

**MANAGEMENT AGREEMENT
PINNACLE BANK ARENA
LINCOLN, NEBRASKA**

THIS MANAGEMENT AGREEMENT ("Agreement"), is made and entered into this ____ day of _____, 2012, by and between the CITY OF LINCOLN, NEBRASKA, a municipal corporation, under the laws of the State of Nebraska, and SMG, a Pennsylvania general partnership.

RECITALS

The West Haymarket Joint Public Agency ("Agency"), is a joint public agency created pursuant to the Joint Public Agency Agreement Creating the West Haymarket Joint Public Agency dated as of April 1, 2010 in accordance with the Nebraska Joint Public Agency Act, to construct, equip, furnish and finance a sports/entertainment arena ("Arena") located in the City of Lincoln, Nebraska and certain improvements related thereto, including parking garages and surface parking lots.

The City is a party to that certain Facilities Agreement dated September 8, 2010 ("Facilities Agreement") with the Agency, wherein the Agency has granted to the City the right to operate, maintain and manage the facilities described in the Facilities Agreement on the terms provided therein. Additionally, City has entered into that certain Lease and Operating Agreement ("Lease and Operating Agreement") by and between the Board of Regents of the University of Nebraska and the City for the lease of Basketball Space and other defined leased improvements within the West Haymarket Arena [n/k/a "Pinnacle Bank Arena"] ("Arena") and designated basketball related parking spaces in the Parking Improvements located on the Arena Site. The Facilities Agreement and the Lease and Operating Agreement were approved by Ordinance Nos. 19418 and 19644, respectively, passed by the City Council for the City of Lincoln and are on file in the office of the City Clerk and available for inspection during regular office hours.

NOW, THEREFORE, in consideration of the mutual benefits and conditions in this Agreement, the City and SMG agree as follows:

1. CONTRACT DOCUMENTS. The Contract Documents for the Management and Food & Beverage Services consist of the March 13, 2012 SMG Proposed Management Compensation Plan West Haymarket Arena ("Proposal") attached hereto as Exhibit A, this Agreement, and the Lease and Operating Agreement.

2. DEFINITIONS. The definitions in Section I. of the Lease and Operating Agreement including but not limited to the definition of Arena, Arena Rent, Arena Seating

by category, Arena Site, "As Original" Setup, Athletics, Basketball Season, Basketball Space, Basketball Teams, Concessions, Events by Category, Halo Area, Home Games, Home Game Expenses, Leased Improvements, Loge Seating, Net Revenue, Maintenance, Merchandise, Naming Rights, Parking Improvements, UNL and UNL Rent, are incorporated herein by this reference. Arena Events are defined under Events by Category to include any events or organized activity for public or private attendance whether formally sponsored, City or Third Party entity held at the Arena, but excluding UNL Events and Basketball team practices.

3. DEFINITIONS – ADDITIONAL.

3.1 Adjusted Gross Income shall mean all of the positive revenue streams from all of the operating revenues defined in Section 3.19. A sample spreadsheet that outlines the calculation of adjusted gross income is attached hereto as Exhibit B.

3.2 Advanced Sales Escrow Account shall mean a separate interest-bearing commercial bank account established by SMG on behalf of the City in the City of Lincoln, Nebraska, diverse from any other commercial bank accounts which SMG may have, which shall be for the deposit of money collected from advanced ticket sales for any event at the Facilities. Such money shall be held in trust for the outstanding ticket holders to cover refunds until the ticketed event takes place or is no longer subject to refund at which time SMG shall reconcile the account and any amounts related to such event shall be transferred to the SMG Operating Fund.

3.3 Advisory Committee shall mean the Pinnacle Bank Arena Advisory Committee as established by Resolution of the City Council of the City of Lincoln.

3.4 Annual Operating Budget shall mean the document prepared by SMG in a form approved by the City's Contract Administrator corresponding to the City's fiscal year (which fiscal year commences on September 1 and ends on August 31), listing all projected revenues and Reimbursable Expenses by category for the appropriate fiscal year.

3.5 Arena Event Related Merchandise shall mean any merchandise sold at Arena Events or at Arena Site Events on "consignment," such as concert tee-shirts and other products, where the provider of the Concessions merchandise or any other party receives a percentage of the selling price.

3.6 Arena Garage shall mean the Arena Garage shown on Exhibit C is attached hereto.

3.7 Arena Site Event shall mean any event or organized activity for public or private attendance whether formally sponsored by the City or other Third Party entity held at the Arena Site but excluding UNL Events and Basketball Team Practices and use of the Halo Area during Home Games.

3.8 Capital Equipment shall mean any and all furniture, fixtures, machinery or equipment, either additional or replacement, having a per item original cost of \$5,000 or more or an expected useful life of more than one year.

3.9 Capital Improvements shall mean any and all building additions, alterations, renovations, repairs or improvements that have an initial dollar cost of not less than \$5,000 per project.

3.10 Arena Surface Lot (a/k/a "Festival Space") shall mean the dual use (parking and festival event) lot shown on Exhibit C designated as a 1,505 stall lot located 5.5 blocks to the Arena (the number of actual parking stalls are unknown at this time but are anticipated to be approximately 1,300 stalls).

3.11 Cause for Disciplinary Action shall mean: Any action which reflects discredit upon the City or the Arena or is a direct hindrance to the effective performance of Arena functions. Cause for Disciplinary Action shall be considered good cause for disciplinary action which may be based upon causes and complaints other than those listed herein. Cause for Disciplinary Action may include an employee's:

- (a) Habitual use of intoxicating beverages to excess or the use of illegal narcotics.
- (b) Conviction of a felony or of a misdemeanor involving moral turpitude.
- (c) The use of intoxicating beverages or intoxication while on duty.
- (d) Offensive conduct or language toward the public or toward an SMG or City officer or Arena employee.
- (e) Insubordination or any conduct unbecoming to an SMG or City officer or Arena employee, either on or off duty.
- (f) Incompetence to perform the duties of the position.
- (g) Damage to or negligence in the care and handling of Arena or City property.

(h) Violation of any lawful and reasonable regulation made or given by the employee's superior, where such violation or failure to obey amounts to an act of insubordination or a serious breach of proper discipline; or results, or might reasonably have been expected to result, in loss or injury to the Arena, or to the public.

(i) Inducing or attempting to induce any SMG or City officer or Arena employee to commit an illegal act or to act in violation of any lawful and reasonable SMG, Arena or official regulation or order or participating therein.

(j) Solicitation or receipt from any person, participation in any fee, gift, or other valuable thing that is given in the hope or expectation of receiving a favor or better treatment than that accorded other persons.

(k) Use or attempted use of personal or political influence or bribery to secure an advantage in an examination or promotion, leave of absence, transfer, change of grade, pay, or character of work,

(l) Failure to pay valid debts, thereby causing embarrassment to the Arena.

(m) Absence from duty without leave, or failure to report after leave of absence has expired, or after such leave of absence has been disapproved or revoked and canceled.

3.12 City's Contract Administrator shall mean the Finance Director of the City of Lincoln.

3.13 City Parking Facilities shall mean the Arena Garage, Arena Surface Lot and Pinewood Bowl Parking.

3.14 Contract Year shall mean the period of time from and including September 1st through and including August 31st of each year corresponding to the City's fiscal year.

3.15 Facilities shall mean the Arena Site (including the Arena, Arena Garage and other improvements located thereon), Arena Surface Lot and Pinewood Bowl collectively.

3.16 Festival Space is defined under Arena Surface Lot.

3.17 Festival Space Event shall include any events or organized activity for public or private attendance whether formally sponsored by City or other Third Party entity held at the Festival Space.

3.18 Management Fee is defined in Section 20.1.

3.19 Operating Revenues shall mean any and all revenues of every kind or nature, except as provided below, derived from UNL Rent and from SMG's operating, managing or promoting the Facilities, including, but not limited to:

- (a) Rental income for Arena Site Events, Festival Space Events and Pinewood Bowl Events;
- (b) Arena Event Related Merchandise sales, Festival Space Merchandise sales and Pinewood Bowl Merchandise sales;
- (c) Advertising sales;
- (d) Equipment rentals;
- (e) Utility revenues;
- (f) Arena Site Event and Pinewood Bowl box office revenues;
- (g) Parking revenues from the City Parking;
- (h) Commissions, Home Game Expenses, UNL Expenses or other revenues from decoration and set-up security and other subcontractors (however, if such revenues are collected in the first instance by and retained by such subcontractors, the amount of such revenues paid by such contractors to the Arena shall be included as Operating Revenues);
- (i) Miscellaneous operating revenues;
- (j) Revenues generated from separate agreements with SMG affiliates pertaining to the Arena and Pinewood Bowl;
- (k) Interest revenues;
- (l) Pouring Rights and Malt Beverage Advertising Package net any commission to CLS Marketing as assigned to Legend's Sales and Marketing LLC;

all as determined on a full accrual basis in accordance with generally accepted accounting principles. Notwithstanding any provision above to the contrary, Operating Revenues shall not mean any and all revenues of every kind or nature derived from:

(a) UNL's

- Sale of merchandise at UNL Events
- Sale of UNL Suites
- Sale of Club and Floor seating for Home Games
- UNL Ticket Sales to UNL Events and
- Sale of UNL Naming Rights
- Sale of UNL (Sponsorship) Signage
- Sale of UNL Broadcast Rights or other intangible rights in connection with UNL's uses of the Leased Improvements

(b) The City's

- Sale of City Naming Rights
- Sale of Private Suites,
- Sale of Loges
- Sale of City Signage
- Turn back taxes
- Occupation taxes
- Incremental tax revenue generated under the Nebraska Community Development Law
- Third Party Contributions
- Sale of Concessions at the Facilities

(c) The City's \$5,000/event rental fee for Pinewood Bowl.

Solely for purposes of (i) identifying Operating Revenues which will be budgeted in approved budgets, (ii) determining amounts of Operating Revenues to be deposited by SMG into the SMG Operating Fund, Operating Revenues from all event activity at the Facilities will be calculated to encompass the gross receipts from each such event, less allowances for contractual allowances including without limitation payments to promoters of such events and Event Related (or comparable) items associated with such events.

3.20 Pinewood Bowl shall mean the City's amphitheater and associated parking located in Pioneers Park.

3.21 Pinewood Bowl Event shall mean any City or SMG event held at Pinewood Bowl.

3.22 Quarterly Operating Budget shall mean the document prepared by SMG in a form approved by the City's Contract Administrator for anticipated Operating Revenues and Reimbursable Expenses for the appropriate fiscal quarter.

3.23 Quarterly Statement shall mean the document prepared by SMG in a form approved by the City's Contract Administrator for showing the actual Reimbursable Expenses for the appropriate fiscal quarter.

3.24 Reimbursable Expenses are defined in Section 21.2.

3.25 SMG shall mean SMG, a Pennsylvania general partnership owned by American Capital.

3.26 SMG Operating Fund shall mean a separate interest-bearing commercial bank account established by SMG on behalf of the City in the City of Lincoln, Nebraska, diverse from any other commercial bank accounts which SMG may have, which shall be for the exclusive use of all receipts and disbursements related to and as provided in this Agreement.

