest and Team personal property in the Facility, if any;
- (b) the costs of Base Level of Service; and
- (c) the costs of operating, maintaining and repairing the Facility in the ordinary course (but not repairs or maintenance required by reason of the negligence of, or misconduct by, Team or any person for whom, in law or otherwise, Team is responsible, or any invitee of Team, including spectators and visiting teams);

In addition to the License Fee, Team shall be responsible for:

- (d) the costs of any personnel, service and equipment in excess of the Base Level of Service during Applicable Usage Hours;
- (e) the costs of food and beverage, referees, linesmen, office officials, and forms of music & entertainment, to include ASCAP, BMI, SESAC, SAG, AFTRA and other applicable licensing fees and reader board/scoreboard operators and associated usage fees;
- (f) its cost of Team's insurance required herein;
- (g) the costs of repairs and maintenance required by reason of the negligence of or deliberate misconduct by Team, or any person for whom, in law or otherwise, Team is responsible, or any invitee of Team, including spectators and visiting soccer teams; however, Team shall not be responsible for the costs of repair and maintenance occasioned solely by reason of ordinary wear and tear;
- (h) the cost of any additional electrical wiring or cable accessories related to computer, phone and other means of electronic communication for Team or associated with Team's games;

- (i) the cost of all set up furnishings and equipment, beyond normal and customary locker room furnishings and equipment; and
- (j) any video or studio costs, including labor, that are beyond the Base Level of Service.
- (k) The cost of repair or replacement of Team's dasher board advertising platform that mounts-to/covers City's permanent system.

3.5 **Revenue Not Subject to Sharing.** City shall be under no obligation to share, nor shall Team have any entitlement to receive any share of:

- (a) Any revenues arising from or pertaining to events held at the Facility outside Applicable Usage Hours or not directly related to Team;
- (b) Any revenues from the sale of naming rights, vendor agreements or any proceeds of capital sponsorships made or obtained by City, unless City agrees otherwise in writing in advance that a sponsorship has been sold by Team; and,
- (c) Any other Facility revenues not referenced herein.

Team shall be under no obligation to share, nor shall City have any entitlement to receive any share of:

- (d) Revenues arising from the sale of game night programs/magazines and sponsorship promotional items for Team's games in the Facility during Applicable Usage Hours or from the sale of advertising space therein;
- (e) Revenues from the sale of Team's Inventory; and
- (f) Revenues from the sale of Team Merchandise; and
- (g) Revenues arising from or pertaining to the broadcasting on radio, television or Internet of Team's games played at the Facility; provided City is paid the applicable origination fee for such broadcast for the purpose of covering expenses and fees incurred by City.
- (h) Revenues from sale of non-Premium or Premium seating (provided to Team in **"Exhibit D"**).

3.6 **Payment.** The License Fee and an amount which is owed by City to Team hereunder, or by Team to City hereunder, in respect to any particular exhibition or game played at the Facility, shall be due and payable not later than the fifth (5th) business day after the date City delivers an itemized statement for the amount(s) claimed to be owed by City and/or Team for the respective exhibition or game (the "Settlement"). Any amounts due and payable under this License which are not paid when due shall accrue interest at the rate of one and one-half percent (1½%) per month, or the highest legal rate, whichever is lower, until fully paid. City shall provide Team with an appropriate supporting documentation for all charges in a form reasonably acceptable to the Parties. Disputes relating to the content of the Settlement must be made in writing not later than ten (10) business days after receipt. Any amounts contained in a Settlement which are not disputed within said ten (10) business days shall be deemed, undisputed and final. City shall have the right to suspend Team's Permitted Use without termination of this License and/or draw on the Letter of Credit set forth in Section 3.08 in the event any amount due City is not timely paid.

3.7 **Audit Rights.** Either Party shall have the right to audit any of the records of the other Party in respect to any revenues, expenses, fees or payments hereunder. Each Party shall make available to the other Party or its representative such information as such Party may reasonably require for the purposes thereof. The cost of the audit shall be borne by the Party requesting the audit, unless the audit discloses that the amount in question owed to a Party was understated by more than five percent (5%), in which event, the other Party shall pay the reasonable cost of the audit.

3.8 **Letter of Credit; Suspension of Permitted Use.**

- (a) **Deposit.** During the Term (including any Renewal Term), Team shall provide an irrevocable letter of credit in favor of the City in a form reasonably acceptable to the City with a financial institution approved by the City in the amount of Twenty Five Thousand Dollars (\$25,000) capable of being drawn by the City in the event the Team fails to pay or timely pay the License Fee or other fee or costs due City, or in the event of an uncured Event of Default by Team (without terminating this License), or in the event of termination of this License based on an uncured Event of Default or breach of this License by Team. The Team shall have a continuing duty during the Term to maintain such amount of the Letter of Credit in the event the City draws on the Letter of Credit for any reason other than for termination of this License for an uncured Event of Default. The Team shall provide the Letter of Credit within ten (10) business days after the Effective Date which shall be renewed annually in the month of June, and prior to the commencement of any Renewal Term hereof. Team may use the Facility for any purposes and may not host any public activity in the Facility until the Letter of Credit has been provided to the City.
- (b) **Suspension.** City shall have the right to suspend Team use of the Facility for failure of the Team to comply with Section 3.8 (a). City may suspend Team use of the Facility in event City draws on the Letter of Credit and Team fails to re-establish the Letter of Credit.

