TEAM LEASE FOR ADVENTIST HEALTH ARENA (HOCKEY TEAM)

BETWEEN

CITY OF STOCKTON

And

SMG

And

STOCKTON PRO HOCKEY, LLC

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Dated as of April 27,2026.

TEAM LEASE FOR ADVENTIST HEALTH ARENA
(HOCKEY TEAM)

THIS LEASE (the "Lease") is made and entered into as of April 27, 2026 (the "Effective Date"), by and between the City of Stockton (the "City"), SMG (the "Arena Operator") and Stockton Pro Hockey, LLC, a Wyoming limited liability company (together with its permitted successors and assigns, collectively referred to herein as "Team Owner"). The City, the Arena Operator and the Team Owner are referred to collectively as the "parties" and individually as a "party."

RECITALS

Team Owner, Arena Operator and City wish to enter into a Lease for Adventist Health Arena for purposes of hosting the home games of Team Owner's Federal Prospects Hockey League franchise (the "Team"), which will consist of approximately 28 regular season team games with the potential for subsequent playoff games at the Adventist Health Arena located at 248 W. Fremont Street, Stockton, CA 95203 (the "Arena"), in accordance with the terms and conditions of this Lease.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the undersigned parties hereto hereby agree as follows:

1. This Agreement and any subsequent amendments hereto shall constitute the entire and exclusive terms of the Agreement.

2. DEFINITIONS.

(a) "Additional Insured" has the meaning set forth in Section 29(a).

(b) "Additional Team Games" means, for each Contract Year, any Regular Season Games in excess of twenty-eight (28).

(c) "FPHL" means the Federal Prospects Hockey League.

(d) "FPHL Season" means the period of time during which the FPHL plays its pre-season, regular season, playoff and all-star games.

(e) "Agreement" has the meaning set forth in the Introduction.

(f) "Applicable Taxes" means, with respect to any revenues, all applicable taxes, assessments or fees required by law to be paid in connection with such revenues.

(g) "Arena" has the meaning set forth in the Recitals.

(h) "Arena Operator" means SMG.

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(i) "Arena Operator Indemnitees" has the meaning set forth in Section 30(a).

(j) "Available Dates" has the meaning set forth in Section 5(c).

(k) "Base Amount" has the meaning set forth in Section 7(a).

(l) "Club Seat Tickets" means any tickets, including without limitation, to Team Games, which are sold by Arena Operator as part of a Full Club Seat License or by Team Owner as an Unsold Team Club Seat, which entitle the holder thereof to attend an event in a
Club Seat at the Arena.

(m) "Commencement Date" has the meaning set forth in Section 3 of this Agreement.

(n) "Contract Year" means the period commencing July 1 of one year and ending on June 30 of the next calendar year.

(o) "CPI" means the Consumer Price Index for Urban Wage Earners and Clerical Workers, Los Angeles - Riverside - Orange County Area, All Items (1982-1984=100) published by the U.S. Department of Labor, Bureau of Labor Statistics ("Bureau"), or if the CPI is no longer published, the Bureau's most comprehensive official index then in use that most nearly corresponds to the CPI. If such subsequent index is calculated from a base different from the base period (1982-1984=100), figures used for calculating the adjustment shall first be converted to the base period used under a formula supplied by the Bureau.

(p) "Cut-off Date" means September 1st prior to each FPHL Season.

(q) "Execution Date" means the date as of which all parties hereto have executed this Agreement.

(r) "Fan Event" has the meaning set forth in Section 6(a)(ii).

(s) "Force Majeure Event" has the meaning set forth in Section 42.

(t) "Full Suite License" means any Luxury Suite License entitling the holder thereof to use a Luxury Suite for all Team Games during the FPHL season as well as other events at the Arena (including without limitation, publicly ticketed concerts, family shows, Team Events and other events).

(t.1) "Full Club Seat License" means any Club Seat License entitling the holder thereof to use designated Club Seats for all Team Games during the FPHL Season as well as other events at the Arena (including without limitation, publicly ticketed concerts, family shows, Team Events and other events).

(u) "Game Day Facilities" means those portions of the Arena reasonably necessary for the proper presentation of each Team Game (and Team Events), including without limitation, use of designated hospitality and arena concourse events as reasonably requested for Team Games by Team Owner.

(v) "Net Food and Beverage Revenue" means the total amount of money and receipts, less any Applicable Taxes, tips, cost of sales, labor, contracted labor, non-profit organization labor and concessionaire fee, received and/or charged by or on behalf of any food and beverage concessionaire or any agent or employee of that concessionaire for all sales, cash or credit, made as a result of the sale of food and beverages at the Arena during each Team Game Interval. For the purpose of determining Team Owner's share under Section 8(d)(i), Net Food and Beverage Revenue shall include any net amounts received from any of concessionaire's subcontractors.

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(w) "Gross Ticket Revenues" means gross receipts (net of Applicable Taxes) received by Team Owner from the sale (whether sold through season ticket sales, the Ticketing Agent, the box office, or otherwise) of tickets of admission to the Arena for Non-Premium Seats and any tickets for Premium Seats sold under Section 7(b) for inclusion in Full Suite Licenses and Full Club Seats Licenses for Additional Team Games, in each case for Team Games (or Team Events). Gross Ticket Revenues shall include 100% of the full-face value of any tickets for Non-Premium Seats provided by Team Owner to sponsors in fulfillment of their obligations to sponsors.

(x) "Hazardous Materials" means any chemical, substance or waste (i) the presence of which requires investigation or remediation under any legal requirements; (ii) which is defined as a "hazardous waste", "hazardous substance", "hazardous material", pollutant, toxic or contaminant under any legal requirements; (iii) which is toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic, or otherwise hazardous and is regulated by any governmental authority; or (iv) the presence of which in the Arena causes or threatens to cause a nuisance or injury upon the Arena, to adjacent properties or to the environment or poses or threatens to pose a hazard to the health and safety of persons in or about the Arena, provided that such presence is not due to the actions or negligence of SMG.

(y) "Luxury Suites" means the twenty-four (24) luxury suites located in a restricted area of the Arena.

(z) "Luxury Suite License" means any license or similar right pursuant to which the holder thereof has a right to use a Luxury Suite for a specified period of time or event(s).

(aa) "Luxury Suite Tickets" means any tickets, including without limitation, to Team Games, which are sold by Arena Operator as part of a Full Suite License, Team Suite License or by Arena Operator or Team Owner as part of an Unsold Team Suite, which entitle the holder thereof to attend an event in a Luxury Suite at the Arena.

(bb) “Major Sponsors” means a company or organization that financially supports the Arena in exchange for prominent branding and advertising opportunities at the Arena. Currently and at the time of the execution of this Agreement, the Major Sponsors at the Arena are:

1. Adventist Health
2. Coca-Cola
3. CalWater

(cc) "Naming Rights Sponsor" Naming Rights Sponsor means Adventist Health.

(dd) "Non-Premium Seats" means all seats in the Arena as configured for a hockey game, excluding Premium Seats, but, for purposes of "Non-Premium Seats" shall include Unsold Team Club Seats sold by the Team Owner.

(ee) "Non-Team Events" means those events, other than Team Games or Team Events hosted at the Arena.

(ff) "Non-Team Premium Seats" means those Premium Seats sold by Arena Operator -- other than as part of a Full Suite License, Full Club Seat License -- to events other than Team Games or as part of packages that do not include any Team Games or any Team Events.

(gg) "Option" has the meaning set forth in Section 3.

(hh) "Playoff Dates" has the meaning set forth in Section 5(d).

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(ii) "Premium Seat Licenses" means, collectively, Full Suite Licenses, Full Club Seat Licenses, Team Suite Licenses and Team Club Seat Licenses.

(jj) "Premium Seats" means the Luxury Suites and the Club Seats operated to provide the holders thereof with premium service and amenities.

(kk) "Premium Seat Tickets" means any tickets, including without limitation Team Premium Seat Tickets, which are sold or otherwise provided to persons using Premium Seats and entitle the holder thereof to attend an event in the Arena.

(ll) "Regular Season Games" means those regular season games played at the Arena where the Team is designated as the "home team."

(mm) "Novelties" has the meaning set forth in Section 8(a).

(nn) "Team" has the meaning set forth in the Recitals.

(oo) "Team Club Seat Licenses" means any Club Seat License entitling the holder thereof to use Club Seats for Team Games.

(pp) "Team Club Seat Tickets" means Club Seat Tickets for Team Games.

(qq) "Team Events" means other publicly ticketed hockey events, other than the Team Games, hosted or sponsored by the Team (e.g. FPHL All-Star Game,)

(rr) "Team Game Interval" means the period beginning when the Arena first opens any of its doors for the admission of fans for each Team Game and terminating when the fans are required to leave the Arena following the conclusion of such game or any post-game event permitted under Section 6(b).

(ss) "Team Games" means all games, including preseason, regular season and playoff games, played where the Team is designated as the "home team."

(tt) "Team Indemnitees" has the meaning set forth in Section 30(a).

(uu) "Team Owner" has the meaning set forth in the Introduction.

(vv) "Team Owner Temporary Advertising" has the meaning set forth in Section 9(b).

(ww) "Team Owner Tickets" means tickets for Non-Premium Seats, Unsold Team Club Seats and Unsold Team Suites sold by or on behalf of Team Owner for Team Games and Team Events.

(xx) "Team Premium Seat Tickets" means Premium Seat Tickets for Team Games or Team Events.

(yy) "Team Suite Licenses" means any Luxury Suite License entitling the holder thereof to use a Luxury Suite for all Regular Season Games or all Team Games during the FPHL Season.

(zz) "Team Suite Tickets" means Luxury Suite Tickets for Team Games or Team Events.

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(aaa) "Term" has the meaning set forth in Section 3 of this Agreement.

(bbb) "Ticketing Agent" shall mean the ticketing agent utilized by Arena Operator from time to time in connection with Arena events, including Team Games, which is Ticketmaster.

(ccc) "Unsold Team Suites" has the meaning set forth in Section 4(b).

(ddd) "Unsold Team Club Seats" has the meaning set forth in Section 4(c) of this Agreement.

2. USE OF ARENA

(a) Agreement to Play Games at Arena. Team Owner agrees to cause the Team to play all Team Games in the Arena during each FPHL Season of the Term on the terms and conditions set forth herein; provided however Team Owner may cause the Team to play up to two (2) Team Games each Contract Year at venues other than the Arena upon advance written notice to Arena Operator. The foregoing obligation is subject to the availability of the Arena on the dates scheduled for Team Games by the FPHL.

(b) Agreement to Provide Arena. Subject to the provisions of Section 5 and Section 6, Arena Operator agrees to make the Arena available for use by Team Owner and the Team during the Term on the terms and conditions set forth herein.

3. TERM. The term of the Agreement (the "Initial Term") shall commence on July 1, 2026 (the "Commencement Date") and is to continue through June 30, 2029. Subject to the written approval of the City, the Arena Operator and the Team Owner shall extend the Initial Term through June 30, 2030 (the "Extended Term"). The Team Owner shall have the Option to extend the Extended Term for another two-year (2) years (the “Option”). The Option shall be exercised in writing by Team Owner to Arena Operator no later than January 1, 2030.