3.27 Transitional Operation shall mean the period of time, if any, SMG continues to perform duties under this agreement following the expiration or termination of this agreement.

4. INTENT.

4.1 The City owns and holds the Facilities for the benefit of the citizens of the City of Lincoln.

4.2 The Facilities are a significant asset and are integral parts of the City's efforts to provide services in the Public interest for the betterment of the community.

4.3 SMG has extensive skill, expertise, and experience in management services, marketing services, entertainment services, administration services and procurement services.

4.4 The City desires to engage SMG to manage and operate the Facilities and SMG desires to accept such engagement on the terms and conditions set forth in this Agreement.

5. GRANT TO SMG.

5.1 The City hereby grants to SMG and SMG hereby accepts the exclusive right to manage, market, promote and operate the Facilities as provided in this Agreement

subject to the terms and conditions of the Facilities Agreement and Lease and Operating Agreement and the Consultant Agreement between CSL Marketing Group and the JPA as assigned to Legends Sales and Marketing LLC (see Exhibit D).

5.2 In the event terms of the Facilities Agreement and the terms of the Lease and Operating Agreement, this Agreement, and the proposal are inconsistent then the Facilities Agreement shall prevail. In the event the terms of the Lease and Operating Agreement and the terms of this Agreement and the proposal are inconsistent, then the Lease and Operating Agreement shall prevail. In the event the terms and conditions of this Agreement and the terms and conditions of the proposal are inconsistent, then this Agreement shall prevail.

6. SMG'S MANAGEMENT SERVICES.

6.1 Commensurate with the relationship of the parties, SMG shall perform its services at the Facilities according to the highest standard of care with the utmost regard to the special relationship it enjoys with the City. SMG shall cooperate with the City and implement the City's recommendations and advice, consistent with the terms of this Agreement. SMG's specific responsibilities shall include such services as detailed in SMG's proposal, specifically including, without limitation, the following:

(a) Operations Management. SMG shall provide personnel, administrative, mechanical, and custodial administration and maintenance as follows:

(i) Personnel. SMG shall provide complete staffing of the Facilities according to a clearly defined organizational structure to ensure maximum utilization of each employee's skills.

(ii) Administrative Oversight and Support. SMG shall provide a General Manager and provide the General Manager with support services from SMG's Corporate offices in Philadelphia, PA including:

- A. Purchasing – utilizing SMG's volume national network for purchases; unless it can be purchased locally for the same amount;
- B. Legal services administration;
- C. Labor relations;
- D. Capital planning;

- E. Issue analysis including the Americans with Disabilities Act;
- F. Executive recruitment;
- G. Training; and
- H. Risk management.

(b) **Mechanical Maintenance.** SMG will be responsible for the performance of minor facilities maintenance work, as provided in the quarterly budget. Any major repairs in excess of \$10,000 per item shall be financed by the City from sources other than the SMG Operating Fund as a Capital Improvement unless otherwise agreed in writing by the parties. SMG's mechanical maintenance services shall include:

(i) **Equipment Maintenance.** SMG shall provide a comprehensive preventative maintenance system which guarantees the efficient operation and maintenance of heating ventilating and air conditioning power and other equipment at the facility utilizing a work order system.

(ii) **Energy Management.** SMG shall maintain the system to monitor utility costs and develop an energy conservation plan setting forth procedures for use of equipment that minimizes energy use.

(c) **Landscape and Perimeter Management.** SMG shall supervise and maintain the lawn, landscape and other exterior improvements on the Arena Site, the Festival Space and Pinewood Bowl.

(d) **Janitorial Services.** SMG will be responsible for all routine cleaning and janitorial services.

(e) **Recycling/Trash Removal.** SMG will be responsible for arranging for and coordinating all recycling and trash removal services.

(f) **Pest Control.** SMG shall be responsible for all necessary pest control services, which will be performed by outside services subject to SMG's review.

(g) **Financial and Accounting Systems.** SMG shall form an on-site office to provide for handling routine and special financial and accounting functions including:

- (i) Financial Reporting (at least quarterly to be shown on an accrual basis);
- (ii) Budgets;
- (iii) Financial Controls;
- (iv) Payroll and Tax Reporting;
- (v) Contract Management;
- (vi) Claims, Insurance and Risk Management; and
- (vii) Financial Reports required to fulfill obligations of SMG to provide reports to the City.

(h) Revenues. SMG shall establish the SMG Operating Fund as soon as practicable after execution of this Agreement. SMG will be responsible for the collection of all Operating Revenues generated by the Facilities, which shall be deposited in the SMG Operating Fund. SMG is authorized to make disbursements from the SMG Operating Fund to pay Reimbursable Expenses and to pay promoters or performers in any amount due the performer or promoter as per contracts with them, Revenues collected by SMG and deposited in the SMG Operating Fund will be held in trust for the City and used in the manner hereinafter provided.

(i) Licenses and Permits. SMG will obtain and maintain all licenses and permits necessary for SMG to manage and operate the Facilities. Lapse, revocation, suspension or termination of any such permit or license for any reason other than as a result of the City's failure to cooperate as provided in the last sentence of this paragraph shall constitute adequate grounds for immediate termination by the City. The City shall cooperate with SMG to obtain, maintain, or renew any such licenses and permits.

(j) Security. Except for UNL "in the Bowl" Home Game staffing, SMG will arrange, through local police, local contract security, building security, or other sources for all security services for events at the Facilities and for general security when events are not in progress. SMG shall not permit alcohol sales except under the City's food and beverage provider's retail liquor license.

(k) Transitional Operation. SMG shall cooperate with the City and any subsequent firm (including the City) in maintaining and transferring service responsibility. Unless otherwise agreed in writing between the parties, SMG shall continue to be bound by

all the terms, conditions, and obligations of this Agreement during any Transitional Operation. Transitional Operation shall not extend for more than 90 days unless otherwise agreed in writing between the parties. SMG may take reasonable precautions during the Transitional Operation to secure against unwarranted disclosure or use of any proprietary information of SMG, including without limitation any manuals and software programs of SMG, to or by the City or any subsequent management firm.

7. SMG'S SPECIFIC ARENA MANAGEMENT SERVICES.

7.1 In addition to the Management Services provided for in Section 6.1 above, SMG will provide the following specific services for management of the Arena:

(a) Marketing and Sales. SMG will provide marketing and sales services and activities as follows:

(i) Advocacy. SMG shall provide the Arena with a national advocate through SMG.

(ii) Marketing Department. SMG shall maintain a strong, in-house marketing department at the Arena.

(iii) Marketing Communications. SMG shall provide a specific tailored plan to advertise the Arena and its availability and features generally as well as specific events at the Arena. SMG shall provide professional public relations to position the Arena in the most favorable light both locally and nationally.

(iv) SMG shall arrange and coordinate sales of Arena Event Related Merchandise in the best interests of the Arena; provided, that any associated rebate or other incentive to use such products or services shall be credited to the Arena.

(v) Ticket Sales and Marketing. SMG will be responsible for all aspects of ticket sales and marketing for Arena Events and activities including the supervision of arrangements with computerized ticketing services. SMG will allow Athletics to use SMG's computerized ticketing services and will allow Athletics access to SMG's box office and equipment. SMG will work together with City and Athletics to resolve any problems which might arise regarding joint use of the box office and equipment. SMG's services shall include ordering, selling and accounting for tickets, reporting ticket revenues for a given Arena Event for each user of the Arena, cash and credit card processing, complete auditing and accounting for each event, and timely exchange of income less expenses at the end of each event in the traditional manner. SMG

shall establish an Advanced Sales Escrow Account to be used for any advanced ticket sales money.

(vi) Promotions. SMG shall pursue an aggressive promotional campaign for the Arena in the best interest of the Arena.

(vii) Special Events Promotion. SMG shall provide promotional services as an ally of local and other promoters at the local and national level to guide entertainers and attractions to the Arena. SMG or its subsidiaries or affiliates may promote or copromote events as permitted in this agreement with the City's approval.

(b) Programming. SMG shall provide professional services and coordinate with the City through the City's Contract Administrator to ensure that appropriate concerts, conventions, shows and other programs and activities are booked into the Arena and that suitable press coverage is obtained as follows:

(i) Planning. SMG shall provide a professional Arena Event management planning and control system tailored to the routine handling of the Arena Event management requirements for each principal type of Arena Event at the Arena. This system shall have the capability to produce hard copy, electronic or other reports in sufficient detail, subject to City approval, to provide accountability and proper record-keeping, including detailed reports at the City's request and in such forms as the City may reasonably require upon termination or expiration of this Agreement.

(ii) Booking and Promotions. SMG shall, subject to (a) Athletics privilege of securing the dates it needs for all pre-season and regular season Home Games of the Basketball Teams and day before practices, and (b) UNL's privilege of securing the dates it needs for UNL Undergraduate Commencements in May and December during the term of the Lease and Operating Agreement, provide for all booking and scheduling of Events at the Arena tailored to the specific needs of the City and the Arena including significant involvement of the City at critical decision points.

(iii) Scheduling. SMG shall maintain all schedules for events held at the Arena, and shall attempt to maximize the use of the Arena.

(iv) Existing Contracts. SMG shall comply with the terms and conditions of all current outstanding contracts impacting the Arena that are listed on Exhibit D attached hereto including the Lease and Operating Agreement. The Parties agree that Exhibit D shall be updated to add any additional contracts impacting the Arena entered into between the date of this Agreement and Commencement of the Management Term.

(v) **Advisory Committee.** SMG shall cooperate and provide information as may be reasonably requested by the Advisory Committee in its advisory function to the City and the City's Contract Administrator as it relates to the successful operation of events at the Arena. This shall include a written report and attendance by the corporate officials at quarterly Advisory Board meetings.

(vi) **Operational Services.** SMG will be responsible for all services required to stage (set up and return to "As Original" setup) the Arena for each event, including but not limited to services involving the exhibition and stage areas, sound system, lighting system, stage rigging, dressing area, stage equipment and loading in and loading out. SMG will be responsible for providing all necessary management staff, ticket sales personnel, ushers and other personnel required for the operation of the Arena, except for UNL "in the bowl" personnel during Home Games and UNL's operational control of the Home Games for purposes of NCAA compliance, including but not limited to ticket taking, program distributions and assistance to patrons generally, including persons with disabilities.

8. SUSTAINABILITY/WASTE MANAGEMENT OPERATIONS. SMG and the City of Lincoln will work together to insure the Pinnacle Bank Arena is operated as one of the most environmentally sensitive civic facilities in the country through sustainable practices. In order to create an atmosphere that is conceptually and operationally supportive of sustainable practices, SMG shall implement the following:

8.1 **Sustainability Policy.** SMG will provide a written "Sustainability Policy," supported and signed by the General Manager for the Arena that outlines the environmental vision, objectives and goals of the Arena as they relate to creating a sustainable arena environment. Policy should address communication and messaging of these objectives to staff, clients, vendors, concessionaires, and patrons.