3.9 **No Other Rights Granted.** Team shall have no other rights relative to its use of the Facility other than those rights expressly granted under this License.

Article IV Certain Operational Matters

4.1 **Suite and Seat Licensing.** No person may occupy or use (whether sitting or standing) any Seat during Applicable Game Hours unless such person holds a valid ticket for such seat for the exhibition or game issued by City or Team in accordance with this License. City will have authority to assign appropriate number and location of Bowl and Premium Level seating to ensure adherence to the Americans With Disability Act requirements.

4.2 **Ticket Prices.** Team may establish and revise ticket prices (not including any parking, ticket fee or ticket fee charged by City) from time to time for admissions to Team's games played at the Facility. Notwithstanding the foregoing, however:

- (a) ticket prices shall be reasonable and competitive having regard to prices for similar tickets in other League arenas;
- (b) Single game ticket discount offers or specials must be made available through both the primary and secondary box offices using approved Ticketer. City may waive this option on a case-by-case basis.

4.3 **Complimentary Tickets.** City shall be entitled up to thirty (30) complimentary tickets to each exhibition, regular season and play-off game played by Team in the Facility.

4.4 **Home Games at the Facility.** Team shall, during the Term of this License, play all of its exhibition, pre-season, regular season and play-off games where it is the home team at the Facility except for exhibition games which, for promotional purposes, Team wishes to play at a location other than the Facility or the home facility of another League team. Except as aforesaid, Team shall not, during any portion of the Term of this License, play any League exhibition, regular season or play-off game where it is the home team at any location other than the Facility. If Facility is unavailable, and with prior written approval of City, Team may play League Season Exhibition Game or League Play-off Game outside of Facility.

4.5 **Parking.** City will provide Team a reasonable number of parking spaces in a defined area for use by Team's staff and designated V.I.P.'s. Parking spaces to be determined by City and communicated in advance of each season. If additional costs are incurred, such as parking garage maintenance or cleaning, due to the costs of providing such parking spaces, then such additional costs shall be the responsibility of Team.

4.6 **Sponsorship and Signage Conflicts.** Each sponsorship agreement shall provide that City's obligation to permit the use and maintenance of any nonpermanent interior sign for or on behalf of an advertiser introduced by Team pursuant to Section 3.3(b) or otherwise shall be subject to the following:

- (a) Team advertising shall not be permitted by or on behalf of a person, organization or entity which City believes in good faith to be:
 - (i) in competition with the person, organization or entity holding the naming rights to the Facility, to include, all types of related businesses or any other capital sponsor or vendor of a specific component of or item forming a part of the Facility;
 - (ii) in competition with any person, organization or entity with whom, prior to such time, City has entered into an agreement providing for exclusive advertising rights within the interior of the Facility during Applicable Game Hours if such agreement is still in force and effect. City shall provide Team with list of all exclusive advertising and/or sponsorship agreements; or
 - (iii) offensive conduct or breach of any law or regulation or otherwise likely to bring City and/or the Facility in disrepute;
- (b) size, location or character of such signs shall require the prior written approval of the City, such approval not to be unreasonably withheld, conditioned or delayed;
- (c) such advertising is to be sold on fair market terms and conditions, to be reasonably set at the discretion of Team as it relates to Team assets outlined in this License; and
- (d) If requested, within a reasonable time prior to the scheduled first soccer game of each League season, the City shall provide to Team a list of alcoholic beverage vendors, soft drink vendors and concourse food vendors that City has either entered into contracts with or is in negotiation with to assist Team with its permitted advertising and sponsorship sales efforts. Compensation, if any, to be paid to Team for Facility sponsorships shall be determined within the sole discretion of the City on a case by case basis.

4.7 **Exclusive License.** During the Term of this License, City shall not, without the prior written consent of Team in its sole discretion, permit the use of the Facility for the playing of professional indoor soccer games by another. City will make every effort to include Team in all soccer related activities included within the Facility.

4.8 **Insurance.**

- (a) Team shall during the Term obtain and maintain in full force and effect at its expense, the following policies of insurance and coverage:
 - (1) Commercial General Liability Policy covering bodily injury, death and property damage, including the property of City, its officers, contractors agents and employees (collectively referred to as the "City") insuring

against all claims, demands or actions relating to license, lease or use of the Facility pursuant to this License with minimum limits on a per project basis of not less than One Million Dollars (\$1,000,000) combined single limit and Two Million Dollars (\$2,000,000) aggregate, including products and completed operations coverage with a minimum limit of Two Million Dollars (\$2,000,000), and Personal and Advertising Injury with a minimum per occurrence limit of One Million Dollars (\$1,000,000). This policy shall be primary to any policy or policies carried by or available to City;