4. PREMIUM SEATING; OTHER AMENITIES.

(a) Sale of Premium Seat Licenses. Subject to Section 7(c) and (d), Arena Operator shall retain the exclusive right to sell Premium Seat Licenses. Arena Operator and Team Owner shall mutually agree (with such agreement not to be unreasonably withheld, conditioned or delayed) on the pricing and other terms of the sale of the Premium Seat Licenses, including without limitation: (i) what events and amenities are included in the Premium Seat Licenses, and (ii) what events and amenities will be offered to Premium Seat License holders at additional cost and the price of such additional events or amenities.

(b) Sale of Unsold Team Suites. No later than the Cut-Off Date, Arena Operator shall notify Team Owner of any Suites that have not been sold as part of a Premium Seat License and that remain unsold as of the Cut-Off Date ("Unsold Team Suites"). Upon such notice, subject to Section 4(e), Team Owner shall have the primary right to sell Unsold Team Suites for Team Games (and Team Events) with such amenities and at such prices as agreed upon by the Arena Operator.

(c) Sale of Unsold Team Club Seats. No later than the Cut-Off Date, Arena Operator shall notify Team Owner of any Club Seats that have not been sold as part of a Premium Seat License and that remain unsold as of the Cut-Off Date ("Unsold Team Club Seats"). Team Owner shall retain the exclusive right to sell Unsold Club Seats at such prices as determined by Team Owner; provided that the price of such Unsold Team Club Seats shall not be lower than the lowest ticket price offered for a comparably located Club Seat sold as part of a Full Club Seat License. Team Owner shall have the sole discretion to determine from time to time the pricing and other terms of sale with respect to Unsold Team Club Seats, provided that such sale shall only involve the sale of such Unsold Team Club Seats

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for Team Games (whether on an individual, package or season ticket basis) and Team Events and shall include the right for such Unsold Team Club Seats holders to access that certain club space, currently known as The Club at no additional cost. Subject to the foregoing, Team Owner shall provide in advance of the season proposed guidelines and club amenity schedules, for Arena Operator's review and approval.

(d) Sale of Non-Team Premium Seats. Subject to Section 7(e), Arena Operator shall retain the exclusive right to sell Non-Team Premium Seats (including any Luxury Suites or Club Seats that (i) were not sold as part of a Team Premium License; and (ii) are for use during Non-Team Events (which, for clarity, does not include Unsold Team Suites and Unsold Team Club Seats). Subject to the foregoing sentence, Arena Operator shall retain sole discretion in establishing the pricing and other terms of the sale of the Non-Team Premium Seats, including without limitation: (i) what events and amenities are included in the sale of such Non-Team Premium Seats, and (ii) what events and amenities will be offered to Non-Team Premium Seat Seats.

(e) Marketing Coordination. Arena Operator and Team Owner agree to meet and confer in order to coordinate the marketing of Premium Seats (other than Unsold Team Club Seats) by Arena Operator and the marketing of Non-Premium Seat tickets, Unsold Team Club Seats and Unsold Team Suites by Team Owner and to cooperate with each other in such undertakings. In furtherance of the foregoing, (i) upon the reasonable request of Arena Operator, Team Owner shall mail, at Arena Operator's expense, marketing materials for Premium Seats to the Team season ticket holders, and (ii) Arena Operator shall consider in good faith requests by Team Owner for information to be utilized by Team Owner for marketing purposes provided, however, that Arena Operator shall have no obligation to provide any information the disclosure of which would, in the reasonable judgment of Arena Operator, adversely affect the confidentiality, privacy or proprietary interests of Arena Operator or its clients.

(f) Use of Suite. Subject to Arena Operator's standard terms and conditions for Luxury Suite use applicable to other users of Luxury Suites in the Arena, Team Owner shall have the use of two (2) Luxury Suite during each of the Team Games at no charge to Team Owner during each FPHL Season during the Term.

5. SCHEDULING.

(a) Team shall have priority over other events, but not over the current basketball tenant for the selection of dates for use of the Arena for Team Games, provided however, subject to Section 5(b), (c) and (d) below, Arena Operator retains the right to reserve dates to allow for other programming at the Arena, including dates for possible football tenant, concerts, family shows, or other sporting events, during the Term, including those that are under multiyear contracts.

(b) Other Events. Team Owner acknowledges that from time-to-time Arena Operator may schedule other events, such as concerts, family shows, basketball games or other sporting events during the FPHL Season. Subject to Section 5(a), (c) and (d), Team Owner agrees that Arena Operator may reserve a reasonable quantity of dates in order to accommodate such other events. Team Owner agrees that if such event has been scheduled on a date prior to a Team Game being scheduled on that date, subject to Arena Operator's obligations under Section 5(c) and (d) below, then such date shall not be available for a Team Game

(c) Regular Season. Each Contract Year during the term hereof, on or before the date mandated by the FPHL, Arena Operator shall submit to Team Owner a list of dates on which the Arena would be available for Regular Season Games of the Team during the next FPHL Season ("Available Dates"). Arena Operator will ensure that the Available Dates submitted to Team Owner include a minimum of twenty (20) weekend dates (i.e. Thursdays, Fridays, Saturdays and Sundays) during the FPHL Season and fifteen (15) mid-week dates (i.e. Mondays through Wednesdays) during the FPHL Season. Once the Available Dates are submitted by Arena Operator to the FPHL, Arena Operator may

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not modify such Available Dates or schedule an event on such Available Date prior to receiving the complete and final FPHL schedule for the ensuing FPHL Season, except that, notwithstanding the foregoing, Arena Operator shall have the right, by providing written notice to Team Owner during the period between March 1st and the following June 30th (or such earlier date which is thirty (30) days prior to the release of the complete and final FPHL schedule) of each Contract Year, to reclaim up to five (5) Available Dates, for purposes of hosting live entertainment events at the Arena. Within forty-eight (48) hours after Team Owner receives its final, complete schedule from the FPHL for the ensuing FPHL Season, Team Owner shall submit its final, complete schedule to Arena Operator for the ensuing FPHL Season at which point all unscheduled Available Dates shall be released to Arena Operator without further notice or action and Team Owner will have no priority for use of the Arena on such dates. Once a Team Game has been scheduled on an Available Date, Arena Operator may not schedule a conflicting event at the Arena on such date (except in accordance with this section or Section 6 below); provided, however, that if a scheduled Team Game is cancelled or postponed for any reason (including without limitation as a result of an actual or threatened strike, Lock-out or other labor dispute), Arena Operator shall be entitled to schedule another event at the Arena in lieu of the Team Games unless Team Owner agrees to pay a forty-five thousand dollar ($45,000) reservation deposit to continue to hold such date. Notwithstanding the foregoing, no such deposit shall be required, and the date shall continue to be held for Team Owner, where the cancellation or postponement results from a Force Majeure Event or from any act or omission of Arena Operator or the condition of the Arena. Such deposit shall be refunded to the Team Owner in the event that a Team Game occurs on the date in question (otherwise the full amount of the deposit shall be retained by Arena Operator). If Arena Operator has the opportunity to schedule a significant event (such as a major concert, family show or sporting event) at the Arena on the same date for which a Team Game has been scheduled pursuant to the final, complete schedule from the FPHL, then, upon request from Arena Operator to reschedule such Team Game, Team Owner agrees to consider such request in good faith. Notwithstanding anything herein to the contrary, in no event shall any Team Game scheduled for an Available Date be rescheduled without (i) approval from the Team Owner and the FPHL; and (ii) payment to the Team of any and all expenses reasonably incurred in connection with such rescheduling for each such rescheduled Team Game, which expenses shall not exceed $10,000 for each such rescheduled Team Game.

(d) Playoffs. Each Contract Year during the Term, upon receipt by Team Owner of written notice from the FPHL of dates to be reserved for such season's playoff games for the Team, Team Owner shall immediately notify Arena Operator of such dates and Arena Operator shall reserve all mutually agreeable dates for use by Team Owner ("Playoff Dates"); provided however, Arena Operator agrees to reserve as available Playoff Dates six (6) out of each fifteen (15) consecutive dates during the period between April 1 to June 15 each FPHL Season unless and until Team is eliminated from qualification for the Playoffs. Within twenty-four (24) hours after Team Owner receives notice from FPHL of which Playoff Dates will not be used for the Team's playoff games, Team Owner shall notify Arena Operator of such released dates, which dates shall be released to Arena Operator without further notice or action and Team Owner will have no priority for use of the Arena on such dates.

6. USE OF FACILITIES.

(a) Game Day Use of Facilities.

(i) Except as otherwise provided herein, during the presentation of Team Games, Team Owner shall have the right to use the Game Day Facilities in a manner consistent with the presentation of FPHL minor league hockey games. Team Owner shall not unreasonably interfere with the use by others of the areas of the Arena that are not Game Day Facilities.

(ii) Subject to Section 6(a)(iii), Team Owner shall have (A) the exclusive use of the Game Day Facilities for morning skate, between the hours of 8a-11a and a period commencing five (5) hours before the commencement of such Team Game on the day of each Team Game and ending

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two (2) hours after the conclusion of such Team Game, unless otherwise agreed, (B) nonexclusive access to the Game Day Facilities at all other times of the day of each Team Game (provided that such non-exclusive access shall be subject to availability and shall not unreasonably interfere with other activities at the Arena, including without limitation the changeover of Game Day Facilities from their prior use) and (C) non-exclusive access to Game Day Facilities on days other than the days of Team Games (provided that such non-exclusive access shall not occur on days when there are major events hosted at the Arena and shall not unreasonably interfered with other activities at the Arena). During the periods under (A) and (B) above, Team Owner shall be entitled to conduct hockey games (including without limitation Black and White Games, Alumni Games etc.), promotional events (subject to the provisions of Section 9 below), clinics, half-time entertainment and other similarly constituted events. During the period under (C) above, Team Owner shall be permitted access to the Arena for the purpose of conducting tours (of the Arena and locker rooms), prospecting events and events in premium areas (as mutually agreed) provided such access or use does not interfere with any such non-Game event being hosted at the Arena at such time. Subject to availability, Arena Operator will use commercially reasonable efforts to provide Team Owner and the visiting team with use of the Game Day Facilities (including ice rink) during the morning of each Team Game and at other times during the day of each Team Game for practice sessions. In addition, the Team Owner shall be entitled to exclusive use of the Game day Facilities, including the ice surface, for the purpose of hosting six (6) fan-based events ("Fan Events") at the Arena (on dates and at times mutually agreeable to the parties). Arena Operator shall not charge Team Owner any rent or other fees in connection with such Fan Events provided however Team Owner shall be responsible for paying reasonable incremental out-of-pocket staffing and other direct event related expenses incurred by Arena Operator in connection with such Fan Events.

