

**CRDA Venue Committee
Microsoft Teams Meeting**

**Tuesday, July 16, 2024
9:00 am**

Agenda

- I. Introductions
- II. Approval of Minutes from December 3, 2023 Meeting*
- III. XL Center*
 - a. Construction Budget
 - b. New OVG Facility Agreement
 - c. Bond Authorization
- IV. Next Meeting: August 2, 2024
- V. Other Business
- VI. Adjournment

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CRDA Venue Committee Meeting
DRAFT Meeting Minutes
December 1, 2023
2:00 p.m.

Members Present via Microsoft Teams: Committee Chair Andy Bessette, Andrew Diaz-Matos and Board Chair David Robinson

Staff Present via Microsoft Teams: Mike Freimuth, Anthony Lazzaro, Joe Geremia and Kim Hart

Guests Present via Microsoft Teams: Ben Weiss, OVG

The virtual meeting was called to order at 2:04 p.m. by Chairman Bessette and the minutes of the May 9th and October 13th meetings were approved.

I. XL Center

Mr. Freimuth walked the Committee through the general terms of the proposed amended XL lease with the City of Hartford. Among other provisions, the amended lease will extend CRDA control of the building for an additional 20 years, a timeline requested by OVG in discussions with CRDA. Mr. Freimuth noted that the lease extension was one of three items required to move renovation plans forward in the building, in addition to the CRDA/OVG management agreement and construction bid responses confirming the \$100 million budget.

In response to a question from Chairman Bessette, Mr. Freimuth noted that redlines of the CRDA/OVG agreement continue to be exchanged, with about 10-12 issues left to resolve. He also indicated that should the OVG deal fall through, the current lease with the City would remain in place.

After a brief discussion, the following resolution was adopted:

The Executive Director is authorized to execute a 20 year extension and amendment of the current lease with the City of Hartford for the XL Center. The extension, known as the Third Amended and Restated Lease Agreement, will be in effect only if an extension and amended management agreement with OVG 360 is also executed for the same period of time.

II. Pratt & Whitney Stadium at Rentschler Field

Ms. Hart reported that since the Venue Committee last met, CRDA has seen the final settlement for the US vs Germany soccer match held at the Stadium on October 14th. The event was a huge success, with revenue of more than double what was projected. Over 36,000 tickets were purchased and over 34,000 people attended the match. Food and beverage estimates were also exceeded, with per caps of \$19.10 compared to the budgeted \$16.50. Despite concerns over higher expenses due to extra staffing and the use of off-site lots, parking revenue also exceeded estimates.

Ms. Hart also noted that while the playing field is being buttoned up for the winter, the Stadium is currently hosting the popular drive-through holiday light show – *Magic of Lights* - throughout the parking lots. That show will run through December 31st.

It was noted that the Stadium has requested the first \$12 million tranche of funds for renovations and repairs from the State Bond Commission.

III. Connecticut Convention Center

Ms. Hart reported that the Convention Center is currently hosting *Glo* - the indoor light show and holiday market – which will run through December 23rd.

CRDA has also requested \$1.4 million from the Bond Commission for security upgrades at the Center, as well as for the replacement/repair of variable fan drive motors and other necessary building repairs.

Upcoming events include the ConnectiCon Flea Market this weekend, the RV and Camping Show next month and a bridal show in February.

Mr. Lazzaro reported that the revenue bond rules which govern the Convention Center require CRDA to re-bid management of the facility and food service operations every five years. An RFP was issued in October and while multiple food service proposals were received, Waterford Venue Management was the only entity bidding on both food service and building management. Mr. Lazzaro indicated that it was the Selection Committee's recommendation that both services be awarded to Waterford and that a formal resolution would be presented at the December Board meeting.

Several Committee members questioned whether it made sense for CRDA to directly manage the facility. Mr. Lazzaro noted that those staff would then be State employees and the cost would be prohibitive.

The next Venue Committee conference call is scheduled for **January 5, 2024**.

There being no further business, the meeting was adjourned at 2:32 p.m.

CRDA Venue Committee

9AM Tuesday July 16, 2024

Construction Budget and Resolution

6/14/2024

**XL CENTER 2024 RENOVATION
SUMMARY Revised Scope**

DRAFT

Item #	Description
D	New Event Level Club & Suites (excl. Loges) <i>Event Level Club including VIP Lobby, Multipurpose Room, Full Service Kitchen, Bunker Suites and associated corridors.</i>
I	AV Infrastructure <i>Construct Rack Room and interconnect panels for the relocation of Broadcast Truck systems.</i>
E	Concourses Level 61 and Level 71 <i>Painting, AV menu boards including associated electrical and HVAC relocations, upgraded concession stands.</i>
G	Switchgear <i>Furnish and install new switchgear including temporary power during the removal and installation of the new gear.</i>
F	Generator <i>Provide new 1000kW generator at the top of the exit ramp. Including architectural, fire protection and HVAC upgrades and removal of the existing 500kW generator.</i>
J	Rigging - Bid - Enhanced Option B <i>Structural steel improvement to enhance theatrical rigging functions.</i>
B	Arena Bowl <i>Structural work and seating associated with the stage relocation. New fixed seating, new retractable seating, creation of loge boxes -</i>
C	Event Production / Performer Team Areas <i>UConn Locker Room, Wolf Pack Locker Room, Artist Lounge, Star Dressing Room, Changing Rooms and Break Rooms.</i>
L	Vertical Transportation <i>Lee McGinley Elevator replacement and shaft extension. Exhibition elevator replacement and associated shaft work upgrade. Shipping and Receiving replacement elevator and associated shaft work upgrades. Replacement of two escalators in VIP Lobby 1301.</i>
M	Roof <i>Overlay of existing main roof with liquid membrane including access to roof, plumbing and HVAC costs flashing of existing roof top equipment, and lightning protection modifications. Perimeter roofs to be replaced per Gale Report including all associated roof flashings/copings.</i>
	ALTERNATES:
#2	#2. Deduct: Retain Level 61 Fan Club Bars
#7	#7. Add: Replace Upper Bowl ACT, Paint Grid and Replace Lighting
#9	#9. Add: CRAC unit cooling in transformer room in Quad C of Levels 31 and 48.

TOTAL CONSTRUCTION COST	\$	99,240,000
Owner Soft Costs / Design Fees	\$	21,560,000
Owners Contingency	\$	24,200,000
PROJECT TOTAL	\$	145,000,000

Alt #	POSSIBLE PHASED WORK *	
11	Show Power	<i>included</i>
12,13,14,15	Elevators	<i>included</i>
3	Artist Lounge	<i>included</i>
5	Bunker Suites	<i>included</i>
4	Full Service Kitchen	<i>included</i>
8	Enhanced Rigging	<i>included</i>
Pending	Roof	<i>included</i>
POSSIBLE PHASED WORK TOTAL		\$ (20,000,000)
Notes:		
* "Phased Work" = alternates to be funded at a later date.		
* All phased work alternates are currently INCLUDED in the \$145M.		
* All phased work alternates would have to be re-bid. Actual cost may vary depending on timing.		

Alt #	WORK NOT INCLUDED IN REVISED PROJECT
A	Improved Truck Load In/Out - New Ramp <i>Reconstruction of entry truck ramp including plaza, stair, planters, structural modifications, and loading changes.</i>
K	MEP Infrastructure <i>Existing AHU refurbishments and supplemental work required for access.</i>
Alt #6	New Bar at the east end of L61



XL Center Renovation – Revised Scope

RESOLUTION:

The revised scope for the renovation of the XL Center totaling \$145,000,000 and incorporating upgrades to the lower arena bowl, the MEP systems, back of house improvements, code and insurance underwriting requirements is hereby approved. The executive director is authorized to enter into a specific letter of agreement with OVG to finalized the construction program and budget.

CRDA Venue Committee

9AM Tuesday July 16, 2024

New OVG Facility Management Agreement Summary With Resolution

Facility Management Agreement Summary

Global Spectrum, L.P. d/b/a OVG360 and the Capital Region Development Authority

This memorandum summarizes the material terms of the proposed Facility Management Agreement (the “Agreement”), by and between Global Spectrum, L.P., d/b/a OVG360 (the “Manager”) and the Capital Region Development Authority (“CRDA”) relating to the management of the Hartford Civic Center.

1. **Background and The Facility.** The Hartford Civic Center (the “Civic Center” or the XL Center”), is a multi-purpose arena and event center located in Downtown Hartford owned by the City of Hartford (the “City”) and operated by CRDA. Under an existing Facilities Management Agreement currently set to terminate on June 30, 2025 (the “Existing Agreement”), Manager is contracted to oversee the Civic Center’s operations including catering, event bookings, and sales. For the purposes of this Agreement, the Civic Center consists of an approximately 16,000 seat arena (the “Arena”) including skyboxes and premium suites, exhibition and event space, Parking Level P3 of the Civic Center Parking Garage as well as the adjoining parking garage owned by CRDA that is located on Church Street, as well as other associated access, mechanical, support areas.

2. **The Project.** The building, which originally opened in 1975 is in need of major renovations to stay competitive with other sports and entertainment venues in the surrounding entertainment market. Accordingly, a project to renovate and reconstruct the Civic Center is underway, including but not limited to the development of new premium seating opportunities, added capacity in the front of stage area, improvements to the concourse and artist facilities, a renovation of the UConn locker rooms and upgrades to the load-in and backstage areas.

Under this Agreement, Manager has the right to review and approve initial design plans and any changes to such design plans. Manager shall have the right to comment and provide meaningful input on any construction change orders, and the right to review and approve equipment selections and any construction change orders over \$1,000,000, including without limitation those related to Premium Seating, food and beverage, and back of house areas.

3. **New Agreement and Term.** The State of Connecticut enacted Public Act No. 23-204, as amended by Public Act 24-81 (collectively, the “Act”) authorizing CRDA to enter into a new management agreement with the contractor then managing and operating the Civic Center as of July 1, 2023, provided that the contractor invest in the Project and bear any losses and share in any profits from the operation of the Civic Center as provided in the Act, and provided such agreement and amendments thereto are approved by the Secretary of the State Office of Policy and Management. Manager was the contractor that was managing the Civic Center as of July 1, 2023 under the Existing Agreement.

The term of this Agreement (the “Term”) shall begin on its Effective Date solely for the purposes of the Project financing provisions in Article II. All remaining terms and provisions shall become effective on the Operational Start Date (the date on which the Certificate of Occupancy is issued following completion of the Project). During the Construction Term, the Existing

Agreement shall be in full force and effect and continue to apply according to its terms, without modification by this Agreement. Upon the Operational Start Date, the Existing Agreement shall be terminated and superseded by this Agreement. This Agreement, unless sooner terminated shall expire on the twentieth (20th) anniversary of the Operational Start Date or September 1, 2045, whichever is earlier.

However, if the Operational Start Date is delayed such that the length of the Term is shorter than twenty (20) years, upon the written request of Manager, CRDA will operate in good faith with Manager to request an extension of the term of the City Lease for a period of time equal to the period of the delay of the Operational Start Date. If said extension of the City Lease is approved, the Term of this Agreement shall be extended an equivalent period of time as the City Lease extension.

4. **Investment Structure.** The Act further mandates that any such agreement shall provide that CRDA, the State, or any combination thereof, shall contribute not more than one hundred twenty-five million dollars and the contractor shall contribute not less than twenty million dollars towards the costs of the renovation of the Civic Center.

Under Article II of this Agreement, Manager's Investment totaling \$20 million shall be payable in its entirety into an interest-bearing escrow account at the commencement of the Construction Term. Pursuant to an Escrow Agreement, Manager's Investment shall be drawn down from the escrow account such that \$5 million is to be drawn following an aggregate \$20 million contribution by CRDA to the Project, with the CRDA contribution inclusive of the \$7 million in funds spent on the design of the Project prior to the Effective Date. Thereafter, an additional \$5 million of Manager's Investment will be drawn after aggregate contributions by CRDA of \$40 million, \$60 million, and \$80 million, respectively. Then, the final up to \$45 million in funding contributed by CRDA will be the last money in.

Among the conditions for Manager's Investment are that the State Bond Commission shall approve the State's Investment in the Project and that UConn shall commit to new lease terms, subject to the approval of CRDA and Manager.

The Manager's Investment shall amortize on a straight-line monthly basis over a twenty (20) year period. Should the Agreement be terminated for any reason other than a bankruptcy default by Manager under Section 11.02(b) or a gross mismanagement default by Manager under Section 11.02(c) prior to the full amortization of Manager's Investment, Manager shall be paid, subject to Legally Available Funds, the unamortized portion of the Manager's Investment less any damages suffered by CRDA as a result of the uncured default (the "Investment Refund Payment"). A lien on the Capital Reserve Fund in favor of Manger shall serve as security for the Investment Refund Payment.

5. **Profit Sharing.** As authorized by the Act, this Agreement provides that Manager shall retain the first \$4 million of any Net Profit each Contract Year and that for any Net Profit in excess of \$4 million, the Profit Share shall be split 50% to Manager and 50% to CRDA. Notably, there shall be no carry-over of Operating Net Loss at the end of any Contract Year.

Manager shall assume the bottom-line operating risk for the Civic Center, meaning that if the Civic Center Operating Expenses exceed the Operating Gross Revenues in any Contract Year, the difference shall be borne by Manager rather than CRDA.

Regarding the Church Street Garage, CRDA shall provide to Manager up to fifty-six (56) parking spaces in the Church Street Garage for use during Events, with it being understood that Manager is not the operator of the Church Street Garage and that the revenues and expenses from the Church Street Garage operations shall not be included in the determination of Net Profit except for (i) the expense of Manager paying CRDA for such reserved parking spaces and (ii) the revenues Manager receives from reselling those parking spaces. CRDA shall bill Manager at a cost equivalent to the posted parking rates for members of the public during such Events.

6. Operations. Under the Existing Agreement, Manager is already managing the Civic Center. Most of the operations terms and provisions have been carried over into this new Agreement such that Manager shall be engaged to staff, administer, manage, maintain and operate the Civic Center during the Term. This includes but is not limited to concessions, ticketing, security and other event-related services as well as maintenance and repairs.

Notably, Manager is permitted to engage its food/beverage and its marketing affiliates to provide certain services during the Term; however, such services, if not offered at a discount, shall be provided on an arms' length basis and shall be reflective of market rates. The Agreement permits Manager to extend the existing C&C Agreement and Marketing Agreement for the length of the Term; however, the Agreement requires Manager re-bid ticketing services at the expiration of the current term of the Ticketing Agreement, with approval of any new ticketing agreement at CRDA's absolute discretion. Manager shall also have an obligation to use reasonably reasonable best efforts to maintain an AHL or AHL-equivalent professional hockey team at the Civic Center.

The terms and provisions currently governing the arrangement for management services of the Sports Bar are within the Fourth Amendment to the Existing Agreement. Under this Agreement, the Parties agree to revisit and discuss in good faith such terms and provisions prior to the Operational Start Date, including any potential legislative corrections.

In respect to Capital Investment during the Term, Manager shall contribute Five Hundred Thousand Dollars (\$500,000) to CRDA each Contract Year into the Capital Reserve Fund maintained by CRDA to be applied to fund Capital Expenditures at the Civic Center. These contributions are to be considered an annual Operating Expense. In respect to Capital Expenditures, excluding the State's Investment and Manager's Investment, Manager shall be solely responsible for funding all Capital Expenditures, which shall be funded first from the Capital Reserve Fund, and second, if the balance of the Capital Reserve Fund is insufficient, shall be an Operating Expense; provided, however, Manager shall be under no obligation to make any Capital Expenditures if the balance of the Capital Reserve Fund is insufficient to cover the cost thereof. Any Capital Expenditure or Emergency Expenditure treated as Operating Expenses shall reduce Manager's obligation to fund Capital Contributions in the next Contract Year up to the amount of Capital Expenditure or Emergency Expenditure treated as an Operating Expense in the prior Contract Year.

7. **Termination Rights and Obligations.** The Agreement can be terminated:

- a) **Default.** By either party upon thirty (30) days' prior written notice, if the other party fails to perform or comply with any of the material terms, covenants, agreements or conditions hereof, including Manager's obligation to provide Management Services, and such failure is not cured during such thirty (30) day notification period, provided, however, if such failure is not in the nature of Manager's obligation to pay Profit Share or Capital Contributions otherwise due hereunder, and cannot reasonably be cured within such thirty (30) day period, then a longer period of time shall be afforded to cure such breach, up to a total of one hundred twenty (120) days, provided that the party in default is diligently seeking a cure and the non-defaulting party is not irreparably harmed by the extension of the cure period;
- b) **Bankruptcy.** By either party immediately by written notice upon the other party being judged bankrupt or insolvent, or if any receiver or trustee of all or any part of the business property of the other party shall be appointed and shall not be discharged within one hundred twenty (120) days after appointment, or if either party shall make an assignment of its property for the benefit of creditors or shall file a voluntary petition in bankruptcy or insolvency, or shall apply for bankruptcy under the bankruptcy or insolvency Laws now in force or hereinafter enacted, Federal, State or otherwise, or if such petition shall be filed against either party and shall not be dismissed within one hundred twenty (120) days after such filing; or
- c) **Gross Mismanagement.** By CRDA upon thirty (30) days' prior written notice, if Manager has grossly mismanaged the Civic Center by a systemic lack of performance of its Management Services, and such failure is not cured during such thirty (30) day notification period, provided, however, if such failure cannot reasonably be cured within such thirty (30) day period, then a longer period of time shall be afforded to cure such breach, up to a total of one hundred eighty (180) days, provided that Manager is diligently seeking a cure and CRDA is not irreparably harmed by the extension of the cure period.

Additionally, there are a number of special termination events including (a) the termination of the City Lease and (b) the closure of the Civic Center for a period in excess of two (2) years.

Upon termination, in addition to the buyout provisions concerning any Investment Refund Payment (see Section 4 above), Manager must surrender and vacate the Civic Center upon the effective date of termination and return the Civic Center and all Equipment in Satisfactory Condition. Manager must also make available to CRDA all records and data relating to Facility Operations and cooperate in any transition to a successor management company in an effort to minimize disruptions in operations.

(6)

CRDA Board Resolution

WHEREAS, by virtue of a lease with the City of Hartford the Capital Region Development Authority (“CRDA”) holds a leasehold interest in the land on which the Hartford Civic Center (the “Civic Center”) is located and is the owner of the Civic Center;

WHEREAS, the State of Connecticut enacted Public Act No. 23-204, effective July 1, 2023, as amended by Public Act 24-81, effective July 1, 2024 (collectively, the “Act”), authorizing CRDA to enter into a new management agreement with the contractor then managing and operating the Civic Center as of July 1, 2023, provided that the contractor invest in the renovation of the Civic Center and bear any losses and share in any profits from the operation of the Civic Center as provided in the Act, and provided such agreement and amendments thereto are approved by the Secretary of the State Office of Policy and Management;

WHEREAS, regarding the cost of the renovation and investment therein, the Act further mandates that any such agreement shall provide that CRDA, the State, or any combination thereof, shall contribute not more than one hundred twenty-five million dollars and the contractor shall contribute not less than twenty million dollars towards the costs of the renovation of the Civic Center;

WHEREAS, Global Spectrum, L.P., a Delaware limited partnership, d/b/a OVG360, or its affiliate (“Manager”) was the contractor that was managing and operating the Civic Center on July 1, 2023;

WHEREAS, pursuant to the Act, CRDA desires to reengage Manager as manager the Civic Center under a new Facility Management Agreement, by and between Manager and CRDA, relating to the management of the Hartford Civic Center (the “Agreement), and Manager desires to accept such continued engagement, all on the terms and conditions set forth substantially in the form attached hereto in Exhibit.

NOW THEREFORE, BE IT AND IT IS HEREBY RESOLVED, by this Board, that the Agreement, in substantially the form attached hereto in Exhibit, is hereby approved with such non-substantive changes as the Executive Director may deem necessary to finalize the Agreement;

RESOLVED FURTHER, that this Board approves (a) the execution and delivery, on behalf of CRDA, of the Agreement, by the Executive Director of CRDA, and (b) the performance by CRDA of its obligations under the Agreement;

RESOLVED FURTHER, that the Executive Director is hereby authorized, empowered and directed to do all such acts and things and to execute, acknowledge, delivery and file all such documents, agreements, certificates, instruments and undertakings as may in his respective discretion be deemed necessary or appropriate to carry out and comply with, implement, or facilitate the terms, provisions, intent and purposes of these Resolutions and the Agreement, and to consummate the transactions, events, happenings and actions and to discharge the duties and undertakings on the part of CRDA contemplated hereby or thereby;

RESOLVED FURTHER, that this Board authorizes, approves, consents to and ratifies any action heretofore taken, or required to be taken hereafter, by the proper officers, agents and employees of CRDA, which is in furtherance of and consistent with the provisions of these Resolutions.

CRDA Venue Committee

9AM Tuesday July 16, 2024

XL Center Bond Authorization/Allocation

XL Center Bond Authorization and Allocation

To fully contract the renovations at the XL Center, CRDA will have to request that the State Bond Commission allocate funds from five specific authorizations within the State budget.

XL specific authorizations are:

- PA 20-1, June special session, Sec. 2(g) in the amount of \$20,500,000
- PA 20-1, June special session, Sec. 21(e) in the amount of \$37,500,000
- PA 23-205, Sec. 2(i)(3) in the amount of \$15,000,000

General authorization:

- PA 22-118, Sec. 314(h) in the amount of \$38,500,000
- PA 23-205, Sec. 13(i)(1) in the amount of \$6,500,000

This would total \$118M (\$7M was previously allocated for design and bid work). Twenty (\$20) million will be added per the new facility management agreement from OVG for a total budget of \$145M.