- (2) Workers' Compensation/Employer's Liability Insurance Policy in full accordance with the statutory requirements of the State of Texas and shall include bodily injury, occupational illness or disease coverage with minimum Employer's Liability limits of not less than \$500,000/\$500,000/\$500,000;
 - (3) Automobile Liability Insurance Policy covering all operations of Team pursuant to this License involving the use of motor vehicles, including all owned, non-owned and hired vehicles with minimum limits of not less than One Million Dollars (\$1,000,000) combined single limit for bodily injury, death and property damage liability; and
 - (4) Excess Liability Insurance Policy with a limit of not less than \$2,000,000. Such insurance shall be in excess of the commercial general liability insurance, business auto liability insurance and employer's liability insurance. This insurance will apply as primary insurance with respect to any other insurance or self-insurance programs maintained by City and shall be provided on a "following form basis". Team waives all rights against City for recovery of damages to the extent these damages are covered by the umbrella liability insurance obtained by City pursuant to this License. Continuing commercial umbrella coverage, if any, shall include liability coverage for damage to the insured's completed work equivalent to that provided under ISO form CG 00 01.
- (b) Waiver of Subrogation Rights. The Commercial General Liability, Worker's Compensation, and Business Auto insurance required pursuant to this License shall provide for waivers of all rights of subrogation against City;
 - (c) Additional Insured Status. With the exception of Worker's Compensation Insurance, all insurance required pursuant to this License shall be endorsed to include and name City as additional insureds using Additional Insured Endorsements that provide the most comprehensive coverage to City under Texas law including products/completed operations;
 - (d) Certificates of Insurance. Certificates of Insurance and policy endorsements in a form satisfactory to City shall be delivered to City prior to the commencement of the use or entry of the Facility under this License and prior to any Renewal Term

hereof. All required policies shall be endorsed to provide City with 30 days advance notice of cancellation or material change in coverage;

- (e) On every date of renewal of the required insurance policies, Team shall cause a Certificate of Insurance and policy endorsements to be issued evidencing the required insurance herein and delivered to City. In addition, Team shall, within ten (10) business days after written request, provide City with Certificates of Insurance and policy endorsements for the insurance required herein (which request may include copies of such policies). The delivery of the Certificates of Insurance and the policy endorsements (including copies of such insurance policies) to City is a condition precedent to the continuation of the use and occupancy of the Facility by Team. The failure to provide valid Certificates of Insurance and policy endorsements shall be deemed a default and/or breach of this License; and
- (f) Carriers. All policies of insurance required to be obtained by Team pursuant to this License shall be maintained with insurance carriers that are satisfactory to City and lawfully authorized to issue insurance in the state of Texas for the types and amounts of insurance required herein. All insurance companies providing the required insurance shall be authorized to transact business in Texas and rated at least "A" by AM Best or other equivalent rating service. All policies must be written on a primary basis, non-contributory with any other insurance coverage and/or self-insurance maintained by City. All insurance coverage required herein shall be evidenced by a certificate of insurance and policy endorsement submitted by Team's insurer or broker. Certificates of Insurance and policy endorsements received from any other source will be rejected.

4.9 **Sale of Facility or Assignment of Facility License or Operating Rights.** City may sell the Facility subject to this License to a purchaser at any time without the consent of Team.

4.10 **Assignment.** Team may not (i) assign this License or any of its rights in the License, (ii) delegate any of its obligations, or (iii) grant any license or sublicense of this License, in whole or in part without the prior written consent of City, which may be withheld in its sole and absolute discretion and for any or no reason. Any attempted assignment, delegation, license or sublicense shall be null and void unless approved in writing by City. In the event of an assignment or sublicense to which City has consented, the assignee or sub-licensee shall be required to provide a letter of credit as set forth in Section 3.8.

4.11 **City Covenants.** City covenants with Team that, throughout the Term of this License:

- (a) Team shall have quiet enjoyment of the Facility (other than the Excluded Areas) during Applicable Usage Hours;
- (b) City will operate the Facility in compliance with all applicable laws, codes, by-laws and regulations;

- (c) City will apply any operating rules and procedures for the Facility that it may choose to devise and implement to Team and all other users of the Facility in a fair and non-discriminatory manner, such rules and procedures to be reasonable and in keeping with the intent of this License; and
- (d) City will maintain, repair and replace the Facility such that it is at all times in good and proper operating condition save and except for reasonable wear and tear and Team's obligations under this License.

4.12 **Team's Covenants.** Team covenants with City that it shall, throughout the Term of this License, at its sole cost and expense:

- (a) operate Team in a manner consistent with the requirements and practices of the League and its other member teams;
- (b) purchase and maintain insurance in accordance with Section 4.8; and
- (a) maintain its membership and participation in the League.