(iii) Notwithstanding the provisions of this Section 6(a), Arena Operator shall be allowed to schedule another event at the Arena provided that (A) such event shall not unreasonably restrict Team Owner's use of the Game Day Facilities (including without limitation the ice rink) at any time during the period beginning five (5) hours prior to the scheduled starting time of a Team Game and ending at such time as is reasonably necessary to allow the fans, the visiting team, and Team Owner and its agents to vacate the Game Day Facilities following such Team Game, and (B) Arena Operator shall ensure that Team Owner and its agents (including the production personnel for game telecasts) have reasonable time and access to complete preparation for the presentation of the Team Game. Notwithstanding the other provisions of this Section 6(a)(iii) Team Owner shall use its best efforts to cooperate with the scheduling of doubleheader dates, including without limitation, (i) agreeing to reasonable deviations from the standard scheduled starting times for the Team Games on such dates (e.g. 8:00p.m. instead of 7:30p.m.) and (ii) in the case of an afternoon Team Game, using best efforts to, and to cause Team Owner's agents to, make the Game Day Facilities available for the other event as soon as is reasonably possible after the conclusion of the Team Game. Any requested scheduling changes by Arena Operator shall be subject to the approval of Team Owner, such approval not to be unreasonably withheld or delayed.

(b) Non-Play Areas. Subject to Section 22, Team Owner shall have a license for non-exclusive ingress and egress on game days through the common area and public corridors of the Arena necessary to enter and exit the Game Day Facilities. No charitable or political collections shall be made or attempted by Team Owner in the Arena, except for the Team's foundation's current silent auction table event, any 50/50 raffles conducted in accordance with applicable law as well as certain charitable events periodically conducted by Team Owner with the prior approval of Arena Operator, which approval shall not be unreasonably withheld.

(c) Office Space. Team Owner will be responsible for securing and paying for their own office space outside of the Arena. Should the current basketball tenant vacate arena offices Team Owner will be presented with first right of refusal to utilize the vacated offices.

7. BASE PAYMENT AND PREMIUM SEAT PAYMENTS.

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(a) Base Payment for the Arena.

(i) During the Term of this Agreement, Team Owner shall pay to Arena Operator rent in an amount of twenty-one thousand dollars ($21,000.00) per [Contract Year / Team Game] (the "Base Amount"). The Base Amount shall be paid in accordance with the provisions of Section 12. Each subsequent year the base rent shall increase by three percent (3%). In addition to the Base Amount, all single game tickets sold for the Team Game shall be subject to a $4.00 facility fee; all partial season and group tickets shall be subject to a $2.00 facility fee, increasing annually by $0.25; all full season tickets for the duration of the initial term shall be subject to a $1.00 facility fee.

(b) Arena Operator shall pay the Team Owner a per-paid ticket rebate:

$1 per full and group priced ticket (1-1,000)

$2 per full and group priced ticket (1,001-2,000, retroactive)

$3 per full and group priced ticket (2,001-9,500, retroactive)

The per ticket rebate shall be paid as part of the event settlement procedure as laid out in SECTION 12

(c) Revenues from Unsold Team Suites.

(i) Team Owner and Arena Operator shall have the right to sell all Unsold Team Suites. Gross revenues generated from the sale of Unsold Team Suites shall be shared as follows: twenty percent (20%) to Arena Operator ("Arena Operator Percentage Share") and eighty percent (80%) to Team Owner ("Team Owner Percentage Share"). Team Owner agrees that it will provide Team Suite Tickets for inclusion in Unsold Team Suites at no expense.

(d) Revenues from Non-Team Premium Seats. Subject to Section 4(d), Arena Operator shall have the exclusive right to sell all Non-Team Premium Seats and retain one hundred percent (100%) of the revenue generated from the sale thereof.

(e) Ticketing Arrangement.Team Owner agrees to be bound by the terms and conditions of any agreement to which the Arena Operator grants to the Arena Operator's Ticketing Agent the exclusive right to sell tickets to events at the Arena.

(f) Capital Improvements.

(i) Capital Repair and Replacement. Under its authority granted by the City, Arena Operator, shall timely complete all capital repairs required to be made to the Arena or the replacement of furniture, fixtures or equipment located therein, including concession equipment, and to maintain these items in operating condition. Additionally, the City, Arena Operator and Team Owner shall meet, confer and cooperate in good faith on decisions with respect to the annual Capital Repair and Replacement program for the Arena prior to the commencement of each Contract Year.

(ii) Emergency Repairs. Subject to Section 43(a), in the case of an emergency which poses an imminent threat to the health, safety and welfare of the general public or the structural integrity of the facility, Arena Operator may take such actions which the Arena Operator reasonably determines to be necessary, including spending and committing funds from the Arena Operator. If possible, Arena Operator shall inform and obtain City consent prior to responding to an emergency. If, due to the nature of the emergency, Arena Operator is unable to obtain the City prior consent, Arena

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Operator shall contact the Parties immediately before such action to inform of the emergency and the proposed actions to remedy the emergency situation, and seek their consent unless it is not practically possible due to the urgency of the situation.

(iii) Game Day Expenses. Arena Operator, at its sole cost and expense (and not subject to reimbursement by the Team Owner), shall provide the following: a reasonable and customary number of ushers, ticket takers, ticket sellers, Zamboni drivers, operations staffing, event ice crew, security officers, front of house police officers and firemen (subject to the following sentence) and patron EMT/medical personnel, cleaning staff: electrician box office personnel (game day and non-game day), event set-up and other necessary operational personnel, operation of the box office and ticket office during business hours on game days and non-game days, cleaning of the building before and after the Team Games, set up and changeover of the ice playing surface and utilities, including electricity, gas and hot water. The Base Amount shall exclude staffing overtime, additional staff for private parties and/or functions used in conjunction with the Team Game, sound & lighting equipment, stagehands, loaders, spotlight operators, production, camera / spotlight operators, wardrobe, catering, broadcast fees or staffing, equipment rentals, video board use or staffing, ASCAP/ BMI/SESAC or similar music royalties, and all box office credit card fees and/or expenses (collectively, "Team Owner Expenses" and together with the Base Amount, the "Event Expenses"), all of which shall be the sole responsibility of Team Owner. Any and all Event Expenses shall be paid by Team Owner pursuant to the terms and in accordance with Section 12 herein.

8. OTHER REVENUES AND INCOME.

(a) Novelties. During the Term, Team Owner shall be entitled to retain one hundred percent (100%) of the gross revenues from the sale of merchandise, programs and novelties ("Novelties") and shall be responsible for all costs in connection with such sales.

(b) Radio, Television and Motion Picture Income. Team Owner shall own all of the rights and revenues relating to all radio, television and other forms of transmission of verbal and visual depictions, whether now existing or that may exist in the future of Team Games, including but not limited to any Internet, pay TV, cable TV and digital TV broadcasts, and shall have the exclusive right to take, or permit others to take, motion pictures of Team Games and to retain all revenues relating thereto; provided, however, that Team Owner, the visiting FPHL teams and the FPHL, as applicable, or any of their agents or assignees producing or broadcasting Team Games on radio, television, motion pictures or other technologies, (i) shall be required to utilize production facilities in the Arena for the first feed out (provided that such production facilities must be available on reasonably competitive terms and conditions), AND (ii) shall pay such facility usage and other charges as may reasonably be charged by Arena Operator and/or the operator of the Arena Operator's production facilities (such charges to be consistently applied as those incurred by other the Arena anchor sporting tenants) in connection with the production and transmission of broadcasts from the Arena.

(c) Parking.

(i) Parking. LAZ controls parking on behalf of the City

(ii) Team Owner's Parking Spaces. During Team Games, Team Owner shall be entitled to approximately thirty (30) staff and player parking spaces at no cost in Arena loading dock. Parking could be reduced with team buses and production vehicles.

(d) Food and Beverage.

(i) Arena Operator and its designated concessionaires shall control all food and beverage concession sales in the building and Team Owner shall not permit any third party to sell or

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give-away any food and beverage products on the premises of the Arena at any time. Arena Operator will reasonably cooperate (and will cause its concessionaire to cooperate) with the Team's efforts to utilize F&B promotions, consistent with best practices, in connection with the marketing of tickets. In addition, Arena Operator and Team Owner agree that during any Team Games, upon reasonable advance notice by the Team Owner, the Arena shall conduct and honor a Team Owner promotion by which hot dogs and soft drinks may be purchased upon the presentation of a voucher provided to customers by or on behalf of the Team Owner provided that, in exchange for the foregoing, Team Owner shall pay to Arena Operator or its concessionaire the amount of ten dollars ($10) for each hot dog/soft drink voucher requested.

(e) Catering. Team Owner agrees to use Arena Operator concessionaire for all catering needs, both front of house and back of house. If requested, post-game team meals will be fifteen dollars ($15) per player/coach (excluding sales tax) during year one, increasing annually by three percent (3%). Concessionaire will be responsible for determining menu.

(f) Food and Beverage Rebate. Concessions rebate of fifteen percent (15%) of net food and beverage when paid attendance exceeds 2,500 per the game audit. Net is described as Gross Sales less Sales Tax, Tips, Cost of Sales, Labor, Temporary Labor, NPOs, Concessionaire Fee.

9. ADVERTISING.

(a) Score Board Advertising Revenues. Team Owner may have primary use of the score board at the Arena during each Team Game Interval, in accordance with policies and procedures determined by Arena Operator; provided, however, that Team Owner shall provide Arena Operator with reasonable access to the score board during each Team Game Interval for the purpose of promoting other events and activities in the Arena. Arena Operator shall retain 100% of the income from any fixed advertising on the main scoreboard unit at the Arena (including any rotating sign advertisements thereon and, other than the main scoreboard unit at the Arena, Arena Operator retains rights to and control over any LED signage). Team Owner shall not be charged for the use of the score board except for the cost of personnel required in connection with such use.

(b) Arena Advertising. Unless otherwise agreed by the parties and except as otherwise provided in this Agreement, Arena Operator shall control and retain the revenue from all advertising and building signage, including the center ice position granted to the Naming Rights Sponsor. Team Owner shall have no right to sell advertising on signs, posters or other printed display advertising in the Arena except as expressly permitted in this Section 9(b). Subject to this Section 9, Team Owner shall be entitled to temporary advertising and promotional signage rights within the Arena bowl or the board ring (e.g., ice resurfacing machines, dasher boards, scoreboard identification and messages, board ring messages and advertising, public address system announcements, game or event program advertising, and event related promotions (e.g., event t-shirts) in the ice surface (other than in the center ice position), on the main scoreboard unit, and on temporary roll up advertising. ("Team Owner Temporary Advertising") Unless otherwise agreed by the parties and except as otherwise provided in this Agreement, Team Owner shall retain one hundred percent (100%) of the revenues from all Team Owner Temporary Advertising. Team Owner Temporary Advertising shall not include any permanent or fixed advertising anywhere in the Arena or any advertising (whether temporary or permanent) in any areas outside the bowl and outside the Arena building (e.g. inside and outdoor concourses, lobbies, indoor plaza, outside public plazas, and the parking lots). With respect to the Team Owner Temporary Advertising, Team Owner agrees that (i) Team Owner Temporary Advertising signage and promotions shall be subject to the approval of Arena Operator (such approval is subject to advertising and promotional exclusions as set forth in agreements with the Arena's Major Sponsors and will not to be unreasonably withheld by the Arena Operator), and (ii) the Arena's Major Sponsors shall be offered a right of first negotiation with respect to the purchase of such team sponsorship or advertising rights for their category.