RESOLUTION:

The executive director is authorized to seek state bond commission allocation of the remaining \$118M authorized to CRDA for the renovation of the XL Center (\$73M) and from the general bond authorizations to CRDA for general development totaling (\$45M).

FACILITY MANAGEMENT AGREEMENT

Dated as of

_____, 2024

by and between

**GLOBAL SPECTRUM, L.P.,
d/b/a OVG360**

and the

CAPITAL REGION DEVELOPMENT AUTHORITY

**Relating to the Management of
the Hartford Civic Center**

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THIS FACILITY MANAGEMENT AGREEMENT is made and entered into as of the ____ day of ____, 2024, by and between the CAPITAL REGION DEVELOPMENT AUTHORITY, a body corporate and public constituting a public instrumentality and political subdivision of the State of Connecticut (“CRDA”), and GLOBAL SPECTRUM, L.P., a Delaware limited partnership, d/b/a OVG360, or its affiliate (“Manager”). Capitalized words and terms used herein, including in the recitals which follow, have the respective meanings assigned to such words and terms in Article I of this Agreement.

RECITALS

WHEREAS, by virtue of a Third Amended and Restated Lease Agreement dated as of [_____, 2023] (the “City Lease”) between the City of Hartford (the “City”), as landlord, and CRDA, as tenant, CRDA holds a leasehold interest in the land on which the Civic Center is located and is the owner of the Civic Center;

WHEREAS, the interest of CRDA in the Civic Center and the operation thereof is subject to the Declaration;

WHEREAS, in 2013 CRDA selected Manager from among the respondents to its Request for Proposals for management services at the Civic Center, pursuant to a Facilities Management Agreement, dated as of April 26, 2013 (the “Original Agreement”), as amended by a First Amendment to Facilities Management Agreement, dated as of December 11, 2014 (the “First Amendment”), a Second Amendment to Facilities Management Agreement, dated February 24, 2021 (the “Second Amendment”), a Third Amendment to Facilities Management Agreement, dated August 30, 2023 (“Third Amendment”) and a Fourth Amendment to Facilities Management Agreement, dated as of March 8, 2024 (the “Fourth Amendment” and together with the Original Agreement, the First Amendment, the Second Amendment and the Third Amendment, the “Existing Agreement”);

WHEREAS, the Second Amendment extended the term of the Existing Agreement by two (2) additional years, terminating on June 30, 2025;

WHEREAS, Manager and Hartford Wolfpack, LLC, as assignee of MSG, are parties to that certain Affiliation Agreement, effective July 1, 2013 as amended by an Amendment dated March 6, 2018, a Second Amendment dated December 30, 2020 and a Third Amendment dated May 5, 2023 (as amended, the “Affiliation Agreement”) under which Manager operates the non-hockey operations of the American Hockey League franchise owned by MSG, currently known as the Hartford Wolf Pack (the “Club”);

WHEREAS, pursuant to a certain Retail Sports Wagering Cooperative Agreement, dated August 15, 2023 (the “Cooperative Agreement”) between the Connecticut Lottery Corporation (“CLC”) and CRDA, the XL Center Sports Bar and Sportsbook opened within the Civic Center, and consist of a food and beverage sports bar

operation (the “Sports Bar”), which pursuant to the Fourth Amendment Manager began operating on September 9, 2023, and a retail sports wagering operation (the “Sportsbook”);

WHEREAS, the State of Connecticut enacted Public Act No. 23-204, effective July 1, 2023, as amended by Public Act 24-81, effective July 1, 2024 (collectively, the “Act”), authorizing CRDA to enter into a new management agreement with the contractor then managing and operating the Civic Center as of July 1, 2023, provided that the contractor invest in the Project and bear any losses and share in any profits from the operation of the Civic Center as provided in the Act, and provided such agreement and amendments thereto are approved by the Secretary of the State Office of Policy and Management;

WHEREAS, regarding the cost of the Project and investment therein, the Act further mandates that any such agreement shall provide that CRDA, the State, or any combination thereof, shall contribute not more than one hundred twenty-five million dollars and the contractor shall contribute not less than twenty million dollars towards the costs of the renovation of the Civic Center;

WHEREAS, Manager was the contractor that was managing and operating the Civic Center on July 1, 2023 under the Existing Agreement;

WHEREAS, pursuant to the Act, CRDA desires to reengage Manager, effective [_____], 2024, as manager the Civic Center, and Manager desires to accept such continued engagement, all on the terms and conditions set forth herein;

WHEREAS, the Secretary of the State Office of Policy and Management has approved the Agreement.

WHEREAS, while the Project financing and Project management provisions of this Agreement will commence upon the Effective Date, the anticipated completion date of the Project is [September 1, 2025] and the Existing Agreement will remain in effect until the completion of the Project as defined herein as the Operational Start Date, at which time the Existing Agreement will terminate and be superseded by this Agreement;

NOW, THEREFORE, in consideration of the foregoing and the mutual representations, warranties, agreements and covenants set forth herein, the parties hereto agree as follows:

AGREEMENT

ARTICLE I

DEFINITIONS AND INTERPRETATION

Section 1.01. Definitions.

For purposes of this Agreement, the following words and terms shall have the meanings set forth below:

“ADA” means the Americans with Disabilities Act, 42 U.S.C. Sections 12101 *et seq.*

“Administered Agreements” is defined in Section 5.15.

“Advertising Revenues” means all advertising revenue derived during the course of operating or promoting the Civic Center, including, but not limited to, revenues from the sale of advertising messages, signage inside and/or outside the Civic Center, advertising in programs and on tickets and other material, title sponsorships or other advertising or promotional opportunities at the Civic Center, including Event Sponsorship Revenues and Naming Rights Revenues. Advertising Revenues excludes revenue from the Sportsbook, Sportsbook Operator, UConn-Controlled Advertising and Event-specific advertising and promotional revenue retained by a Licensee pursuant to the applicable License Agreement.

“Affiliate” means, with respect to any Person, any Person that, directly or indirectly, controls, is controlled by, or is under common control with, such Person. The term “control” (including the terms “controlled by” and “under common control with”) means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract, or otherwise.

“Affiliation Agreement” is defined in the Recitals. A copy of the Affiliation Agreement is attached to this Agreement as Exhibit G.

“Agreement” means this Facility Management Agreement, all recitals, exhibits, schedules and appendices hereto, and any and all supplements and amendments hereto or thereto.

“Applicable Laws” means all laws, statutes, ordinances, rules, regulations, orders or determinations of Governmental Authorities, including the Implementing Legislation, the State Contracting Requirements, the ADA, the FLSA, ERISA, OSHA, the Department of Emergency Management and Homeland Security and the Department of Public Safety, Environmental Laws, the State Fire Safety Code, orders, rules and regulations of the Department of Public Health and applicable local ordinances relating to

noise levels, food and beverage preparation, storage and service, cleanliness, food and beverage quality, and other matters of public health, and applicable Executive Orders of the Governor, applicable to the equipping, maintenance, occupancy, possession, control, management, use or operation of the Civic Center, the hiring and employment practices of Manager and the terms and conditions of employment of employees working at the Civic Center, purchasing activities for the Civic Center, or the authorization, execution, delivery and performance by Manager of its obligations under this Agreement.

“Approved Accounting System” is defined in Section 4.03.

“Arena” means the main sports and events arena with a current maximum seating capacity of approximately 16,500 within the Hartford Civic Center [commonly known at present as the Veterans Memorial Coliseum].

“Auditors of Public Accounts” means the Auditors of Public Accounts of the State of Connecticut.

“Base Level Utility Expenses” means all utility expenses incurred at the Civic Center except those directly attributable to an Event.

“Broadcast Revenues” means all television, radio, closed circuit, internet or other Event broadcast revenues, including fees for broadcast or transmission rights at the Civic Center, excluding broadcast revenues retained by UConn under the UConn Arena Lease or a Licensee pursuant to the applicable License Agreement.

“Business Day” means each day on which State administrative offices in the State of Connecticut are open for business.

“Capital Expenditure” means any expenditure exceeding Five Thousand Dollars (\$5,000) for building additions, alterations or improvements, and for purchases of additional or replacement Equipment, the depreciable life of which, according to accepted accounting principles, is in excess of five (5) years, and expenditures for maintenance or repairs which extend the useful life of the assets being maintained or repaired for a period in excess of five (5) years.

“Capital Expenditure Plan” is defined in Section 7.03.

“Capital Reserve Fund” means the Capital Reserve Fund as defined in the City Lease.

“C&C Agreement” means the Food and Beverage Agreement between Manager and Ovations Food Services or any subsequent contract for catering and concessions services at the Civic Center entered into by Manager with the approval of CRDA. A copy of the C&C Agreement is attached as Exhibit D.

“Capital Contribution(s)” is defined in Section 7.03(a).

“Church Street Garage” meaning the parking garage adjoining the Civic Center owned by CRDA that is located on Church Street in the City of Hartford.

“City” is defined in the Recitals.

“City Lease” is defined in the Recitals. A copy of the City Lease is attached as Exhibit A.

“City Rent” shall mean the rent paid by CRDA to the City pursuant to the City Lease.

“Civic Center” or “XL Center” means the Demised Premises and the Personalty, as such terms are defined in the City Lease, including the Arena, the Assembly/Exhibition Hall, Skyboxes, Coliseum Club, Directors’ Suite and associated access and support areas, concourses, walkways, elevators, escalators and stairways, concession areas, food preparation and service areas, box office, meeting rooms, mechanical rooms and other back-of-house space, and includes Parking Level P3 of the Civic Center Parking Garage and associated ramps, entrances, exits, stairways and other appurtenances thereto, all heating, cooling, ventilation, plumbing, electrical, security, telecommunications, safety, drainage and other mechanical and electrical systems, all Equipment located at the Civic Center, and all additions and improvements to any of the foregoing. The responsibilities of Manager with respect to the Civic Center under this Agreement extend to the Common Areas to the extent required by the Declaration and to the surrounding sidewalks to the extent required under the City Lease and the Declaration.

“CLC” is defined in the Recitals.

“Club” is defined in the Recitals and has the same meaning given to that term in the Affiliation Agreement.

“Code” means the Internal Revenue Code of 1986, as amended, and the rules and regulations promulgated thereunder.

“Commercial Rights” means naming rights, pouring rights, advertising, sponsorships, the branding of food and beverage products for resale, premium seating (including suites, club seats and party suites) and memorial gifts at or with respect to the Civic Center and owned or controlled by CRDA, but excluding any commercial rights owned or controlled by CLC, the Sportsbook or Sportsbook Operator.

“Common Areas” has the meaning assigned to that term in the Declaration.

“Community Events” means community, charitable and other public service Events that are unable to pay standard rental rates or facility charges or otherwise generate a profit but which are nevertheless desirable in light of the public purposes of the Civic Center.

“Comparable Facilities” means as to the Civic Center other facilities of comparable type, size, age and condition hosting major college athletic events and other sports and entertainment events of national and regional interest.

“Concession Expenses” means all costs, base fees, incentive fees and other expenses of catering and concessions services at the Civic Center which are incurred for the account of CRDA or of the Manager as Operating Expenses and not borne by Concessionaire individually pursuant to the C&C Agreement, or by UConn pursuant to the UConn Arena Lease.

“Concession Revenues” means all revenues attributable to catering and concessions services at the Civic Center, including the sale of food, beverages and merchandise, but excluding any revenues from the sale of novelties or other merchandise retained by UConn pursuant to the UConn Arena Lease.

“Concessionaire” means Ovation Food Services, L.P. dba OVG Hospitality or its successor providing catering and concessions services at the Civic Center.

“Construction Term” means the period starting on execution of this Agreement and ending on the Operational Start Date.

“Contract Compliance Officer” is defined in Section 13.06.

“Contract Year” means each period of twelve (12) calendar months starting July 1 and ending June 30, during the Term.

“Cooperative Agreement” is defined in the Recitals.

“Corporate Services” is defined in Section 3.07.

“CRDA” is defined in the first paragraph of this Agreement.

“CRDA’s Designated Representatives” is defined in Section 10.02.

“CRDA’s Objectives” is defined in Section 3.01(b).

“Currently Managed Facility” is defined in Section 19.04(a).

“Declaration” means the Declaration of Cross-Easements and Construction, Operating and Maintenance Agreement dated as of June 30, 2004 by and among Northland Two Pillars, LLC, the Connecticut Development Authority and the City of Hartford, the related Amended and Restated Common Area Operating Agreement dated as of November 15, 1985 referenced therein, and the Proposed Common Area Operating Agreement Term Sheet. A copy of the Declaration is attached as Exhibit B.

“DEEP” means the Department of Energy and Environmental Protection of the State of Connecticut.

“Depository” means the commercial bank selected by CRDA, with the approval of the Treasurer and the Comptroller if required, at which bank accounts shall be established for the funds required to be maintained under this Agreement.

“Disbursement Request” is defined in Section 2.01(e)(i).

“Effective Date” means [____], 2024.

“Emergency Expenditure” is defined in Section 5.11.

“Environmental Laws” means any and all laws, statutes, ordinances, rules, regulations, orders, or determinations of any Governmental Authority pertaining to the environment, including the federal Clean Water Act, the federal Clean Air Act, the federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986, the federal Water Pollution Control Amendments, the federal Resource Conservation and Recovery Act of 1976, the federal Hazardous Materials Transportation Act of 1975, the federal Safe Drinking Water Act, the federal Toxic Substances Control Act, and any comparable or similar environmental laws of the State applicable to the equipping, maintenance, occupancy, possession, control, management, use or operation of the Civic Center.

“Escrow Agent” means the Escrow Agent as defined in the Escrow Agreement.

“Escrow Agreement” is defined in Section 2.01(d). A copy of the Form of Escrow Agreement is attached as Exhibit I.

“Equipment” means all furniture, fixtures and equipment located at or used in the operation of the Civic Center, including, but not limited to, vehicles and transportation equipment, forklifts, material handling and storage equipment, staging, risers, lighting equipment, sound equipment, screens, radio and communications equipment, janitorial equipment, pumping equipment, refrigeration, air conditioning and heating system equipment, small tools, electrical and fire and security system equipment, tables/chairs, office furniture, fixtures and office machines, computer equipment, telephone equipment, pianos and organs, and sports equipment. Equipment excludes equipment of any concessionaire as to which such concessionaire has primary responsibility, Team Equipment and personal property of a Licensee temporarily at the Civic Center in connection with an Event.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended.

“Event(s)” means each exhibition, event, contest, game, sports activity, concert, presentation, meeting, assemblage, ceremony, convention or other function at the Civic Center. For purposes of this Agreement, “Events” excludes governmental use contemplated by Section 10.05.

“Event Account” is defined in Section 9.02(a).

“Event Expenses” means incremental Operating Expenses directly attributable to an Event. “Event Expenses” excludes GOA Expenses.

“Event Gross Revenues” means, with respect to an Event or Events, amounts received for the account of CRDA and deposited in the Operating Account derived from Rental Revenues, Ticket Surcharge Revenues, Concession Revenues and Broadcast Revenues directly attributable to such Event. Revenues in any such category not directly attributable to an Event shall not be considered “Event Gross Revenues”. “Event Gross Revenues” excludes all revenues retained by or paid over directly to any Licensee pursuant to the terms of the applicable License Agreement, any Non-Event Revenues, and any other revenues not expressly included within the definition of Rental Revenues, Ticket Surcharge Revenues, Concession Revenues or Broadcast Revenues.

“Event Sponsorship Revenues” means Event-specific advertising and promotional revenues, including revenues from temporary signage, scoreboard and electronic advertising, print advertising on programs and other similar Event-specific materials and title sponsorship revenues, excluding such revenues as may be retained by a Licensee pursuant to the applicable License Agreement.

“Existing Agreement” is defined in the Recitals.

“Existing Contracts” means the Service Contracts, Revenue Generating Contracts, and other agreements relating to the day-to-day operation of the Civic Center existing and in effect as of the Effective Date and continuing in effect on and after [____], 2024, as set forth on Exhibit H attached hereto.

“Facility Operations” means all functions, activities and operations at the Civic Center, including Events and catering and concessions operations, as contemplated by this Agreement, including those functions, activities and operations carried out or supervised by Manager in connection with the provision of Management Services.

“First Amendment” is defined in the Recitals.

“FLSA” means the Fair Labor Standards Act, 29 U.S.C. Sections 201 *et seq.*

“FOIA” is defined in Section 19.06.

“Fourth Amendment” is defined in the Recitals.

“GAAP” means generally accepted accounting principles consistently applied.

“General Manager” is defined in Section 13.02.

“General Statutes” means the General Statutes of the State of Connecticut, 1958 Revision, as amended.

“GOA Expenses” means all general overhead and administration expenses incurred for the account of CRDA in maintaining the availability of the Civic Center for Events (and not directly attributable to particular Events), including expenses of marketing and promoting the Civic Center (as distinct from Events), costs of permanent and part-time staff regularly engaged in on-site activities on non-Event days, Base Level Utility Expenses, non-Event security costs, general repairs and maintenance, required insurance, and other out-of-pocket costs and expenses incurred by Manager on behalf of CRDA on account of the management, operation and promotion of the Civic Center in accordance with this Agreement and not directly attributable to an Event.

“Governmental Authorities” means all federal, State or local governmental bodies, instrumentalities or agencies, including all political subdivisions of the State (including municipalities, taxing, fire and water districts and other governmental units) having jurisdiction over the Civic Center and the use and operation thereof; provided, however, that nothing in this Agreement shall be deemed to constitute the consent of the State of Connecticut to the jurisdiction of any municipality or other local governmental authority not expressly conferred by Applicable Law.

“Governmental Permits” means all permits, authorizations, registrations, consents, approvals, waivers, exceptions, variances, orders, judgments, decrees, licenses, exemptions, publications, filings, notices to and declarations of or with, or required by, Governmental Authorities pursuant to Applicable Laws, including those relating to public health, safety and security.

“Gross Revenues” means all Broadcast Revenues, Rental Revenues, Advertising Revenues, Ticket Surcharge Revenues, Investment Income, Non-Event Revenues, Concession Revenues, Premium Seating Revenues and Miscellaneous Revenues. “Gross Revenues” excludes revenues retained by or paid over directly to UConn pursuant to the Arena Lease or to any Licensee pursuant to the terms of the applicable License Agreement.

“Improvements” shall mean all improvements, additions and alterations constructed on or provided or added to the Civic Center from time to time, and all rights, interests, privileges and appurtenances thereto.

“Implementing Legislation” means Chapter 588x of the General Statutes as amended, as supplemented by the Act as defined in the Recitals.

“Indemnitee” is defined in Section 14.03(a).

“Indemnitor” is defined in Section 14.03(a).

“Industry Standard” means equal to or higher than the standard or quality of product, performance or practices at Comparable Facilities.

“Investment Income” means all interest and other earnings, net of investment costs, on amounts on deposit in the Operating Account, the Event Account (net of interest paid out to a Licensee pursuant to the applicable License Agreement) and any

other account maintained by Manager pursuant to this Agreement, but excludes interest and earnings with respect to any funds held by CRDA or UConn.

“Investment Refund Payment” is defined in Section 2.03.

“Legally Available Funds” means (i) Gross Revenues, (ii) funds and revenues of CRDA, which funds and revenues are legally available to meet the general obligations of CRDA and not required by law to be held and applied for another purpose or pledged, assigned or held exclusively for the payment of bondholders or other obligations of CRDA under a written indenture or contract with or for the benefit of any such bondholders or other obligees; and (iii) amounts appropriated and made available by the State for purposes of Facility Operations, Capital Expenditures, or the Investment Refund Payment.

“License Agreement” means each agreement with a Licensee for the holding of Events.

“Licensee” means any licensee, lessee or promoter of an Event, including UConn.

“Lien” means any mortgage, pledge, security interest, encumbrance, lien or charge of any kind (including any agreement to give any of the foregoing), any conditional sale or other title retention agreement, and any lease in the nature thereof.

“Losses” is defined in Section 14.03(c).

“Management-Level Employees” means the General Manager, Assistant General Manager, Business Manager (or employees with different titles performing similar functions), and any department head employed by Manager to perform services at the Civic Center (including employees performing the functions of the Director of Operations, Director of Sales and Marketing, Director of Security, Finance Director and Event Manager).

“Management Services” is defined in Section 5.01.

“Manager” is defined in the first paragraph of this Agreement.

“Manager’s Investment” is defined in Section 2.01(a).

“Marketing Agreement” means the Marketing Agreement between Manager and Front Row Marketing Services or any subsequent contract for marketing services at the Civic Center entered into by Manager with the approval of CRDA. A copy of the Marketing Agreement is attached as Exhibit E.

“Marketing Company” means Front Row Marketing Services, or its successor as provider of marketing and sponsorship services for the Civic Center.

“Miscellaneous Revenues” means all revenues derived during the course of Facility Operations, and not includable in the categories of Broadcast Revenues, Rental Revenues, Advertising Revenues, Concession Revenues, Ticket Surcharge Revenues, Investment Income, Non-Event Revenues or Premium Seating Revenues and not expressly excluded from the definition of Gross Revenues or from the definition of any such category of Gross Revenues.