4.13 **Team's Indemnity.** TO THE FULLEST EXTENT ALLOWED BY LAW TEAM SHALL INDEMNIFY, DEFEND AND HOLD HARMLESS CITY, ITS OFFICERS, AGENTS, INVITEES, AND EMPLOYEES (COLLECTIVELY "CITY") FROM AND AGAINST ANY SUITS, ACTIONS, LOSSES, COSTS, EXPENSES, DAMAGES, CLAIMS OR LIABILITY OF ANY CHARACTER, TYPE OR DESCRIPTION INCLUDING ALL REASONABLE EXPENSES OF LITIGATION, COURT COSTS, AND ATTORNEY FEES ARISING OUT OF OR RESULTING FROM BODILY INJURY OR DEATH OF A PERSON, OR PROPERTY DAMAGE INCLUDING THE LOSS OF USE OF ANY PROPERTY ARISING FROM OR ALLEGED TO ARISE OUT OF THE USE OF THE FACILITY BY TEAM, ITS EMPLOYEES, CONTRACTORS, SUB-CONTRACTORS, AND INVITEES OR THE RESULT OF ANY NEGLIGENT ACT OR OMISSION OR ANY INTENTIONAL ACT OR OMISSION BY TEAM, ITS EMPLOYEES, CONTRACTORS, AND SUB-CONTRACTORS OR ANYONE DIRECTLY OR INDIRECTLY EMPLOYED BY TEAM, IT'S CONTRACTORS OR SUB-CONTRACTORS, OR ANYONE FOR WHOSE ACTS TEAM MAY BE LIABLE, OR DUE TO THE VIOLATION OF ANY ORDINANCE, REGULATION, STATUTE, OR OTHER LEGAL REQUIREMENT BY TEAM, ITS EMPLOYEES, CONTRACTORS AND SUB-CONTRACTORS, OR ANY OF THEIR AGENTS AND EMPLOYEES, OR RESULTING FROM THE BREACH OR DEFAULT OF THIS LICENSE BY TEAM, ITS EMPLOYEES, CONTRACTORS, SUB-CONTRACTORS OR ANYONE DIRECTLY OR INDIRECTLY EMPLOYED BY TEAM OR ANYONE FOR WHOSE ACTS TEAM MAY BE LIABLE, BUT ONLY TO THE EXTENT CAUSED IN WHOLE OR IN PART BY ANY INTENTIONAL OR NEGLIGENT ACT OR OMISSION OF TEAM, ITS EMPLOYEES, CONTRACTORS OR SUB-CONTRACTORS OR ANYONE DIRECTLY OR INDIRECTLY EMPLOYED BY TEAM, ITS SUB-CONTRACTORS OR ANYONE FOR WHOSE ACTS TEAM OR ITS SUB-CONTRACTOR MAY BE LIABLE, OR THE NEGLIGENCE OR WILLFUL ACT OF ANY SPECTATOR OR OTHER INVITEE OF TEAM .

INDEMNIFICATION FOR EMPLOYEE INJURY CLAIMS. WITHOUT LIMITING THE FOREGOING, AND TO THE FULLEST EXTENT PERMITTED BY LAW, TEAM HEREBY INDEMNIFIES AND HOLDS HARMLESS CITY FROM AND AGAINST ALL CLAIMS, DAMAGES, LOSSES, COSTS, AND EXPENSES, INCLUDING BUT NOT LIMITED TO ATTORNEYS' FEES, ARISING OUT OF OR RESULTING FROM BODILY INJURY TO, OR SICKNESS, DISEASE OR DEATH OF, ANY EMPLOYEE, AGENT OR REPRESENTATIVE OF TEAM, ITS CONTRACTORS, OR SUB-CONTRACTORS, REGARDLESS OF WHETHER SUCH CLAIM, DAMAGE, LOSS OR EXPENSE IS CAUSED IN WHOLE OR IN PART BY THE NEGLIGENCE OF CITY, IT BEING THE EXPRESSED INTENT OF TEAM AND CITY THAT IN SUCH EVENT TEAM IS TO INDEMNIFY, HOLD HARMLESS AND DEFEND CITY FROM THE CONSEQUENCES OF THEIR OWN NEGLIGENCE, WHETHER IT IS OR IS NOT ALLEGED TO BE THE SOLE OR CONCURRING CAUSE OF THE BODILY INJURY, SICKNESS, DISEASE OR DEATH OF TEAM'S EMPLOYEE OR THE EMPLOYEE OF ANY OF ITS CONTRACTORS OR SUB-CONTRACTORS. WITH REGARD TO CLAIMS AGAINST ANY PARTY SEEKING INDEMNITY UNDER THIS LICENSE WHICH ARE MADE BY AN EMPLOYEE OF TEAM, ITS CONTRACTORS, AND SUB-CONTRACTORS, OR ANYONE DIRECTLY OR INDIRECTLY EMPLOYED BY TEAM, ITS CONTRACTORS AND SUB-CONTRACTORS, OR ANYONE FOR WHOSE ACTS TEAM, ITS CONTRACTORS OR SUB-CONTRACTORS MAY BE LIABLE. THE INDEMNIFICATION OBLIGATION UNDER THIS LICENSE SHALL NOT BE LIMITED BY ANY LIMITATION ON AMOUNT OR TYPE OF DAMAGES, COMPENSATION OR BENEFITS PAYABLE BY OR FOR TEAM, ITS CONTRACTORS OR SUBCONTRACTORS OR ANY OTHER EMPLOYER UNDER WORKER'S COMPENSATION ACTS, DISABILITY BENEFIT ACTS OR OTHER SIMILAR EMPLOYEE BENEFIT ACTS. TEAM SHALL PROCURE LIABILITY INSURANCE COVERING TEAM'S OBLIGATIONS UNDER THIS SECTION.