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(c) Naming Rights. Team Owner recognizes that the licensing of naming rights in the Arena Operator is fundamental to the operation of the Arena and that the ability of Arena Operator to grant strong exclusivity rights to the Naming Rights Sponsor is essential to the marketability of those naming rights. Based on the foregoing, Team Owner agrees that for the term of the agreement with the current Naming Rights Sponsor (Adventist Health), Team Owner will not sell or otherwise provide Team Owner Temporary Advertising to any competitor of Adventist Health (meaning any provider of healthcare [including physical, mental, spiritual and social wellness], clinics or hospital services), provided however, following the expiration of the current naming rights agreement with Adventist Health, and with respect to any Naming Rights Sponsor that succeeds Adventist Health, (i) the center circle underneath the main ice surface of the Arena shall include the name of the Arena (substantially as such center-ice signage is currently configured from Adventist Health); and (ii) in the event that such succeeding Naming Rights Sponsor wishes to secure Team Owner Temporary Advertising rights (including category exclusivity) from Team Owner, provided that Team Owner does not already have a Team sponsor in the same sponsorship category as such future Naming Rights Sponsor, Team Owner agrees to provide such future Naming Rights Sponsor an opportunity to present an offer to secure such Team Owner Temporary Advertising rights. If the succeeding Naming Rights Sponsor makes such an offer, then upon receipt of such offer by Team Owner, Team Owner shall negotiate with such succeeding Naming Rights Sponsor in order to try to reach agreement on the terms of the proposed sponsorship/advertising arrangement. If no agreement is reached by the parties, Team Owner may not enter into a sponsorship/advertising agreement that would conflict with the Naming Rights Sponsor. In addition, Team Owner agrees (i) to refer to the Arena by the name designated by Arena Operator and (ii) to use its commercially reasonable efforts to cause its and the FPHL's employees, sponsors, broadcasters, subcontractors and other agents to refer to the Arena by such name.

(d) Major Sponsors. Arena Operator shall notify Team Owner of the name of any party who becomes a Major Sponsor fourteen (14) business days after entering into an agreement with the party who becomes a Major Sponsor. Team Owner recognizes that the sale of sponsorships to Major Partners is fundamental to the operation and financing of the Arena and that the ability of Arena Operator to grant naming and other exclusivity rights to each of the Major Partners is essential to the marketability of the Major Sponsors' sponsorships based on the foregoing, Team Owner shall provide each of the Major Sponsor, in categories not otherwise occupied by an existing Team sponsor, with a right to negotiate for the purchase of Team Owner Temporary Advertising in such Major Sponsor's category on terms and conditions to be mutually agreeable to Team Owner and such Major Sponsor. If, despite the good faith effort of the parties, Team Owner and such Major Sponsor are unable to reach unable to reach agreement on the terms and conditions under which such Major Sponsor would purchase such rights, Team Owner may not enter into a sponsorship/advertising arrangement that would conflict with exclusivity rights established between the Arena and the Major Sponsor.

(e) Advertising Subject Matter. If Arena Operator objects to an in-Arena advertisement sold or displayed by Team Owner during a Team Game on the grounds that such advertisement is not in good taste, as determined by Arena Operator in its sole discretion, Arena Operator shall notify the Team Owner of such objection and, if necessary, cause such advertisement to be removed.

10. TICKET SALES.

(a) Box Office Expenses. Other than sales of Team Owner Tickets sold by Team Owner, all other Premium Seat Ticket sales (excluding, for clarity, any Unsold Team Club Seats and Unsold Team Suites sold by Team Owner) relating to the presentation of Team Games shall be made through the Ticketing Agent, Arena's box office, and other locations selected by Arena Operator. Arena Operator shall provide designated personnel of Team Owner with reasonable access to the Arena box office, consistent with the access provided to the designated personnel of other anchor sporting tenants.

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(b) Ticket Control. At least ten (10) days before Team Owner desires the sale of the tickets and admissions to begin for the sale of individual games as opposed to season seats, it shall deliver to the Ticketing Agent all information required for Arena Operator's sale of tickets and admissions for Team Games. Team Owner will, at Team Owner's expense, be responsible for the printing and distribution of Team Owner Tickets. Arena Operator will, at Arena Operator's expense, be responsible for the printing and distribution of Premium Seat Tickets (other than, for clarity, Unsold Team Club Seats and Unsold Team Suites sold by Team Owner) provided that Team Owner will provide Arena Operator bar codes for the print files for such Premium Seat Tickets for distribution to annual Premium Seat licensees. Each Arena Operator and Team Owner will be responsible to the other for an accurate accounting of all tickets and admissions to Team Games sold by it, including through the Ticketing Agent. Arena Operator shall require the Ticketing Agent to render a complete accounting of its ticket sales for Team Games to Arena Operator and Team Owner.

(c) Ticket Administration. Arena Operator, with the assistance of Team Owner, shall control the ticket inventory for Premium Seat Ticket sales (including for Team Games), except with respect to Unsold Team Suites to be sold by Team Owner. Subject to the terms and conditions of Arena Operator's agreement with the Ticketing Agent, Team Owner shall control ticket inventory for Team Owner Ticket sales for Team Games. Arena Operator shall control Non-Team Premium Seat ticket inventory.

(d) Information Sharing. Arena Operator agrees to provide Team Owner with any information collected by Arena Operator in connection with the sale of Team Non-Premium Seats (including without limitation any information provided to Arena Operator by the Ticketing Agent).

11. COMPLIMENTARY TICKETS.

(a) Arena Operator shall be entitled to thirty (30) complimentary tickets to Team Games (and Team Events) in locations reasonably acceptable to Arena Operator.

(b) Team Owner shall be entitled to two hundred (200) comps per game without incurring the facility fee. Up to four (4) games a year Owner shall be allowed up to four hundred (400) comps per game for pre-determined promotional nights such as Season Ticket Holder redemption night at end of season.

(c) Team Owner will make up to one hundred and fifty (150) additional tickets to Team Games (and Team Events) available to Arena Operator for purchase at face value.

12. SETTLEMENT.

(a) Arena Operator shall collect and serve as the repository of all revenue with respect to each Team Game derived from food and beverage and ticket sales. Within three (3) days after each Team Game, Arena Operator shall complete the settlement of revenues for such Team Game by paying to the Team Owner the portion of the revenues to which the Team Owner is entitled pursuant to this Agreement, and by providing the Team Owner with a settlement statement in form and content consistent with standard industry practice for the settlement of event revenue.

(b) If, following a Team Game, there is a shortfall between the amount that is determined by the Arena Operator to be owed to the City with respect to such Team Game for the items described above and the amount of Gross Receipts then received by the Arena Operator and the Arena Ticket Service for such Team Game, the Arena Operator shall notify the Team Owner and inform the Team Owner of the amount of such shortfall (a "Shortfall Amount"). The Team Owner shall deposit the Shortfall Amount for such Team Game with the Arena Operator within seven (7) business days of receipt of such notice.

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(c) Taxes.

(i) Team Owner shall pay to any city or other applicable jurisdiction in which the Arena is located any applicable sales, admission or similar fees or taxes on all receipts for Team Games, and hereby indemnifies and agrees to hold Arena Operator harmless from any and all claims, demands, actions, assessments and proceedings relating in any way to admissions taxes or fees (but only to the extent that Arena Operator has given Team Owner any ticket proceeds that were paid to Arena Operator and that relate to such admissions taxes), and Team Owner indemnifies and holds Arena Operator harmless from and shall pay upon demand all costs, expenses and attorneys' fees incurred by either or both of them in defense of any such claims.

(ii) As Team Owner shall never have exclusive control of the Arena, Team Owner believes that Team Owner shall not owe possessory interest tax on its interest in the Arena. In the event that such taxes are levied, Team Owner and City shall cooperate to dispute any such proposed levy, but ultimately, Team Owner is solely responsible for such taxes as may be deemed appropriate. The Team Owner shall have the right to contest in good faith, any such taxes or assessments. In the event it is determined by the appropriate body that such taxes are due, the Team Owner shall immediately pay such taxes or assessments. If any such taxes or assessments are not paid when due, then the City may, in addition to any other remedy granted to the City under this Lease, withhold the amount of such unpaid taxes or assessments from revenue due to or otherwise payable to the Team Owner by City, and apply the withheld amount toward the payment of such unpaid taxes and assessments.

13. PROMOTION AND PUBLICITY.

(a) Designation of Home Arena. During the Term, all material developed to directly promote the sale of tickets to Team Games, whether created for newspaper, outdoor advertising, handbills or otherwise prepared by or for Team Owner shall contain reference to the Adventist Health Arena as the home Arena of the Team and shall be approved as to the form of the Arena's logo and/or name only in advance, in writing, by Arena Operator, which approval shall not be unreasonably withheld or delayed as to the form of such logo and/or name; provided, however, that such material must use the Arena's established logo-type, trademark or service mark and must conform to Arena Operator policies for use such, where applicable and shall be subject to the terms and conditions of the City Operating Agreement. Notwithstanding the foregoing, Team Owner shall not be obligated to include references to the Adventist Health Arena in all television or radio advertising, provided that Team Owner shall use commercially reasonable efforts to include such references where appropriate.

(b) Use of Team's Name and Logo. During the Term, Arena Operator may use the name and logo of the Team and of Team Owner, without charge, in connection with promotion of the Arena subject to Team Owner's prior approval, which approval shall not be unreasonably withheld or delayed as to the form of such name and logo. Such promotional materials must use Team Owner's established logo type, trademark or service mark.

(c) Agreement to Publicize Team Games. Arena Operator agrees to publicize and promote each Team Game at no cost to Team Owner through its in-house promotional outlets such as its public address system, score board, message board, concourse TVs, or the Arena publication at any time as such publication might exist at Arena Operator's sole discretion in the future.

14. BUILDING STAFF.

(a) Cost of Game Day Building Services. For each Team Game, Arena Operator shall, at no additional charge to Team Owner, provide customary event staffing, for Team Games, including,

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but not limited to, ticket sellers, ticket takers, ushers, security guards, porters, janitorial, and such other personnel as Arena Operator, in its reasonable discretion, shall deem necessary and including any staffing required in connection with pre- and post-game use of the Arena by Team Owner; provided, however, that Team Owner shall not pay for costs associated with changing the Game Day Facilities from a prior use before, or over to another use following, a Team Game. Such personnel shall be provided by or through Arena Operator only; provided, however, that Team Owner shall be entitled to provide its own personnel for certain game day functions, provided further, however, that any such personnel who will be operating any part or all of an item of building equipment, such as the scoreboard, shall first be approved by Arena Operator.

(b) Basic Security. Subject to Section 14(a), the Arena Operator shall provide, at its sole cost, full-time building security for the Arena.

(c) Staffing Levels. Arena Operator shall consult with Team Owner regarding game day staffing and Team Owner may request that Arena Operator increase game day staffing, reduce game day staffing, or, subject to applicable contractual or legal constraints, replace game-day staff performing at an unacceptable level. Arena Operator shall in good faith consider such a request, but Arena Operator shall have no obligation to comply with such request.