8.2 **Procurement Policy.** SMG will provide a written policy to address and consider environmental issues during the procurement and purchasing process. SMG will purchase recycled content supplies and products for its operation of the Arena to the extent it is available, and will comply with any environmentally responsible purchasing policies established by the City for its facilities during the term of this contract. The procurement and purchasing policy should have a focus on buying regionally and using organic and sustainable materials when possible. This policy should include processes to communicate the "Sustainability Policy" and procurement plans to vendors and encourage their participation with SMG to address their product or services environmental impact.

8.3 **Energy Conservation.** SMG will use utility and mechanical systems software and operational practices to manage energy consumption and energy efficiency. Systems

preventative maintenance policies and regular energy use tracking and audits will be required components. Close recording of utility usage over the first two years of operation will provide benchmarks for future conservation and efficiency review goals. SMG will provide to the City all energy use formation necessary for the City in its participation as an “Energy Star Partner” with respect to energy use in the Arena.

8.4 Cleaning chemicals, exterior spaces maintenance and staff training. SMG will provide written goals, procedures and specifications for using “green” cleaning chemicals. SMG must also demonstrate that SMG Arena staff are trained in the safe use of these materials and trained in the philosophy and policies about why “green” and sustainable cleaning processes are mandated.

8.5 Waste Management: Reduction, Diversion, and Recycling. SMG will on an annual basis seek to divert up to 75% of the total waste recyclables generated by SMG at the arena from the City landfill. SMG shall provide to the City a comprehensive solid waste management plan every two years that identifies and plans for the diversion of the various waste streams created at the Arena and which seeks to meet this overall goal. Components of the plan shall include a facility waste audit, and waste diversion techniques including reuse, re-purposing, recycling, and composting. SMG may utilize for the Arena’s operations the City’s solid waste disposal and/or recycling contracts for services.

(a) SMG will require SMG Arena staff to the extent practicable to recycle at the minimum glass, paper, plastic, cardboard, aluminum, pallets, printer cartridges, office paper, newspaper, rechargeable batteries, fluorescent bulbs and other products deemed appropriate during the term of the agreement.

(b) SMG will create a recycling and composting plan for each event held at the Arena that complies with the comprehensive solid waste management plan for the Arena and provides for recycling arrangements for, at a minimum, plastic #1 to #7 food and beverage containers; aluminum and steel cans; paper; cardboard; and organic and compostable waste.

(c) The City of Lincoln will provide all necessary education on proper separation of recyclables for each large event sponsor to insure proper separation of waste by attendees of the event. SMG will distribute and display such information in cooperation with the City of Lincoln.

(d) SMG will collaborate with the City in purchasing waste management stations and/or recycling equipment funded through the Nebraska Environmental Trust (NET) and such equipment to be used in any solid waste management and recycling operations by SMG shall be owned by the City with continuing interest in the equipment held by the NET.

(e) SMG will collaborate with city on recycling and/or composting education in the Arena, including through the financial support of the NET.

(f) SMG will report progress on the solid waste management plan and goals on a quarterly basis to the City's recycling coordinator and to the Mayor's Office.

8.6 SMG will prepare an annual report and participate in an annual review with the City to verify that these Sustainable Practices, policies and procedures are in place and implemented in the operation of the Pinnacle Bank Arena.

9. SMG'S SPECIFIC ARENA SITE MANAGEMENT SERVICES.

9.1 In addition to the Management Services provided for in Section 6.1 above, SMG shall provide the following specific management services for the Arena Site:

(a) SMG shall be responsible for the day to day management and operation of the Arena Site. In carrying out said responsibility SMG shall:

(i) Have on duty at all times sufficient personnel for the operation, maintenance, security and management of the Arena Garage. All parking attendants shall be in uniform while on duty.

(ii) Perform all normal and customary maintenance as required by the City and as necessary for the proper operation and care of the Arena Site.

(iii) Maintain the premises neat and clean at all times, including all sidewalk areas adjoining the Arena Site.

(iv) Keep the City advised of the general condition and repair of the Arena Garage.

(v) Inform the City immediately of any observed defect in the condition or operation of the Arena Garage.

(vi) Keep and maintain the Arena Garage, its fixtures and equipment in good condition and repair at all times, including but not limited to performing preventative maintenance on all equipment in accordance with manufacturer's recommendation. The maintenance of parking control equipment shall be through a maintenance service contract, approved by the City.

- (vii) Provide snow removal.
- (viii) Provide premium parking for suite and loge holders during events at the Arena.
- (ix) Sell parking to other users on non arena event days. All fees charged for parking shall be subject to approval of the City.
- (x) Use the Arena Garage for Event related activities including displays, etc.
- (xi) Use the upper level of the Arena Garage for Event related activities.
- (xii) Use of the Arena Site for Arena Site Events which do not conflict with Arena Events, UNL Events, day before practice dates, basketball team practices and UNL use of the Halo Arena during Home Games.

9.2 Revenue from Parking rental of space and any other generated revenue will be applied toward Arena Garage expenses and net positive or loss will be applied to the Pinnacle Bank Arena operations bottom line. Capital Improvements, maintenance or upgrades shall be the responsibility of the City.

10. SMG'S SPECIFIC FESTIVAL SPACE MANAGEMENT SERVICES.

10.1 In addition to the Management Services provided for in Section 6.1 above, SMG shall provide the following specific services for management of the Festival Space:

- (a) SMG shall be responsible for the day to day management and operation of the Festival Space. SMG responsibilities shall include the following:
 - (i) Perform all normal and customary maintenance as required by the City and as necessary for the proper operation and care of the Festival Space.
 - (ii) Keep and maintain parking fixture and equipment in good condition and repair at all time including but not limited to performing preventative maintenance on all equipment in accordance with manufacturer's recommendation. The maintenance of parking control equipment shall be through a maintenance service contract, approved by the City.
 - (iii) Maintain the Festival Space neat and clean at all times.

(iv) Provide Event Parking for UNL Basketball, UNL Graduations, UNL sponsored events like Women's Volleyball and Mens' Wrestling.

(v) Provide Event Parking for Concerts, Family Shows, trade shows, non-UNL Graduations, dinners, motor sports, rodeos and other arena events.

(vi) Provide Event Parking for non arena events including but not exclusively limited to; UNL Football and the Haymarket Farmers Market.

(vii) Provide parking for football games.

(viii) Manage non-parking festival uses such as: Ribfest, Celebrate Lincoln and some all day or multi-day music festivals. SMG will rent and manage the space to various event producers, civic groups or SMG will self produce the events in this space.

(ix) Control and manage all parking and other activities that occur in the Festival Space.

(x) Be the default provider of ticketing services for the festival / parking area unless another contractual agreement is reached with an event promoter or producer.

(xi) Have on duty at all times sufficient staff for the proper operation, maintenance, security and management of the Festival Space for parking and festivals. All employees shall be in uniform while on duty.

(xii) Perform set up and clean up activities.

(xiii) Contract and provide for snow removal using City Purchasing Snow removal contracts.

(xiv) Maintain information about the Festival Space on the Pinnacle Bank Arena website.

10.2 Revenue from event parking, football parking, festivals, rentals, ticket sales and any other generated revenue will be applied toward event / parking related expenses and the net positive or loss will be applied toward the Pinnacle Bank Arena operations bottom line. Capital improvements will be the responsibility of the City.

11. SMG'S SPECIFIC PINEWOOD BOWL MANAGEMENT SERVICES.

11.1 In addition to the SMG Management Services provided for in Section 6.1 above, SMG shall provide the specific management services for Pinewood Bowl:

(a) SMG will work and cooperate with the City's Parks and Recreation Department ("Department") to provide the infrastructure, staffing support, grounds maintenance to produce a series of events or event related activities in the Pinewood Bowl with the following understandings:

(i) SMG will pay the Department a \$5,000 lump sum fee for each SMG managed event held at Pinewood Bowl. The fee includes SMG's cost to rent the area within the perimeter fence of Pinewood Bowl as shown on Exhibit C attached hereto and the Department's expenses to provide support staffing for the event.

(ii) Alcohol may be sold during the events.

(iii) Seated capacity is approximately 4,000.

(iv) General admission capacity is approximately 5,000 to 5,200.

(b) SMG's responsibilities shall include without limitation the following:

(i) Operation Plan. SMG will annually prepare and present an overall concert operation plan for Pioneers Park, Pinewood Bowl, to the City Events Team for review and approval. The operations plan will:

A. Address how to respond to wet grounds, severe weather and/or other public safety issues.

B. Include a traffic circulation plan.

C. Address the means for sharing of contact names and cell phone numbers with the Department and law enforcement/public safety personnel for event coordination and emergencies.

(ii) Marketing and Sales. SMG will provide marketing and sales services and activities as follows:

- A. Work with the Director of the Department or the Director's designee of the Parks Department to prepare a mutually acceptable Calendar of Events for Pinewood Bowl.
- B. Work with promoter "partners" to produce the events. Work with other event producers to host or stage shows at the Pinewood Bowl as long as they don't conflict with the Department's schedule of events or would not adversely impact any existing on sale or soon to be on sale shows.
- C. Identify and pursue marketing sponsorship opportunities at Pinewood Bowl in cooperation with Department.
- D. Create and maintain a Pinewood Bowl Theater website.
- E. Provide promotional advertising and event signage.

(iii) Operational Services. SMG shall, in accordance with the approved operations plan, present a series of concerts or concert related activities at the Pinewood Bowl on mutually acceptable dates between April and October for each year of the term. SMG will be responsible for providing all amenities inside the perimeter fence of Pinewood Bowl during concerts to include: stage/back stage areas, dressing rooms, permanent restrooms, portable restrooms, concession building, concession tents, security, management of trash/ litter. For General Admission concerts, SMG will arrange for and provide some alternate transportation such as bus service to reduce the number of vehicles arriving for the concert. SMG will be responsible for providing all necessary management staff, ticket sales, ushers and other personnel required for the operation of concerts at Pinewood Bowl. Such responsibility shall include addressing customer service issues and providing support staffing to augment Department event staffing as provided in Section 11.3 below. SMG shall allow a limited number of full access passes to City representatives during concert event to view management operations. On concert event days, SMG will provide the Department and law enforcement/public safety, a list of SMG on-site contact names and cell phone numbers responsible for event coordination and emergencies.

(iv) Janitorial Services. SMG shall be responsible for all routine cleaning and janitorial services at Pinewood Bowl during concerts and for removal of litter and trash from inside the perimeter fence after a concert.

(v) Revenues. SMG will be responsible for the collection of all operating revenues generated by concerts at Pinewood Bowl, including ticket sales, merchandise sales and parking revenues, which shall be deposited in the SMG operating fund. SMG is authorized to make disbursements from the SMG operating fund to pay reimbursable expenses and to pay promotions or performances in any amount due the promoter or performer as per contracts with them. Revenues collected by SMG and deposited in the SMG operating fund will be held in trust for the City and used in the manner hereinafter provided.