INDEMNIFICATION FOR COPYRIGHT INFRINGEMENT CLAIMS. IN ADDITION TO THE INDEMNIFICATION PROVIDED ABOVE, TEAM HEREBY INDEMNIFIES, AND HOLDS HARMLESS CITY FROM AND AGAINST ANY CLAIM, DAMAGE, LOSS, OR EXPENSE AND ATTORNEYS' FEES ARISING OUT OF OR RELATING TO ANY CLAIM AGAINST CITY ASSERTING INFRINGEMENT OR ALLEGED INFRINGEMENT OF A PATENT, TRADEMARK, COPYRIGHT OR OTHER INTELLECTUAL PROPERTY RIGHT IN CONNECTION WITH TEAM'S USE OF THE FACILITY EXCEPT TO THE EXTENT THE INFRINGEMENT IS CAUSED BY THE NEGLIGENT ACTS OR OMISSIONS OF CITY INDEMNITEES.

IT IS AGREED WITH RESPECT TO ANY LEGAL LIMITATIONS NOW OR HEREAFTER IN EFFECT AND AFFECTING THE VALIDITY OR ENFORCEABILITY OF THE INDEMNIFICATION OBLIGATIONS UNDER THIS LICENSE OR THE ADDITIONAL INSURED REQUIREMENTS UNDER THE INSURANCE REQUIRED BY THIS LICENSE, SUCH LEGAL LIMITATIONS ARE MADE A PART OF THE CONTRACTUAL OBLIGATIONS AND SHALL OPERATE TO AMEND THE OBLIGATIONS TO THE MINIMUM EXTENT NECESSARY TO BRING THE PROVISION INTO CONFORMITY WITH THE REQUIREMENTS OF SUCH LIMITATIONS, AND AS SO MODIFIED, THE OBLIGATIONS SHALL CONTINUE IN FULL FORCE AND EFFECT.

THE INDEMNIFICATION OBLIGATIONS CONTAINED IN THIS LICENSE SHALL SURVIVE THE EXPIRATION OR TERMINATION OF THIS LICENSE FOR A PERIOD OF FOUR (4) YEARS.

Article V
Miscellaneous

- 5.1 **Default.** The following occurrences shall be considered "Events of Default":
- (a) Team shall fail to pay any amount due hereunder to City when due and such is not cured within fifteen (15) calendar days after written notice thereof;
 - (b) Team breaches any of the terms or conditions of this License, or fails to perform any other of its covenants or obligations hereunder and such default is not cured within thirty (30) days after written notice thereof;
 - (c) Team shall: (i) become insolvent or generally not pay its debts as such debts become due; (ii) admit in writing its inability to pay its debts generally, or shall make a general assignment for the benefit of creditors; or (iii) institute or have instituted against it any proceeding seeking (x) to adjudicate it as bankrupt or insolvent, (y) any liquidation, winding-up, reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors, or (z) the entry of an order for the appointment of a receiver, trustee or other similar official for it or for any substantial part of its assets, and in each such case such proceeding is not terminated, stayed or set aside within a period of sixty (60) days after it is instituted;
 - (d) City breaches any of the terms or conditions of this License or fails to perform any of its covenants or obligations hereunder and such default is not cured within thirty (30) days after written notice thereof;

If an Event of Default shall occur, the non-defaulting Party shall deliver written notice to the defaulting Party and if such Event of Default is timely cured, the non-defaulting Party, without prejudice to any other right or remedy that may be available to the non-defaulting Party, whether under this License, or otherwise, at law or in equity, may terminate this License.

5.2 **Governing Law.** This License shall be governed by and construed in accordance with the laws of the State of Texas without regard to conflict of law rules. Exclusive venue for any action shall be in the State District Court of Collin County, Texas. The Parties agree to submit to the personal and subject matter jurisdiction of said court.

5.3 **Entire Agreement.** This License represents the entire agreement of the Parties hereto concerning the subject matter thereof to date and supersedes all previous documentation, agreements and correspondence between them pertaining to the same subject matter.

5.4 **Successors.** This License shall inure to the benefit of and be binding upon the respective successors and permitted assigns of each of the Parties hereto and of City.

5.5 **Notices.** Any notice required or permitted to be delivered hereunder shall be deemed received three (3) days after being sent by United States Mail, postage prepaid, certified mail addressed to the Party at the address set forth below (or such other address as such Party may subsequently designate in writing) or on the date received if sent by courier or otherwise hand delivered:

To City:

City of Allen
Attn: Peter H. Vargas, City Manager
305 Century Parkway
Allen, Texas 75013

With a copy to:

Peter G. Smith
Nichols, Jackson, Dillard, Hager & Smith, L.L.P.
1800 Ross Tower
500 North Akard
Dallas, Texas 75201

To Team:

Side K Sports Management, LLC
Attn: Manish Patel, Manager
5700 Granite Parkway, Suite 940
Plano, Texas 75024

With a copy to:

or such other address as such Party may from time to time designate by notice in writing to the other Parties.