(d) General Event Expenses. Except with respect to Team Owner Expenses and those incremental expenses associated with Fan Events as set forth Section 6(a)(ii), for which Team Owner shall be solely responsible for paying, any other costs and expenses incurred in connection with Team Games at the Arena shall be the responsibility of Arena Operator_

15. PUBLIC ADDRESS SYSTEMS.

Arena Operator shall furnish the Arena's public address and sound systems for Team Games. Team Owner shall have exclusive use of the public address system and sound system during Team Games; provided, however, that (a) the public address system and sound system shall be operated according to reasonable rules and regulations established by Arena Operator and shall not be used for announcements which violate the exclusivity provisions set forth in Section 9, et al. Team Owner shall provide Arena Operator with reasonable access to the public address system and sound system during Team Games in order to make announcements, descriptions and advertisements concerning other or future events being or to be held in the Arena or elsewhere to the extent such event is promoted by Arena Operator or an affiliate of Arena Operator.

16. CLEANING AND OPERATION.

(a) Cleaning. Arena Operator, at no cost to Team Owner, shall clean the Game Day Facilities after each Team Game.

(b) Ice Rink and Equipment. The Arena Operator shall provide the professional ice rink for the main playing surface of the Arena for Team Games. Arena Operator shall at all times maintain and operate the professional ice sheet and the hockey equipment, including the ice resurfacing machine, hockey nets and the boards and glass in conformity with a standard comparable to that generally found at other FPHL arenas and in compliance with FPHL requirements generally applicable to all FPHL arenas.

(c) Equipment Storage. Arena Operator shall store, at no additional cost to Team Owner, the ice rink and hockey equipment during each season; provided, however, that Team Owner shall be responsible for any storage of FPHL game systems and other equipment storage at all other times of the year.

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17. LOCKER ROOMS.

(a) Locker Rooms. Arena Operator shall, at no extra cost to Team Owner and based on availability, make available for the Team, visiting team and officials dressing rooms as required by FPHL rules and regulations for each Team Game. Locker room used by the Stockton Kings will not be available during their season.

(b) Maintenance of Locker Rooms. Arena Operator shall maintain the Team locker room and the visiting and officials' dressing rooms on a game-by-game basis, in compliance with FPHL requirements, and at the sole cost of Team Owner.

18. PERMITS.

Team Owner agrees to furnish at its expense such governmental permits and other licenses and permits as may be required for Team Games, including, but not limited to, business licenses or music licenses (e.g., ASCAP and BMI) required specifically for the presentation of Team Games, but excluding any permits required for the operation of the Arena which shall be provided by Arena Operator.

19. COMPLIANCE WITH LAWS.

(a) Governmental Rules. Team Owner shall comply with the requirements of all laws, orders, rules and regulations of Federal, State, County and Municipal authorities and with any lawful direction of public officers which shall impose any duty upon Arena Operator or Team Owner and which pertain specifically to the presentation of Team Games; provided, however, that such expense of compliance thereof shall be shared equally by Arena Operator and Team Owner if it is required generally for the operation of the building or if building alterations or improvements are required. Team Owner shall not use the Arena for any political purpose.

(b) Fire Code Requirements. Team Owner shall comply with all rules, orders, regulations or requirements of applicable building and fire code enforcement authorities having jurisdiction over the construction and/or operation the Arena and shall not do or permit anything to be done in or about the Arena or bring or keep anything therein except as permitted by such authorities. No gasoline, acetylene or other fuel or other combustible will be permitted in the Arena without the approval of Arena Operator, which may be withheld in Arena Operator's sole discretion. Any decorating or other work and the material therefor, done or furnished by Team Owner shall be subject to approval by Arena Operator and, if necessary in Arena Operator's sole judgment, the building and fire code enforcement authorities having jurisdiction over the construction and/or operation the Arena and unless so approved, installation thereof may be prevented or, if having already been installed, removed by Arena Operator. All decorations and other combustible materials must be fireproofed, and Team Owner shall deliver to Arena Operator a flame/firing proofing certificate in the form specified or required by and satisfactory to any building and fire code enforcement authorities having jurisdiction with respect thereto, if necessary, under applicable law.

(c) ADA Compliance. Arena Operator shall comply with and shall cause the Arena and the operation of the Arena to comply with, the Americans with Disabilities Act (the "ADA") at all times during the Term. Team Owner shall comply with, and shall cause the operation of the Team's business, including, without limitation, the sale of Non-Premium Seats for Team Games to patrons with disabilities, to comply with the ADA at all times during the Term.

20. ALTERATIONS.

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Team Owner shall not mark, paint, drill into or in any way mar or deface any part of the Arena. Other than Team Owner Temporary Advertising, Team Owner shall not display or erect any lettering, signs, pictures, notices or advertisements upon any part of the outside or inside of the Arena or make any alterations or improvements in or to the Arena without the prior written approval of Arena Operator, which may be withheld in Arena Operator's sole discretion. Any improvements which may be made by Team Owner in any part of the Arena, which become fixtures shall become the property of the Arena and, upon expiration of the Term, shall be surrendered by Team Owner and shall remain with the Arena.

21. ENTRANCES AND EXITS.

The entrances and exits of the Arena shall be locked or unlocked during Team Games as Team Owner may direct, subject to regulations of Federal, State, County and Municipal authorities, to any lawful direction of public officers, and Arena Operator's approval. The Arena Operator shall, at Team Owner's expense, at all times during Team Games maintain guards and special police, as designated by Team Owner, at all exits and entrances of the Arena when such exits and entrances are unlocked. Articles, fittings, fixtures, materials and equipment shall be brought into or removed from the Arena only at entrances and exits designated by Arena Operator. The total number and weight of vehicles which may enter the Arena at any one time shall be conclusively determined by the Arena Operator.

22. NON-EXCLUSIVE USE.

(a) Team Owner acknowledges that besides the use of the Arena as contemplated by this Agreement, the Arena and various parts thereof and areas therein may or will be used for the installation, holding or presentation and removal of activities, events and engagements other than Team Games and that in order for the Arena to operate as efficiently as practicable it may or will be necessary for the use or availability of services and facilities of the Arena, including without limitation entrances, general storage areas, passenger or freight elevators and concession areas, to be scheduled or shared. Subject to the terms of this Agreement, Team Owner agrees that Arena Operator shall have full, complete and absolute authority to establish the schedules for the use and availability of such services and facilities and to determine when and the extent to which the sharing of any such services and facilities is necessary or desirable, and Team Owner agrees to comply with any schedules so established and to cooperate in any sharing arrangements so determined. In no event shall Team Owner enter or use any area, service space, or facility of the Arena without first obtaining Arena Operator's consent and approval, except for entry or use in the ordinary course of business of the Team and Team Owner.

(b) Arena Operator shall, at all times, have unrestricted access to all areas of the Arena so long as Arena Operator does not unreasonably interfere with the presentation of Team Games. In the event of an emergency, the Arena Operator shall have the right to use any and all means it deems proper to gain access to any area of the Arena. Any entry hereunder shall not under any circumstances be deemed or construed to be a forcible or unlawful entry into, or a detainer of, such premises, or an eviction therefrom or any portion thereof nor give Team Owner the right to abate any rent hereunder. Team Owner waives any claims for damages for any injury or inconvenience to or interference with its business, any loss of occupancy or quiet enjoyment, and any other loss occasioned by any such entry hereunder.

23. EJECTION.

The Arena Operator and its servants, employees and agents shall have the right to refuse admission to or to cause to be removed from the Arena any undesirable person seeking admission to or attending a Team Game. Any artisans or workmen employed by Team Owner shall be under the general supervision and control of Arena Operator (but not as an agent or servant of Arena Operator) while in or about the Arena and may be refused entrance to or ejected from the Arena by Arena Operator for

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noncompliance with any provision of this Agreement or for objectionable or improper conduct without any liability on Arena Operator's part for such refusal or ejection.

24. ARENA OPERATOR REGULATIONS.

Team Owner shall, and shall cause its servants, agents, employees, licensees, patrons and guests to, abide by such reasonable rules and regulations as may from time to time be adopted by Arena Operator or the City of Stockton for the use, occupancy and operation of the Arena; provided, however, that no such rule or regulation shall interfere in any material way with the presentation of Team Games or their enjoyment by the patrons thereto unless such rule or regulation is reasonably imposed by Arena Operator to facilitate compliance with any applicable law or unless such rule or regulation is imposed by the City of Stockton or is required under the City Operating Agreement. Team Owner shall not use or allow another person or entity to use any part of the Arena for the storage, use, treatment, manufacture or sale of any Hazardous Materials. Nothing in this Section 24 shall be construed to limit the rights granted to Arena Operator under Sections 22 and 23.

25. RISK OF LOSS.

Team Owner agrees that all of its property or property of others brought or permitted by it upon the Arena by Team Owner shall be at the risk of Team Owner and that neither Arena Operator nor the City of Stockton shall be liable to Team Owner for any loss or damage whatsoever caused.

26. POST-GAME USE.

Subject to Section 6(a)(ii), Team Owner shall vacate the Game Day Facilities no later than two (2) hours after the conclusion of each Team Game. Upon the request of Team Owner and subject to availability, Arena Operator shall permit Team Owner to use certain areas of the Arena for post-game promotional purposes provided that (a) Team Owner shall be responsible for all staffing and other costs associated with such use and (b) such use shall not interfere with any subsequent events scheduled at the Arena or with the cleaning or conversion of any portion of the Game Day Facilities in anticipation of a subsequent event. Following each Team Game, the Arena shall be in the same condition as at the beginning of such Team Game and in good order, ordinary wear, damage and the need to be cleaned excepted. Team Owner shall remove from the Arena any goods or chattels brought or permitted by it in or about the Arena which are not securely stored by Team Owner in the Arena. In the event Team Owner fails to so surrender the Game Day Facilities, Team Owner hereby authorizes Arena Operator to immediately enter any and all areas occupied or used by Team Owner and remove and/or store any and all personal property of Team Owner, its employees, agents, invitees, and others at the expense of Team Owner and to offset, from any sums owing or which become owing by Team Owner to Arena Operator for whatsoever purpose, the actual costs of such removal and storage.

27. ARENA OPERATOR USE OF FACILITIES AND ISSUANCE OF PASSES.

(a) During Team Games, Arena Operator, its officers, directors, servants, employees, agents, concessionaires, and its concessionaires' servants, employees and agents shall at all times have free access to the Arena upon presentation of usual passes issued to them by Arena Operator.

(b) Subject to Arena Operator's reasonable approval as to numbers, during Team Games Team Owner may issue photo, press, media and staff passes permitting selected persons free access to the Arena and to specified areas of the Arena normally closed to the public. During times other than during Team Games, Arena Operator shall provide designated Team Owner personnel with access to the Arena, provided that such access shall be requested in advance, shall be limited to periods when no other events are occurring at the Arena, and shall be subject to such reasonable controls and limitations as Arena Operator may determine from time to time. A list of persons holding game passes or requiring

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off-hours access to the Arena shall be maintained by Team Owner and provided to Arena Operator from time to time.