(vi) Security. Except for Department staffing under Section 10.3 below, SMG will arrange, through local police, local contract security, or other sources for all security services inside the perimeter fencing for concerts at Pinewood Bowl. SMG shall not permit alcohol sales except under its own retail liquor license or through special designated licenses issued to the holder of a Nebraska retail liquor license.

11.2 Revenue from event parking, rentals, ticket sales and any other generated revenue will be applied toward event / parking related expenses and the net positive or loss will be applied toward the Pinnacle Bank Arena operations bottom line.

11.3 Department Concert Responsibilities. The Department shall assist SMG in presenting SMG managed events at Pinewood Bowl by:

(a) Organizing and directing the movement of traffic inside Pioneers Park on event days.

(b) Providing a sufficient number of employees in conjunction with SMG staffing to direct traffic and assist in patron parking. SMG will provide staff support to assist Department staffing during the event. In addition to providing SMG support staff during the event, SMG will provide additional staff to assist the Department with event exiting traffic. The number of SMG personnel needed for Department support shall be mutually agreed upon between SMG and the Department. The Department will request LPD and Lancaster County sheriff to assist with Pioneers Park traffic. The Department will cooperate with all SMG Emergency Management Staff to address severe weather and other public safety issues.

11.4 Cancellation of Events. The Department agrees to consult with and attempt to reach a mutual agreement with SMG on the cancellation of an event due to wet grounds, severe weather or other public safety issues. However, the Department retains the right to cancel an event due to wet grounds, severe weather (or likelihood thereof) at its sole discretion.

12. FACILITIES TO REMAIN OPEN.

12.1 The City hereby represents and warrants to SMG that the Arena, Arena Garage and Arena Surface Lot will be permitted to be open to the paying public on a daily basis in a manner consistent with the Lease and Operating Agreement.

13. POWERS RESERVED TO THE CITY.

13.1 The City shall have, and hereby reserves the right of approval over the matters provided herein. The City's right of approval shall include the following matters:

- (a) The kind, quality and prices of events and concessions as suggested by SMG from time to time;
- (b) The rent structure and other fees and charges to Arena users, Festival Space users and City Parking Areas as suggested by SMG from time to time based on market conditions or other pertinent factors;
- (c) SMG's Annual and Quarterly Operating Budget as hereinafter defined including any transfers or carryover of unexpended balances for any class or category during the interim between formal budget approvals;
- (d) Any Signage;
- (e) Ticket sales and ticket marketing policies – such approval specifically includes any proposed user fees or other negotiated items related to ticket sales;
- (f) Concession sales and concession marketing polices including Arena Event Related Items and other items;
- (g) Arena Events to be promoted or co-promoted as recommended by SMG from time to time;
- (h) The person appointed or selected by SMG as the General Manager or Executive Director of the Arena;
- (i) Rental Charges and any other fees or remuneration for the use of the Arena Site, Arena, Festival Space and Pinewood Bowl; and
- (j) All approvals of the City shall be given through the City s Contract Administrator, except for budget approvals which must be acted on by the City Council.

13.2 The City reserves the exclusive right to market and sell naming rights, temporary and permanent signage inside or outside the Arena, Private Suites, Loge Seating, Club and Floor Seating for non University Events.

13.3 The City shall be authorized, at any time, to obtain information and records from any bank concerning any accounts established by SMG on behalf of the City pursuant to this agreement and to inspect the same.

13.4 This reservation expressly limits SMG's authorities to those granted in this agreement and those necessarily implied thereby, and in no event shall implicit authority control over the wishes of the City in any manner.

14. RELATIONSHIP OF PARTIES.

14.1 In consideration of SMG's substantial professional skill, expertise, and experience and the fiduciary and other obligations undertaken by SMG under this Agreement, the City reposes special confidence in SMG to conform to the highest professional standards in all matters related to this Agreement.

14.2 SMG agrees that it will provide such specialized professional services at the highest standard and quality of care, acknowledging that its fiduciary and other obligations under this Agreement necessarily create a special relationship of trust and fidelity with the City.

14.3 SMG has limited authority to act as the representative of the Arena in carrying out its obligations under this Agreement, but has no authority to bind the City, unless authorized by the City in writing.

14.4 All deposits made to the funds or accounts which may be established under this Agreement are the property of the City and the City assumes all tax liability, if any, associated with interest earnings on such accounts. To that end all such funds and accounts will be established in the name of the City of Lincoln d/b/a Pinnacle Bank Arena, using the City's federal/state tax registration numbers. SMG has been empowered by the City solely to manage such funds on behalf of the City. SMG may control deposits/disbursements solely as authorized in this Agreement. SMG will manage the funds in accordance with the City's investment policy established by Resolution No. A-83184 and any subsequent amendments or changes thereto.

14.5 The parties agree that each of them is acting on its own behalf and not as an employee, joint venturer or partner of the other. Each party is interested only in the results

obtained from this agreement and each party shall be in exclusive charge and control of its own performance according to its own means and methods. Nothing in this Agreement shall be interpreted as creating a partnership, joint venture or relationship of principal and agent between the parties.

15. GOOD FAITH EFFORTS.

15.1 Consistent with the relationship of the parties under this Agreement, SMG and the City shall at all times and in all respects use their good faith efforts to maintain an efficient and first quality operation at the Arena.

15.2 Each party agrees that it shall not unreasonably withhold agreement, consent or approvals provided for or otherwise required in this Agreement. Each party agrees that it will timely and in good faith negotiate, complete, and execute the necessary documents or instruments to provide for the same.

16. MANAGEMENT TERM.

The Management Term of this Agreement shall commence on September 1, 2013 and shall continue in effect, unless earlier terminated as set forth in Sections 17 and 26 below, for a period of three years through August 31, 2016. In the event this Agreement is not canceled by the City by notifying SMG in writing of such election at least 180 days prior to August 31, 2016, the term of this Agreement shall extend for an additional three year period.

17. RIGHT OF CANCELLATION.

Notwithstanding any provisions to the contrary in Section 16 above, the City retains the right to cancel the Agreement at any time during the term, or the term as extended, at its sole option, upon one hundred eighty (180) days prior written notice to SMG.

18. COMPETITION PROTECTED AREA.

18.1 SMG agrees without first City obtaining the written approval, to completely refrain from entering into any management agreement with any owner or operator of any competitive Arena or similar competitive entertainment facility within 75 miles of Lincoln and specifically including any such facility in or about the towns of Omaha, Nebraska, the Omaha Civic Center and MECAT excluding Pershing Auditorium in Lincoln, Nebraska.

18.2 This section shall not be construed to prohibit SMG from operating any food or beverage operations or other support services that do not involve marketing or management of bookings at such competing facilities.

18.3 The City may, in its sole discretion, consent in writing to a competitive operation otherwise restricted under this Agreement.

19. BUDGETS AND REPORTS.

19.1 SMG has submitted to the City and has received the City's approval of an estimated Annual Operating Budget for the 2013/2014 Fiscal Year of the City which is attached hereto as Exhibit D. SMG shall, no later than the first Friday in March of each year commencing in 2013, submit to the City the Annual Operating Budget for the coming fiscal year of the City.

19.2 The Annual Operating Budget shall be approved by SMG and the City by August 31st of the year submitted.

19.3 SMG and the City may revise the Annual Operating Budget at any time by mutual written agreement.

19.4 Not later than fifteen (15) days prior to the beginning of each fiscal quarter under this Agreement during the term hereof, SMG shall submit to the City its Quarterly Budget for the coming fiscal quarter, which shall be approved by the City and SMG within fifteen (15) days and be generally consistent with the Annual Operating Budget.

19.5 The budget shall contain a line item for travel to conferences and seminars and separately itemize corporate travel for training or other purposes.

20. COMPENSATION TO SMG.

20.1 SMG's compensation under this Agreement shall consist of the Management Fee as described in Section 20.1 below.

20.2 In the event the City determines in its sole discretion to issue tax exempt obligations related to the Arena, SMG shall not be compensated (in whole or in part) on the basis of a share of net profits of the Arena pursuant to the Tax Reform Act of 1986, § 1301(e), as the same may be amended.

21. SMG FEES.

21.1 The Management Fee shall consist of the Fixed Fee, the Financial (Revenue Based) Incentive Fee and the Non-Financial Incentive Fee as described below. To the extent that any Contract Year under this Agreement is less than 12 months, the Fixed Fee

and Financial (Revenue Based) Incentive Fee shall be prorated to reflect the number of days in such contract year.

(a) Fixed Fee. As base compensation to SMG for providing the services herein specified during the Management Term, the City shall pay an annual fixed fee of \$200,000, which amount shall be adjusted upward on the first day of each Contract Year, during the term hereof by the percentage change in the Consumer Price Index – all Urban Consumers (CPI-U) Lincoln, Nebraska, MSA Average, all items, during the one year period immediately preceding such Contract Year, as published by the Bureau of Labor Statistics of the U.S. Department of Labor, or of any revised or successor index. The Fixed Fee annual adjustment is capped at five (5) percent annually. The Fixed Fee shall be payable in equal monthly installments due on the first day of each month during such Contract Year, and SMG shall be entitled to draw such amounts from the Operating Fund account described in Section 6.1(c)(ix). The initial Management Fee to be paid by the City to SMG shall be \$16,667 per month beginning September 1, 2013;

(b) Financial (Revenue Based) Incentive Fee. In addition to the Fixed Fee, and beginning at the end of Contract Year 1 and for each year thereafter during the Term, if SMG achieves the agreed upon operating budget for such Contract Year SMG shall receive thirty percent of the Adjusted Gross Income in excess of \$2,000,000.00 which amount shall be adjusted upward on the first day of each Contract Year, during the term hereof by the percentage change in the Consumer Price Index – all Urban Consumers (CPI-U) Lincoln, Nebraska, MSA Average, all items, during the one year period immediately preceding such Contract Year, as published by the Bureau of Labor Statistics of the U.S. Department of Labor, or of any revised or successor index. The Fixed Fee annual adjustment is capped at five (5) percent annually for that Contract Year as a Financial (Revenue Based) Incentive Fee. The Financial Incentive Fee is capped at fifty percent of the fixed fee.

(c) Non-Financial Incentive Fee. In addition to the Fixed Fee and any Financial (Revenue Based) Incentive Fee, and beginning at the end of Contract Year 1 and for each year thereafter during the Term, SMG will be eligible for a Non-Financial Incentive Fee calculated as follows:

(i) Pro-rata Achievement of Annual Number of Budgeted Non-University Events (Goal) (“Budget Incentive Fee” not to exceed 20% of Fixed Fee):

- If SMG achieves 90% of the Goal, SMG is entitled to 50% of the Budget Incentive Fee.