5.6 **Force Majeure.** The performance of the respective Parties hereto and their respective obligations hereunder shall be subject to force majeure, including, but not limited to, insurrections, riots, wars and warlike operations, explosions, epidemics, strikes, shortages of supply, fires, accidents, acts of any public enemy or any similar occurrence beyond such Party's reasonable control, but the inability to make a monetary payment required by this License shall not of itself be an event of force majeure. Any Party temporarily excused from performance hereunder by any such circumstance shall use its best efforts to avoid, remove or cure such circumstances and shall resume performance with the utmost dispatch when such circumstances cease to apply. Any Party claiming force majeure as a reason for delay in performance shall give prompt notice in writing thereof to the other Party or Parties.

5.7 **Survival.** Any of the representations, warranties, covenants and obligations of the Parties, as well as any rights and benefits of the Parties, pertaining to a period of time following termination of this License, including Sections 4.13 and Article 5, shall survive expiration or termination of this License.

5.8 **Counterparts and Facsimile Execution.** This License may be executed by the execution of one or more counterparts of the execution pages and the initialing of one or more counterparts of each page, which will be taken together and constitute the License, and one or more of such counterparts may be delivered by facsimile transmission.

5.9 **Recitals.** The recitals to this License are incorporated herein.

5.10 **Counterparts.** This License may be executed in counterparts. Each of the counterparts shall be deemed an original instrument, but all of the counterparts shall constitute one and the same instrument.

5.11 **Exhibits.** Any exhibits to this License are incorporated herein by reference for all purposes wherever reference is made to the same.

5.12 **Survival of Covenants.** Any of the representations, warranties, covenants, and obligations of the Parties, as well as any rights and benefits of the Parties, pertaining to a period of time following the termination of this License shall survive termination.

5.13 **Representations.** Each Party represents that it has full capacity and authority to grant all rights and assume all obligations that is granted and assumed under this License.

5.14 **Amendment.** This License may only be amended by the mutual written agreement of the Parties. City Manager is authorized to execute any amendments to this License and any instruments related thereto.

(Signature page to follow)

EXECUTED on this _____ day of _____, 2018.

CITY OF ALLEN, TEXAS

By: _____
Peter H. Vargas, City Manager

ATTEST:

By: _____
Shelley B. George, City Secretary

APPROVED AS TO FORM:

By: _____
Peter G. Smith, City Attorney

EXECUTED on this 15 day of July, 2018.

SIDEK SPORTS MANAGEMENT, LLC

By:  _____
Manish Patel, Manager

Exhibit "A"
License Fee

License Fee for each exhibition, game or play-off Game.

Base Level of Service & Game License Fee	\$8,000.00
Premium Seat Option.....	\$ 0.00
Box Office Staff Fees	\$ 00.00
Total Game/Event License Fee...	\$8,000.00

**Team pays cost of Box Office Credit Card Fees for ticket sales, not to exceed \$100.00 per game.*

License Fee Conversion Adjustments

\$1,250.00 License Fee reduction per building conversion will be provided to Team if a conversion into Arena Soccer Set isn't needed.

- No Front-end Conversion into Soccer Set = \$1,250.00 License Fee Reduction
- No Back-end Conversion into Soccer Set = \$1,250.00 License Fee Reduction

License Fee Drop Count Adjustments

License Fee reduction based on game drop count scanned in through Ticketmaster.

<u>In Building Scanned Drop Count</u>	<u>License Fee Reduction</u>
0 – 2,800	\$0.00
2,801 – 3,501	\$2,000
3,500+	\$2,500

Per Ticket Facility Fee

A \$2.00 Facility Fee will be added to all sold tickets from both building controlled sales channels and Team controlled sales channels. Facility Fee will be used for payment against Allen Event Center debt service payment and is not a revenue stream for arena operations or team.

Exhibit "B"
Base Level Service

- Base Game Conversion (set & strike) *
 - If elected by Team, Section 114-117 Glass Removed / Section 103-106 Glass Removed. Team pays for any required modifications required to secure glass system safely to accommodate Glass removal for games.
 - Dasher Board Mount TBD mutually in most cost-effective way.
- Base Housekeeping (in-game & post game)
- Base Guest Services related to ticket taking / attendants / BOH*
- Base Audio/Visual (1 Technician for Usage Hours and Building AV inventory as is 10/1/2017)
- Food and Beverage promotions limited to (2) game promotions per season agreed upon by Parties for regular season or playoff date.
- Items above & beyond those determined as "Base" will be at the expense of Team

Base Game Conversion Includes:

- (2) Party Booths 10 x 16 (with tables and chairs on the North or South Concourse) *
- (2) Meeting Rooms (standard tables & chairs)
- (2) Glass/Field/Presidential Suites on Floor (12 people) *
- (1) Press Box (2 broadcast locations with connections) *
- (2) 4-hour use of Facility outside of game days for special events
 - Set up not included
 - 2 event attendants will be provided
 - Event not to exceed 100 attendees
- (10) Kiosks Booths (4 on the South Concourse and 6 on the West Concourse) *
 - Includes table, chairs and backdrop. (Booths unoccupied at game time will be removed)
 - Additional booth available for purchase based on space availability
- (1) Merchant Booth (located in corner adjacent to box office) *
- Arena with sports playing surface and retractable seats extended with exception of limits due to permanent dasher boards, benches, penalty box, etc.