28. UTILITIES. At no expense to Team Owner, Arena Operator shall furnish gas, power, hot and cold water, sewer, air conditioning, including heat and air cooling and illumination, to the Arena with the permanent equipment with which the Arena is equipped which shall be adequate for the intended purposes on the Commencement Date, at such times and in such amounts as shall be reasonably necessary for the use of the Arena contemplated hereunder, except when prevented by strikes, accidents or other causes beyond the control or prevention of Arena Operator and except during the repairing of equipment and apparatus in the Arena which is provided for such air conditioning and illuminating purposes. Arena Operator shall in no event be liable for a failure to provide any services incidental to use of the Arena when prevented by strikes, accidents or other causes beyond the control or prevention of Arena Operator or during the repairing of equipment or apparatus in the Arena which is provided by Arena Operator for such purposes.

29. INSURANCE.

(a) Team Owner Insurance Coverage.

(i) During the term of this Agreement, Team Owner shall maintain in full force and effect at its own cost and expense the insurance coverage as set forth in the attached Exhibit A to this Agreement and shall otherwise comply with the other provisions of Exhibit A to this Agreement. Periodically during the Term, but no more often than annually, Arena Operator may require higher policy limits if the amounts in the foregoing sentence are lower than those generally required of other FPHL teams playing in comparable FPHL arenas at the time. Said insurance policies shall name as additional insureds such entities and individuals as Arena Operator shall reasonably designate including, but not limited to, the City of Stockton (the "Additional Insured"). All such insurance shall be primary insurance and shall provide that any right of subrogation against Team Owner or Arena Operator and their successors and assigns is waived.

(ii) There will be no charge to Arena Operator for such coverage and a certificate of insurance evidencing such coverage shall be furnished to Arena Operator prior to the expiration of the then current policy. Said policy of insurance and endorsements shall provide that the policy of insurance cannot be canceled without thirty (30) days prior written notification to Arena Operator. Said insurance shall not restrict or limit the coverage of the foregoing additional insureds. If Team Owner fails to provide Arena Operator with the required certificate of insurance prior to the expiration of any existing policy, Arena Operator may, in its sole and absolute judgment, either (A) acquire, at Team Owner's expense, such insurance as Arena Operator determines in its commercially reasonable judgment to be necessary in order to protect Arena Operator and the Additional Insureds from any of the matters to be covered under Section 29(a)(i) above, or (B) treat such failure as a default by Team Owner subject to the cure provisions of Section 31(b).

(iii) All such insurance shall be effected by valid and enforceable policies issued by insurers of responsibility, approved to do business in the State of California, such responsibility and the insuring agreements to meet with the reasonable approval of Arena Operator. An insurer with a current A.M. Best rating of at least A (excellent) with a financial size category of at least X shall be deemed to be acceptable. Receipt by Arena Operator of a certificate of insurance, endorsement or policy of insurance which is more restrictive than the contracted for insurance shall not be construed as a waiver or modification of the agreement to modify same permissible or binding. Any agreement to amend this provision of this Agreement must be in writing signed by the parties.

(iv) At the request of Arena Operator, Team Owner shall promptly furnish loss information concerning all liability claims brought against Team Owner (or any other insured under

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Team Owner's required policies), that may affect the amount of liability insurance available for the benefit and protection of the Additional Insureds under this Agreement. Such loss information shall include such specifics and be in such form as Arena Operator may reasonably require.

(b) Waiver of Subrogation. Arena Operator and Team Owner each hereby waives all rights of recovery against the other and against the officers, partners, employees, agents and representatives of the other, on account of loss by or damage to the waiving party of its property or the property of others under its control, to the extent that such loss or damage is insured against under any fire and extended coverage insurance policy which either may have in force at the time of the loss or damage. Arena Operator and Team Owner shall, upon obtaining the policies of insurance required under this Agreement, give notice to its insurance carrier or carriers that the foregoing mutual waiver of subrogation is contained in this Agreement.

30. INDEMNITY.

(a) Team Owner shall indemnify, defend and hold harmless Arena Operator, ASM Global Parent, Inc., City of Stockton and their respective officers, directors, agents, and employees (the "Indemnitees") from and against any and all losses, liabilities, claims, damages and expenses (including reasonable costs of investigation and attorneys' fees) (collectively, the "Losses") which arise out of or in connection with Team Owner's use and occupancy of the Arena, except to the extent such claim arises from the sole negligence or willful misconduct of the City, the Arena Operator or any other Indemnitee.

(b) The provisions set forth in subparagraph (a) above shall survive termination or expiration of this Agreement.

31. TEAM OWNER DEFAULT.

The occurrence of any one or more of the following events shall constitute a default and breach of this Agreement by Team Owner:

(a) If Team Owner fails to pay any payment or any other charges required to be paid by Team Owner under this Agreement and such failure continues for fifteen (15) business days after written notice that such payment is due and payable; or

(b) If Team Owner fails to promptly and fully perform any other covenant, condition or agreement contained in this Agreement and such failure continues for thirty (30) calendar days after written notice thereof from Arena Operator to Team Owner (unless such failure is of a nature which cannot reasonably be cured within such thirty (30) day period, so long as Team Owner has promptly, and in any event within such thirty (30) day period, commenced to cure such failure and thereafter diligently prosecutes such cure to completion); or

(c) If Team Owner makes a general assignment for the benefit of creditors, or provides for an arrangement, composition, extension or adjustment with its creditors, files a voluntary petition for relief or if a petition against Team Owner in a proceeding under the federal bankruptcy laws or other insolvency laws is filed and not withdrawn or dismissed within forty-five (45) calendar days thereafter, or if under the provisions of any law providing for reorganization or winding up of corporations, any court of competent jurisdiction assumes jurisdiction, custody or control of Team Owner or any substantial part of its property and such jurisdiction, custody or control remains in full force unrelinquished, unstayed or unterminated for a period of forty-five (45) calendar days.

32. ARENA OPERATOR'S DEFAULT.

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The occurrence of any one or more of the following events shall constitute a default and breach of this Agreement by Arena Operator:

(a) If Arena Operator fails to pay any payment or any other charges required to be paid by Arena Operator under this Agreement and such failure continues for fifteen (15) business days after written notice that such payment is due and payable; or

(b) If Arena Operator fails to promptly and fully perform any other covenant, condition or agreement contained in this Agreement and such failure continues for thirty (30) calendar days after written notice thereof from Team Owner to Arena Operator (unless such failure is of a nature which cannot reasonable be cured within such thirty (30) day period, so long as Arena Operator has promptly, and in any event within such thirty (30) day period, commenced to cure such failure and thereafter diligently prosecutes such cure to completion).

33. REMEDIES; DAMAGES.

(a) In the event of Team Owner's default hereunder, then in addition to any other rights or remedies Arena Operator may have under any law, subject to the notice and cure provisions of Section 31, Arena Operator shall have the right, at Arena Operator's option, to, upon sixty (60) days' notice (which notice period is in addition to and cumulative with any notice and cure periods set forth in Section 31), terminate this Agreement and Team Owner's right to possess or use all parts of the Arena occupied and used by Team Owner, and Team Owner shall have no further claim to occupy or use the Arena under this Agreement.

(b) In the event of a material default by Arena Operator pursuant to Section 32, then in addition to any other rights or remedies Team Owner may have under any law, subject to the notice and cure provisions of Section 32, Team Owner shall have the right to terminate this Agreement upon sixty (60) days' notice to Arena Operator (which notice period is in addition to and cumulative with any notice and cure periods set forth in Section 32).

(c) Should Arena Operator elect to terminate this Agreement, Arena Operator may recover as damages from Team Owner any contract damages available under applicable law, including without limitation, any amount necessary to compensate Arena Operator for all detriment proximately caused by Team Owner's failure to perform its obligations under this Agreement, or which in the ordinary course of things would be likely to result therefrom, including but not limited to, any costs or expenses (including attorneys' fees), incurred by Arena Operator in (i) maintaining the Arena after Team Owner's default, (ii) preparing the Arena for use by another tenant, including any repairs or alterations, (iii) storing Team Owner's personal property and (iv) relicensing Game Day Facilities, including broker's commissions.

34. OFFSET.

In addition to and not in limitation of any other rights and remedies, any party hereto may offset amounts held for any other party hereunder in satisfaction of any obligation or liability of such other party to the offsetting party under this Agreement or otherwise.

35. WAIVERS.

The waiver by either party hereto of any breach of any term, covenant or condition of this Agreement shall not be deemed a waiver of such term, covenant or condition or of any subsequent breach of the same or any other term, covenant or condition. Acceptance of payments by either party hereto subsequent to any breach hereof shall not be deemed a waiver of any preceding breach other than the failure to pay the particular payments so accepted, regardless of such party's knowledge of any breach

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at the time of such acceptance of payments. Neither party shall be deemed to have waived any term, covenant or condition unless such party gives the other party written notice of such waiver.

36. DESTRUCTION OR DAMAGE.

(a) If, after the Commencement Date, the Arena is damaged by fire, earthquake, act of God, the elements or other casualty, Arena Operator may, in its sole discretion and subject to the provisions of this Section 36 and subject to the City Operating Agreement, repair the damage, if such repairs can, in Arena Operator's reasonable opinion, be completed within six (6) months after the damage; provided, however, that, if Arena Operator's insurance coverage at the time of the damage was in compliance with the requirements of Section 29(b), Arena Operator shall only be obligated to make such repairs to the extent that the insurance proceeds received in connection with such damage are sufficient to pay for the repair; provided further, however, that if Arena Operator's insurance proceeds are insufficient to pay for, and Arena Operator does not otherwise pay for, restoration of the Arena to a level necessary for the presentation of Team Games, Team Owner shall have the option to terminate this Agreement. If Arena Operator reasonably determines that repairs can be completed within six (6) months after the damage and Arena Operator has elected to repair the damage, this Agreement shall remain in full force and effect, except that if such damage is not the result of the negligence or willful misconduct of Team Owner or Team Owner's agents, employees, contractors, licensees, or invitees, payments as provided herein, shall be abated for any period that Team Owner is prevented from using the Arena for Team Games.

(b) If in Arena Operator's reasonable opinion, such repairs to the Arena cannot be completed within six (6) months after the damage, Arena Operator may elect, upon notice to Team Owner given within thirty (30) days after the date of such fire or other casualty, to repair such damage, in which event this Agreement shall continue in full force and effect; provided, however, that during such period (i) payments hereunder, shall be abated as provided in Section 36(a) and (ii) the provisions of Section 36(e) shall apply. If Arena Operator does not elect to make such repairs, this Agreement shall terminate as of the date of such fire or other casualty. If Arena Operator elects to make such repairs and if the repairs will take or do take more than two (2) years, during which period of time Team Games cannot be played at the Arena, Team Owner shall have the option to terminate this Agreement.

(c) If the Arena is to be repaired under this Section 36, Arena Operator shall repair at its cost any such injury or damage to the Arena, except Team Owner shall be responsible at its sole cost and expense for the repair, restoration and replacement of any of Team Owner's personal property. Arena Operator shall not be liable for any loss of business, inconvenience or annoyance arising from any repair or restoration of any portion of the Arena, as a result of any damage from fire or other casualty.