- If SMG achieves 95% of the Goal, SMG is entitled to 75% of the Budget Incentive Fee.
- If SMG achieves 100% of the Goal, SMG is entitled to 100% of the Budget Incentive Fee.

(ii). Pro-rata Achievement of Annual Budgeted Non-University Attendance (Goal) (“Attendance Incentive Fee” not to exceed 20% of the Fixed Fee):

- If SMG achieves 90% of the Goal, SMG is entitled to 50% of the Attendance Incentive Fee.
- If SMG achieves 95% of the Goal, SMG is entitled to 75% of the Attendance Incentive Fee.
- If SMG achieves 100% of the Goal, SMG is entitled to 100% of the Attendance Incentive Fee.

(iii) Client/Tenant Satisfaction Incentive Fee not to exceed 5% of the Fixed Fee. The Client/Tenant Incentive Fee will be based upon a mutually agreeable post event survey(s). If SMG achieves an aggregate average score of at 4 on a scale of 1-5 with 5 being the highest level of satisfaction, SMG is entitled to receive the Client/Tenant Satisfaction Incentive Fee.

(iv) Patron Satisfaction or Mystery Shopping Incentive Fee not to exceed 5% of the Fixed Fee. The Patron Satisfaction or Mystery Shopping Incentive Fee will be based upon a mutually agreeable post event survey(s). If SMG achieves an aggregate average score of at 4 on a scale of 1-5 with 5 being the highest level of satisfaction, SMG is entitled to receive the Patron Satisfaction or Mystery Shopping Incentive Fee.

The Non-Financial Incentive Fee shall be capped at 50% of the Fixed Fee.

(d) Payment. The Financial (Revenue Based) Incentive Fee determined pursuant to Section 20.1(b) shall be payable to SMG within 30 days after the City’s receipt of an invoice from SMG accompanied by the annual statement certified by one of its officers setting forth the Operating Revenues and Reimbursable Expenses for the Contract Year for which Financial (Revenue Based) Incentive Fees are payable and showing the calculation of the Financial (Revenue Based) Incentive Fee payable with respect to such Contract Year, described in Section 20.1(b). To the extent that the Agreement terminates during any Contract Year, the calculation of the Financial (Revenue Based) Incentive Fee

shall be prorated to take account of the partial Contract Year for which the Agreement was in effect.

(e) Payment of Non-Financial Incentive Fee. The Non-Financial Incentive Fee shall be payable to SMG within 30 days after receipt of an invoice from SMG accompanied by documentation acceptable to the City as to SMG's satisfaction of the two Goals and Survey Satisfaction levels.

22. REIMBURSABLE EXPENSES.

22.1 The City shall pay to SMG Reimbursable Expenses as provided in this section in addition to any Management Fees including expenses incurred by SMG in the provision of services authorized in this Agreement and as approved by the City in the Quarterly and Annual Budgets.

22.2 Reimbursable Expenses shall generally include the following:

- (a) Staff Labor including benefits as provided in this Agreement.
- (b) General and Administrative Expenses including:
 - Postage;
 - Office supplies;
 - Copies and printing;
 - Dues and membership;
 - Subscriptions;
 - Telephone;
 - Travel and entertainment;
 - Advertising;
 - Office equipment and repair, and
 - Miscellaneous expenses reasonably or necessarily incurred by SMG with prior approval by the City.
- (c) Operational Expenses including:
 - Utilities;
 - Supplies;
 - Uniforms/cleaning;
 - Insurance;
 - Building repair and maintenance;
 - Maintenance contracts;
 - Contract services;

HVAC repair and maintenance;
Vehicle costs for operations;
Equipment rental; and
Other Miscellaneous expenses reasonably or necessarily incurred by
SMG with prior approval by the City.

23. CONSIDERATION, PAYMENT FUNDS.

23.1 Funding. On the first day of each quarter the City agrees to pay sufficient sums into the SMG Operating Fund to enable the fund to provide for:

(a) The Management Fee payable with respect to the prior calendar month payable according to SMG's Report; and

(b) A payment in the amount that the estimated Reimbursable Expenses for such month exceed the budgeted revenues (excluding SMG's Management Fee) for such month as approved in the Quarterly Budget plus any then existing balance in the SMG Operating Fund.

23.2 Withdrawals. SMG will not make any withdrawals from the SMG Operating Fund to the extent that such withdrawal(s) will result in the aggregate expenditure of funds during the normal course of business in excess of the cumulative pro-rata Reimbursable Expenses on a monthly basis as provided in the Annual Operating Budget approved by the parties.

23.3 Quarterly Statement. Within fifteen (15) days after the end of each quarter, SMG shall submit to the City's Contract Administrator a Quarterly Statement showing the actual Reimbursable Expenses for such quarter. If the SMG Operating Fund is insufficient to cover the actual Reimbursable Expenses plus the Management Fee due during such quarter, then the City shall deposit a sum in the amount of the deficiency into the SMG Operating Fund not later than ten working days after the City's receipt of the Quarterly Statement.

24. ACCOUNTING RECORD, REPORTS AND PRACTICES.

24.1 SMG shall maintain accounting records relating to each of the Facilities using accounting practices which conform to generally accepted accounting principles. The books, records and accounts shall be open for inspection by the City or its authorized representatives during normal business hours. Reports shall be on an accrual basis financial system.

24.2 SMG shall maintain internal financial control policies and practices which are in accordance with generally accepted standards in the industry.

24.3 The City shall have unlimited access to all accounting records and supporting documentation of SMG relating to the Facilities during the term of this Agreement and for a period of one (1) year thereafter. Such right to access shall be exercised in a reasonable manner.

24.4 The City shall have the right at any time, and from time to time, to cause nationally recognized independent auditors to audit all of the books of SMG relating to Operating Revenues and Operating expenses, including, without limitation, cash register tapes, credit card invoices, duplicate deposit tapes, and invoices. No costs incurred by the City in conducting such audit shall be considered an Operating Expense. If any such audit demonstrates that if either the Operating Revenues or Operating Expenditures reflected in any financial statements prepared by SMG and audited as specified in the foregoing subparagraph are misstated by more than five percent (5%), SMG shall pay to the City the reasonable cost of such audit. Any reconciling payment due to either party as a result of the misstatement shall be promptly paid. The City's right to have such an audit made with respect to any Fiscal Year and SMG's obligation to retain the above records shall expire three (3) years after SMG's statement for such Fiscal Year has been delivered to the City.

24.5 SMG shall provide the City with a mutually agreed upon financial statement report on or before the 25th day of each month during the term and any renewal term.

25. PURCHASING REQUIREMENTS.

25.1 SMG shall comply with all purchasing requirements for purchases obligating the City including competitive bidding for all purchases obligating the City in the amount of \$10,000 or more or for any contract committing the City to an expenditure of \$10,000 or more as required by Lincoln City Charter Art. 7 §2.

25.2 For purposes of this section remuneration to SMG on a cost basis shall not be considered purchases obligating the City.

26. TERMINATION PROVISIONS.

26.1 Upon termination for any reason including cancellation, the City shall pay SMG its Management Fees and Reimbursable Expenses up to the date of termination.

26.2 SMG has the right to terminate this Agreement if the City fails to perform as required in this Agreement after SMG notifies the City of the failure to perform in writing

giving a reasonable time to cure the same (not to exceed 60 days). After such notice and opportunity to cure, SMG may exercise termination rights without further notice.

26.3 Upon expiration or termination the City agrees to require any succeeding management contract to contain a provision requiring the succeeding management firm to succeed to the rights and obligations of SMG under, and comply with the terms and conditions of, all outstanding contracts impacting the Arena. In the event the City does not hire or contract for a succeeding management firm, then the City shall succeed to the rights and obligations of SMG under, and comply with the terms and conditions of, all outstanding contracts impacting the Arena.

26.4 SMG agrees to and does hereby transfer to the City all ownership rights to all financial records, contracts and any reports, studies, statistics or other information (collectively “SMG Records”) prepared or produced under the terms of this Agreement. SMG agrees that upon termination or expiration of this Agreement to turn over the SMG Records to the City in a prompt and coordinated fashion.

27. INSURANCE.

27.1. In connection with the employment of its employees, SMG shall pay all applicable social security, unemployment, worker s compensation or other employment taxes or contributions of insurance, and shall comply with all federal and state laws and regulations relating to employment generally, minimum wages, social security, unemployment insurance and workers’ compensation. SMG shall obtain and maintain the following minimum insurance overage with respect to Workers’ Compensation (including employees liability):

Coverage	Listing	Min. Amount	Notes
Worker’s Comp.			
	State	Statutory	
	Applicable Federal	Statutory	
Employer’s Liability			
	Bodily Injury by accident	\$1,000,000	each accident
	Bodily Injury by disease	\$1,000,000	each employee
	Bodily Injury	\$1,000,000	policy limit

SMG shall indemnify and hold harmless the City from all costs, expenses, claims or damages resulting from any failure of SMG to comply with this subparagraph.

27.2 SMG shall procure and maintain liability insurance against any damage, loss or liability arising or claimed to have arisen from the use or occupancy of the Facilities, including the operations of SMG at the Facilities, and shall name SMG, its officers, directors, employees and affiliates as named insureds as their respective interests may appear. The cost of providing such liability insurance shall be a Reimbursable Expense to the extent charged to the accounts or funds of the Arena. The amounts of such coverages shall be as follows:

(a) For bodily injury or damages, fatal or non-fatal, including product liability, liquor liability and automobile liability coverage, to any one person to the extent of \$1,000,000.

(b) For bodily injury or damages, fatal or non-fatal, including product liability, liquor liability and automobile liability insurance coverage, to two or more persons for any one accident to the extent of \$2,000,000.

(c) For property damage to the extent of \$250,000 each occurrence, \$500,000 aggregate.

(d) Umbrella or Excess Coverage in the amount of \$5,000,000.

27.3 Subject to Subsection 26.6 below, the City shall procure and maintain at replacement value for the Arena improvements and contents insurance against loss by fire, lightning, and other perils covered by the standard all-risk endorsement, and shall maintain insurance against such other hazards and in such amount as is customarily carried by owners and operators of similar properties and naming SMG, its officers, directors, employees and affiliates as additional insureds as their respective interests may appear. The cost of providing such property insurance shall be a Reimbursable Expense to the extent charged to the accounts or funds of the Arena. It is understood and agreed that SMG has obtained and maintains its own insurance coverage for any personal or other property of SMG that SMG has determined is outside the contents and property coverages obtained by the City, and it is SMG's sole responsibility to obtain coverage, if any, at SMG's own cost and expense (and not as a Reimbursable Expense) for such additional property coverage.

27.4 SMG shall procure and maintain Garagekeeper's Insurance for the City Parking Facilities in the amount of \$500,000.00 per City Parking Facility.

27.5 The City shall deliver to SMG certificates or other evidence as reasonably requested by SMG to establish that the insurance required above remains in full force and effect. Any failure to maintain the insurance coverages required hereby shall be a condition of breach under this Agreement.