*Covers normal and standard event and operations with no additional pre-game or post-game events or activities. Item is capped at rate under normal and standard event operations. Any additional items or services shall be charged at the then rates and fees established by City, and paid by City.

Exhibit "C"
Revenue Sharing

Concession Revenue Sharing

- Team shall be entitled to fifteen (15%) percentage of the Net Concession Revenue for non-Premium Level sales.
- Team shall be entitled to ten (10%) percentage of Net Concession Revenue for Premium Level Sales.

Cross Promotional Sale & Revenue Distribution

- Andrews Distributing Sponsorship: City agrees to share revenue with Team annually in the amount of \$2,500, to be paid in 2019 and 2020.
 - Revenue to be shared at time that payment is received by City from Andrews Distributing, Typically January 1 of each year.
- The Courses At Watters Creek Sponsorship: City agrees subject to funding to provide a City Parks & Recreation \$2,500 sponsorship agreement annually to Team
 - Annually based on City approval of funding in the City budget.
 - Elements of sponsorship to be negotiated annual, immediately after City approval of ensuing fiscal year budget with funds becoming available October 1.
- Additional Cross Promotional Sponsorship efforts will be made by both Team and City when appropriate in large categories such as:
 - Auto
 - Soft Drink
 - Alcohol Advertising (as allowed by TABC)

Exhibit "D" **Premium Seats**

Team shall have the right to exercise option to sell the Premium Seats designated herein subject to the terms and conditions set forth in this Exhibit D on a per season option. The designated Premium Seats do not include any food and beverages.

Suites:

Team is designated all available suites seats except for the suites retained by City and for which previous contracts exist.

City retains the following suites:

- North Side (not for public sale unless approved by Team):
 - **208** (MGH), **209** (Naming Rights), **214** (AEC Building Use)
- South Side (not for public sale unless approved by Team):
 - **221** (Team Owners Suite), **222** (COA Use), **215** (AEC Building Use)

Suite Housekeeping Costs:

Team shall pay \$25 per team suite opened above 12 suites. Suites that are not controlled by Team will not count toward 12 suite threshold. Fees will be used to offset housekeeping costs and premium level staffing costs.

Club:

- Team designated Club Seats – 118 west/ 20 east
- West Loge inventory = 118 seats
- East Loge inventory = Partial inventory of 20 seats
 - Locations determined annually, on or before October 1, based on Team game production needs.

Other Notes & Requirements:

- Team is choosing to exercise option for use of suite/club seat for Team games only
- No food included (separate packages available for purchase)
- Full season Team suite holders will have first right of refusal for similar seats for non-Team events at market value. Combined with other City arena tenants, held premium level seats provided for non-Team events will not exceed 50% of available premium inventory.
- Team shall be responsible for collection of all applicable taxes.
- Team shall provide one (1) Premium Level representative.
- Team shall have exclusive right to sell birthday party suite packages during Team games. With packages related to F&B needing City approval.

Exhibit "E"
Food and Beverage

Specials

Dates and content of food and beverage specials shall be determined and agreed to by the Parties at least 45 days prior to Team's first home game during the League Season.

Special items sold at a discount for promotional purposes are non-commissionable.

Number of Concession locations

The number and placement of Concession locations for food and beverage during the Applicable Usage Hours shall be at the sole discretion of City. Standard amount of Concession locations for a sporting event consists of 5 fixed Concession locations and additional portables as determined by City. Any additional Concession locations or portables requested by Team are not covered by the Base Service Level.

Meal Vouchers

Food and beverage voucher/coupon offerings and pricing shall be agreed to the Parties at least 45 days prior to Team's first home game during the League Season. Coupon/voucher sales are restricted to groups of 10 or more and are valid only for the specific event. City shall honor only City approved coupons/vouchers. City approved food and beverage coupons/vouchers may be redeemed for food and beverage at the Concessions at the face value thereof by patrons without change back. Team shall pay to City the face value of all food and beverage coupon/vouchers redeemed by patrons at the Facility at the settlement following each exhibition, game or play-off game, as the case may be. Team is responsible for the payment of any counterfeit coupons/vouchers redeemed by its patrons. The quantity of coupon/ voucher sales shall be reported to City 48 hours prior to scheduled event in order to facilitate efficient distribution of food and beverage.

Team Cash Coupons

Team cash coupon shall be agreed to by the Parties at least 45 days prior to Team's first home game during the League Season. Only City approved Team cash coupons may be redeemed for food and beverage at the Concessions at the face value thereof by patrons without change back. Team shall pay to City the face value of all Team Cash coupons redeemed by patrons at the Facility at the settlement following each exhibition, game or play-off game, as the case may be. Team is responsible for the payment of any counterfeit Team cash coupons redeemed by its patrons. The quantity of Team cash coupons shall be reported to City 48 hours prior to scheduled event.