“MSG” means MSG Holdings, L.P., the owner of the Club.

“Naming Rights Revenues” means revenues realized from the sale, lease or licensing by CRDA of naming rights with respect to facility components or areas pursuant to Section 10.04.

“Net Concession Revenues” for any period means Concession Revenues less Concession Expenses (disregarding for purposes of this calculation any incentive fees payable to the Concessionaire).

“Net Profit” means for any given Contract Year, Gross Revenues less Operating Expenses.

“Non-Event Revenues” means revenues under lease, license or similar agreements entered into by CRDA pursuant to CRDA’s reserved powers in Section 10.01.

“Operating Account” means the Operating Account established pursuant to Section 9.01 for purposes of Facility Operations at the Civic Center.

“Operating Budget” means any budget submitted by Manager and approved by CRDA pursuant to Section 8.01 hereof.

“Operating Expenses” means any and all expenses and expenditures of whatever kind or nature incurred, directly or indirectly, by Manager during the Term in providing the Management Services or conducting Facility Operations in accordance with and pursuant to the authority granted in this Agreement, including but not limited to:

- (i) employee compensation and related expenses (*e.g.*, base salaries, bonuses, incentives, car allowances and other customary reimbursable business expenses) consistent with the approved Staffing Plan;
- (ii) employee benefits and related costs, including paid vacations, holidays and sick days, any 401(k), retirement and/or pension plans, health, dental, vision, group life and disability insurance consistent with the approved Staffing Plan;
- (iii) supplies, material and parts costs;
- (iv) expenses incurred and any other obligations arising under the Administered Agreements in accordance with Section 5.15,

including costs incurred in the performance of CRDA's obligations thereunder;

- (v) expenses incurred and any other obligations arising under Service Contracts and Revenue Generating Contracts in accordance with Section 6.05;
- (vi) advertising, marketing and public relations costs and commissions, including fees or commissions payable to the Marketing Company pursuant to the Marketing Agreement and costs relating to the maintenance and operation of a Web site for the Civic Center;
- (vii) booking commissions payable pursuant to booking agreements;
- (viii) janitorial and cleaning expenses;
- (ix) information technology costs;
- (x) dues, subscriptions and membership costs;
- (xi) the costs of procuring and maintaining the insurance and fidelity bond required on Schedule 1, including any losses within any self-insured retention and/or deductible or any costs related to the retention of a third-party administrator of claims;
- (xii) amounts expended to procure and maintain permits and licenses;
- (xiii) Taxes;
- (xiv) professional fees incurred in accordance with Section 5.06;
- (xv) printing and stationery costs;
- (xvi) postage and freight costs;
- (xvii) equipment rental costs;
- (xviii) computer equipment leases and line charges;
- (xix) repair and maintenance costs (*e.g.*, elevators and HVAC);
- (xx) security expenses;
- (xxi) utility and telephone charges;
- (xxii) the cost of employee uniforms;
- (xxiii) safety and medical expenses;

- (xxiv) exterminator and waste disposal costs;
- (xxv) costs relating to the maintenance of signage inventory and systems;
- (xxvi) box office services (*e.g.*, credit card fees, commissions, armored car services, bank fees, etc.);
- (xxvii) costs of contract compliance monitoring under Section 13.06;
- (xxviii) the cost of compliance with Applicable Laws;
- (xxix) the cost of removal of Liens (except Liens prohibited by Section 6.07 and other Liens to the extent such Liens result from the negligent acts or omissions of Manager or its officers, employees or agents or arise from any breach or default by Manager of its obligations under this Agreement);
- (xxx) Concession Expenses;
- (xxxi) Unreimbursed Event Expenses;
- (xxxii) GOA Expenses;
- (xxxiii) expenses incurred and other obligations of Manager arising under the Affiliation Agreement, including without limitation the affiliation fee payable to MSG or other owner thereunder;
- (xxxiv) costs of relocation of Management-Level Employees or employees reporting directly to a Management-Level Employee to the Hartford area from time to time during the Term, with the specific additional approval of CRDA for the relocation of employees other than the General Manager, Assistant General Manager or Business Manager/Director of Finance, it being understood that such relocation costs shall not be more than Ten Thousand Dollars (\$10,000) per employee (Thirty Thousand Dollars (\$30,000) in the case of the position of General Manager) without the specific additional approval of CRDA;
- (xxxv) costs associated with the audit described in Section 8.08;
- (xxxvi) travel and entertainment expenses of Manager employees incurred in performing Management Services, consistent with Manager's travel and entertainment expense reimbursement policy and the Operating Budget;
- (xxxvii) costs incurred by Manager to settle or defend any claims asserted against Manager arising out of its operations at the Civic Center

on behalf of CRDA in accordance with applicable provisions of this Agreement;

- (xxxviii) costs of corporate travel to and from the Civic Center in connection with the direct supervision of performance of Management Services under this Agreement; provided that if Manager's supervisor is visiting other managed facilities in the same trip such travel costs shall be fairly allocated between and among such facilities, and no such travel costs shall be charged as Operating Expenses to the extent such travel is in connection with the provision of Corporate Services;
- (xxxix) costs relating to the use or maintenance of Common Areas at the Civic Center which are the responsibility of CRDA under the Declaration;
- (xl) Capital Contributions; and
- (xli) Emergency Expenditures, only to the extent described in Section 5.11;

all as determined in accordance with GAAP and recognized on a full accrual basis; provided, however, that Operating Expenses shall exclude the following: (A) Capital Expenditures and Emergency Expenditures funded out of the Capital Reserve Fund, (B) debt service payable by CRDA, the State or any public instrumentality thereof with respect to the construction, ownership or lease of the Civic Center, (C) Event Expenses paid or reimbursed directly by Licensees or other third parties and not recognized as Operating Expenses pursuant to the Approved Accounting System, (D) Manager's corporate federal, state or local income taxes (or taxes in lieu of income taxes), for which Manager shall be responsible, (E) costs and expenses of Corporate Services and any other general overhead and administrative expenses of Manager not directly related to the management and operation of the Civic Center, including expenses relating to personnel of the Manager based in the Manager's corporate offices for which Manager shall be responsible, (F) property and possessory interest taxes on the Civic Center or on property located therein, (G) costs and expenses of the Sportsbook, and (H) City Rent. It is further understood that to the extent that the State continues to cover the cost of property insurance for the Civic Center, Manager's cost of maintaining such property insurance is negligible; however, in the event the State ceases to cover the cost of such property insurance at any time during the Term, the cost of obtaining any such insurance shall be an Operating Expense. The Parties shall each use their best efforts to maintain the State's property insurance coverage of the Civic Center.

"Operating Net Loss" is defined in Section 12.01.

"Operating Reserve Fund" means the Operating Reserve Fund as defined in the City Lease.

“Operational Start Date” is the date on which the Certificate of Occupancy is issued following completion of the Project (estimated to be [September 1 2025], but subject to change).

“Operations Manual” is defined in Section 4.01.

“OPM” means the Office of Policy and Management of the State of Connecticut.

“Original Agreement” is defined in the Recitals.

“OSHA” means the Occupational Safety and Health Act, 29 U.S.C. Sections 651 *et seq.*

“Parties” means CRDA and Manager.

“Permitted Investments” means investments made through or approved by the Treasurer or made through cash management and overnight investment arrangements available through the Depository and approved by the Treasurer, if required.

“Person” or “entity” means any natural person, corporation, partnership, limited liability company, association, trust, other business entity or governmental unit.

“Premium Seating” means the Skyboxes, Coliseum Club and Director’s Suite and such lower bowl club, loge, and floor suites that are added as a result of the Project.

“Premium Seating Revenues” means revenues from the sale or licensing of the Premium Seating, excluding in each such case such revenues a Licensee is entitled to retain pursuant to the applicable License Agreement. In the case of multi-year sales of Premium Seating, revenues from such sales shall be allocated among Contract Years and recognized in accordance with GAAP.

“Private Activity Bond Rules” means Section 141(b) of the Code, the Income Tax Regulations promulgated by the IRS under Section 141(b) of the Code, and all applicable IRS rulings and procedures relating to private business use of facilities financed with the proceeds of tax-exempt bonds, including Rev. Proc. 97-13 and Rev. Proc. 2001-39 dealing with Qualified Management Contracts.

“Profit Share” is defined in Section 12.02(b).

“Project” means the approximately One Hundred Forty-Five Million Dollar (\$145,000,000) renovation and reconstruction of the Civic Center as further described in any mutually agreed and approved construction program plans and other mutually agreed construction and design documents. The Parties agree that the Project shall include the development of new premium seating opportunities, added capacity in the front of stage area, improvements to the concourse and artist facilities, a renovation of the UConn locker rooms and upgrades to the load-in and backstage areas, all as mutually agreed and

consistent (except as otherwise mutually agreed) with the separate letter agreement in substantially the form attached as Exhibit J hereto.

“Project Costs” mean the design, procurement, and construction costs that are directly attributable to the Project.

“Qualified Management Contract” means a management contract satisfying the requirements of the Private Activity Bond Rules.

“Recipient Party” is defined in Section 15.02(d).

“Rental Revenues” means all rental income derived in the course of operating the Civic Center from Licensees or others for use or occupancy of the Civic Center, or the rental or sale of goods (other than rental or sale proceeds constituting Concession Revenues), including, but not limited to, license or rental fees and charges, ticket receipts to the extent retained by or payable to CRDA pursuant to the applicable License Agreement or otherwise, ticket royalties, rebates or similar payments from ticketing companies, ticket vendors or sales agents, box office fees, event fees and commissions, facility charges, fees for in-house services, broadcast hook-up and similar charges, rental of Equipment, intermission charges, overtime rental charges and other rental or similar income from whatever sources, but excluding ticket receipts belonging exclusively to UConn pursuant to its rights under the Arena Lease; provided, however, that amounts required to be deposited in the Event Account under Section 9.02 shall be recognized as Gross Revenues only at the time of Event reconciliation as provided in Section 9.02. “Rental Revenues” excludes Event Expenses paid or reimbursed directly by Licensees or other third parties and not recognized as Gross Revenues under the Approved Accounting System (but shall include any mark-up on reimbursed Event Expenses).

“Restricted Categories” is defined in Section 10.04(d).

“Revenue Generating Contracts” means vendor, concessions and merchandising agreements, user/rental agreements, booking commitments, License Agreements, and all other contracts or agreements leasing or licensing use of the Civic Center to third parties, or otherwise generating revenue for the Civic Center, and entered into in the ordinary course of operating the Civic Center.

“Rules and Regulations” is defined in Section 4.04(a).

“Satisfactory Condition” means, with respect to the Civic Center, the condition satisfying each of the following: (i) being in substantially the same condition and state of repair as on the Effective Date, normal wear and tear, casualty and condemnation excepted; (ii) being current in maintenance, including preventative maintenance, consistent with the Industry Standard, insofar as such maintenance is the responsibility of Manager hereunder; (iii) being in compliance with Applicable Laws, insofar as compliance with Applicable Laws is the responsibility of Manager hereunder, and (iv) meeting the requirements of any insurance carrier providing coverage with respect to the Civic Center.

“Second Amendment” is defined in the Recitals.

“Service Contracts” means agreements for services to be provided in connection with the operation of the Civic Center, including without limitation agreements for security, ticketing, web development and maintenance, computer support services, Equipment purchasing services, engineering services, electricity, steam, gas, fuel, general maintenance, HVAC maintenance, telephone, staffing personnel including guards, ushers and ticket-takers, extermination, elevators, stage equipment, fire control panel and other safety equipment, snow removal and other services which are deemed by Manager to be either necessary or useful in operating the Civic Center.

“Special Escrow Accounts” is defined in Section 9.02(c).

“Sports Bar” is defined in the Recitals.

“Sportsbook” is defined in the Recitals.

“Sportsbook Operator” means the entity contracting with CLC to provide hardware, software, and personnel to conduct, support, and maintain the Sportsbook, or any successor entity that provides CLC with comparable services.

“Sportsbook Revenues” means, with respect to the Sportsbook, the total of all sums actually received by CLC from the operation of retail sports wagering, less the total of all sums paid as winnings to winning retail sports wagering patrons and any federal excise tax applicable to such sums received, provided that the total of all sums paid as winnings to such patrons shall not include the cash equivalent value of any merchandise or thing of value included in a jackpot or payout.

“State” means the State of Connecticut.

“State Comptroller” means the Comptroller of the State of Connecticut.

“State Contracting Requirements” is defined in Section 17.06(a).

“State’s Investment” is defined in Section 2.01(a).

“Taxes” means any and all governmental assessments, franchise fees, excises, license and permit fees, levies, charges and taxes, of every kind and nature whatsoever, which at any time during the Term may be assessed, levied, or imposed on, or become due and payable out of or in respect of, (i) activities conducted on behalf of CRDA at the Civic Center, including without limitation the sale of concessions, the sale of tickets, and the performance of Events (such as any applicable sales and/or admissions taxes, use taxes, excise taxes, occupancy taxes, employment taxes, and withholding taxes), or (ii) any payments received from any holders of a leasehold interest or license in or to the Civic Center, from any guests, or from any others using or occupying all or any part of the Civic Center.

“Team Equipment” means equipment and other items of personal property furnished by UConn and used or stored at the Civic Center for purposes of UConn athletic events (*e.g.*, uniforms, sports equipment, team medical equipment, etc.).

“Term” is defined in Section 11.01.

“Third Amendment” is defined in the Recitals.

“Ticketing Agreement” means the Ticketing Agreement between Manager and Ticketmaster or any subsequent contact for ticketing services for the Civic Center entered into by Manager with the approval of CRDA. A copy of the Ticketing Agreement is attached as Exhibit F.

“Ticketing Company” means Ticketmaster or its successor providing ticketing services for the Civic Center.

“Ticket Surcharge Revenues” means all revenues derived from any ticket surcharge with respect to ticket sales for Events (including with respect to the sale of tickets for Premium Seating).

“Treasurer” means the Treasurer of the State of Connecticut.

“UConn” means the University of Connecticut.

“UConn Arena Lease” is defined in Section 3.06.

“UConn-Controlled Advertising” means advertising or sponsorship rights at the Civic Center controlled by UConn pursuant to the UConn Arena Lease, if any.

“Uncontrollable Circumstance” means any event which renders impossible, prevents, interrupts or delays the performance of an obligation of a party to this Agreement, if such event is beyond the reasonable control of such party and which, by the exercise of due diligence, such party would be unable to overcome, including: strikes, lockouts, sit-downs, material or labor restrictions by any Governmental Authority, shortages of material or labor, unusual transportation delays, riots, floods, explosions, earthquakes, fire, unusually unfavorable weather, acts of the public enemy, wars, acts of terrorism or credible threats of terrorism, insurrections and environmental conditions, epidemics and pandemics as declared by any Governmental Authority, and includes any interference with the availability or use of the Civic Center resulting from emergency conditions as described in Section 10.05(b).

“Unreimbursed Event Expenses” means, with respect to an Event, Event Expenses not directly paid or reimbursed by the Licensee or another third party.

“Use Agreements” means the license agreements relating to the use of Premium Seating at the Civic Center.

“Work Product” is defined in Section 15.02(a).

Section 1.02. Interpretation.

(a) References to a “Section”, “Sections”, “Article” or “Articles” herein refer to this Agreement unless otherwise stated.

(b) Words of the masculine gender mean and include correlative words of the feminine and neuter genders and words importing the singular number mean and include the plural number and vice versa.

(c) Any headings preceding the texts of the several Articles and Sections of this Agreement, and any table of contents or index of schedules and exhibits appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Agreement, nor shall they affect its meaning, construction or effect.

(d) Words such as “hereunder”, “hereto”, “hereof” and “herein” and other words of similar import shall, unless the context requires otherwise, refer to the whole of this Agreement and not to any particular article, section, subsection, paragraph or clause hereof.

(e) A reference to “including” means including without limiting the generality of any description preceding such term and for purposes of this Agreement the rule of *ejusdem generis* shall not be applicable to limit or restrict a general statement, followed by or referable to an enumeration of specific matters, to matters similar to, or of the same type, class or category as, those specifically mentioned.

(f) Any reference to “days” shall mean calendar days unless otherwise expressly specified.

(g) Any reference to any statute, law or regulation (including the Implementing Legislation and the Code) includes all statutes, laws or regulations amending, consolidating or replacing the same from time to time, and a reference to a law or statute includes all regulations, codes or other rules issued or otherwise applicable under such law or statute unless otherwise expressly provided in such law or statute or in this Agreement. This rule of interpretation shall be applicable in all cases notwithstanding that in some cases specific references in this Agreement render the application of this rule unnecessary.

(h) Unless otherwise expressly provided herein, any approval, consent, waiver, acceptance, concurrence or permission required to be given or made by any party hereunder shall not be unreasonably withheld or delayed. Wherever under this Agreement “reasonableness” is the standard for the granting or denial of any approval, consent, waiver, acceptance, concurrence or permission of any party hereto, CRDA shall be entitled to consider public policy, and the CRDA’s Objectives, as well as business and economic considerations.

(i) All notices to be given hereunder shall be given in writing (whether or not so specified in a particular provision of this Agreement) within a reasonable time unless otherwise specifically provided.

(j) Whenever any calculation or valuation may be made for any purposes hereunder and the method or manner of such calculation or valuation is not provided for in this Agreement, it shall be done in accordance with GAAP or in such other manner as may be mutually agreed by the Parties, unless otherwise required by Applicable Laws.

(k) CRDA and Manager have participated in the drafting of this Agreement and any ambiguity contained in this Agreement shall not be construed against CRDA or Manager solely by virtue of the fact that either CRDA or Manager may be considered the drafter of this Agreement or any particular part hereof.

(l) Each schedule and exhibit referred to in this Agreement shall be considered a part of this Agreement as if fully set forth herein.

ARTICLE II

FINANCING AND MANAGEMENT OF THE PROJECT

Section 2.01. Financing of Project; Investments; Responsibility for the Project.

(a) The total cost of the Project is anticipated to be One Hundred Forty-Five Million Dollars (\$145,000,000). In accordance with the Act and subject to the terms and conditions set forth herein, CRDA, the State, or a combination thereof, shall contribute to the Project an amount not more than One Hundred Twenty-Five Million Dollars (\$125,000,000) (the "State's Investment") and Manager shall contribute to the Project an amount not less than Twenty Million Dollars (\$20,000,000) (the "Manager's Investment"). The Manager's Investment shall amortize on a straight-line monthly basis over a twenty (20) year period beginning on [_____] and ending on [_____]. Manager's Investment shall not be required to be more than \$20,000,000, except in sole discretion of Manager.

(b) Subject to Section 2.01(c) herein and the notice requirements in the City Lease, CRDA shall be solely responsible for procurement and construction management, including securing all required licenses and permits to complete the Project, contracting with third parties for the design and construction of the Project, managing and overseeing the Project work, and for securing all Improvements related to the Project. Manager shall have the right to approve the initial design plans as well as any changes to the design plans, including those that may affect the Civic Center's events programming. Manager shall have the right to comment and provide meaningful input on any construction change orders. All such construction change orders over \$1,000,000 shall be subject to the mutual agreement of the Parties.

(c) Manager shall provide reasonable assistance to CRDA with regard to identifying funding sources and/or value engineering opportunities for the Project.

(d) Manager's Investment shall be payable in its entirety into an interest-bearing escrow account at the commencement of the Construction Term, subject to the conditions of Section 2.02 and pursuant to an Escrow Agreement in substantially in the form attached hereto as Exhibit I (the "Escrow Agreement").

(e) Manager's Investment shall be drawn down from the interest-bearing escrow account as follows, pursuant to the Escrow Agreement:

(i) Five Million Dollars (\$5,000,000) following an aggregate Twenty Million Dollar (\$20,000,000) contribution by CRDA to the Project, with the CRDA contribution inclusive of the Seven Million Dollars (\$7,000,000) in funds spent on the design of the Project prior to the Effective Date.

(ii) An additional Five Million Dollars (\$5,000,000) following an aggregate Forty Million Dollar (\$40,000,000) contribution by CRDA to the Project.

(iii) An additional Five Million Dollars (\$5,000,000) following an aggregate Sixty Million Dollar (\$60,000,000) contribution by CRDA to the Project.

(iv) The final Five Million Dollars (\$5,000,000) following an aggregate Eighty Million Dollar (\$80,000,000) contribution by CRDA to the Project.

(v) Only after the final draw of Manager's Investment detailed in Section 2.01(e)(iv) above shall the final Forty-Five Million Dollar (\$45,000,000) contribution by CRDA to the Project be due as the "last monies in".

(f) As further detailed in the Escrow Agreement, CRDA shall be entitled to disbursements of Manager's Investment from time to time as portions of the Project are completed and in accordance with the draw down schedule in Section 2.01(e) hereof, as follows:

(i) At least three (3) Business Days prior to the date on which CRDA desires Escrow Agent to disburse any funds from the Escrow Account, CRDA shall have given Escrow Agent and Manager a written request for such disbursement (a "Disbursement Request"), specifying the amount of the requested disbursement and accompanied by invoices and requisitions from its contractor(s) in payment of Project Costs, as incurred.

- (ii) Escrow Agent shall promptly disburse the amount specified in such Disbursement Request.

Section 2.02. Conditions for Manager's Investment.