27.6 SMG and the City expressly waive all rights and claims they may have against the other, their subsidiaries and affiliates for loss or damage arising or resulting from the operations at the Arena caused by fire or other perils normally covered in a standard form fire or all risk insurance policy, including without limitation business interruption and extra expenses. Each insurance policy procured by SMG and the City shall affirmatively state that it will not be invalidated because the insured waived its rights of recovery against any party prior to the occurrence of a loss.

27.7 SMG shall require suitable and adequate insurance coverage commensurate with the coverages required herein for every contracted event at the Facilities, including spectator and participant liability. The amounts and coverages of such insurance shall be subject to the City's Contract Administrator approval, including SMG's standard contract provisions for insurance coverage for contracted events.

27.8 SMG shall procure and maintain during the Term of this Agreement Fidelity Insurance covering all of SMG's personnel under this Agreement in the amount of \$1,000,000.00 for each loss, to reimburse the City for loss experienced due to the dishonest acts of SMG's employees.

27.9 SMG shall administer, defend, process and otherwise handle all claims up to the deductible or self insured retainer amount of any such policy or coverage obtained under this Agreement; provided that for any insurance coverage obtained by the City, the deductible or self insured retainer for such policy or policies shall not exceed \$1,500. Payment of any claim up to the amount of the deductible or self insured retainer shall be considered a Reimbursable Expense under this Agreement.

28. INDEMNIFICATION.

28.1 Each party agrees that it will be responsible for its own acts and omissions and the results of its own acts and omissions, and shall not be responsible for the acts or omissions of the other party. Each party agrees to assume all risk and liability for any injury to persons or property resulting in any manner from each party's own acts or omissions related to this Agreement, including acts or omissions by each party's own agents or employees related to this Agreement. Liability includes any claims, damages, losses, and expenses (including attorneys' fees) arising out of or resulting from performance of this Agreement, that results in any claim for damage whatsoever, including any bodily injury, sickness, disease, death, or any injury to or destruction of tangible or intangible property, including any resulting loss of use, collectively "Losses."

28.2 Notwithstanding the provisions of Section 27.1 above and to the extent such Losses do not arise out of any negligent or wrongful act or omission attributable to

SMG, SMG shall have no obligation to indemnify the City, or otherwise be responsible to the City, for any Losses to the extent that such Losses arise out of:

(a) A failure or alleged failure to comply with all applicable laws, regulations or ordinances, including, but limited to, the Americans with Disabilities Act, 42 U.S.C. Sections 12101-12213 as amended by the Civil Rights Act of 1991 (42 U.S.C. Section 1981(a)), as it now exists and as it may be amended in the future by statute or judicial interpretation (collectively, the "ADA") outside the scope of SMG's management and control under this Agreement, including such failures arising at any time prior to the commencement of the term hereunder relating to the operation of the Arena and such failures at any time prior to, as of, or after the commencement of the term hereunder relating to Capital Improvements as provided for in Section 6.1(b);

(b) Any condition on, above, beneath or arising from the premises occupied by the Arena which might, under any such law, give rise to liability or which would or may require any "response," "removal" or "remedial action" (as such terms are defined under the Comprehensive Environmental Response, Compensation and Liability Act, as amended by the Superfund Amendments and Reauthorization Act);

(c) Any structural defect or unsound operating condition with respect to the Capital Improvements as provided for in Section 6.1(b) or the premises occupied by the Arena prior to, as of or after the commencement of the term hereunder;

(d) Any services provided by architects, engineers, or other agents (other than SMG) under separate contract with the City in connection with capital or other improvements to the Arena; or

28.3 Notwithstanding the provisions of Section 27.1 above the City and SMG shall have no obligation to indemnify, or otherwise be responsible to the other party, for any Losses to the extent that such Losses are covered by the commercial insurance provided under Section 25 of this Agreement.

29. STRUCTURAL ALTERATIONS. SMG shall not make and changes or modifications to the structure of the Arena without the prior written authorization of the City. It is understood and agreed that the Advisory Committee shall study and review requests for such changes making appropriate recommendations to the City.

30. DESTRUCTION OF THE ARENA. In the event that the Arena or any part of the Arena shall be destroyed by fire, explosion or other casualty so that all or a substantial portion of the Arena cannot be operated, and the City fails to rebuild, repair and reopen the same for business within 180 days after the happening of said fire or other casualty, then and in said event, either SMG or the City shall have the right (but no obligation to do so) to

terminate this Management Agreement, in which event the parties shall comply with and pay the sum referred to in Section 24.1.

31. EMPLOYEES.

31.1 Except as provided in Section 6.1(b) and Section 10.2, all persons engaged at the Facilities in operating any of the services under this Agreement shall be the sole and exclusive employees of SMG and shall be paid by SMG.

31.2 SMG will employ trained and neatly uniformed employees and said employees shall conduct themselves at all times in a proper and respectful manner. Any dismissal shall be in accordance with the proposal (1) as applicable or SMG's corporate policy and with any applicable federal, state or local laws which may be in effect and, further, shall be in compliance with any applicable union or labor organizational agreements which may be in effect at the time of said dismissal.

31.3 During the period commencing on the date hereof and ending one (1) year after the termination of this Agreement, except with SMG's prior written consent which will not be unreasonably withheld, the City will not, for any reason, solicit for employment, or hire, any of the senior management personnel employed by SMG at the Facility, including, without limitation, the general manager and director-level employees. In addition to any other remedies that SMG may have, specific performance in the form of injunctive relief shall be available for the enforcement of this provision.

32. CONFLICT OF INTEREST.

32.1 SMG warrants that it has not employed or retained any person or company other than a bona fide employee or legal counsel working for SMG to solicit or secure this Agreement, and that it has not paid or agreed to pay any company or person, other than a bona fide employee or legal counsel working for SMG, any fee, commission, percentage, brokerage fee, gifts or any other consideration contingent upon or resulting from the execution of this Agreement. For breach of this warranty the City shall have the right to annul or void this contract without liability or, in its discretion, to deduct from any fees due SMG under this Agreement the full amount of any such fees or other consideration.

32.2 SMG shall not subject the employees of the Arena to a non-compete clause. For newly hired employees, SMG may subject only the top 2 management employees (the General Manager and Assistant General Manager under the current organization chart) to non-compete clauses.

32.3 If SMG anticipates the use of related companies including subsidiaries or subdivisions not legally bound by the terms of this Agreement in subcontracting for

completing the terms and conditions of this agreement, SMG shall notify the City's Contract Administrator in writing and obtain the City's prior approval. A summary of amounts paid to related parties under this contract shall be submitted to the City at the end of each Contract Year. Any subcontracts with such related parties shall contain a provision making the related parties obligated to comply with the provisions of this Agreement.

32.4 Promotion and Co-Promotion. The City understands that SMG or its affiliated entities are in the business of promoting events at locations similar to the Arena. In the event SMG or an SMG affiliated entity desires to utilize the Arena for promotion of an event, it shall be subject to the specific approval of the City's Contract Administrator. SMG agrees that the rental of the Arena for such events will be on the same basis as for other tenants or promoters presenting similar events.

33. ASSIGNMENT OR DELEGATION.

33.1 This Agreement, or any part hereof, including the obligation to perform services under this Agreement shall not be assigned by SMG directly or as the result of any merger, consolidation, sale, transfer of assets, or otherwise to any other person, firm or corporation without the express written consent of the City. The parties acknowledge that the foregoing does not preclude the assignment by SMG of its rights to receive its Management Fees hereunder as collateral security for SMG's obligations under any commercially reasonable credit agreement, provided that such collateral assignment shall not in any event involve SMG's rights and obligations to manage, promote or operate the Arena hereunder nor reduce, condition, or restrict in anyway SMG's rights or capacity under this Agreement.

33.2 Violation of this provision shall be grounds for immediate termination by the City.

33.3 In the event the City grants its consent to such assignment, SMG shall not be relieved of any of its obligations or responsibilities under this Agreement.

34. COMPLIANCE WITH LAWS.

34.1 General. SMG shall comply with all federal, state and local ordinances, statutes, rules and regulations as they relate to SMG, its agents and employees or the operation of the Arena. Nothing in this Section 32.1 or elsewhere in this Agreement shall, however, require SMG to undertake any of the foregoing compliance activity, nor shall SMG have any liability under this Agreement therefor, if such activity requires any Capital Improvements as provided for in Section 6.1(c) unless the City provides funds for such capital improvements as provided in this agreement. Furthermore, SMG shall have the right to require any licensee, lessee, tenant, promoter or user of any portion of the Arena to comply, and to be financially responsible for compliance, with Title III of the ADA in

connection with any activities of such licensee, lessee, tenant, promoter or user at the Arena.

34.2 Bonds. SMG understands and acknowledges that the Arena was and may in the future be renovated and improved using financing from Municipal General Obligation and other bonds issued by the City, the interest on which is exempt from taxation by the federal government. Accordingly, SMG agrees that it will, upon notice by the City or its Bond Counsel, modify this Agreement or change any actions to be taken under this Agreement which would without such modifications or changes result in such bonds becoming 'private activity bonds' or otherwise cause the interest on such bonds to become subject to federal income taxes. SMG specifically warrants and agrees that the Arena shall remain open to the general public. Upon prior written advice and direction from the City or its Bond Counsel relating to any applicable provisions of law including the Internal Revenue Code and Tax Reform Act of 1986 as the same may be amended, SMG will not enter into any agreements of any kind to provide for the exclusive use of the Arena.

35. NON-WAIVER. The failure of either party at any time to enforce a provision of this Management Agreement shall in no way constitute a waiver of the provision, nor in any way affect the validity of this Management Agreement or any part hereof, or the right of such party thereafter to enforce each and every provision hereof.

36. AMENDMENT. The parties may amend this Management Agreement only by written agreement executed by the parties.

37. CHOICE OF LAW. The laws of the State of Nebraska shall govern the rights and obligations of the parties under this Management Agreement.

38. SEVERABILITY. Any provision of this Management Agreement decreed invalid by a court of competent jurisdiction shall not invalidate the remaining provisions of this Management Agreement.

39. NOTICES. All notices required by this Management Agreement shall be in writing and shall be sufficiently given and served upon the other party if sent by registered or certified United States mail, postage prepaid, and addressed as follows:

IF SENT TO THE CITY:
Finance Director
City of Lincoln, Nebraska
555 South 10th Street
Lincoln, Nebraska 68508

With a copy to:
City Clerk
City of Lincoln, Nebraska
555 South 10th Street
Lincoln, Nebraska 68508

Or at such other place as the City may, from time to time designate by notice to SMG.

IF SENT TO SMG:
SMG
300 Conshohocken State Road, Suite 770
Philadelphia, PA 19428
Attn: President

With a copy to:
Stradley, Ronon, Stevens & Young
2600 One Commerce Square
Philadelphia, PA 19103
Attn: William R. Sasso, Esq.
or Steven A. Scolari, Esq.

Or such other place as SMG may from time to time designate by notice to the City.