(d) This Agreement shall be considered an express agreement governing any case of damage to or destruction of the Arena after the Commencement Date by fire or other casualty, and any present or future law which purports to govern the rights of Arena Operator and Team Owner in such circumstances in the absence of express agreement shall have no application.

(e) During any period when the Arena is damaged such that Team Games cannot be presented in a safe manner reasonably convenient under the circumstances, the Team shall be permitted to conduct Team Games elsewhere.

37. ADDITIONAL REMEDIES.

Reference in this Agreement to any particular remedy shall not preclude either party from any other remedy at law or in equity. The failure of any party to seek redress for violation of, or to insist upon strict performance of, any covenant or condition of this Agreement shall not prevent a subsequent act which would have originally constituted a violation from having all the force and effect of an original

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violation. No provision of this Agreement shall be deemed to have been waived by any party unless specific waiver thereof by such party shall be in writing.

38. PAYMENT ON DEFAULT.

Any expense or damage which Arena Operator may incur or sustain by reason of Team Owner's non-compliance with any of the provisions of this Agreement shall be due and payable by Team Owner to Arena Operator pursuant to the provisions of Section 33.

39. LIENS.

If any moneys become due from one party to another hereunder and any payment or transfer thereof is, or appears to the paying party to be, subject to Federal or other governmental licensing, withholding or other restrictive regulations, the paying party shall not be obligated to pay over or transfer said moneys unless and until such party shall have been satisfied by the receiving party that the paying party may lawfully pay over or transfer such moneys in compliance with such regulations, and subject to withholding of any such moneys if required under any such regulations.

40. COPYRIGHTS.

With respect to any Team Game at the Arena, Team Owner shall comply fully with any and all local, state, and federal laws, regulations, rules, constitutional provisions, common laws, and rights of others applicable to the reproduction or performance of proprietary or copyrighted materials and works of third parties (the "Works"), and to the protection of the intellectual property rights associated with such Works. The fees, if any, payable by Team Owner under this Agreement do not include royalty, copyright or other payments which may be payable on behalf of third party owners of such Works, and Team Owner agrees hereby to make any and all such payments to third parties and/or clearinghouse agencies as may be necessary to lawfully perform, publish or reproduce any such Works. Team Owner agrees to indemnify, defend, protect and hold harmless Arena Operator and all other Arena Operator Indemnitees of and from any and all Losses arising in any way from the use by Team Owner of proprietary intellectual property of third parties without permission (whether such claims are actual or threatened) under the copyright or other laws of the United States. Team Owner agrees to indemnify, defend, protect and hold harmless the Arena Operator and its Indemnitees from any and all Losses arising in any way from the use of any proprietary intellectual property of third parties without permission (whether such claims are actual or threatened) under the copyright or other laws of the United States. The foregoing indemnities shall apply regardless of the means of publication or performance, and shall include specifically and without limitation the use of recordings, audio broadcasts, video broadcasts, Works on other magnetic media, sounds or images transmitted via the worldwide web, chat rooms, webcast, or on-line service providers, satellite or cable, and all other publication or performance means whatsoever, whether now known or developed after the date of this Agreement.

Team Owner shall assume all costs arising from the use of patented and/or copyrighted materials, equipment, devices, or dramatic rights used on or incorporated in the conduct of Team Games. Team Owner agrees to indemnify and hold harmless Arena Operator and its duly authorized representatives from all damages, costs and expenses, including attorney's fees, for or on the account of the use of any patented and/or copyrighted materials, equipment, devices, processes, or dramatic rights furnished or used by Team Owner in connection with this Agreement and Team Games. In this regard, Team Owner's attention is particularly directed to the use of copyrighted music.

41. LABOR AGREEMENTS.

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Except for (i) players, coaches, referees and any other persons directly involved in the playing of the Team Games and (ii) part-time administrative and full-time employees of Team Owner, Team Owner shall not perform any work or employ any personnel except if such work or employment conforms to labor agreements to which Arena Operator is a party or which control labor activities at the Arena. At Team Owner's request, Arena Operator must provide Team Owner with a comprehensive list and explanation of all pertinent provisions of such labor agreements.

42. EXCUSE FOR PERFORMANCE.

(a) Force Majeure Event. Neither party shall be liable to the other party for the failure to perform any of the terms and conditions of this Agreement when such failure is attributable to: an Act of God; circumstances that would cause the Arena to become unavailable for any Team Game, limit the ability of the Team or its personnel to travel or prevent Team Owner from presenting any Team Game, such as, but not limited to, the government taking possession of or limiting, restricting or prohibiting use of the Arena or public gatherings or other government rules, regulations, travel warnings or other actions, railroad, airline or bus strike or accident, failure of public utilities, common carriers, transport or other goods and services, severe weather conditions, viral outbreak, epidemic, natural hazards and other disasters, declaration of a national or state emergency, riots or civil disturbance, police action, acts of terrorism, security and/or health risks in or around the world, etc.; or any other circumstances not under the control of such party. If any such event shall cause a delay but shall not be an independent reason for cancellation of an entire FPHL Season, the remaining Team Games shall be presented, and this Agreement shall continue to be in full force and effect, except as to the number of Team Games. If any Team Game is prevented by Arena Operator by reason of any labor dispute between Arena Operator and any of its employees or between Arena Operator and any other personnel it has agreed to provide under the terms of this Agreement, Team Owner is hereby authorized to contract for the necessary labor required for such Team Game at Arena Operator's expense.

Each party acknowledges the uncertainty and lack of foreseeability related to significant public health threats and disease outbreaks in general, which are not under the control of either party. This includes state, local or federal government actions that may be taken in response thereto that may impact any Team Game. The parties shall cooperate in good faith to determine how to proceed should any such circumstances arise. If any Team Game cannot take place due to such circumstances, the parties shall use commercially reasonable efforts to reschedule such Team Game, and each party shall bear its own costs and expenses.

(b) Excused Performance. Subject to clause (c) of this Section 42, each party shall be excused from performance and shall not be considered to be in default with respect to any obligation hereunder, if and to the extent that its failure of, or delay in, performance is due to a Force Majeure Event; provided, that:

(i) such party gives the other party written notice describing the particulars of the Force Majeure Event as soon as is reasonably practicable.

(ii) the suspension of performance is of no greater scope and of no longer duration than is reasonably required by the Force Majeure Event.

(iii) the party uses reasonable commercial efforts to overcome or mitigate the effects of such occurrence; and

(iv) when the party is able to resume performance of its obligations under this Agreement, such party shall give the other party written notice to that effect and shall promptly resume performance hereunder.

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(c) Extended Force Majeure. Notwithstanding anything to the contrary herein, if any party hereto is excused from performance of a material obligation hereunder by reason of a Force Majeure Event for a continuous period exceeding two (2) years, the other party shall be entitled to terminate this Agreement upon thirty (30) days' notice to the excused party.

43. REPRESENTATIONS AND WARRANTIES.

(a) Team Owner hereby represents and warrants as follows:

(i) Team Owner is a limited liability company, duly organized, validly existing and in good standing under the laws of the State of New York, with full power and authority to conduct its business as presently conducted, to execute, deliver and perform its obligations under this Agreement.

(ii) Team Owner is the owner of a validly issued and existing franchise agreement with the FPHL and pursuant thereto has the complete authority and right to operate the FPHL franchise located in Stockton, California.

(iii) Team Owner has taken all necessary corporate action to authorize its execution, delivery and performance of this Agreement. The Agreement constitutes a legal, valid and binding obligation of Team Owner, enforceable against Team Owner in accordance with its terms.

(iv) The execution, delivery and performance of this Agreement by Team Owner does not and will not conflict with, or constitute a violation or a breach of, or constitute a default under, or result in the creation or imposition of any lien upon the property of Team Owner by reason of the terms of (A) charter documents or bylaws of Team Owner, (B) any applicable law, rule or regulation binding upon or applicable to Team Owner, or (C) any material agreements to which Team Owner is a party.

(b) City hereby represents and warrants as follows:

(i) City has taken all necessary action to authorize its execution, delivery and performance of this Agreement. The Agreement constitutes a legal, valid and binding obligation of City, enforceable against City in accordance with its terms.

(ii) To the best of the City's knowledge, the execution, delivery and performance of this Agreement by City does not and will not conflict with, or constitute a violation or a breach of, or constitute a default under, or result in the creation or imposition of any lien upon the property of City by reason of the terms of (a) charter documents of the City, (b) any applicable law, rule or regulation binding upon or applicable to City, or (c) any material agreements to which City is a party.

45. MISCELLANEOUS.

(a) Regular Meetings. Representatives from Team Owner and Arena Operator shall meet regularly, and in any event promptly following any request by either party for a meeting, during both the course of the FPHL regular season and playoffs and during the offseason in order to discuss any complaints or problems and make recommendations regarding the use of the Arena by Team Owner.

(b) Membership in the FPHL. From the execution hereof through the end of the Term, Team Owner shall (i) maintain its franchise right with the FPHL, (ii) operate the Team in accordance with FPHL rules, and (iii) not do or not cause anything to be done which would cause (A) Team Owner's FPHL franchise right to be impaired or diminished in any material respect or (B) the Team to be moved from Stockton, California.

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(c) Affiliate Services. If any services for which Team Owner must pay hereunder are provided by any affiliate of Arena Operator, such services shall be charged to Team Owner at a cost equivalent to that which would be charged by an unaffiliated third party providing such service.

(d) Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the terms, covenants, conditions and restrictions hereof shall remain in full force and effect, and shall in no way be affected, impaired or invalidated to the extent the essential purposes of the parties can be satisfied.

(e) No Partnership. The parties hereto are acting as independent contractors, and this Agreement shall not create a partnership.

(g) Entire Agreement. Any agreements, warranties or representations relative to this Agreement or the Arena between the parties not expressly contained in this Agreement shall in no way bind either Arena Operator or Team Owner and each expressly waives all claims for damages by reason of any statement, representation, warranty, promise or agreement, if any, not contained in this Agreement. All prior writings, negotiations, arrangements, agreements and understandings, whether written or oral, among Arena Operator, Team Owner or their predecessors relating to the use of the Arena for Team Games are canceled and superseded hereby. The Agreement constitutes the entire agreement among the parties hereto relating to use of the Arena for Team Games and the ancillary uses set forth herein, and no addition to, or modification of, any term or time hereof shall be effective until and unless set forth in a written instrument executed by all parties hereto.

(h) Governing Law. The Agreement shall be construed under the laws of the State of California.

(i) Construction. The language used in this Agreement will be deemed to be the language chosen by the parties hereto to express their mutual intent, and no rule of strict construction shall be applied against either party. Whenever required by the context, any gender shall include any other gender, the singular shall include the plural, and the plural shall include the singular. The words "herein," "hereof," "hereunder," and words of similar import refer to the Agreement as a whole and not to a particular section. Whenever the word "including" is used in this Agreement, it shall be deemed to mean "including, without limitation," "including but not limited to" or other words of similar import such that the items following the word "including" shall be deemed to be a list by way of illustration only and shall not be deemed to be an exhaustive list of applicable items in the context thereof.