The deposit of Manager's Investment into the interest-bearing escrow account is subject to the following conditions. These conditions must be satisfied at all times during the term of the Construction Period and any failure of CRDA to satisfy any of the following conditions at any time during the term of the Construction Period shall be a material breach by CRDA of this Agreement:

- (a) The State Bond Commission shall approve the State's Investment.
- (b) Manager shall have the right to review and approve initial design plans and any changes to such design plans. Manager shall have the right to review and approve equipment selections and any change orders thereto over \$1,000,000, including without limitation those related to Premium Seating, food and beverage, and back of house areas.
- (c) CRDA shall engage SCI Architects, P.C., or another approved architect, as the architect of record on the Project and shall engage Dimeo Construction Company, or another approved construction manager, as the construction manager on the Project.
- (d) CRDA shall conduct an RFP for construction contractors and Manager shall have the right to approve the general contractor following the RFP process.
- (e) CRDA shall cause all improvements and renovations associated with the Project to be done in a first-class manner, free from any material defect. CRDA will cause the applicable contractor to correct any material defect in the renovation work in a reasonable amount of time.
- (f) A binding commitment by UConn to new lease terms, subject to the approval of CRDA and Manager, under which UConn will play at least eight (8) men's basketball games, seven (7) women's basketball games, and five (5) men's hockey games at the Arena each Contract Year for at least five years.

Section 2.03. Early Termination.

If this Agreement terminates for any reason whatsoever, other than a default by Manager under Section 11.02(b) or Section 11.02(c) hereof, prior to full amortization of Manager's Investment pursuant to the amortization schedule set forth in Section 2.01(a) above, Manager shall be paid, subject to Section 3.08, the unamortized portion of the Manager's Investment less the damages discussed in this Section 2.03 (the "Investment Refund Payment"). The Investment Refund Payment shall be paid by CRDA to Manager no later than one hundred twenty (120) days following the termination date. A lien on the Capital Reserve Fund in favor of Manager shall serve as security for the Investment Refund Payment. For avoidance of doubt: (i) CRDA shall be responsible for making the

Investment Refund Payment regardless of whether CRDA has spent Manager's Investment, subject to Section 3.08; (ii) Manager is not entitled to the Investment Refund Payment if terminated under Section 11.02(b) or Section 11.02(c); and (iii) if this Agreement continues in effect through full amortization of Manager's Investment as set forth in Section 2.01(a) above, CRDA shall have no obligation to pay the Investment Refund Payment upon the date of natural expiration of the Term, as Manager's Investment would be fully amortized by such date. If termination of this Agreement is by CRDA under Section 11.02(a) due to an uncured failure by Manager, CRDA shall be entitled to setoff and retain from the Investment Refund Payment the amount of any damages suffered by CRDA as a result of such uncured failure, including CRDA's direct costs of replacing Manager with a substitute manager of the Facilities. Such expenses shall be verified by CRDA by written documentation.

ARTICLE III

ENGAGEMENT OF MANAGER; GENERAL RESPONSIBILITIES

Section 3.01. Engagement.

(a) General Scope. CRDA hereby engages Manager to staff, administer, manage, maintain and operate the Civic Center during the Term, all upon the terms and conditions hereinafter set forth, and Manager hereby accepts such engagement. In connection with such engagement, Manager shall have the right and is hereby authorized to exploit all revenue opportunities related to the Civic Center (including revenue from booking and hosting events at the Civic Center, the sale of advertising, sponsorship and Premium Seating at the Civic Center, and from the provision of food and beverage service at the Civic Center) as it determines in its reasonable discretion, subject to Applicable Laws and the limitations of this Agreement and limitations on Manager's right to exploit revenue opportunities related to the Sportsbook pursuant to the Cooperative Agreement.

(b) CRDA's Objectives. Manager acknowledges that CRDA's objectives with respect to the Civic Center include: (i) operation, management and promotion of the Civic Center as premier venues for major college athletic events, including UConn men's and women's basketball and hockey at the Civic Center, as well as conference and NCAA tournament events; (ii) attraction to the Civic Center of a variety of suitable events, including an increasing number of higher attendance events, so as to maximize utilization and attendance and resulting economic impact and employment opportunities; (iii) providing a high quality fan experience and a high level of customer service; (iv) maintaining a strong and cooperative relationship with UConn's Division of Athletics regarding use of the Civic Center for UConn athletic events; (v) maintaining AHL hockey at the Arena; (vi) engaging and involving the community, including local vendors and driving demand for facility utilization; (vii) mitigation of financial risks to CRDA; (viii) efficient and cost-effective operation and management so as to maximize the profitability of events; and (ix) implementation of clear and comprehensive financial accounting procedures and strong accounting controls (together, the "CRDA's

Objectives”). Without limiting the express obligations of Manager and CRDA under this Agreement, Manager and CRDA agree to make reasonable, good faith efforts in the performance of their duties under this Agreement to achieve such objectives to the maximum extent possible consistent with the Operating Budget.

Section 3.02. Standard of Performance.

Manager shall provide and perform the Management Services in a prompt, diligent and professional manner consistent with the Industry Standard and the scope and quality of services described in this Agreement, and in compliance with Applicable Laws, subject, however, to the limitations of the Operating Budget and variances permitted by Article VIII, and the other terms and conditions of this Agreement. Manager shall manage and operate the Civic Center so as to maximize Gross Revenues and, given the level of activity at the Civic Center, minimize Operating Expenses, and otherwise so as to conform, to the greatest practicable extent, to the Operating Budget except to the extent of variances permitted by Article VIII herein, provided that any failure by Manager to achieve the Operating Budget in any Contract Year shall not, alone, be deemed to be a breach by Manager of this Agreement.

Section 3.03. Best Price; Purchasing.

Subject to the other requirements of this Agreement, all purchases of equipment, materials, supplies, inventories and services reasonably required by Manager as provided in this Agreement shall be made by Manager at the best price reasonably available (taking into account such other factors as service, qualifications, quality and advertising and promotional tie-ins) as known by Manager considering the quantities and services required at the time and the sources of supply and whenever possible as part of a volume purchasing by Manager (and taking advantage, to the greatest practicable extent, of discounts and efficiencies that may be available as a result of any corporate relationship Manager or its Affiliates may have with suppliers, vendors and contractors or through State volume purchase arrangements available through the Department of Administrative Services or other State agencies). When such discounts and efficiencies as a result of corporate relationships are not available, all transactions with Affiliates shall be made on an arm’s length basis and shall be reflective of the market rate for a given transaction. CRDA shall require Manager undertake a public request for proposals, or in certain instances approved by CRDA that at least three (3) proposals or bids be solicited, for contracts with an annual value greater than Fifty Thousand Dollars (\$50,000), unless waived by CRDA in advance, provided that such requirement shall not be applicable to emergency maintenance as described in Section 5.11 or to joint or volume purchase arrangements with or through any corporate relationship, the Department of Administrative Services or other state agencies. For the purpose of determining the “annual value” of a contract under this Section 3.03, such value shall be (i) in the case of a contract with a fixed or readily determinable annual cost which is not dependent on event activity, such annual cost, and (ii) in the case of a contract with an annual cost that would vary depending upon Event activity, the projected annual cost of such contract based on committed events at the time the contract is entered into.

Section 3.04. Engagement of Certain Affiliates of Manager.

The Parties agree that the following Affiliates of Manager shall be engaged to provide the following services at or for the Civic Center during the Term: (1) Ovations Food Services shall be engaged to provide food and beverage services, and (2) Front Row Marketing Services shall be engaged to market the Commercial Rights. Services provided by Affiliates, if not offered at a discount, shall be provided on an arm's length basis and shall be reflective of the market rate for a given service or other transaction. Each of such engagements shall be reflected by separate written agreements between the respective service provider and CRDA, which agreements shall be entered into by Manager acting for the account of CRDA. The Parties acknowledge that, pursuant to the Existing Agreement and with the approval of CRDA, Manager on behalf of CRDA entered into the C&C Agreement with the Concessionaire and, separately, the Marketing Agreement with the Marketing Company. CRDA reaffirms its approval of the terms of the C&C Agreement and the Marketing Agreement, and hereby authorizes Manager to extend the term of each of the C&C Agreement and the Marketing Agreement under their existing terms and conditions for the full Term of this Agreement. CRDA shall have the right to approve any amendments to such agreements (other than an extension thereof, which is approved hereby) prior to their execution. Without limiting the foregoing, Manager shall not agree to increase the overhead cost to the Civic Center under either such agreement from historical levels without CRDA approval. Other than as provided in the C&C Agreement and Marketing Agreement, Affiliates shall not be permitted to charge management fees or similar charges under such engagements without CRDA approval.

Section 3.05. Affiliation Agreement.

Manager shall use commercially reasonable efforts to secure and maintain an agreement with an AHL or AHL-equivalent professional hockey club on commercially reasonable market-rate terms. If the agreement is with a professional hockey club that is an Affiliate of Manager, the agreement shall be made at an arm's length basis and reflective of the market rate. The Parties acknowledge that, prior to the date hereof, Manager and MSG have entered into the Affiliation Agreement, pursuant to which Manager agreed to manage the non-hockey operations of the Club, and Manager and MSG agreed that the Club shall play its regular and post-season home games at the Civic Center during the term thereof, as more fully described therein. Manager shall have the right and authority to extend, renegotiate or terminate the Affiliation Agreement, or to elect to not extend the term of the Affiliation Agreement, or to replace it with a new or substitute agreement, in its sole discretion. CRDA and Manager agree that all expenses incurred by Manager thereunder (including without limitation payment of the affiliation fee described therein) shall be deemed to be Operating Expenses, and all revenue generated thereunder shall be deemed to be Gross Revenue. Manager and CRDA agree that if for any reason Manager ceases to be the manager and operator of the Center, Manager shall assign the Affiliation Agreement to CRDA, and CRDA will accept such assignment and will assume and be directly liable to MSG or other owner for all of the obligations of Manager to MSG or other owner thereunder from and after the date of the assignment. CRDA shall not take any action or omit to take any action which could reasonably be expected to result in a default

or breach by Manager, or actually result in a default or breach by Manager, of the Affiliation Agreement.

Section 3.06. Matters Relating to UConn.

(a) It is recognized that (i) the continued availability and use of the Arena for UConn men's and women's basketball games and for UConn men's hockey games is among CRDA's highest priorities and (ii) it is desirable to increase the number of profitable UConn athletic events at the Arena (subject to the scheduling requirements related to Club games as set forth in the Affiliation Agreement). To that end, Manager is authorized to continue or enter into discussions in good faith with the UConn Division of Athletics with respect to such matters in an effort to reach agreement on the terms of appropriate lease, license or other use agreements consistent with such priorities and objectives and on reasonable terms under which UConn will play at least eight (8) men's basketball games, seven (7) women's basketball games, and five (5) hockey games at the Arena each Contract Year for at least five years. The lease or License Agreement entered into with UConn with respect to UConn athletic events in the Arena is referred to herein as the "UConn Arena Lease" and the execution thereof is a condition precedent to this Agreement.

(b) Any lease, license or use agreement with respect to UConn athletic or other UConn events at the Arena, including the UConn Arena Lease, and any proposed amendments to the UConn Arena Lease, shall be provided to CRDA.

Section 3.07. Corporate Services.

In connection with Facility Operations, Manager shall make available, or cause Manager's Affiliates to make available, to CRDA and the Civic Center the benefit of the corporate expertise, corporate resources and corporate relationships, including the following:

- (a) access to programs, policies, procedures and manuals developed at the corporate level and made available at the Civic Center;
- (b) creation and use of an "in-house" advertising agency to benefit tenants;
- (c) the benefit of cooperative purchasing relationships;
- (d) corporate advertising and sponsorship databases, relationships and support;
- (e) facility performance analytic tools and industry comparisons;
- (f) corporate relationships with regional and national promoters, including Live Nation;

(all of the foregoing being referred to herein as “Corporate Services”). The costs of Corporate Services shall be Operating Expenses.

Section 3.08. Legally Available Funds.

Notwithstanding any other provisions of this Agreement, it is understood and agreed that all payment obligations of CRDA hereunder, including the obligation to pay the Investment Refund Payment, are subject to and payable only from Legally Available Funds.

ARTICLE IV

PLANS AND POLICIES

Section 4.01. Operations Manual.

The Parties acknowledge that under the Existing Agreement, Manager has developed and provided to CRDA a facility management and operations plan (the “Operations Manual”) for the Civic Center which includes the programs and initiatives including in the areas of sales, marketing and promotion, customer service training, community engagement, preventative maintenance, environmentally conscious operations, revenue enhancing opportunities and cost efficiencies. Manager shall update the Operations Manual from time to time to include provisions consistent with the following Sections of this Article IV and Article V. Any modifications to such Operations Manual shall be subject to the approval of CRDA.

Section 4.02. Staffing Plan.

Manager shall provide to CRDA for its approval a staffing plan for Facility Operations, including full-time, seasonal and Event staff, job descriptions and reporting responsibilities, staffing levels, wage, salary and benefit levels, prevailing and standard wage requirements, and recruitment and training procedures. Manager shall provide its certified payroll records to CRDA at least monthly (within a month after the end of the payroll period). Any modifications to such plans shall be subject to the approval of CRDA.

Section 4.03. Accounting Systems and Controls.

The Parties acknowledge that under the Existing Agreement, Manager has provided to CRDA for its approval, and CRDA has approved, cash handling procedures, charts of accounts, accounting systems and controls, including payroll, accounts receivable, accounts payable, general ledger, bank accounts and managerial reports, all consistent with GAAP, the Industry Standard, and the requirements of Articles I, VIII and IX of this Agreement. Such procedures, systems and controls, upon initial approval by CRDA and the State Comptroller, if applicable, and subject to such subsequent changes as CRDA and, if applicable, the State Comptroller may from time to time approve, are

referred to herein as the “Approved Accounting System”. Any modifications to such procedures, systems and controls shall be subject to the approval of CRDA.

Section 4.04. Rules and Regulations; Form of License Agreement.

(a) The Parties acknowledge that under the Existing Agreement Manager has provided to CRDA for its approval, and CRDA has approved, rules and regulations (the “Rules and Regulations”) governing the use of the Civic Center by Licensees, including prohibited activities, restricted and controlled access to secure areas, rules regulating alcoholic beverages, searches of attendees and contraband, , conduct of attendees, responsibility for loss or damage to the Civic Center, use of Equipment, security deposits, utilities, telecommunications and broadcasting and other matters customarily covered in rules and regulations governing use of Comparable Facilities.

(b) The Parties acknowledge that under the Existing Agreement Manager has provided to CRDA for its approval, and CRDA has approved, forms of License Agreements for use in connection with particular types of Events. Each License Agreement shall incorporate the Rules and Regulations. Any modifications to such Rules and Regulations or forms of License Agreements shall be subject to the approval of CRDA.

Section 4.05. Security Plan.

The Parties acknowledge that under the Existing Agreement Manager has provided to CRDA for its approval, and CRDA has approved, an event security plan for the Civic Center relating to matters of public safety and security in connection with Events, and a general security plan for the Civic Center relating to matters of public safety and security during periods when the Civic Center is not in use in connection with Events, including the placement and adequacy of lighting and security cameras. Any modifications to such plans shall be subject to the approval of CRDA.

Section 4.06. Community Involvement and Engagement.

The Parties acknowledge that under the Existing Agreement Manager has provided to CRDA a plan for community involvement and engagement with respect to the Civic Center and Facility Operations which includes, at a minimum, the following elements: promotional tie-ins with local advertisers and sponsors; cross-promotions with local merchants; discount ticket packages to local restaurants and efforts to make arrangements for restaurant discounts for ticketholders; outreach to the local business community with respect to upcoming events activity and encouragement of day-of-event promotions; coordination with local parking lot operators to increase foot traffic for nearby businesses; internship programs and “career days”; support of local charities; tickets and tours for inner-city school children; and arrangements to include and feature local products and vendors. Any modifications to such plans shall be subject to the approval of CRDA.

ARTICLE V

MANAGER'S MANAGEMENT RESPONSIBILITIES DURING TERM

Section 5.01. Management Services Generally.

During the Term, Manager shall staff, administer, maintain, operate and manage the Civic Center in accordance with the terms of engagement and standard of performance set forth in Article III and the other terms and conditions of this Agreement. Recognizing that CRDA will not have facility administrative or operational personnel, such services shall include all day-to-day administrative and operational services necessary for the operation of the Civic Center in the manner contemplated by this Agreement, including the implementation on behalf of CRDA of the Operations Manual and the other operational plans, policies and procedures referred to in Article IV. Without limiting the generality of the foregoing or any other requirements of this Agreement, during the Term, Manager shall provide the specific services described in this Article V. The services to be provided by Manager pursuant to this Article V are referred to herein as the "Management Services".

Section 5.02. Booking and Scheduling.

Manager shall be responsible for scheduling of all Events held at the Civic Center. Manager shall maintain, and regularly update, a scheduling calendar for the Civic Center, and shall keep a copy of the current scheduling calendar on file with CRDA. CRDA reserves the right to direct the booking and scheduling of particular Community Events pursuant to the availability of dates for such Events and provided such events do not conflict with revenue-generating events. Notwithstanding anything to the contrary in this Agreement, CRDA reserves the right to reject any Event which CRDA in its sole judgment determines to be objectionable or otherwise unsuitable for the Civic Center.

Section 5.03. Catering and Concession Services.

(a) It is the Parties mutual desire that catering and concession services at the Civic Center shall be provided and performed under the C&C Agreement in a high-quality manner demonstrating a level of customer service that is equal to or better than the service provided at Comparable Facilities. The C&C Agreement shall provide that only first quality products shall be served at the Civic Center with selection and menus at least equivalent to the Industry Standard. Manager shall cooperate with CRDA to promote a reputation for high quality food and beverage service at the Civic Center and, subject to the foregoing quality requirements, to maximize Net Concession Revenues. The C&C Agreement shall provide that catering and concession services offered at the Civic Center shall include local products and vendors consistent with the plan for community involvement and engagement developed pursuant to Section 4.05.

(b) As set forth in Section 3.04 above, the Parties acknowledge that, with CRDA's approval, Manager has on behalf of CRDA entered into the C&C

Agreement, which shall be considered a Revenue Generating Contract for purposes of Section 6.05. Also as set forth in Section 3.04 above, CRDA reaffirms its approval of the terms of the C&C Agreement, and hereby authorizes Manager to extend the term of the C&C Agreement for the full Term as it relates to the Civic Center. On an ongoing basis, Manager shall (i) oversee and administer the C&C Agreement and the performance by the Concessionaire of its duties and responsibilities thereunder, and (ii) consult and cooperate with the Concessionaire in order to support the achievement of the objectives of the C&C Agreement and CRDA's Objectives in the areas catering and concessions. All costs and payments/commissions made by Manager under the C&C Agreement to the Concessionaire are Operating Expenses.

Section 5.04. Promotion, Marketing and Sponsorships.

(a) As set forth in Section 3.04 above, the Parties acknowledge that, with CRDA's approval, Manager has on behalf of CRDA entered into the Marketing Agreement, which shall be considered a Service Contract for purposes of Section 6.05. Also as set forth in Section 3.04 above, CRDA reaffirms its approval of the terms of the Marketing Agreement, and hereby authorizes Manager to extend the term of the Marketing Agreement for the full Term as it relates to the Civic Center. On an ongoing basis, Manager shall oversee and administer the Marketing Agreement and the performance by the Marketing Company of its duties and responsibilities thereunder, and (ii) consult and cooperate with the Marketing Company in order to support the achievement of the objectives of its marketing strategy as it relates to the sale of Commercial Rights, and CRDA's Objectives in the areas of promotion, marketing and sales of Commercial Rights. Manager shall as necessary and appropriate in connection with its responsibilities as facility manager, and consistent with Industry Standard practices, facilitate, administer and implement its marketing strategy, and oversee the promotional, marketing, advertising and sales programs and activities of the Marketing Company. The expenses of implementation of its marketing strategy and such other programs and activities shall be Operating Expenses. All costs and payments/commissions made by Manager to the Marketing Company under the Marketing Agreement are Operating Expenses.

(b) Manager shall maintain, operate, and as appropriate enhance, the Web site for the Civic Center at a level of quality equaling or exceeding the Industry Standard and otherwise in a manner supporting CRDA's Objectives. The Web site shall include current information regarding scheduled Events, ticket purchasing, venue rules and regulations, prohibited items, food and beverage policies, parking arrangements, public safety procedures and similar matters of interest or concern to Event attendees. The Manager shall consult with the Marketing Company and shall include in the Web site such links, contacts and content as recommended by the Marketing Company and deemed appropriate by Manager in consultation with CRDA, relating to: promotion of the venue generally, promotion of upcoming Events, the availability of advertising and sponsorship opportunities and such other matters as may advance CRDA's Objectives in the areas of marketing, promotion and sponsorships.

Section 5.05. Relations with Media; Broadcast Arrangements.

Representatives of Manager shall be available at the Civic Center during normal business hours and at such other times as may be required to answer inquiries of news and entertainment media regarding upcoming Events and shall arrange for access of the media to Events to the extent permitted under the applicable License Agreement. Manager shall cooperate and coordinate with broadcast media and provide access to broadcast facilities and hook-ups and other in-house services at the Civic Center for use by broadcast media as is customary at Comparable Facilities.