Sampling

Food or Beverage sampling may be conducted by Team sponsors at locations determined by City and only after approval by the City Director of Food and Beverage prior to the applicable event.

Fundraiser Sales

Any food or beverage fund raising sales conducted by organizations shall be approved by the Director of Food and Beverage prior to event and shall be at such locations approved by the Director.

VIP Bars

The request for VIP bars shall be submitted 72 hours prior to the event and will be honored subject to availability. Team shall pay the costs and charges for VIP Bars at the then current rates established by City and paid at the settlement following the applicable event. City may require a deposit for such service.

Team agrees to adhere to Building Food and Beverage Policies, including but limited to:

Allen Event Center Serving Ice Policy

To protect the sanitary standards that Allen Event Center works to maintain, the following policies are set forth to confirm a general understanding of AEC procedures.

The Allen Health Department is the local agency that regulates all phases of the health and sanitary regulations in Allen Texas. The Event Center policy is in place to support and adhere to the regulations put in place by the Allen Health Department and ensures all user groups (Teams, Licensees, Vendors, etc.) have a general understanding of limitations and standards.

1. TEAMS/LICENSEE/VENDORS **are NOT permitted** access to the kitchen or F&B back of the house areas.
 - a. Ice will be bagged and made available to Teams or Licensee.
 - b. If ice is needed for an event, pre- orders must be arranged with the Food & Beverage department at least 24 hours in advance of the event.
 - c. Ten (10) – 20-pound bags of ice will be supplied to the Team/Licensee/Vendors at no cost.
 - d. Additional bags will be charged at seven dollars (\$7) per 20-pound bag.
 - e. Team members, interns and 3rd party vendors are prohibited from entering the kitchen or back of the house serving areas. These are food preparatory areas and sanitary standards must be preserved.

- f. The present user of the facility on any particular day will have discretion on the distribution of allotted ice bags and usage of machine ice.

Allen Event Center Outside Food & Beverage Policy

To protect the investment of capital and labor of all vendors and Allen Event Center (AEC) Food and Beverage division, the following policies are set forth to confirm a general understanding of AEC procedures.

The Texas Alcoholic Beverage Commission (TABC) is the state agency that regulates all phases of the alcoholic beverage industry in Texas. The duties of the commission include regulating sales, taxation, importation, manufacturing, transporting, and advertising of alcoholic beverages. The below Event Center policy is in place to support the regulations put in place by the TABC and ensure all user groups (Teams, Licensees, Vendors, etc.) have a general understanding of limitations and standards.

1. TEAMS/LICENSEE **are permitted to** bring in non-building sponsor non-alcoholic beverage and food for home/visiting team pre- or post-game meals or staff use.
 - a. Items must not leave the back of house area and be used in this area only.
 - b. Items must be delivered BOH at Command and will not be allowed into the building at any other location.
 - c. Items are not to be in Public view
2. TEAMS/LICENSEE **are NOT permitted to** bring outside vendor food into the owner's suite or FOH areas.
 - a. FOH or Premium Level food must be purchased through building F&B Division. Exceptions must be approved in writing 15 days in advance from AEC F&B Director, Assistant General Manager or General Manager.
 - b. Teams / Licensee may be permitted to use AEC Third Party Concession Vendors or AEC Restaurant Partners specific for catering purposes, but NOT FOR RESALE, in the below areas with approval from AEC Director of Food & Beverage:
 1. Press Box Media, for the purpose of hosting league and media officials
 2. Back of house Team Locker Rooms, Team Hallways. Not to be brought into public areas.
3. TEAMS/LICENSEE **are NOT permitted to** bring outside alcohol into AEC.
 - a. Teams/Licensee **cannot under any circumstances** bring outside alcoholic beverages into AEC pursuant to TABC regulation (Sec. 28.06). Alcohol served on

the permitted premises must be purchased by License holder. License holder must hold an invoice as proof of purchase.

4. TEAMS/LICENSEE **are NOT permitted** to bring donated alcohol, supplies or equipment into AEC.
 - a. Teams **cannot** bring in any supplies or equipment that is donated by a beer or spirits distributor pursuant to TABC regulation (Sec. 102.07).
5. TEAMS/LICENSEE **are NOT permitted to** sell Alcoholic beverages.
 - a. Alcohol is prohibited from being sold by anyone other than AEC personnel or agents thereof on AEC property licensed by the TABC.
6. Approved Third party vendors must possess City of Allen Health Department Certificate for respective event.
 - a. A health certificate must be obtained from the City of Allen Health Department prior to operating any food and beverage site on AEC property.
7. All 3rd Party Food & Beverage vendors must be approved by AEC Director of Food and Beverage
 - a. Submission of menu, sample of proposed product and pricing must be presented to AEC Director of Food and Beverage for approval prior to permission being granted to sell at AEC.
 - b. Required payment by 3rd Party vendors.
 - c. Negotiated payment or buyout must be received from vendors selling Food and Beverage products on AEC property.
8. AEC has absolute authority to select what food and beverage can be served on AEC property. All approved vendors must adhere to all local, state and federal laws.
9. Sampling and the portion size will be considered for approval by AEC Director of Food & Beverage on an event by event basis.