40. FORCE MAJEURE.

40.1 Except as otherwise provided, neither party shall be obligated to perform under this Agreement, and neither shall be deemed to be in default, if performance is prevented by fire, earthquake, flood, act of God, riot, civil commotion or other matter or condition of like nature, including the unavailability of sufficient fuel or energy to operate the Arena, or any law, ordinance, rule, regulation or order of any public or military authority stemming from the existence of economic controls, riot, hostilities, war or governmental law and regulations.

40.2 In the event of a labor dispute which results in a strike, picket or boycott affecting the Arena or the services described in this Management Agreement, SMG shall not be deemed to be in default or to have breached any part of this Agreement.

41. INTEGRATION.

41.1 This Management Agreement and all Exhibits hereto embody the entire agreement of the parties relating to the services to be provided under this Agreement.

41.2 There are no promises, terms, conditions or obligations other than those contained herein, and this Management Agreement shall supersede all previous communications, representations or agreements, either oral or written, between the parties hereto.

42. NON-RAIDING CLAUSE. SMG shall not engage the services of any person or persons presently in the employ of the City for work covered by this Agreement without the written consent of the City.

43. ADDITIONAL SERVICES. The City may from time to time, require additional services from SMG including but not limited to, special reports, graphics, attendance at meetings or presentations. Such additional services, including the amount of compensation for such additional services, which are mutually agreed upon by and between the City and SMG shall be effective when incorporated in written amendments to this Agreement.

44. FAIR EMPLOYMENT. In connection with the performance of work under this Agreement, SMG agrees that it shall not discriminate against any employee or applicant for employment with respect to compensation, terms, advancement potential, conditions, or privileges of employment, because of such person's race, color, religion, sex, disability, national origin, ancestry, age, or marital status in accordance with the requirements of Lincoln Municipal Code Chapter 11.08 and *Neb. Rev. Stat.* § 48-1122, as amended.

45. FAIR LABOR STANDARDS. SMG shall maintain Fair Labor Standards in the performance of this Agreement as required by *Neb. Rev. Stat.* § 73-102 through 104 as amended.

46. INDEPENDENT CONTRACTOR. The City is interested only in the results produced by this Agreement. SMG has sole and exclusive charge and control of the manner and means of performance. SMG shall perform as an independent contractor and it is expressly understood and agreed that SMG is not an employee of the City and is not entitled to any benefits to which City employees are entitled, including, but not limited to, overtime, retirement benefits, workmen's compensation benefits, sick leave or and injury leave.

47. AUDIT AND REVIEW. SMG shall be subject to audit pursuant to Chapter 4.66 of the Lincoln Municipal Code and shall make available to a contract auditor, as defined therein, copies of all financial and performance related records and materials germane to this Agreement, as allowed by law.

48. LIVING WAGE. If the compensation for services provided pursuant to this Agreement is equal to or exceeds \$25,000, this Agreement is subject to the Living Wage Ordinance of the Lincoln Municipal Code Chapter 2.81. The ordinance requires that,

unless specific exemptions apply or a waiver is granted, SMG shall provide payment of a minimum living wage to employees providing services pursuant to this Agreement. Under the provisions of the Lincoln Living Wage Ordinance, the City shall have authority to terminate this Agreement and to seek other remedies for violations of this Ordinance.

49. FEDERAL IMMIGRATION VERIFICATION. In accordance with Neb. Rev. Stat. §§ 4-108 through 4-114, SMG agrees to register with and use a federal immigration verification system, to determine the work eligibility status of new employees performing services within the State of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, 8 USC 1324 a, otherwise known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security or other federal agency authorized. SMG shall not discriminate against any employee or applicant for employment to be employed in the performance of this section pursuant to the requirements of state law and 8 U.S.C.A. 1324b. SMG shall require any subcontractor to comply with the provisions of this section.

50. EXECUTIVE ORDER NO. 83319. SMG agrees to comply with the requirements of Executive Order No. 83319.

IN WITNESS WHEREOF, the parties hereto have caused this Management Agreement to be executed on the day and year first above written. The undersigned by his signature expressly represents that he has the authority to bind the parties to the provisions of this agreement. As evidence of authenticity and capacity, SMG has submitted to the City the attached officer s certificate which is hereby incorporated into this Agreement,

EXECUTION BY THE CITY OF LINCOLN, NEBRASKA

CITY OF LINCOLN, NEBRASKA
a municipal corporation,

Mayor of Lincoln

Approved by Executive Order No. _____ dated _____.

EXECUTION BY SMG

SMG
a Pennsylvania general corporation,

By:
Title:

coun\agr\smg\arenaagr12



**PROPOSED MANAGEMENT COMPENSATION PLAN
WEST HAYMARKET ARENA
REVISED: MARCH 13, 2012**

Pre-Opening Services:

For the period September 1, 2011 – August 31, 2013, SMG would propose to amend and expand the scope of its current consulting agreement to encompass the additional pre-opening management services typically undertaken at this point in the project. SMG would charge the same \$5,000 per month plus reimbursement of all approved, out-of-pocket expenses for the expanded services.

Management Services:

Term:

Per the RFP, 4 years with a 4 year renewal option. It is therefore, anticipated the management agreement will start September 1, 2013.

Base Management Fee:

\$200,000 per year; subject to annual adjustment by the increase in CPI

Incentive Fee:

SMG proposes an incentive fee structure that is designed to address the goals and objectives for the West Haymarket Arena. The incentive fee will be split into financial and non-financial components, the total of which will not exceed the amount of the base fee in any given year.

1. Financial (Revenue-Based) Incentive Fee (up to 50% of base fee):

SMG would 1st have to achieve the agreed upon operating budget for such year to qualify for this portion of the incentive fee.

If budget is achieved, SMG would earn 30% of Adjusted Gross Income (excluding food & beverage) in excess of \$2,000,000.

2. Non-Financial Incentive Fee (up to 50% of base fee)

In addition, SMG would be eligible for an incentive fee based upon the WHJPA's evaluation of SMG's performance in the following suggested areas:

- Achievement of Annual Budgeted Non-University Events (20% of base fee):
 - If SMG achieves 90% of goal, it would receive 50% of this portion of the fee.
 - If SMG achieves 95% of goal, it would receive 75% of this portion of the fee.
 - If SMG achieves 100% of goal, it would receive 100% of this portion of the fee.
- Achievement of Annual Budgeted Non-University Event Attendance (20% of base fee)
 - If SMG achieves 90% of goal, it would receive 50% of this portion of the fee.
 - If SMG achieves 95% of goal, it would receive 75% of this portion of the fee.
 - If SMG achieves 100% of goal, it would receive 100% of this portion of the fee.



**PROPOSED MANAGEMENT COMPENSATION PLAN
WEST HAYMARKET ARENA
REVISED: MARCH 13, 2012**

- Client/Tenant Satisfaction (5% of base fee)
 - Based on the results of an agreed upon post event survey, SMG must achieve an aggregate score of at least 4 (on a scale from 1-5) to qualify for this portion of the incentive fee. Parties will agree to the criteria and method of the survey.
- Patron Satisfaction or Mystery Shopping (5% of base fee)
 - Based on the results of an agreed upon survey, SMG must achieve an aggregate score of at least 4 (on a scale from 1-5) to qualify for this portion of the incentive fee. Parties will agree to the criteria and method of the survey.

Per IRS regulations, the total amount of the Incentive Fee cannot exceed the amount of the Base Fee paid to SMG in any given year.

Capital Commitments:

SMG is prepared to make available up to **Two Million Dollars (\$2,000,000)** to be used at the discretion of the WHJPA to fund any capital needs for the arena project.

SMG believes in providing the greatest amount of financial flexibility for our partners. Therefore, the WHJPA will have the discretion to repay the amount used over 10 years including a market-rate interest charge. In addition, in any year where the WHJPA is in need of assistance with cash flow, SMG will defer the payment for that year and re-amortize the balance due over the remaining term.

Other Consideration:

SMG will not charge any additional fees for computerized ticketing services, future naming rights, premium seating renewal and/or future advertising & sponsorship sales thus allowing the maximum benefits for such services to accrue to the benefit of the WHJPA, the City and West Haymarket Arena.

Food Service:

To be addressed in a separate contract.

*****AS WITH ALL OUR CLIENTS, WE INTEND FOR THE COMPENSATION STRUCTURE TO BE IN PARTNERSHIP WITH THE WHJPA SO IT IS BEST SUITED TO MEET OUR MUTUAL GOALS AND OBJECTIVES. WE REMAIN FLEXIBLE AND WILL WORK WITH THE WHJPA TO ARRIVE AT FINAL BUSINESS TERMS TO ACHIEVE A TRUE PARTNERSHIP.*****