Section 5.06. Ticketing; Ticket Surcharges

(a) The Parties acknowledge that Manager has on behalf of, and with the approval of CRDA, entered into the Ticketing Agreement, which shall be considered a Service Contract for the purposes of Section 6.05. On an ongoing basis, Manager shall (i) oversee and administer the Ticketing Agreement and the performance by the Ticketing Company of its duties and responsibilities thereunder, and (ii) consult and cooperate with the Ticketing Company in order to support the achievement of the objectives of the Ticketing Agreement and CRDA's Objectives in the area of ticket sales. Manager or the Ticketing Company shall be responsible for the process of selling tickets for public Events which require paid tickets for admissions, including the supervision and administration of arrangements with computerized ticketing services. Those services shall include ordering, selling and accounting for tickets, box office operations, reporting ticket revenues by Event and Licensee, cash and credit card processing, complete accounting for each Event and ticket refunds. Manager shall be responsible for Event reconciliation and exchange of income less expenses at the end of each Event in accordance with the Industry Standard. At the expiration of the current term of the Ticketing Agreement, such term shall not be extended. Accordingly, Manager shall conduct a re-bid for the Civic Center's ticketing services and, with the approval of CRDA in CRDA's absolute discretion, replace the current Ticketing Agreement with a new or substitute agreement. In respect to the new ticketing agreement, with the approval of CRDA, Manager shall have the right and authority to extend, renegotiate or terminate the Ticketing Agreement, or to elect to not extend the term of the Ticketing Agreement, or to replace it with a new or substitute agreement.

(b) Subject to the applicable requirements of Section 53-289a of the General Statutes, Manager shall have authority to establish ticket surcharges for Events at market rates in accordance with Industry Standard practices and in light of market area competition.

Section 5.07. Event-Related Services.

Manager, or a Licensee (as applicable), shall be responsible for all services required to prepare the Civic Center for each Event (set-up and tear-down), including required equipment, fixtures, markings, sound and lighting systems, communications systems, staging, rigging and other Event-specific requirements. Manager shall enforce the Rules and Regulations against Licensees. Manager shall provide all management staff,

ticket takers, ushers and other patron-related personnel required for Event operations, including first-aid, emergency medical, and missing children services, other assistance to patrons generally and to those with disabilities in accordance with the requirements of the ADA. Any expenses necessitated by the ADA which are not Capital Expenditures shall be Operating Expenses.

Section 5.08. Security.

Manager shall be responsible for year-around security services at the Civic Center during times when Events are not in progress. Manager shall be responsible for Event-related security, traffic and crowd control and other public safety requirements to the extent assigned to or assumed by CRDA or Manager pursuant to the security plan set forth in the Operations Manual. Manager shall cooperate with and assist appropriate state and local public safety authorities with respect to the planning and implementation of the security plan and other security and public safety requirements. Manager shall be responsible for compliance with all applicable statutes, rules, regulations and orders of the State Department of Emergency Management and Homeland Security and of the State Department of Public Safety applicable to Facility Operations, as set forth in the security plan or otherwise specified by CRDA.

Section 5.09. Cleaning, Maintenance and Repairs; Annual Engineering and Inspection Reports.

(a) Manager shall be responsible for all cleaning, maintenance and repairs of the Civic Center and the Equipment (except to the extent constituting Capital Expenditures) in accordance with the Operations Manual and the Industry Standard with the objective of maintaining the Civic Center and the Equipment in Satisfactory Condition.

(b) All such maintenance and repairs shall be performed by competent and trained tradesmen and repairmen, duly licensed and bonded (to the extent bonding is reasonable and customary for such work). Manager is authorized to make Emergency Expenditures, pursuant to Section 5.11.

(c) Manager shall cause to be performed and provided to CRDA on an annual basis an engineering and safety inspection of the Civic Center conducted by a licensed and experienced firm of consulting engineers with experience with Comparable Facilities reasonably acceptable to CRDA. The scope of such safety inspections and reports may be as specified or otherwise agreed to by CRDA. The report of such inspection shall include a recommendation, together with a cost estimate, for any deferred maintenance, repairs, replacements, restoration or refurbishing of building elements, structures and systems or other components of the Civic Center that in the opinion of such consulting engineers are then necessary, or are expected to be necessary within a period of three (3) years of the date of such inspection and report (or such shorter period as may remain in the scheduled term of this Agreement) in order to meet the maintenance and repair standard referred to this Section 5.09. The first such report and recommendation shall be due by [_____, 20__]. The cost of such engineering and safety inspections and reports shall be an Operating Expense.

Section 5.10. Supervision of Installations.

Manager shall supervise, and provide such management and supporting services, at scheduled fees and charges, as are necessary to insure the proper installation, removal or modification of advertising or promotional displays, third party transmission or broadcast equipment, or other installation, removal or modification of fixtures, systems and equipment of third parties affixed to any part of the Civic Center.

Section 5.11. Emergency Maintenance.

Manager shall provide for all necessary emergency maintenance and repairs of mechanical, electrical and plumbing facilities and public areas constituting part of the Civic Center which directly affect the public's safe access to or use of the Civic Center, including elevators, walkways and other pedestrian areas (an "Emergency Expenditure"). In the event that any such emergency maintenance and repairs constitutes a Capital Expenditure, funding shall first come from the Capital Reserve Fund. If the balance of the Capital Reserve Fund is insufficient to meet such Emergency Expenditure, Manager shall nevertheless be authorized to proceed with such maintenance or repair and such maintenance or repair shall be an Operating Expense. Manager may, at its option, reduce its obligation to fund future Capital Contributions in the amount of such Emergency Expenditure pursuant to Section 7.04.

Section 5.12. Public Building.

The Civic Center shall at all times be operated in compliance with Applicable Laws relating to the operation of public buildings owned by the State of Connecticut or a public instrumentality thereof (except to the extent any such requirements are made inapplicable to the Civic Center by the Implementing Legislation or other provisions of law). Pursuant to the City Lease, the operation of the Civic Center is subject to City public health, police, fire and emergency medical technician requirements.

Section 5.13. Supplies and Equipment.

Manager shall maintain at the Civic Center an adequate inventory of supplies and equipment for the management and operation of the Civic Center in accordance with the requirements of this Agreement.

Section 5.14. Accident Reporting and Other Insurance Reports.

Manager shall promptly investigate and make appropriate written reports available to CRDA and applicable insurance carriers, as appropriate, as to all alleged accidents and/or alleged claims for damages for loss to Person or property relating to the Civic Center or Facility Operations including any damage to any part of the Civic Center, and the estimated cost of repairs, shall prepare and file any other reports required by applicable insurance carriers in connection therewith, and shall generally cooperate and consult with CRDA as to the handling of such matters. Manager shall acquaint itself with all terms and conditions of applicable insurance policies or programs of self-insurance with respect to the Civic Center and Facility Operations, shall make such reports as are required

under such policies and programs, and shall make reasonable efforts not to prejudice the rights of CRDA under such policies and programs.

Section 5.15. Administered Agreements.

Manager shall act as CRDA’s contract administrator with respect to the City Lease, the Declaration, the Cooperative Agreement, and such other agreements, if any, entered into by CRDA (and not Manager) pursuant to CRDA’s reserved powers under Section 10.01(c), which Manager may hereafter expressly agree to administer on behalf of CRDA pursuant to the last sentence of this Section 5.15 (collectively, the “Administered Agreements”). Contract administration shall include securing, as fully as practicable, compliance by others parties with the terms and conditions of the Administered Agreements, performing and carrying out the obligations of CRDA thereunder relating to Facility Operations, the collection, for deposit to the Operating Account in a timely manner, of monies due to CRDA thereunder, and the payment, as Operating Expenses, of amounts due from CRDA thereunder (except that City Rent shall not be an Operating Expense). CRDA acknowledges that Manager will have no direct liability under any such Administered Agreements and that any loss, cost, damage or liability incurred by Manager under any such Administered Agreements entered into by CRDA shall be treated as an Operating Expense (except to the extent that any such loss, cost, damage or liability is attributable to the negligent acts or omissions of Manager or its officers, employees or agents or arise from any breach or default by Manager of its obligations under this Agreement). “Administered Agreements” shall exclude agreements entered into by CRDA pursuant to its reserved powers under Section 10.01(c), unless CRDA and Manager, by separate agreement, provide for the administration of any such agreement by Manager as additional duties of Manager under this Agreement on such terms, including compensation for such services, as they may mutually agree.

Section 5.16. Sports Bar Management Services.

Pursuant to the Fourth Amendment, under the Existing Agreement Manager is currently managing the operations of the Sports Bar. Manager acknowledges that under this Agreement, Management Services includes the continued management of the Sports Bar, including but not limited to its food and beverage operations, staffing, and security.

ARTICLE VI

MANAGER’S RIGHTS, POWERS AND OBLIGATIONS

Section 6.01. Grant of Authority.

CRDA hereby grants to Manager, and Manager hereby accepts, the exclusive rights and obligations, in its own name, as an independent contractor and not as an agent of CRDA (except as otherwise expressly provided herein), to provide the Management Services to CRDA described in this Agreement.

Section 6.02. Right of Use by Manager.

(a) CRDA hereby gives Manager the right and license to use the Civic Center, and all Equipment located therein, and Manager accepts such right of use, for the purpose of performing the Management Services described herein. CRDA shall provide Manager with a sufficient amount of suitable office space in the Civic Center and with such office equipment as is reasonably necessary to enable Manager to perform its obligations under this Agreement.

(b) Upon written notice to CRDA at least thirty (30) days prior to the start of each Contract Year, CRDA shall reserve and provide to Manager up to fifty-six (56) parking spaces in the Church Street Garage for use during Events, with it being understood that Manager is not the operator of the Church Street Garage and that the revenues and expenses from the Church Street Garage operations shall not be included in the determination of Net Profit except for (i) the expense of Manager paying CRDA for such reserved parking spaces and (ii) the revenues Manager receives from reselling those parking spaces. CRDA shall bill Manager monthly in arrears for the use of such parking spaces during Events, at a cost equivalent to the posted parking rates for members of the public during such Events.

Section 6.03. Property; Inventory Practices.

Manager shall have no authority to sell, remove from the Civic Center, or otherwise dispose of, or to encumber or alienate any part of the Civic Center or any Equipment (except for the disposal in the ordinary course of Equipment which is obsolete or damaged and no longer used or usable in connection with Facility Operations). Manager shall maintain a fixed asset inventory, shall implement and comply with inventory control procedures meeting the Industry Standard, including scannable tagging of individual items of fixed inventory or other Industry Standard means of identification and tracking fixed inventory items, shall comply with such additional inventory control procedures as may be applicable to personal property owned by CRDA or the State, including pursuant to Section 4-36 of the General Statutes to the extent applicable, and shall perform an annual audit of the fixed asset inventory and provide such inventory to CRDA.

Section 6.04. Capital Expenditures.

(a) Except for the Capital Expenditures set forth in the Capital Expenditure Plan approved by CRDA pursuant to Section 7.03(c) below, Manager shall have no authority to make any material alterations or any capital improvements to the Civic Center without the prior written consent of CRDA. Manager shall obtain CRDA's prior written approval before making any Capital Expenditure that is not within the approved Capital Expenditure Plan, except as may be otherwise provided in Section 5.11 with respect to Emergency Expenditures.

(b) All Capital Expenditures and Emergency Expenditures incurred by Manager in excess of the amounts in the Capital Reserve Fund shall be treated as an

Operating Expense pursuant to Section 7.02 and may, at the option of Manager, reduce its obligation to fund future Capital Contributions pursuant to Section 7.04. However, Manager shall not be required to make any Capital Expenditures except from amounts available in the Capital Reserve Fund. Further, any major expenditures on structural items (such as a new roof, rebuild or refurbishment of areas damaged by fire, flood, etc., or significant renovations) shall not be Operating Expenses but rather, if incurred with the approval of CRDA, shall be for the account of CRDA.

Section 6.05. Third Party Agreements.

(a) With respect to Facility Operations and the performance of Management Services, Manager shall be permitted to enter into (i) such Service Contracts as Manager deems necessary, advisable or desirable to provide goods or services necessary for Facility Operations of the type customarily provided by third party vendors or subcontractors at Comparable Facilities; provided that no such contract or agreement shall release Manager from any obligations under this Agreement; and (ii) such Revenue Generating Contracts as Manager deems necessary, advisable or desirable and in furtherance of CRDA's Objectives. All such material contracts and agreements shall contain Industry Standard indemnification, insurance and bonding requirements and obligations on the part of each vendor, licensee or service provider, as is customary for the type of license, service, produce or obligation provided. CRDA may furnish to Manager from time to time lists of firms disqualified from state contracting by other state agencies, and Manager shall not award any Service Contract to such a firm during the period of its disqualification as evidenced by such list. The prior approval of CRDA shall be required for any contract or agreement with a term extending beyond the scheduled expiration date of this Agreement, unless such contract or agreement is subject to early termination by CRDA or Manager without penalty as of such date.

(b) All Service Contracts and Revenue Generating Contracts shall be entered into by Manager pursuant to the provisions of this Agreement relating to the funding and payment of Operating Expenses and shall provide that the same are assignable to CRDA without the prior consent of the parties thereto and, notwithstanding any contrary provision hereof, upon termination of this Agreement for any reason, Manager agrees that CRDA shall have the right to and CRDA hereby agrees to assume (or to arrange for a successor management company to assume) in writing any or all then outstanding obligations under such Service Contracts and Revenue Generating Contracts entered into by Manager in accordance with this Agreement.

(c) All Service Contracts and Revenue Generating Contracts with an Affiliate of Manager, if not offered at a discount by Affiliate, shall be provided on an arm's length basis and shall be reflective of the market rate. CRDA acknowledges that the C&C Agreement and the Marketing Agreement satisfy the requirements of this paragraph.

Section 6.06. Engagement of Professionals.

Manager, with CRDA's prior approval, may engage outside legal counsel, accountants, architects, engineers and other professionals and experts as are reasonably

necessary in connection with Facility Operations, including in connection with any claims, suits or other legal proceedings. Except for any such costs as to which CRDA is entitled to indemnification pursuant to Section 14.01, the costs of such professionals and experts shall be considered Operating Expenses.

Section 6.07. Liens.

Manager shall not cause any Lien to be filed, or suffer or permit any Lien to be maintained of record by any Person claiming by or through Manager or any Affiliate of Manager or resulting from any claim against Manager or any Affiliate of Manager unrelated to Facility Operations, against any portion of the Civic Center or the Equipment, and if any such Lien shall be filed, Manager shall promptly, and at its own cost and expense, cause such Lien to be released.

Section 6.08. Claims and Suits.

Manager shall be advised by CRDA (and CRDA shall continually keep Manager apprised) of CRDA's procedures and requirements in respect to handling, defense and settlement of third party claims filed with and lawsuits filed against CRDA with respect to the Civic Center, including in connection with Facility Operations. Manager agrees to implement and comply with such procedures and requirements as it has been advised of by CRDA and applicable claim and settlement requirements of policies of insurance provided pursuant to Article XIV. In the event that Manager is also named as a defendant, the Parties agree to discuss and cooperate in the defense of such matter, subject to applicable conflict of interest and insurance requirements. All settlements to which CRDA is a party or which otherwise constitute Operating Expenses (except monetary settlements within the applicable policy limits recommended by the insurance carrier, deductibles and self-insured retentions) shall be subject to the approval of CRDA. Both Parties agree that they will immediately notify the other party in writing of any third party claim, threatened litigation or lawsuit filed which relates to the Civic Center or Facility Operations. Nothing in this Section 6.08 authorizes Manager to accept service of process on behalf of CRDA or the State or to consent to jurisdiction or suit in connection with any such third party claims or lawsuits.

ARTICLE VII

CAPITAL EXPENDITURES; CAPITAL INVESTMENT

Section 7.01. Schedule of Capital Expenditures.

Manager shall annually, at the time of submission of the annual Operating Budget to CRDA, provide to CRDA a schedule of proposed capital improvements to be made at the Civic Center for the next three Contract Years, for the purpose of allowing CRDA to consider such projects and to prepare and update a long-range Capital Expenditure budget. Such schedule shall take into account the recommendations in the most recent engineering and safety inspection and report provided pursuant to Section 5.09(c).

Section 7.02. Responsibility for Capital Expenditures.

Excluding the State's Investment and Manager's Investment, Manager shall be solely responsible for funding all Capital Expenditures, but Manager shall not be required to incur any Capital Expenditure except to the extent funds are available for such purpose in the Capital Reserve Fund. Capital Expenditures shall be funded first from the Capital Reserve Fund, and second, if the balance of the Capital Reserve Fund is insufficient shall be an Operating Expense and may, at the option of Manager, reduce its obligation to fund future Capital Contributions pursuant to Section 7.04; provided, however, Manager shall be under no obligation to make any Capital Expenditures if the balance of the Capital Reserve Fund is insufficient to cover the cost thereof. Notwithstanding the foregoing, CRDA shall have the right (but not the obligation), upon notice to Manager and at the cost of CRDA, to make Capital Expenditures at the Civic Center.

Section 7.03. Capital Investment.

(a) Manager shall contribute Five Hundred Thousand Dollars (\$500,000) each Contract Year into the Capital Reserve Fund maintained by CRDA to be applied to fund Capital Expenditures at the Civic Center. The capital contributions of Manager are referred to herein as a "Capital Contribution".

(b) Each Capital Contribution shall be deemed to be an annual Operating Expense.

(c) Manager shall on an annual basis update and provide to CRDA a Capital Expenditure plan ("Capital Expenditure Plan"), which plan shall propose uses of the funds in the Capital Reserve Fund for a rolling 5-year period. The Capital Expenditure Plan shall be subject to CRDA's approval, not to be unreasonably withheld. Funds in the Capital Reserve Fund shall be used for matters set forth in the approved Capital Expenditure Plan.

Section 7.04. Limitation on Capital Contribution Obligations.

(a) Notwithstanding that Capital Expenditures and Emergency Expenditures are first to be paid out of the Capital Reserve Fund, the Parties acknowledge the possibility that at times the Capital Reserve Fund may be insufficient to cover the cost of Capital Expenditures, and that in this event, Capital Expenditures and Emergency Expenditures in excess of funds available in the Capital Reserve Fund shall be Operating Expenses. Any Capital Expenditure or Emergency Expenditure treated as Operating Expenses shall hereinafter reduce Manager's obligation to fund Capital Contributions in the next Contract Year up to the amount of Capital Expenditure or Emergency Expenditure treated as an Operating Expense in the prior Contract Year. Any amounts remaining in the Capital Reserve Fund at the end of any Contract Year shall be rolled over into future Contract Years.

(b) For example, in Contract Year #2 in the event that the Capital Reserve Fund has \$1 million and there is a Capital Expenditure of \$1.2 million, the first \$1 million would be funded out of the Capital Reserve Fund and the remaining \$200,000 would be an Operating Expense. In Contract Year #3, Manager's capital investment obligation would be reduced by the \$200,000 Operating Expense, and therefore the Capital Contribution obligation would only be \$300,000.

(c) For example, in Contract Year #2 in the event that the Capital Reserve Fund has \$1 million and there is a Capital Expenditure of \$1.6 million, the first \$1 million would be funded out of the Capital Reserve Fund and the remaining \$600,000 would be an Operating Expense. In Contract Year #3, Manager's capital investment obligation would be reduced in its entirety to \$0, and in Contract Year #4, Manager's capital investment obligation would be reduced by the remaining \$100,000 Operating Expense, and therefore the Capital Contribution obligation would only be \$400,000.

(d) For the avoidance of doubt, Manager shall have no obligation to make any Capital Expenditures if the balance of Capital Reserve Fund is insufficient to cover the costs thereof.

ARTICLE VIII

OPERATING BUDGET; RECORDS; REPORTING

Section 8.01. Establishment of Operating Budget.

Manager agrees that at least one hundred twenty (120) days prior to the commencement of each Contract Year in respect of such year, it will prepare and submit to CRDA its proposed Operating Budget for the Civic Center. The proposed Operating Budgets shall include Manager's good faith projection of Gross Revenues and Operating Expenses, Event activity and other statistics meeting the Industry Standard presented on a monthly and annual basis, for the upcoming Contract Year. CRDA agrees to provide Manager with all information in its possession necessary to enable Manager to prepare each Operating Budget.

Section 8.02. Approval of Operating Budget.

Each annual Operating Budget shall be subject to the review and approval of CRDA, which shall not be unreasonably withheld. In order for CRDA to fully evaluate and analyze such budgets or any other request by Manager relating to income and expenses, Manager agrees to provide to CRDA such reasonable financial information relating to the Civic Center as may be requested by CRDA from time to time. If extraordinary events occur during any Contract Year that could not reasonably be contemplated at the time the corresponding Operating Budgets were prepared, Manager may submit an amendment to such budgets for review and approval by CRDA; however, no formal submission of amendments are required for (i) adjustments of 15% or less to

departmental line items in the Operating Budget, provided that any such amendment does not increase the total Operating Budget or (ii) for adjustments in budgeted amounts directly related to the costs of insurance, utilities or employee benefits. Upon submission of each annual Operating Budget or amendments to CRDA, CRDA shall have thirty (30) days to review and comment. If CRDA fails to approve any annual Operating Budget (or any proposed amendments thereto), CRDA shall promptly provide Manager the specific reasons therefor and its suggested modifications to Manager's proposed Operating Budgets or amendments in order to make them acceptable. The Parties shall then engage in good faith discussions and use reasonable commercial efforts to attempt to resolve the matter to the mutual satisfaction of the Parties.

Section 8.03. Adherence to Operating Budget.