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(k) Notices. Any notice required to be given under this Agreement shall be in writing, and all notices shall be given by personal delivery, overnight courier or mailing. All notices personally given to Team Owner or Arena Operator may be given to any person apparently in charge at the offices of Team Owner or Arena Operator, as the case may be, within the Arena, or any corporate officer or agent thereof, as the case may be; any notice so given shall be binding upon Team Owner or Arena Operator, as the case may be, as if served personally. Any notice given shall be deemed to have been given when personally delivered, or if mailed, when seventy-two (72) hours have elapsed from the time when such notice was deposited in the United States Mail, certified or registered mail, postage prepaid, addressed to Team Owner or Arena Operator. Notice may also be given by electronic mail to such address(es) as each party may designate in writing, effective upon confirmed transmission. As of the date hereof, the addresses of the parties shall be:

If to Team Owner:

Parker Moskal

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FPHL / Stockton Pro Hockey, LLC
33 Victoria Drive, Binghamton, NY 13904

With a copy to:

[ADD TEAM OWNER COUNSEL]

If to City:

City of Stockton
501 W. Weber Ave, Building 2
Stockton, CA 95203
Attention: Venues Director

With a copy to:

City of Stockton
501 W. Weber Ave, Building 1
Stockton, CA 95203
Attention: City Attorney

If to Arena Operator:

SMG
Adventist Health Arena
248 W. Fremont St
Stockton, CA 95203
Attention: General Manager

With a copy to:

SMG
300 Conshohocken State Road #770
West Conshohocken, PA 19428
Attention: General Counsel

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(l) Financial Reports.

(i) Books and Records. Both Team Owner and Arena Operator shall keep at their respective offices complete, true and accurate books of account, records and contracts including sales, revenues, costs and expenses containing complete information as to the matters required to be included in the statements to be furnished to Arena Operator and Team Owner, as the case may be, under this Agreement. The books, records and contracts required under this Agreement to be kept shall not be destroyed for a period of three (3) years following the expiration of the year for which such books of accounts, records and contracts are kept and shall be kept in accordance with generally accepted accounting principles consistently applied.

(ii) Audit Rights. At its option, but no more than twice each year, either Arena Operator or Team Owner may, at any reasonable time during the Term, upon no less than 48 hours prior notice and for a period of three (3) full Contract Years after the expiration or earlier termination of this Agreement, cause a complete audit during regular business hours of the other's books and records

relating to the Arena for any of the immediately three (3) preceding Contract Years. If such audit shall disclose a liability for amounts owing to the auditing party for any such year which is in excess of any amount actually paid by the audited party during the period in which such amounts owing to the auditing party is being calculated, then the audited party shall forthwith pay to the auditing party the amount of such liability together with interest thereon at two percentage points above the Prime Rate (meaning the prime rate as published in The Wall Street Journal from time to time), from the date payment was originally due to the date of actual payment, and if such audit discloses an understatement by the audited party of payments or such other amounts owing to the auditing party in such period in excess of five percent (5%), then the audited party shall promptly pay to the auditing party the cost of said audit unless the audited party can conclusively demonstrate that such error was inadvertent. If such audit shall disclose an overpayment to the auditing party, then the auditing party shall forthwith pay to the audited party the amount of such overpayment together with interest at the Prime Rate.

(m) Further Assurances. Subject to the terms and conditions of this Agreement, each party will use all reasonable efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary or desirable under applicable law to consummate the transactions contemplated by this Agreement. The parties agree to execute and deliver such other documents, certificates, agreements and other writings and to take such other actions as may be reasonably necessary or desirable in order to consummate or implement expeditiously the transactions contemplated by this Agreement.

(n) Consents Not Delayed. Any request, consent or waiver that, pursuant to the terms of this Agreement, is not to be unreasonably withheld by any party hereunder, shall also not unreasonably be delayed by such party.

(o) Legal Fees. In the event any legal action is taken under this Agreement, the prevailing party shall be entitled to recover reasonable attorney's fees, cost of suit and all other costs reasonable related to enforcement of its rights under this Agreement.

(p) Expenses. Except as otherwise provided herein, all costs and expenses incurred in connection with this Agreement shall be paid by the party incurring such costs and expenses.

(q) Intention of Parties. The parties hereby intend that the use and possession of the Arena by Team Owner does not create a leasehold estate and that this Agreement does not constitute a real property lease for purposes of state or federal law, including without limitation, Section 502(b)(6) of United States Bankruptcy Code.

(r) No Third-Party Beneficiaries. Except as expressly provided in this Agreement and other than the City of Stockton and Arena Operator Lender, no person other than the parties hereto shall have any right, benefit or obligation under this Agreement as a third-party beneficiary or otherwise.

(s) Confidentiality. Each party will use reasonable efforts to treat as confidential all confidential information provided by the other parties pursuant to this Agreement which does not otherwise become available to others, unless disclosure thereof is required by law.

(t) Counterparts; Effectiveness. This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. This Agreement shall become effective when each party hereto shall have received a counterpart hereof signed by the other parties hereto.

(u) Rules and Regulations. Team Owner shall abide by and conform to the Rules and Regulations, a copy of which has been provided to Team Owner and the terms of which are incorporated by reference herein.

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(v) Civil Rights Act. During the performance of this Agreement, Team Owner shall comply fully with Title VI and Title VII of the Civil Rights Act of 1964, as amended, and all other regulations promulgated thereunder, in addition to all applicable state and local ordinances concerning Civil Rights.

(w) Americans With Disabilities Act. With respect to any Team Game at the Arena, Team Owner recognizes that it is subject to the provisions of Title III of the Americans With Disabilities Act, as amended, and all similar applicable state and local laws (collectively, the "ADA"). Team Owner represents that it has viewed or otherwise apprised itself of the access into the Arena, together with the common areas inside, and accepts such access, common areas, and other conditions of the Arena as adequate for Team Owner's responsibilities under the ADA. Team Owner shall be responsible for ensuring that the Arena complies and continues to comply in all respects with the ADA, including accessibility, usability, and configuration insofar as Team Owner modifies, rearranges or sets up in the Arena in order to accommodate Team Owner's usage. Team Owner shall be responsible for any violations of the ADA, including, without limitation, those that arise from Team Owner's reconfiguration of the seating areas or modification of other portions of the Arena in order to accommodate Team Owner's usage. Team Owner shall be responsible for ensuring that the policies, practices, and procedures it applies in connection with Team Games are in compliance with the ADA.

(x) Time. Time is of the essence hereof, and every term, covenant, and condition shall be deemed to be of the essence hereof.

(y) Singular and Plural. Whenever the context shall so require, the singular shall include the plural, and the plural shall include the singular.

(z) Waiver. The failure of any party to enforce any of the provisions of this Agreement, or any rights with respect hereto, or the failure to exercise any election provided for herein, will in no way be considered a waiver of such provisions, rights, or elections, or in any way affect the validity of this Agreement. The failure of any party to enforce any of such provisions, rights, or elections will not prejudice such party from later enforcing or exercising the same or any other provisions, rights, or elections which it may have under this Agreement.

(aa) Non-Exclusive Use. During the Team Games, Arena Operator shall have the right, for reasonable business purposes, to use or permit the use of any portion of the Arena other than the Game Day Facilities to any person, firm or other entity regardless of the nature of the use of such other space so long as Arena Operator or such person, firm or other entity does not unreasonably interfere with Team Owner's use of the Arena.

(bb) Assignment. Team Owner may not assign this Agreement without the prior written consent of Arena Operator and the City.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year first set forth above.

City:	Team Owner:
City of Stockton	**Parker Moskal, FPHL/Stockton Pro Hockey, LLC**
By _____	By _____
Johnny Ford	Parker Moskal

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City Manager
Date: _____

President
Date: _____

APPROVED AS TO FORM:
DONALD LARKIN
INTERIM CITY ATTORNEY

BY: _____

ATTEST:
KATHERINE ROLAND, CMC, CPMC
CITY CLERK OF THE CITY OF STOCKTON

BY: _____

Arena Operator:

SMG

By _____
Jason Perry
Regional General Manager
Date: _____

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Exhibit A:
Insurance Requirements
(Tenant Lease for the Arena**)**

Lessee shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the Lessee's operation and use of the leased premises. The cost of such insurance shall be borne by the Lessee.

MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

1. **Commercial General Liability (CGL):** Insurance Services Office Form CG 00 01 covering CGL on an "**occurrence**" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than **$5,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.

2. **Automobile Liability:** Insurance Services Office Form Number CA 0001 covering Code 1 (any auto), or if Instructor has no owned autos, Code 8 (hired) and 9 (non-owned), with limits no less than **$1,000,000** per **accident for** bodily injury and property damage.

3. **Workers' Compensation** insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limits of no less than **$1,000,000** per accident for bodily injury or disease. (This applies to lessees with employees).

If the Lessee maintains broader coverage and/or higher limits than the minimums shown above, the City of Stockton requires and shall be entitled to the broader coverage and/or the higher limits maintained by the Lessee. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City of Stockton.

Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Status
The City of Stockton, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out the lease of the subject property including damage caused in whole or in part by Lessee or by those working on your behalf. General liability coverage can be provided in the form of an

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endorsement to the Lessee's insurance, at least as broad as ISO Form CG 20 11 12 19 or if not available, CG 20 43 12 19. Additional insured Name of Organization shall read "City of Stockton, its officers, officials, employees, and volunteers." Policy shall cover City of Stockton, its officers, officials, employees, and volunteers for all locations work is done under this contract.

Primary Coverage

For any claims related to this contract, the **Lessee's insurance coverage shall be primary and non-contributory** and at least as broad as ISO CG 20 01 12 19 as respects the City of Stockton, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City of Stockton, its officers, officials, employees, or volunteers shall be excess of the Lessee's insurance and shall not contribute with it. This requirement shall also apply to any Excess or Umbrella liability policies. The City of Stockton does not accept endorsements limiting the Lessee's insurance coverage to the sole negligence of the Named Insured.

Notice of Cancellation

Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the City of Stockton.

Waiver of Subrogation

Lessee hereby grants to City of Stockton a waiver of any right to subrogation which any insurer of said Lessee may acquire against the City of Stockton by virtue of the payment of any loss under such insurance. Lessee agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation and provide a copy to the City of Stockton, but this provision applies regardless of whether or not an endorsement has been issued.

The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the City of Stockton for all work performed by the Lessee, its employees, agents and subcontractors. This provision applies regardless of whether or not an endorsement has been issued.

Self-Insured Retentions

Self-insured retentions must be declared to and approved by the City of Stockton. The City of Stockton may require the Lessee to purchase coverage with a lower retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or City of Stockton.

Acceptability of Insurers

Insurance is to be placed with insurers authorized to conduct business in the state with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the City of Stockton.

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Verification of Coverage

Lessee shall furnish the City of Stockton with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All required documents are to be received and approved by the City of Stockton before lease commences. However, failure to obtain the documents prior to the lease beginning shall not waive the Lessee's obligation to provide them. The City of Stockton reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

Special Risks or Circumstances

City of Stockton reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

Certificate Holder Address

The address for mailing certificates, endorsements and notices shall be:

City of Stockton
Its Officers, Officials, Employees, and Volunteers
501 W Weber Avenue
Building 1, 4th Floor
Stockton, CA 95203

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