*****SMG will ensure the final negotiated terms of the management agreement will comply with IRS Procedure 97-13.*****

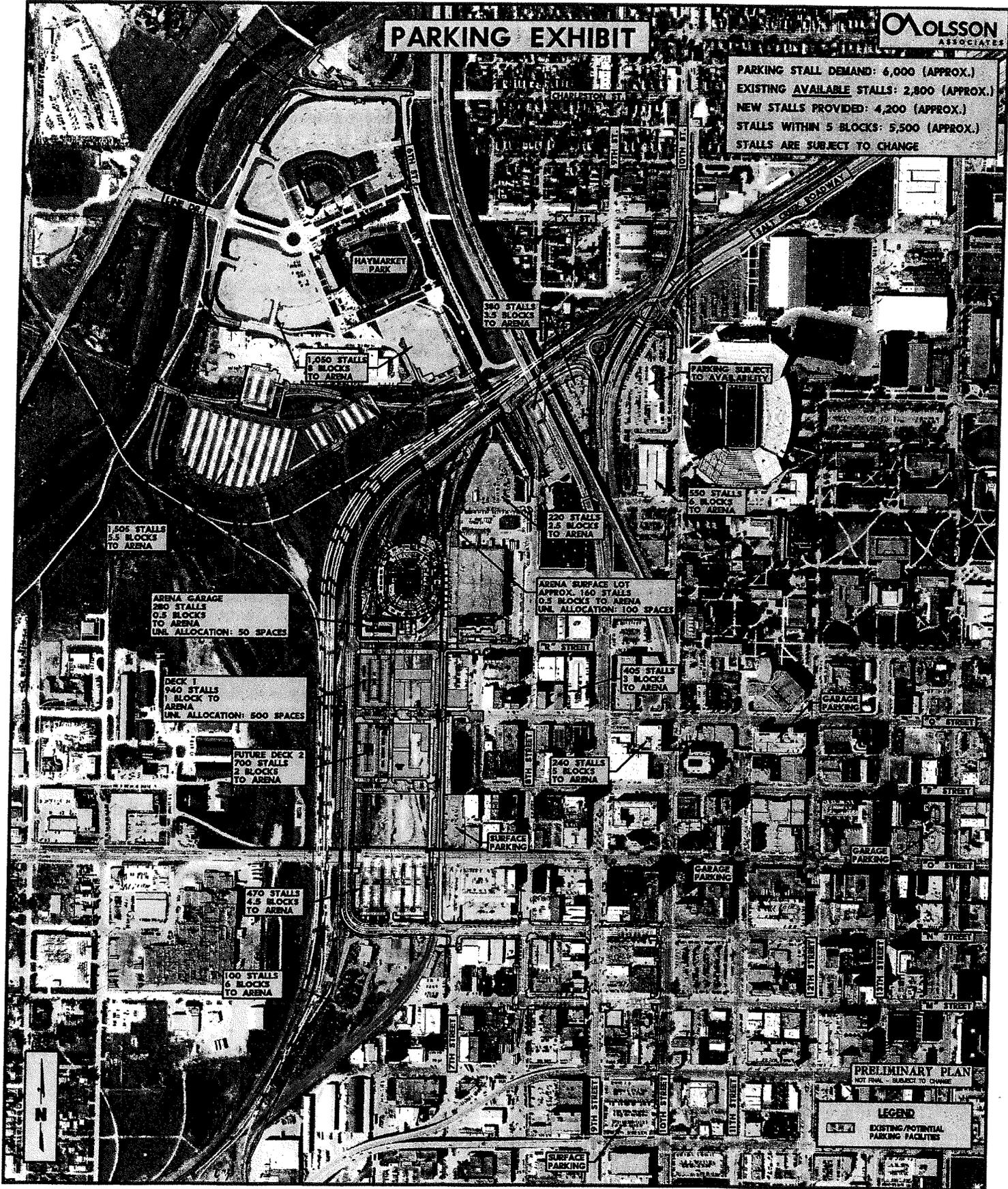
SMG
 WEST HAYMARKET ARENA, LINCOLN, NE
 ADJUSTED GROSS INCOME CALCULATION

	Arena	Ribfest	Outdoor Concert	Pinewood Bowl	Parking	Football F&B	TOTALS
Total # of Events	125		1	7			
Total Annual Attendance	797,838	41,000	14,000	7,000			
Event Income							
Rental Income/Ticket Sales	\$433,000	\$196,000	\$523,000	\$24,500			\$1,176,500
Reimbursed Exp	1,135,500	0	0	\$42,000			\$1,177,500
Event Expenses	(1,370,300)	(200,000)	(533,000)	(\$45,500)			(\$2,148,800)
Net Rental Income	\$198,200	(\$4,000)	(\$10,000)	\$21,000	\$0	\$0	\$205,200
Ancillary Income							
Food & Beverage (net)	\$1,510,335	\$169,000	\$59,000	\$13,577		\$67,725	\$1,819,637
Novelty (net)	221,210		22,000	770			243,980
Parking (net)					434,088	0	434,088
Total Ancillary	\$1,731,545	\$169,000	\$81,000	\$14,347	\$434,088	\$67,725	\$2,497,705
Other Event Related Income							
Ticket Incentives	\$483,645		\$21,000				\$504,645
Facility Fees	335,000		13,084				348,084
Luxury Suite Ticket Sales	189,000						189,000
Total Other Event Related	\$1,007,645	\$0	\$34,084	\$0	\$0	\$0	\$1,041,729
Total Event Income	\$2,937,390	\$165,000	\$105,084	\$35,347	\$434,088	\$67,725	\$3,744,634
Other Operating Income	190,000	10,000	5,000	0	0	0	205,000
Adjusted Gross Income	\$3,127,390	\$175,000	\$110,084	\$35,347	\$434,088	\$67,725	\$3,949,634
LESS: IMPACT OF FOOD & BEVERAGE							
							(\$1,819,637)
AGI FOR INCENTIVE PURPOSES							
							\$2,129,997

PARKING EXHIBIT

MOLSSON
ASSOCIATES

PARKING STALL DEMAND: 6,000 (APPROX.)
 EXISTING AVAILABLE STALLS: 2,800 (APPROX.)
 NEW STALLS PROVIDED: 4,200 (APPROX.)
 STALLS WITHIN 5 BLOCKS: 5,500 (APPROX.)
 STALLS ARE SUBJECT TO CHANGE



1,505 STALLS
5.5 BLOCKS
TO ARENA

ARENA GARAGE
280 STALLS
0.5 BLOCKS
TO ARENA
UNL. ALLOCATION: 50 SPACES

DECK 1
940 STALLS
1 BLOCK TO
ARENA
UNL. ALLOCATION: 500 SPACES

FUTURE DECK 2
700 STALLS
2 BLOCKS
TO ARENA

470 STALLS
4.5 BLOCKS
TO ARENA

100 STALLS
1 BLOCK
TO ARENA

380 STALLS
2.5 BLOCKS
TO ARENA

220 STALLS
2.5 BLOCKS
TO ARENA

ARENA SURFACE LOT
APPROX. 160 STALLS
0.5 BLOCKS TO ARENA
UNL. ALLOCATION: 100 SPACES

405 STALLS
5 BLOCKS
TO ARENA

240 STALLS
5 BLOCKS
TO ARENA

PARKING SUBJECT
TO AVAILABILITY

550 STALLS
6 BLOCKS
TO ARENA

SURFACE
PARKING

SURFACE
PARKING

SURFACE
PARKING

SURFACE
PARKING

SURFACE
PARKING

GARAGE
PARKING

GARAGE
PARKING

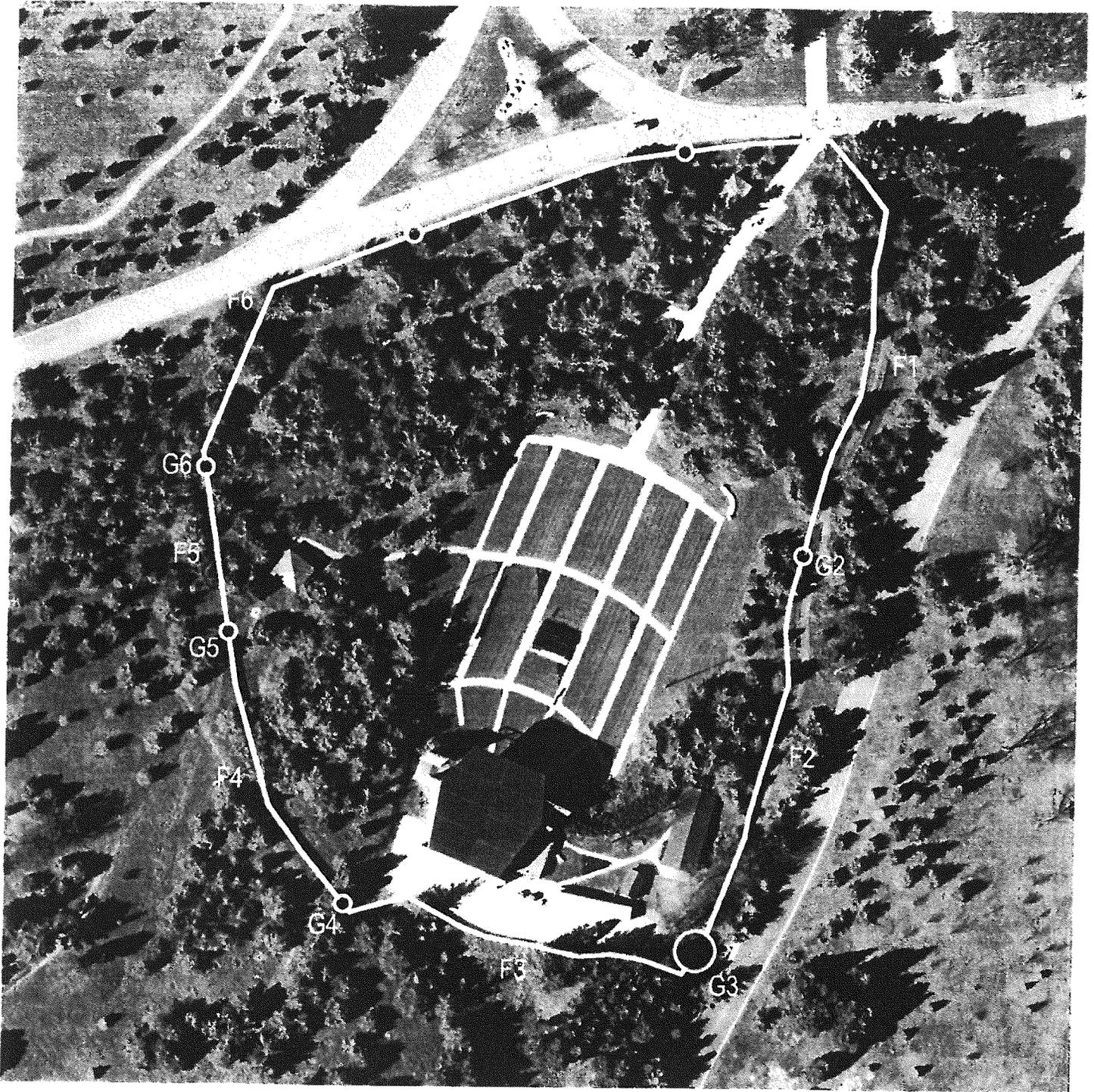
GARAGE
PARKING

GARAGE
PARKING

GARAGE
PARKING

PRELIMINARY PLAN
NOT FINAL - SUBJECT TO CHANGE

LEGEND
EXISTING/POTENTIAL
PARKING FACILITIES



GATE ID	WIDTH
G1	15'
G2	12'
G3	30'
G4	12'
G5	12'
G6	12'
G7	12'
G8	12'

FENCE ID	LENGTH
F1	330'
F2	287'
F3	266'
F4	212'
F5	111'
F6	243'
F7	199'
F8	81'

TOTAL AREA
INSIDE OF FENCE:
227,194 SF

SCALE: 1"=100' 

PINEWOOD BOWL:
PERIMETER FENCE QUANTITIES

EXHIBIT "C"

EXHIBIT "D"

LIST OF EXISTING AGREEMENT

1. The Facilities Agreement dated September 8, 2010 between the West Haymarket Joint Public Agency and the City of Lincoln , Nebraska.
2. Lease and Operating Agreement.
3. Consultant Agreement between CSL Marketing Group and the West Haymarket Joint Public Agency for professional assistance in providing marketing services for the West Haymarket Arena approved by Resolution No. WH 0043 adopted by the JPA Board of Representatives on October 19, 2010, as assigned to Legends Sales and Marketing LLC by JPA Administrative Order No. 12-11 dated February 9, 2012, filed with the City Clerk and identified as Document No. WH 00284.
4. The several Private Suite Use Agreements between the JPA and the suite holder, the form of which were approved by Resolution No. WH 00159 on June 24, 2011 as the Executive and Founders West Haymarket Arena Private Suite Use Agreements (Model Agreements).
5. Various Pinnacle Bank Arena Loge Box Use Agreements, the form of which were approved by Resolution No. WH 00302 on March 16, 2012, on file with the office of the City Clerk.
6. Construction Manager at Risk Agreement with M.A. Mortenson Company.