Manager shall use all reasonable efforts to manage and operate the Civic Center in accordance with the Operating Budgets. However, CRDA acknowledges that notwithstanding the Manager's experience and expertise in relation to the operation of the Civic Center and similar facilities, the projections contained in each Operating Budget are subject to and may be affected by changes in financial, economic and other conditions and circumstances beyond the Manager's control, and, subject to Manager's obligation to pay for any Operating Net Losses as described in Section 12.1, Manager shall have no liability if the numbers within the Operating Budget are not achieved. Manager may incur expenditures of Operating Expenses in excess of the Operating Expenses projected in any Operating Budget without needing an approval from CRDA, however (i) Manager shall not exceed the total Operating Expenses projected in any Operating Budget by more than fifteen percent (15%) without the prior approval of CRDA, and (ii) Manager agrees to notify CRDA within thirty (30) days of any significant change or variance in the bottom line number in the Operating Budget of more than fifteen percent (15%), and any material increase in total Operating Expenses from that provided for in the Operating Budget by more than fifteen percent (15%), including Manager's statement of the reasons for such variance and Manager's assessment and recommendation of any possible corrective action. In either such case and if requested by CRDA, Manager agrees to work with CRDA to develop and implement a plan (or changes to the then current plan) to limit Operating Expenses to be incurred in the remaining months of such Contract Year with the goal of achieving the Operating Budget.

Section 8.04. Recommendations Regarding Revenue Enhancement and Cost Savings Opportunities.

In connection with the preparation of the Operating Budget, Manager shall make recommendations to CRDA with respect to (a) opportunities for revenue enhancement from ancillary activities at the Civic Center, including the sale of other merchandise or services, additional promotional opportunities, pre- and post-Event activities, and other commercial use of portions of the Civic Center, and (b) opportunities, if any, for further cost savings in connection with the Facility Operations, including energy conservation recommendations, improvements in purchasing procedures or lower cost sources of services and supplies, benefactor and in-kind contributions and other measures.

Section 8.05. Records.

Manager agrees to keep and maintain, at its office in the Civic Center, separate and independent records, in accordance with GAAP, devoted exclusively to its operations in connection with its management of the Civic Center. Such records (including books, ledgers, journals, and accounts) shall contain all entries reflecting the business operations of Manager under this Agreement, Facility Operations and Events in accordance with Industry Standard practices. CRDA or its authorized agent shall have the right to audit and inspect such records from time to time during the Term, upon reasonable notice to Manager and during Manager's ordinary business hours.

Section 8.06. Monthly Financial Reports.

(a) Manager agrees to provide to CRDA, within twenty-five (25) days after the end of each month during the Term, a financial report for the Civic Center, including a comparative balance sheet to prior year end, aging report on accounts receivable, monthly depreciation reports stating purchase cost, depreciation expense, accumulated depreciation, and net book value and statement of revenues and expenditures (budget to actual) for such month and year to date in accordance with GAAP. In addition, Manager agrees to provide to CRDA a summary of bookings at the Civic Center for each such month, and separate cash receipts and disbursements reports for each event held at the Civic Center during such month. Additionally, Manager shall submit to CRDA, or shall cause the Depository to submit to CRDA, on a monthly basis, copies of all bank statements concerning the Event Account and the Operating Account.

(b) Manager agrees to provide to CRDA, within twenty-five (25) days after the end of each month key statistics meeting Industry Standard and mutually agreed upon between CRDA and Manager, including at a minimum: event days, dark days, utilization percentage, number of events (UConn and other), total attendance, total projected revenue, and total projected revenue by major category.

(c) By the twenty-fifth (25th) day of each month during the Term, Manager shall provide to CRDA a written monthly rolling forecast for the remainder of that Contract Year. In addition, such rolling forecast shall show variances from the Operating Budget by revenue and expense category. If the variance on any revenue and expense category exceeds ten percent (10%) of the category, the report will include Manager's detailed explanation of the reason for the variance and the steps Manager intends to take to improve performance of the Civic Center so as to eliminate the variance or if the variance is favorable, the reason the budget failed to predict the variance.

Section 8.07. Annual Report.

(a) Not more than sixty (60) days after the end of each Contract Year, Manager shall deliver to CRDA reports with respect to Facility Operations for the prior Contract Year for the Civic Center, including reconciliations and comparisons to budget, a statement of Gross Revenues, Operating Expenses, and Profit Share for such Contract Year, Concession Revenues for such Contract Year, a comparative balance sheet prior to

year end, and a statement of cash flows, and containing such other financial information and detail as CRDA may reasonably require.

(b) Within sixty (60) days after the end of each Contract Year, Manager shall provide to CRDA a reasonably detailed written narrative summarizing Facility Operations during the preceding Contract Year, including a description of each Event held, any problems encountered and suggestions for improving Facility Operations. Such report shall also detail Manager's efforts to meet the employment preferences outlined in Sections 13.03, 13.04 and 17.05, including (i) a description of each Service Contract entered into during the prior calendar year, (ii) whether any contractor is a minority business enterprise or a small business enterprise, as those terms are defined in section 4a-60g of the General Statutes, (iii) the value of such contract, (iv) the number of jobs associated with such contract, including the number of jobs held by residents of Hartford and the number of jobs held by women and minorities, and (v) any steps being taken for affirmative action and corrective measures for any deficiencies.

(c) Each report and statement delivered to CRDA pursuant to this Section 8.07 shall be accompanied by a certificate of Manager's Director of Finance for the Civic Center, certifying that such report or statement is true and correct.

Section 8.08. Audit.

Manager agrees to arrange for an audit to be completed on the accounts and records as kept by the Manager for the Civic Center following each Contract Year. Manager shall use reasonable commercial efforts to have such audit completed within seventy-five (75) days following the end of each Contract Year. At the conclusion of such audit, the auditor shall prepare a certified audit report. Costs associated with such audit and obtaining the certified audit report shall be an Operating Expense of the Civic Center. Such audit shall be performed by the same external auditor used by CRDA for CRDA's annual audit, unless otherwise approved by CRDA, and shall be conducted in accordance with GAAP. If Manager elects to use a different external auditor than CRDA, Manager shall use reasonable commercial efforts to have such audit completed within sixty (60) days following the end of each Contract Year.

Section 8.09. Auditors of Public Accounts.

(a) The financial statements, reports, records and results referred to in Sections 8.05, 8.06 and 8.07 shall remain subject to audit and adjustment by the Auditors of Public Accounts pursuant to Section 32-657(g) and Chapter 23 of the General Statutes for a period of seven (7) years after the close of the fiscal period to which such financial statements, reports, records and results pertain; provided, however, that upon expiration or earlier termination of this Agreement, Manager may leave such financial statements, reports, records and results at the Civic Center or in the custody of CRDA or its designee.

(b) Manager shall cooperate with the Auditors of Public Accounts and members of their staff with respect to any audit of internal controls at the Civic Center conducted by the Auditors of Public Accounts in accordance with Applicable Law. At the

direction of CRDA, Manager shall comply with any recommendations of the Auditors of Public Accounts with respect to such internal controls as may result from any such audit.

Section 8.10. Audits of Subcontracts.

The C&C Agreement, the Marketing Agreement and the Ticketing Agreement, and each other Revenue Generating Contract, shall contain provisions granting to CRDA and the Auditors of Public Accounts the same audit rights provided for in Sections 8.08 and 8.09.

ARTICLE IX

FUNDS AND ACCOUNTS; PAYMENT OF OPERATING EXPENSES

Section 9.01. Operating Account.

(a) It is understood and agreed that there will be an Operating Account for the Civic Center for purposes of receiving and holding Gross Revenues and paying Operating Expenses. The Operating Account shall conform and be subject to the other applicable provisions of this Section 9.01.

(b) Manager shall establish and maintain at the Depository a separate account in CRDA's name and under CRDA's Federal ID number but with signature authority granted to Manager (the "Operating Account"), which account shall be the only account used by Manager to pay Operating Expenses and shall be used for no other purpose. All Gross Revenues shall immediately be deposited in the Operating Account. Manager shall pay in a timely manner from the Operating Account all Operating Expenses properly incurred for the account of CRDA pursuant to this Agreement.

Section 9.02. Event Account; Special Escrow Accounts; Disbursements.

(a) Manager shall establish and maintain at the Depository an account in the name of CRDA and under CRDA's Federal ID number, but with signature authority granted to Manager (the "Event Account"), into which Manager shall immediately deposit all amounts received as payment for tickets or admissions to Events, including Ticket Surcharge Revenues.

(b) Except as provided in Section 9.02(c) below, amounts shall be transferred by Manager from the Event Account only as follows: (i) to make refunds to ticket or admission purchasers or Licensees, if pursuant to the applicable License Agreement or under Applicable Laws the same are required to be so refunded; or (ii) immediately after the actual commencement of an Event and to the extent of amounts in the Event Account representing sales of tickets or admissions or such advance payments or deposits with respect to such Event, to make payment to the Event Licensee to the extent required by the applicable License Agreement and otherwise to the Operating

Account as Gross Revenues, in each case consistent with Industry Standard practices for event reconciliation. No later than three (3) Business Days following each Event, all amounts due to CRDA on account of such Event reconciliation shall be immediately deposited in the Operating Account.

(c) Manager may also establish and maintain at the Depository from time to time one or more special escrow accounts (“Special Escrow Accounts”) to hold advance payments or deposits from Licensees, security deposits, or other advance payments or deposits until the same can be recognized as revenue in accordance with the Approved Accounting System, and may make disbursements from any such Special Escrow Account in accordance with Industry Standard practices and the terms on which such advance payment or deposit was made.

(d) Amounts on deposit in the Event Account and any Special Escrow Account shall be invested by Manager only in Permitted Investments. Losses resulting from investment of funds in the Event Account or any Special Escrow Account shall be treated as Operating Expenses.

Section 9.03. Non-Appropriation.

Manager acknowledges and agrees that CRDA has no responsibility to pay for any Operating Expenses. Manager acknowledges and agrees that the State is not a party to this Agreement, that there is no recourse to the State with respect to the obligation of CRDA hereunder, and that the State is under no obligation to appropriate or otherwise make available to CRDA any funds necessary in order for CRDA to meet its obligations under this Agreement, provided, however, that (i) it is acknowledged to be the expectation of the Parties that the State will appropriate funds to the extent necessary to enable CRDA to pay City Rent; and (ii) CRDA agrees to request further State appropriations if and to the extent necessary to fund Capital Expenses (beyond the amounts in the Capital Reserve Fund) and to make the Investment Refund Payment, if applicable, in the event that it is expected that Legally Available Funds will not otherwise be adequate to make such payments.

ARTICLE X

CRDA’S RIGHTS, POWERS AND OBLIGATIONS

Section 10.01. Powers Reserved to CRDA.

In addition to the other powers, rights and privileges, including approval rights, given or reserved to CRDA elsewhere in this Agreement, CRDA reserves the exclusive authority for the following matters:

- (a) final authority over the booking of Community Events;

- (b) the operation of, and licensing others to operate, video games and other games of entertainment value;
- (c) approval of any non-Event related signage and advertising displayed on the exterior of the Civic Center that is in the Restricted Categories;
- (d) rights of entry and alteration to the Civic Center pursuant to Sections 10.02 and 10.03;
- (e) rights with respect to naming rights pursuant to Section 10.04;
- (f) right to approve Capital Expenditures;
- (f) the right to reject objectionable or unsuitable Events pursuant to Section 5.02;
- (g) the rights reserved to CRDA with respect to the temporary or permanent closure of the Civic Center in Section 11.03(b); and
- (h) such other matters as may be mutually agreed by the Parties.

In exercising such reserved rights, CRDA shall act in a reasonable manner in furtherance of CRDA's Objectives as set forth in Section 3.01(b) and, to the extent applicable in the circumstances, the Industry Standard at Comparable Facilities.

Section 10.02. Right of Entry Reserved.

Manager shall have the authority to control entry and access to the Civic Center in accordance with this Agreement. Representatives of CRDA designated by CRDA, who shall be employees of, or contractors and consultants to, CRDA with responsibilities involving the Civic Center (the "CRDA's Designated Representatives"), shall have the right at any time to enter all portions of the Civic Center to inspect same, to observe or assess the performance of Manager of its obligations under this Agreement, to install, remove, adjust, repair, replace or otherwise handle any Equipment, utility lines, or other matters in, on, or about the premises, or to do any act or thing which CRDA may be obligated or have the right to do under this Agreement. CRDA shall also retain a right of entry and access for governmental officials of the State of Connecticut and their staff members while on official business relating to the Civic Center, and for CRDA's accountants, attorneys, architects, engineers, contractors and other consultants and advisors when engaged in providing services to CRDA with respect to the Civic Center, provided reasonable advance notice is given by CRDA to Manager with respect to the identity of such invitees and the purposes for the visit. CRDA shall not interfere with the activities of Manager hereunder, and CRDA's actions shall be conducted so as not to disrupt Manager's ability to perform its obligations under this Agreement and so as not to disrupt an Event. Manager shall have authority, by lawful means, to prohibit entry to, and eject from, the Civic Center persons who do not have a right of entry and access to the Civic Center in accordance with this Agreement, including common law trespassers. Nothing in

this Agreement pertaining to access to the Civic Center shall limit access for emergency services pursuant to the Security Plan or be in derogation of the proper exercise of the police powers of the State or of any right of access to the Civic Center provided by Applicable Law, including any right of access by the Auditors of Public Accounts provided by the Implementing Legislation.

Section 10.03. Alterations to the Civic Center.

Manager acknowledges that CRDA shall have the right to make such alterations to the Civic Center, at any time and from time to time, as CRDA deems desirable. Notwithstanding the provisions of this Section 10.03, if such changes would, in Manager's reasonable judgment, materially interfere, impede or impair the ability of Manager to manage, operate or promote the Civic Center, Manager shall not be considered to be in breach of this Agreement to the extent that its breach is due to such changes. CRDA shall make reasonable efforts to coordinate any such alterations with Manager so as to minimize any adverse impact on operations. Nothing in this Section 10.03 shall limit the rights reserved to CRDA in Section 11.03(b), or impose or be construed to impose upon CRDA any independent obligation to construct or maintain or make repairs, replacements, alterations, additions or improvements or create any independent liability for any failure to do so.

Section 10.04. Naming Rights.

(a) The Parties intend that naming rights with respect to the Civic Center, including facility components and areas, be marketed and sold, subject to existing agreements and the other provisions of this Section 10.04, with the objective of maximizing revenue opportunities related to such naming rights.

(b) Manager acknowledges that the Civic Center is currently known as the "XL Center".

(c) Manager acknowledges that the Arena is currently known as "Veterans Memorial Coliseum" and that CRDA may require that that name be retained as, or as a phrase as part of, the name of the Arena.

(d) Without limiting the foregoing restrictions, the sale of naming rights to the Civic Center in any Restricted Category shall be subject to the approval of CRDA. The "Restricted Categories" are as follows:

- (i) if the name, or the entity, product or service with which such name is associated, relates to
 - (A) activities that are not generally lawful within the State,
 - (B) tobacco products,
 - (C) alcoholic beverages,

- (D) firearms or ammunition, or
- (E) sexually oriented products or activities; or
- (ii) if the name would be generally offensive or objectionable under prevailing community standards.

Section 10.05. Use of Civic Center at Direction of CRDA.

(a) CRDA shall have the right to use areas of the Civic Center ordinarily used for private meetings or events for governmental functions and activities of CRDA or other official business of the State, upon reasonable advance notice and subject to availability, without the payment of any rental or use fee, except that direct out-of-pocket expenses incurred in connection with such uses shall be paid by CRDA and such use shall be subject to otherwise applicable provisions of the Rules and Regulations.

(b) Manager acknowledges that the Civic Center may be considered strategic state assets and that, in the event of national, state or local emergency, use of the Civic Center for purposes of command and control, emergency telecommunications, shelter, mobilization, staging or other emergency purposes, and/or restrictions on use of the Civic Center or portions thereof may be ordered by competent officials of state government or may be directed by CRDA. Manager shall cooperate and assist CRDA and such officials in connection with any such emergency arrangements, the costs of which, if not otherwise paid or provided for, shall, as between CRDA and Manager, be treated as a cost of CRDA (and not an Operating Expense). For purposes of this subsection (b), “competent officials of state government” shall be limited to (i) the Governor of the State of Connecticut, including any acting Governor, (ii) the Commissioner of the Department of Emergency Management and Homeland Security of the State of Connecticut, and (iii) any other official of state government which CRDA identifies in writing to Manager as having authority over emergency use of the Civic Center.

(c) CRDA shall not schedule use of the Civic Center pursuant to subparagraph (a) above (and shall reschedule, or relocate, its events as applicable) if such use will conflict with paying Events booked by Manager and shall in all instances be subordinate thereto in terms of priority of use of the Civic Center for UConn athletic Events and Club-related Events.

Section 10.06. Support of Manager.

CRDA shall make reasonable efforts to assist Manager in the attainment of CRDA’s Objectives. CRDA’s obligations in this regard shall include the continuing availability of representatives of CRDA to consult and advise with respect to (a) environmental issues, (b) public safety and security; (c) traffic management plans, (d) parking plans, (e) noise ordinances, (f) business and budget planning, (i) selection of furniture, fixtures and equipment, (j) telecommunications, (k) data issues, including, but not limited to, facility networks, cable television and internet connectivity, (l) public safety, (m) contracts and agreements, and (n) State-required reporting requirements. The

Parties acknowledge that in matters relating to relations with agencies of the State and with the City of Hartford, CRDA will continue to assist and participate at levels comparable to its involvement with such matters prior to the Effective Date, provided that nothing in this Section 10.06 shall limit the express obligations of Manager under this Agreement.

Section 10.07. Observance and Compliance of CRDA Agreements.

CRDA agrees to pay, keep, observe and perform all payments, terms, covenants, conditions and obligations under any leases, bonds, debentures, loans and other financing and security agreements to which CRDA is bound in connection with its use, lease, ownership or other rights (as applicable) in the Civic Center. Without limiting the foregoing, CRDA specifically agrees to fully comply with all terms in the City Lease and the Declaration so as to allow Manager to enjoy the rights and perform the obligations of Manager under this Agreement.

ARTICLE XI

TERM; TERMINATION

Section 11.01. Term.

The term of this Agreement (the “Term”) shall begin on the Effective Date solely for the purposes of Article II. All remaining terms and provisions hereof shall become effective on the Operational Start Date. During the Construction Term, the Existing Agreement shall be in full force and effect and continue to apply according to its terms, without modification by this Agreement. Upon the Operational Start Date, the Existing Agreement shall be terminated and superseded by this Agreement. This Agreement, unless sooner terminated pursuant to the provisions of Section 11.02 or 11.03, below, shall expire on the twentieth (20th) anniversary of the Operational Start Date or September 1, 2045, whichever is earlier. If the Operational Start Date is delayed such that the length of the Term is shorter than twenty (20) years, upon the written request of Manager, CRDA will operate in good faith with Manager to request an extension of the term of the City Lease for a period of time equal to the period of the delay of the Operational Start Date. If said extension of the City Lease is approved, the Term of this Agreement shall be extended an equivalent period of time as the City Lease extension.

Section 11.02. Termination Upon Default, Bankruptcy or Gross Mismanagement.

This Agreement may be terminated:

- (a) by either party upon thirty (30) days’ prior written notice, if the other party fails to perform or comply with any of the material terms, covenants, agreements or conditions hereof, including Manager’s obligation to provide Management Services, and such failure is not cured during such thirty (30)

day notification period, provided, however, if such failure is not in the nature of Manager's obligation to pay Profit Share or Capital Contributions otherwise due hereunder, and cannot reasonably be cured within such thirty (30) day period, then a longer period of time shall be afforded to cure such breach, up to a total of one hundred twenty (120) days, provided that the party in default is diligently seeking a cure and the non-defaulting party is not irreparably harmed by the extension of the cure period;

- (b) by either party immediately by written notice upon the other party being judged bankrupt or insolvent, or if any receiver or trustee of all or any part of the business property of the other party shall be appointed and shall not be discharged within one hundred twenty (120) days after appointment, or if either party shall make an assignment of its property for the benefit of creditors or shall file a voluntary petition in bankruptcy or insolvency, or shall apply for bankruptcy under the bankruptcy or insolvency Laws now in force or hereinafter enacted, Federal, State or otherwise, or if such petition shall be filed against either party and shall not be dismissed within one hundred twenty (120) days after such filing; or
- (c) by CRDA upon thirty (30) days' prior written notice, if Manager has grossly mismanaged the Civic Center by a systemic lack of performance of its Management Services, and such failure is not cured during such thirty (30) day notification period, provided, however, if such failure cannot reasonably be cured within such thirty (30) day period, then a longer period of time shall be afforded to cure such breach, up to a total of one hundred eighty (180) days, provided that Manager is diligently seeking a cure and CRDA is not irreparably harmed by the extension of the cure period.

Section 11.03. Special Termination Events.

(a) This Agreement shall terminate in the event of, and coincidental with, the termination of the City Lease; provided, however, that (i) CRDA shall not voluntarily surrender or agree to the termination of the City Lease without the prior written consent of Manager (the termination of the City Lease by CRDA as a consequence of a default by the City thereunder not being considered a voluntary termination by CRDA for this purpose), and (ii) notwithstanding the foregoing, in the event the City Lease terminates but CRDA continues to have a legal interest in the Civic Center sufficient to permit CRDA to operate and contract for the management of the Civic Center (by way of example and not limitation, in the event CRDA purchases the Civic Center), then this Agreement shall instead continue in effect as to the Civic Center in accordance with its terms subject only

to such technical modifications as may be necessitated by the change in the nature of the legal interest in the Civic Center held by CRDA;

(b) CRDA and Manager acknowledge that CRDA reserves the right, acting for the convenience of the State, to close the Civic Center in the event of casualty or for the purpose of future major alteration, renovation or expansion beyond the scope of the Project. In such event, Facility Operations and CRDA's and Manager's respective rights, privileges and obligations hereunder shall be suspended and abate as to the Civic Center, and shall resume at such time at which the Civic Center reopens; provided, however, that if the Civic Center is to remain closed for a period in excess of two (2) years, or is to be closed permanently, either CRDA or Manager may terminate this Agreement. Upon the written request of Manager, CRDA will operate in good faith with Manager to request an extension of the term of the City Lease for a period of time equal to the period of the abatement and suspension of Facility Operations. If said extension of the City Lease is approved, the Term of this Agreement shall be extended an equivalent period of time as the City Lease extension.

(c) CRDA shall promptly furnish to Manager any notice of default or notice of termination sent or received by CRDA with respect to the City Lease.

(d) CRDA shall use reasonable best efforts to maintain the City Lease in place for the full Term of this Agreement.

Section 11.04. Effect of Termination.

(a) Upon expiration or termination of this Agreement for any reason other than an early termination by CRDA pursuant to its rights under Section 11.02 above, in addition to any other rights or remedies available to Manager, CRDA shall reimburse Manager for any actual ordinary and necessary expenses incurred by Manager in withdrawing from the provision of services hereunder following such termination. Such ordinary and necessary expenses shall include costs associated with (i) severance pay, not to exceed six (6) months, for each of Manager's Management-Level Employees, (ii) reasonable household relocation expenses for Manager's Management-Level Employees, to the extent any of such individuals had previously relocated to the Civic Center (or its surrounding area) in connection with this Agreement and (iii) other reasonable out-of-pocket costs actually incurred by Manager in withdrawing from the provision of services hereunder, such as any payments required to be made by Manager under the Worker Adjustment and Retraining Notification Act (provided that Manager shall take all reasonable action necessary to mitigate such payments), those incurred in connection with the termination and/or assignment of Service Contracts, Revenue Generating Contracts, or other contracts or leases entered into by Manager pursuant to this Agreement. CRDA's payment of such expenses will occur only after Manager has provided reasonable evidence of the incurrence of such expenses.

(b) Upon termination or expiration of this Agreement for any reason, (i) Manager shall promptly discontinue the performance of all services hereunder, (ii) Manager shall promptly pay CRDA any Profit Share due up to the date of termination

or expiration (subject to proration if the Term ends other than at the end of the Contract Year), (iii) Manager shall make available to CRDA all data, electronic files, documents, procedures, reports, estimates, summaries, and other such information and materials with respect to the Civic Center as may have been accumulated by Manager in performing its obligations hereunder, whether completed or in process, (iv) CRDA shall pay the Investment Refund Payment pursuant to Section 2.03, (v) any remaining funds in the Capital Reserve Fund shall become the property of the City, (vi) any remaining funds in the Operating Account shall become the property of Manager, after reconciliation of expenses and revenues, and (vii) without any further action on part of Manager or CRDA, CRDA shall, or shall cause the successor manager to, assume all obligations arising after the date of such termination or expiration, under any Service Contracts, Revenue Generating Contracts, booking commitments and any other Civic Center agreements entered into by Manager in furtherance of its duties hereunder. Any obligations of the Parties that are specifically intended to survive expiration or termination of this Agreement shall survive expiration or termination hereof.

Section 11.05. Surrender.

Upon termination of this Agreement, Manager shall surrender and vacate the Civic Center upon the effective date of such termination. The Civic Center and all Equipment shall be returned to CRDA in Satisfactory Condition, provided that notwithstanding the foregoing, to achieve “Satisfactory Condition”, Manager shall not be required to make major Capital Expenditures (e.g., replace the roof or make structural changes to the Civic Center). Whether the Civic Center and all Equipment is returned in Satisfactory Condition is subject to the review and binding determination of a mutually agreed upon third party decision maker who shall be an individual with experience in the facility management industry and shall be objective. Upon determination of the third party reviewer, to the extent Manager is obligated to use funds to return the Civic Center or Equipment to Satisfactory Condition, the cost of such efforts shall be paid from the Capital Reserve Fund or, to the extent of insufficient funds in such account, as an Operating Expense. All Work Product shall be immediately surrendered to CRDA by Manager upon termination, provided that Manager may retain a copy thereof solely for purposes of this Agreement.

Section 11.06. Transition Generally.

The Parties acknowledge the importance of a smooth transition of responsibility and uninterrupted operation of the Civic Center upon termination of this Agreement. Manager shall make available to CRDA or the successor management company, in electronic form to the extent available, all records, data and other information relating to Facility Operations maintained on Manager’s computer system as of the date of termination. For a period not to exceed ninety (90) days after termination, Manager shall cooperate with CRDA and any successor management company in an effort to minimize any disruptions in operations relating to such termination, including the provision of reasonable access to Manager’s supervisory personnel, provided that CRDA shall reimburse Manager for any reasonable out-of-pocket expenses incurred in connection

therewith and for reasonable charges, on an hourly basis, for the time of Manager's supervisory personnel providing such transition services.

Section 11.07. Subsequent Management Contract.

In anticipation of the scheduled or earlier termination of this Agreement, CRDA reserves the right to invite proposals from, and discuss and negotiate a subsequent management contract with, any Person, and the right to select a successor management company through competitive negotiation or any other selection process complying with Applicable Law, provided that nothing in this Section 11.07 shall act as a waiver by Manager of any rights or remedies available to Manager arising out of any improper termination or attempt at termination of this Agreement by CRDA.

ARTICLE XII

MANAGER'S COMPENSATION; PROFIT SHARING

Section 12.01. Treatment of Revenues and Expenses.

During the Term of this Agreement, except as provided as set forth in this Article XII, in each Contract Year, Manager shall have the right to retain all Gross Revenues from operating the Civic Center, and shall have the obligation to pay all Operating Expenses and Taxes in connection with Civic Center operations. Manager shall assume bottom-line operating risk for the Civic Center, such that if Operating Expenses exceed Gross Revenues in any Contract Year, the difference ("Operating Net Loss") shall be borne by Manager.

Section 12.02. Net Profit Share.

Manager shall pay CRDA a profit share based on achievement of certain Net Profit thresholds in each Contract Year ("Profit Share") in accordance with Manager's certified audit described in Section 8.08, as adjusted on the basis of CRDA's audit, as follows:

(a) Manager shall retain the first \$4,000,000 of any Net Profit each Contract Year.

(b) For any Net Profit in excess of \$4,000,000, the Profit Share shall be 50%.

For example, if Net Profit in a Contract Year is \$5,000,000, Manager shall retain \$4,500,00 for its own account and pay to CRDA the Profit Share of \$500,000.

Profit Share payments shall be due and payable in full no later than one hundred fifty (150) days after the end of each Contract Year. For the first and last Contract Years, the Profit Share shall be payable with the thresholds above prorated on a daily basis based upon the length of such Contract Years. There shall be no carry-over of Operating Net Loss at the

end of any Contract Year.

Section 12.03. Commitment to Act in Good Faith; Dispute Resolution.

(a) Manager and CRDA acknowledge and agree that the financial arrangements hereunder are each based on the assumptions that each party will act in good faith with respect to their obligations hereunder. In accordance with the foregoing, Manager agrees that it will act in good faith to maximize Gross Revenues, minimize Operating Expenses, and maximize Net Profit, while acting at all times in a manner consistent with facility management Industry Standards and its other facility management engagements.

(b) Upon notice by either party of a bona-fide dispute under this Article XII, CRDA and Manager shall, for a period not to exceed sixty (60) days from the later of: (i) the date that notice of the dispute is delivered to each party hereto (as applicable); and (ii) the end of any contractually provided grace, notice or cure period, submit the issue to a mutually acceptable mediator, for non-binding mediation. The Parties shall request the mediator determine whether a dispute exists and, if so, the mediator shall then specify a reasonable time and manner for curing or resolving the dispute; provided, however, that no determination by the mediator shall provide for a resolution that would require more than six (6) months to cure/resolve the dispute from and after the date of the mediator's determination. The mediator shall render his/her recommendation within sixty (60) days of submission of the issue to such mediator. In the event, mediation fails to resolve the dispute within the time periods as hereinbefore described, the Parties shall then be free to pursue the rights and remedies afforded to such party under this Agreement. Notwithstanding the foregoing, nothing in this paragraph shall limit or prevent either party from seeking an injunction or other equitable relief from a court to protect its interests in the event that mediation is unsuccessful in resolving the dispute.

Section 12.04. Independent Audit; Auditors of Public Accounts.

The Profit Share for any Contract Year shall remain subject to audit and adjustment for a period of three (3) years in the event of an audit by the Auditors of Public Accounts pursuant to Chapter 23 of the General Statutes.

Section 12.05. Sports Bar Continued Good Faith Discussions.

Under the Existing Agreement, the terms and provisions governing the Sports Bar and Manager's management thereof are detailed in the Fourth Amendment. Such arrangements are currently in place through June 30, 2025. Both Parties agree to revisit and discuss in good faith the Sports Bar terms and provisions prior to the Operational Start Date, including any potential legislative corrections concerning the Sports Bar.

ARTICLE XIII

EMPLOYEES

Section 13.01. Generally.

All personnel required by Manager to perform its duties hereunder shall be engaged or hired by Manager, and shall be employees, agents or independent contractors of Manager, and not of CRDA. Manager shall select, in its sole discretion but subject to CRDA's right to approve the Operating Budget and variances permitted under Article VIII, the number, function, qualifications, and compensation, including salary and benefits, of its employees and shall control the terms and conditions of employment (including without limitation termination thereof) relating to such employees. Manager agrees to use reasonable and prudent judgment in the selection and supervision of such personnel. CRDA specifically agrees that Manager shall be entitled to pay its employees, as Operating Expenses, bonuses and benefits in accordance with Manager's then current and generally applicable employee benefits policies.

Section 13.02. General Manager.

Personnel engaged by Manager will include an individual with managerial experience in similar facilities to serve as a full-time on-site general manager of the Civic Center (the "General Manager"). The General Manager will have general supervisory responsibility for Manager and will be responsible for day-to-day operations of the Civic Center, supervision of employees, and management and coordination of all activities associated with events taking place at the Civic Center.

Section 13.03. Employee Non-Solicitation/Non-Hiring.

During the Term and for a period of one (1) year after the end of the Term, CRDA shall not solicit for employment, or hire, any of Manager's Management-Level Employees. CRDA acknowledges that Manager will spend a considerable amount of time identifying, hiring and training individuals to work in such positions, and that Manager will suffer substantial damages, the exact amount of which would be difficult to quantify, if CRDA were to breach the terms of this Section 13.03 by hiring, or soliciting for employment, any of such individuals. Accordingly, in the event of a breach or anticipated breach of this Section by CRDA, Manager shall be entitled (in addition to any other rights and remedies which Manager may have at law or in equity, including money damages) to equitable relief, including an injunction to enjoin and restrain CRDA from continuing such breach, without the necessity of posting a bond.

Section 13.04. Employment Preferences.

Manager agrees to make reasonable efforts to hire or cause to be hired available and qualified residents of the City of Hartford and available and qualified members of minorities, as defined in Section 32-9n of the General Statutes, for operations jobs at the Civic Center at all levels of operation activity.

Section 13.05. Employment Practices.

In furtherance of its responsibilities under Section 13.03, Manager shall employ industry standard job advertising and recruitment practices in an effort to attract qualified residents of the City of Hartford and minorities as applicants for all jobs related to the operation of the Civic Center, and otherwise to comply with all Applicable Laws relating to hiring, wages and benefits, and employment practices in connection with the operation of the Civic Center, including taking affirmative action to provide equal opportunity for employment without regard to race, creed, color, age, national origin, ancestry or gender.

Section 13.06. Subcontractor Compliance.

(a) If any services that would ordinarily give rise to operations jobs at the Civic Center (ticket takers, ushers, maintenance personnel, food service personnel, security personnel, etc.) are subcontracted pursuant to the authority granted to CRDA in this Agreement, the applicable agreement shall require that such subcontractor expressly agree to comply with the employment preference and employment set forth in Sections 13.03 and 13.04 with respect to such operations jobs to the extent applicable as a matter of law to such agreement.

(b) Nothing in this Section 13.05 shall prohibit arrangements by Manager or the Concessionaire with non-profit charitable and civic organizations who provide volunteers to staff concession stands and act as concession vendors in return for contributions to such organizations by Manager or the Concessionaire.

Section 13.07. Contract Compliance Monitoring.

Manager acknowledges that Section 32-605(c) of the General Statutes requires CRDA to designate a contract compliance officer (the "Contract Compliance Officer") to monitor compliance by CRDA and Manager with provisions of the Implementing Legislation, the State Contracting Requirements and other applicable provisions of State law relating to the management and operation of the Civic Center, and with applicable requirements of contracts (including Articles II, XIII and XVII of this Agreement), relating to set-asides for small contractors and minority business enterprises and required efforts to hire available and qualified members of minorities and available and qualified residents of the City of Hartford for operations jobs with respect to the Civic Center. Pursuant to such the Implementing Legislation, the Contract Compliance Officer is required to file quarterly and annual reports of findings and recommendations with CRDA. CRDA shall provide to Manager the name, address and telephone number of the Contract Compliance Officer. Manager agrees (a) to cooperate with the Contract Compliance Officer, (b) to provide such information with respect to job recruitment, job offers, employee residence, wage rates, contract awards to small contractors and minority business enterprises, and other relevant workforce, payroll and subcontracting records, as may be reasonably requested from time to time by the Contract Compliance Officer. In the event that any report of such Contract Compliance Officer includes findings or recommendations to the effect that applicable employee preference or contractor set-aside

requirements are not being complied with in respect of the management and operation of the Civic Center, Manager shall promptly prepare and submit to CRDA its plan of action to remedy such non-compliance (and/or evidence rebutting the finding of non-compliance by the Contract Compliance Officer) and, upon approval by CRDA, shall promptly and diligently implement any such plan of action.

Section 13.08. Employee Labor Unions.

Manager acknowledges it will accept existing labor agreements with AFSCME Local 1716 and IATSE Local 84 and negotiate in good faith with these labor unions, or any successors thereof, with regard to the Civic Center and Facility Operations.

Section 13.09. Prevailing Wage.

Manager acknowledges that each contract for the construction, remodeling, refinishing, refurbishing, rehabilitation, alteration or repair relating to the Civic Center shall contain the following provision: “The wages paid on an hourly basis to any person performing the work of any mechanic, laborer or worker on the work herein contracted to be done and the amount of payment or contribution paid or payable on behalf of each such person to any employee welfare fund, as defined in subsection (i) of Section 31-53 of the General Statutes, shall be at a rate equal to the rate customary or prevailing for the same work in the same trade or occupation in the town in which such public works project is being constructed. Any contractor who is not obligated by agreement to make payment or contribution on behalf of such persons to any such employee welfare fund shall pay to each mechanic, laborer or worker as part of such person's wages the amount of payment or contribution for such person's classification on each pay day.”

Section 13.10. Standard Wage.

Manager acknowledges that for purposes of Section 31-57f of the General Statutes relating to standard wage rates for certain service workers that wages and benefits shall be paid and provided to all service workers employed by Manager at the Civic Center at levels satisfying the requirements of Section 31-57f of the General Statutes.

**ARTICLE XIV
INDEMNIFICATION AND INSURANCE**

Section 14.01. Indemnification by Manager.

To the fullest extent permitted by law, Manager shall indemnify, defend and hold harmless CRDA and their respective officers, consultants, agents, and employees from and against all claims, damages, losses and expenses, direct, indirect or consequential, to the extent arising out of or resulting from the performance of Manager’s work, provided that such claim, damage, loss or expense is caused in whole or in part by any negligent act or omission by Manager, or breach of its obligations herein or by any person or organization directly or indirectly employed or engaged by Manager to perform

or furnish any of the obligations described herein, or anyone for whose acts Manager may be liable. Manager also agrees to indemnify, defend and hold harmless CRDA, its directors, officers, agents and employees from and against any and all Losses arising from (i) the fact that at any time during the Term Manager has failed in any material respect to comply with all Applicable Laws applicable to Facility Operations (provided CRDA has not taken any action which has prevented the Manger from complying with such law), (ii) disclosure by Manager of any confidential or proprietary information of any third party to any person or entity or infringement of any trade secrets or copyrights of any third party, (iii) any unlawful, criminal, intentional, or reckless acts or omissions on the part of Manager or its officers, employees or agents during the term of this Agreement, (iv) personal or bodily injury to or death of persons or damage to CRDA's property or the property of others to the extent caused by the negligent acts or omissions or the willful misconduct of Manager or its officers, employees or agents in the performance of this Agreement, (v) a breach by Manager of any of its representations, covenants or agreements made herein, (vi) failure by Manager to perform any obligations of Manager under any third party contracts, licenses or agreements entered into by Manager in furtherance of its duties hereunder as authorized hereby, including without limitation the Affiliation Agreement, or (vii) acts of Manager or its officers, employees or agents in violation of or outside the scope of the authority granted by this Agreement; provided, however, that the foregoing indemnification shall not extend to Losses to the extent such Losses (A) arise solely from the negligent acts or omissions or the willful misconduct of CRDA or its officers, employees or agents, or (B) arise solely from any breach or default by CRDA of its obligations under this Agreement.

Section 14.02. Indemnification by CRDA.

To the fullest extent permitted by law, CRDA agrees to indemnify, defend and hold harmless Manager, its parent, subsidiary and affiliate companies, and each of their respective directors, officers, employees, agents, successors and assigns, from and against any Losses, arising out of or in connection with (a) the negligent acts or omissions or the willful misconduct of CRDA or any of its employees or agents in the performance of its obligations under this Agreement, (b) a breach by CRDA of any of its representations, covenants or agreements made herein, including without limitation CRDA's obligation to pay any budgeted or otherwise approved expenses in a timely manner, (c) failure by CRDA to pay any amounts due by CRDA; (d) any environmental condition at the Civic Center or on or under the premises on which the Civic Center is located not caused by Manager, its employees or agents, (e) any structural defect with respect to the Civic Center, and (f) any act or omission carried out by Manager at or pursuant to the sole direction or instruction of CRDA, its agents or employees; (g) any claim relating to the Civic Center or its operation arising from an incident occurring after the expiration or termination of this Agreement; and (h) any withdrawal liability for a share of unfunded vested benefits under multiemployer plans (as that term is defined in 4001(a)(3) of the Employee Retirement Income Security Act of 1974, as amended).

Section 14.03. Conditions to Indemnification.

(a) With respect to each separate matter brought by any third party against which a party hereto (“Indemnitee”) is indemnified by the other party (“Indemnitor”) under this Article XIV, the Indemnitor shall be responsible, at its sole cost and expense, for controlling, litigating, defending and/or otherwise attempting to resolve any proceeding, claim, or cause of action underlying such matter, except that (a) the Indemnitee may, at its option, participate in such defense or resolution at its expense and through counsel of its choice; (b) the Indemnitee may, at its option, assume control of such defense or resolution if the Indemnitor does not promptly and diligently pursue such defense or resolution, provided that the Indemnitor shall continue to be obligated to indemnify the Indemnitee hereunder in connection therewith; and (c) neither Indemnitor nor Indemnitee shall agree to any settlement without the other’s prior written consent (which shall not be unreasonably withheld or delayed). In any event, Indemnitor and Indemnitee shall in good faith cooperate with each other and their respective counsel with respect to all such actions or proceedings, at the Indemnitor’s expense. With respect to each and every matter with respect to which any indemnification may be sought hereunder, upon receiving notice pertaining to such matter, Indemnitee shall promptly (and in no event more than twenty (20) days after any third party litigation is commenced asserting such claim) give reasonably detailed written notice to the Indemnitor of the nature of such matter and the amount demanded or claimed in connection therewith.

(b) The terms of the General Liability, Automobile Liability and Workers’ Compensation insurance policies required hereunder shall preclude subrogation claims against Manager and CRDA and their respective officers, employees and agents. With respect to the selection of counsel to provide the defense obligations of Manager under subsection (a) of this Section 14.03, if such defense obligations involve a Loss which is or may be covered by any insurance maintained by Manager under Section 14.05 hereof, the selection of such counsel shall be made as required by the applicable insurance policy.

(c) For purposes of Sections 14.01 and 14.02, “Losses” shall mean any and all liability, loss, damage, claim, expense, cost, obligation or injury resulting from any and all third party claims, actions, suits, proceedings, demands, assessments and judgments, together with reasonable costs and expenses including the reasonable legal expenses relating thereto.

Section 14.04. Survival.

The obligations of the Parties contained in this Article XIV shall survive the termination or expiration of this Agreement.

Section 14.05. Insurance.

(a) Types and Amount of Coverage. Manager agrees to obtain insurance coverage in the manner and amounts no less than those as set forth in Schedule 1, attached hereto, and shall provide to CRDA promptly following the Effective Date a

certificate of certificates of insurance evidencing such coverage. Manager shall maintain such referenced insurance coverage at all times during the Term, and shall continue for no less than one (1) year following final payment and will not make any material modification or change from these specifications without the prior written approval of CRDA. In the event of any change or cancellation of coverage, notice shall be immediately provided to CRDA in accordance with the policy provisions. Renewal certificates must be furnished by Manager prior to the expiration date of any of the initial insurances. The cost of all such insurance shall be an Operating Expense. Manager shall not commence performance under this Agreement, and shall not be paid for same, until all insurance required pursuant to Schedule 1 is obtained and certificates of insurance provided to CDRA. Should Manager at any time neglect or refuse to provide the insurance required herein or should such insurance be cancelled, or should the full annual aggregate or any policy not be available to satisfy the requirements of the Agreement, CRDA shall have the right to procure such insurance and the cost thereof shall be considered an Operating Expense under the Agreement. CRDA's decision to obtain and maintain its own insurance policies does not relieve the Manager of its obligation to obtain and maintain the policies to the fullest extent required under this Agreement.

(b) Rating; Additional Insureds. All insurance policies shall be issued by insurance companies rated no less than A VIII in the most recent "Bests" insurance guide, and licensed in the State of Connecticut or as otherwise agreed by the Parties. All such policies shall be in such form and contain such provisions as are generally considered standard for the type of insurance involved. The commercial general liability policy, automobile liability insurance policy and umbrella or excess liability policy to be obtained by Manager hereunder shall name CRDA and the City as additional insureds. The workers compensation policy to be obtained by Manager hereunder shall contain a waiver of all rights of subrogation against CRDA. All liability policies shall contain no cross-liability exclusions or insured versus insured restrictions. Manager shall require that all third-party users of the Facilities, including without limitation third-party licensees, ushers, security personnel and concessionaires, provide certificates of insurance evidencing insurance appropriate for the types of activities in which such user is engaged. If Manager subcontracts any of its obligations under this Agreement, Manager shall require each such subcontractor to secure insurance that will protect against applicable hazards or risks of loss as and in the minimum amounts designated herein, and name Manager and CRDA as additional insureds.

ARTICLE XV

OWNERSHIP OF ASSETS; WORK PRODUCT

Section 15.01. Ownership of Facilities, Equipment and Materials.

Manager shall have no ownership or leasehold rights in the Civic Center, nor in any Equipment, all of which shall be owned or leased (as applicable) by CRDA or other applicable State of Connecticut agency or authority. Without limiting the foregoing,

the Parties agree that any Equipment acquired by Manager as an Operating Expense hereunder shall be the property of CRDA, may be used by Manager only during the Term hereof and shall be returned to CRDA upon the end of the Term. Notwithstanding the foregoing, CRDA shall not have the right to use any third party software licensed by Manager for general use by Manager at the Civic Center and other facilities managed by Manager, the licensing fee for which is proportionately allocated and charged to the Civic Center as an Operating Expense; such software may be retained by Manager upon expiration or termination hereof.

Section 15.02. Ownership of Reports and Documents; Confidentiality.

(a) Any reports, records, financial statements and other documents prepared by Manager or maintained by Manager at the Civic Center pursuant to the performance of its services (other than Corporate Services) under this Agreement (the “Work Product”) are the exclusive property of CRDA and shall not be used by Manager for any other purpose without the express written consent of CRDA in each instance, notwithstanding the fact that Manager shall be deemed the author of such documents; provided that nothing in this Section 15.02 is intended to affect the rights of Manager in (and “Work Product” shall be deemed to exclude) any proprietary reporting system or format, any personnel records relating to Manager’s employees, the Operating Manual or any other procedures, manuals or similar materials provided as Corporate Services pursuant to Section 3.07, all of which shall be owned solely by Manager. CRDA has the exclusive right to use, copy and reproduce the Work Product in connection with the further planning, operating, use and occupancy of the Civic Center. CRDA shall take reasonable precautions that such documents are not utilized by any employee, officer or agent of CRDA for any purpose other than as described in the immediately preceding sentence.

(b) Except with CRDA’s approval, during and after the term of this Agreement, Manager shall not directly or indirectly disclose, divulge or communicate to any person, firm or corporation, other than CRDA, its designated representatives, and Manager’s attorneys and accountants, or other than as required by law, any non-public information which it may have obtained during the term of this Agreement concerning any matter relating to its services hereunder or the regular business of CRDA.

(c) Except with Manager’s approval, during and after the term of this Agreement, CRDA shall not directly or indirectly disclose, divulge or communicate to any person, firm or corporation, other than Manager, its designated representatives and CRDA’s attorneys and accountants, or other than as required by law, any non-public information which it may have obtained during the term of this Agreement with respect to Manager’s corporate affairs unrelated to Facility Operations.

(d) The obligations of the Parties under Sections 15.02(b) and (c) shall not apply to information which (i) at the time of disclosure thereof, is in the public domain, (ii) after disclosure, becomes a part of the public domain by publication or otherwise, except by breach of this Section 15.02 by the party receiving such information (the “Recipient Party”), (iii) the Recipient Party can establish was lawfully in its possession at the time of disclosure thereof, (iv) the Recipient Party receives from a third party who has

the right to, and legally does, disclose the same to the Recipient Party, (v) the Recipient Party can demonstrate was independently developed by the Recipient Party's employees who did not have access, directly or indirectly, to such information, or (vi) is required to be disclosed by statute or judicial or administrative process or, in the opinion of counsel, by other mandatory requirements of law.

ARTICLE XVI

ASSIGNMENT; AFFILIATES

Section 16.01. Assignment.

Neither this Agreement nor any of the rights or obligations hereunder may be assigned by either party hereto without the prior written consent of the other party hereto; provided, however, that (i) upon at least thirty (30) days' prior written notice CRDA's rights and obligations under this Agreement may be transferred or assigned to any other public entity succeeding generally to the rights and obligations of CRDA with respect to the Civic Center; and (ii) Manager's rights and obligations under this Agreement may be transferred in connection with a sale of all or substantially all of its assets and business, including its facility management business, or to an Affiliate of Manager provided such transfer is intended to accomplish an internal corporate purpose of Manager as opposed to materially and substantially altering the method of delivery of services to CRDA. Any purported assignment in contravention of this Section 16.01 shall be null and void.

Section 16.02. Transactions with Manager Affiliates.

Except as provided in Section 3.04, Manager shall not subcontract any Management Services to, or enter into any other contract with respect to Facility Operations with, any Affiliate of Manager without the prior approval of CRDA. Any contract entered into between Manager and an Affiliate of Manager relating to the Civic Center, if not offered at a discount, shall be transacted at arm's length, reflective of the market rate and on terms and for prices customarily charged in the industry for comparable goods and services. In addition, Manager may rent the Civic Center or any part thereof to itself or any Affiliate of Manager in connection with any Event, so long as such rental is on prevailing rates and terms or such other rates and terms as CRDA approves.

ARTICLE XVII

COMPLIANCE WITH LAWS; TAXES; STATE CONTRACTING REQUIREMENTS

Section 17.01. Permits and Licenses.

Manager shall use reasonable efforts to procure all Governmental Permits required in connection with Facility Operations. CRDA shall cooperate with Manager in applying for such permits and licenses. Manager shall deliver copies of all such permits and licenses to CRDA. Manager shall pay promptly, as Operating Expenses, all Taxes, excises, license fees and permit fees of whatever nature arising from its operation, promotion and management of the Civic Center.

Section 17.02. Taxes; Utility Charges.

(a) The Parties acknowledge that the sale of parking and other goods and services at the Civic Center will be subject to applicable sales and use taxes. Manager shall collect such admissions and sales and use taxes on behalf of CRDA, and shall remit such taxes to the proper taxing authorities as required by law. Manager shall be responsible for any failure to collect and/or remit applicable taxes as required by this Section 17.02.

(b) Manager is authorized to act as agent of CRDA for the purpose of contracting for utility services to the Civic Center at State rates.

(c) Pursuant to the Act, sales of tangible personal property or services that are necessary for the operation of the Civic Center made to Manager during the Term of this Agreement shall be exempt from the taxes imposed under Chapter 219 of the Connecticut General Statutes; however, such exemption is subject to modification by future legislation, which CRDA cannot limit or control.

(d) If there is any legislative change to the sales and use tax exemption described in paragraph (c) above or the imposition of a “targeted tax” on Facility Operations, either of which has a material impact on Net Profits, upon the written request of Manager, CRDA will operate in good faith with Manager to discuss potential modifications to the financial terms of the Agreement so that Net Profits are not negatively impacted; however, no changes to those terms are binding on the Parties unless mutually agreed upon.

Section 17.03. Governmental Compliance.

(a) Manager, its officers, agents and employees shall comply with all Applicable Laws relating to Manager’s operation, promotion and management of the Civic Center hereunder, including without limitation Title III of the ADA and the provision of such auxiliary aids or alternate services as may be required by the ADA. In addition,

Manager shall provide ongoing training to its employees as to the requirements of the ADA and the needs of persons protected by the ADA. Nothing in this Section 17.03 or elsewhere in this Agreement shall, however, require Manager to undertake any of the foregoing compliance activities, nor shall Manager have any liability under this Agreement therefor, if such activity requires any Capital Expenditure, unless CRDA provides funds for such Capital Expenditure.

(b) In connection with all licenses and subcontracts with respect to the Civic Center entered into or administered by Manager pursuant to this Agreement, Manager shall require compliance by the other parties to such licenses and subcontracts with Applicable Laws. Manager acknowledges that nothing in this Agreement is in derogation of or restricts the exercise of the police powers of the State of Connecticut.

Section 17.04. State Contracting Requirements.

With respect to the operation, promotion and management of the Civic Center and the performance by Manager of its other obligations under this Agreement, Manager agrees to comply with all applicable additional contracting requirements of the State of Connecticut set forth in attached Exhibit C, and for purposes of Exhibit C and this Section 17.04 only, Manager shall be deemed a “Contractor”, and this Agreement, shall be deemed the “contract”. In the event of any inconsistency between the requirements of Exhibit C and the requirements of Applicable Law, including the Implementing Legislation, such requirements of Applicable Law shall govern.

Section 17.05. Small Contractor and Minority Business Enterprise Set Asides.

Manager acknowledges that contracts for goods and services required in connection with Facility Operations are subject to the applicable requirements of Section 4a-60g of the General Statutes relating to a set-aside program for small contractors and minority business enterprises and agrees to cooperate with CRDA, and with the Department of Administrative Services (or its successor) as administrator of the set-aside program, in an effort to achieve compliance by CRDA with applicable requirements of Section 4a-60g. In connection with the selection of subcontractors and vendors and the award and administration of subcontracts pursuant to this Agreement, Manager shall direct and coordinate compliance with the set-aside program, shall provide quarterly and annual reports to CRDA with respect to such compliance, and shall take all other actions within the scope of its other responsibilities under this Agreement to achieve compliance with the set-aside program.

Section 17.06. Contract Compliance.

(a) Manager acknowledges that the award and administration of contracts and subcontracts pursuant to this Agreement are subject to (i) applicable requirements of the Implementing Legislation, (ii) applicable additional contracting requirements of the State of Connecticut set forth in attached Exhibit C, including to the extent made applicable to subcontractors by the terms thereof, and (iii) the requirements of

Article XII and this Article XVI with respect to contractor and employee set-asides and preferences (all together, the “State Contracting Requirements”).

(b) Notwithstanding any contrary provision of this Agreement, all contracts and subcontracts with respect to Facility Operations shall be awarded and administered in accordance with all applicable State Contracting Requirements.

Section 17.07. Payment and Performance Bonds.

Manager shall obtain payment and performance bonds for the full value of each contract entered into by Manager of \$50,000 or more relating to the construction, remodeling, refinishing, refurbishing, rehabilitation, alteration or repair of the Civic Center.

ARTICLE XVIII

REPRESENTATIONS, WARRANTIES AND COVENANTS

Section 18.01. Manager Representations and Warranties.

Manager hereby represents, warrants and covenants to CRDA as follows:

- (a) that it has the full legal right, power and authority to enter into this Agreement and to grant the rights and perform the obligations of Manager herein, and that no third party consent or approval is required to grant such rights or perform such obligations hereunder; and
- (b) that this Agreement has been duly executed and delivered by Manager and constitutes a valid and binding obligation of Manager, enforceable in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization or similar Laws affecting creditors’ rights generally or by general equitable principles.

Section 18.02. CRDA Representations, Warranties and Covenants.

CRDA represents, warrants and covenants to Manager as follows:

- (a) that it has the full legal right, power and authority to enter into this Agreement and to grant the rights and perform the obligations of CRDA herein, and that no other third party consent or approval is required to grant such rights or perform such obligations hereunder;
- (b) that this Agreement has been duly executed and delivered by CRDA and constitutes a valid and binding obligation of

CRDA, enforceable in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally or by general equitable principles; and

- (c) that the Civic Center is, as of the Effective Date, in compliance in all respects with all Applicable Laws relating to the construction, use and operation of the Civic Center, and that to the knowledge of CRDA there exist no material structural defects or unsafe operating conditions at the Civic Center.

ARTICLE XIX

MISCELLANEOUS

Section 19.01. Contract Administrator.

Each party shall appoint a contract administrator who shall monitor such party's compliance with the terms of this Agreement. Manager's contract administrator shall be its General Manager at the Civic Center, unless Manager notifies CRDA of a substitute contract administrator in writing. CRDA's contract administrator shall be its Executive Director, unless CRDA notifies Manager of a substitute contract administrator in writing. Any and all references in this Agreement requiring Manager or CRDA participation, consent or approval shall mean the participation, consent or approval of such party's contract administrator, provided any amendments to this Agreement shall be subject to Section 18.14.

Section 19.02. Use of Facilities Names and Logos.

Manager shall have the right to use throughout the Term (and permit others to use in furtherance of Manager's obligations hereunder), for no charge, the name and all logos of the Civic Center, on Manager's stationary, in its advertising of the Civic Center, and whenever conducting business of the Civic Center; provided, that Manager shall take all prudent and appropriate measures to protect the intellectual property rights of CRDA and the State relating to such logos. All intellectual property rights in any Civic Center logos developed by the Manager or CRDA shall be and at all times remain the sole and exclusive property of CRDA. Manager agrees to execute any documentation requested by CRDA from time to time to establish, protect or convey any such intellectual property rights.

Section 19.03. Facilities Advertisements.

CRDA agrees that if it places any advertisements for the Civic Center or events at the Civic Center, whether such advertisements are in print, on radio, television,

the internet or otherwise, it shall include a designation that the Civic Center are “managed by OVG360”.

Section 19.04. Competing Facilities.

(a) Without the prior approval of CRDA, Manager shall not undertake the Management of any other sports arena and/or entertainment venue similar to or otherwise in competition with the Civic Center located within the State of Connecticut or within a radius of seventy-five (75) miles of the Arena and which competes with the Arena for Events, not including (i) any such facilities which Manager manages (or has been selected to manage as of the date hereof (each, a “Currently Managed Facility”), such being inclusive of Total Mortgage Arena in Bridgeport, Connecticut and the planned concert hall to be known as the Fillmore in Bridgeport, Connecticut, (ii) any facilities owned, leased or operated by the same party that owns, leases or operates a Currently Managed Facility, or (iii) any facility in Providence, Rhode Island. For purposes of this Agreement, an arena with less than five thousand (10,000) seats shall be deemed not to compete with the Civic Center. Notwithstanding the other provisions of this Section 19.04, if any particular show, performance, or event is selecting between the Civic Center and another venue located in the State, which venue (i) Manager is at that time managing, (ii) is between 5,000 and 10,0000 seats, and (iii) where the location of the show, performance, or event is within Manager’s substantial control, then Manager shall hold such show, performance, or event at the Civic Center.

(b) (i) If during the Term CRDA is to be the owner of a newly constructed sports and/or entertainment arena in the State with more than ten thousand (10,000) seats, or CRDA is otherwise to have a legal interest in such a facility and authority to contract for its management and operation, CRDA agrees that it will negotiate exclusively and in good faith with Manager for a minimum negotiating period of forty-five (45) days for management and operation of such newly constructed facility for a period of at least as long as the then remaining Term of this Agreement; provided, however, that this subsection (b) shall not be deemed to grant Manager any right to manage or operate such facility except as CRDA and Manager may mutually agree, and the obligation of CRDA in this subsection (b)(i) shall be subject to any contrary legal mandate governing the selection and award by CRDA of a contract for such services.

(ii) If during the Term the State or a public instrumentality of the State, including but not limited to CRDA, constructs and opens a new sports and/or entertainment arena in the State with more than ten thousand (10,000) seats, the Parties (A) recognize that such new arena may compete with the Civic Center for events and potentially reduce event activity at the Civic Center, and (B) agree to discuss and negotiate in good faith possible changes to the compensation provisions of this Agreement that are reasonable in light of the anticipated effect of such competing facility on the financial performance of the Civic Center.

Section 19.05. Uncontrollable Circumstances.

(a) No party shall be liable or responsible to the other party for any delay, damage, loss, failure, or inability to perform caused by Uncontrollable Circumstances, if notice of such party's inability to perform including the reasons therefore is provided to the other party within ten (10) days of date on which such party determines, in good faith that the event of Uncontrollable Circumstances renders it unable to perform.

(b) Neither party hereto shall be under any obligation to supply any service or services if and to the extent and during any period that the supplying of any such service or services or the provision of any component necessary therefor shall be prohibited or rationed by any Applicable Law.

(c) Except as otherwise expressly provided in this Agreement, no abatement, diminution or reduction of the payments payable to Manager shall be claimed by CRDA or charged against Manager, nor shall Manager be entitled to additional payments beyond those provided for in this Agreement for any inconvenience, interruption, cessation, or loss of business or other loss caused, directly or indirectly, by any present or future Applicable Laws, or by priorities, rationing, or curtailment of labor or materials, or by war or any matter or thing.

(d) Manager may suspend performance required under this Agreement, without any further liability, in the event of any Uncontrollable Circumstances or other occurrence, which circumstance or occurrence is of such effect and duration as to effectively curtail the use of the Civic Center, respectively, so as to effect a substantial reduction in the need for the services provided by Manager for a period in excess of ninety (90) days; provided, however, that for the purposes of this subsection, Manager shall have the right to suspend performance retroactively effective as of the date of the use of the Civic Center, as the case may be, was effectively curtailed. "Substantial reduction in the need for these services provided by Manager" shall mean such a reduction as shall make the provision of any services by Manager economically impractical.

(e) If in any Contract Year an Uncontrollable Circumstances occurs which material and negatively impacts Event activity and/or attendance at the Civic Center, at Manager's written request CRDA will operate in good faith with Manager to request an extension of the term of the City Lease for an additional twelve (12) month period. If said extension of the City Lease is approved, the Term of this Agreement shall be extended for an addition twelve (12) month period.

Section 19.06. Freedom of Information Act.

(a) CRDA has advised Manager that CRDA is a "public agency" for purposes of the Connecticut Freedom of Information Act, Sections 1-200 to 1-241 of the General Statutes, as amended (the "FOIA"), and that information relating to Manager and its affairs received or maintained by CRDA shall constitute "public records or files" for purposes of the FOIA subject to public access and disclosure in the manner provided in the FOIA, unless another specific exemption from the public access and disclosure

requirements of the FOIA is available in connection with particular records or files received or maintained by CRDA. The undertaking of CRDA in Section 15.02(c) is subject to this Section 19.06.

(b) CRDA has advised Manager that subject to Section 1-218 of the General Statutes, each contract in excess of Two Million Five Hundred Thousand Dollars between a public agency and a person for the performance of a governmental function shall (1) provide that the public agency is entitled to receive a copy of records and files related to the performance of the governmental function, and (2) indicate that such records and files are subject to the FOIA and may be disclosed by the public agency pursuant to the FOIA. No request to inspect or copy such records or files shall be valid unless the request is made to the public agency in accordance with the FOIA.

Section 19.07. No Third Party Beneficiaries.

This Agreement is for the exclusive benefit of the Parties hereto and no rights of third party beneficiaries are created hereby, except as expressly provided in Sections 3.04, 14.01 and 14.02.

Section 19.08. Precedence.

In the case of any inconsistency between the provisions of this Agreement and the provisions of the Implementing Legislation, the provisions of the Implementing Legislation shall govern.

Section 19.09. Certain Legal Fees.

Manager, on the one hand, and CRDA, on the other hand, each shall be responsible for the fees and disbursements of its own counsel in connection with the negotiation, preparation and execution of this Agreement.

Section 19.10. Entire Agreement.

This Agreement sets forth the entire understanding and supersedes all prior and contemporaneous oral and written agreements between the Parties relating to the subject matter contained herein, and merges all prior and contemporaneous discussions between them; provided however, as further described in Section 11.01 above, other than the terms of Article II herein (which shall become effective on the Effective Date), the terms herein shall not become effective until the Operational Start Date, at which time the Existing Agreement shall terminate and be superseded by this Agreement.

Section 19.11. Severability.

The Parties expressly agree that it is not their intention to violate any public policies, statutory or common laws, rules, regulations, treaties or decisions of any government or agency thereof. If any provision of this Agreement is judicially or administratively interpreted or construed as being so in violation, such provision shall be

inoperative and the remainder of this Agreement shall remain binding upon the Parties hereto.

Section 19.12. Notices.

All notices, demands, requests, consents or approvals provided for or permitted to be given pursuant to this Agreement must be in writing. All notices, demands, requests, consents or approvals shall be deemed to have been properly served if given by personal delivery, if transmitted by e-mail with acknowledgment or other evidence of receipt, or if delivered to Federal Express or other reputable overnight carrier for next business day delivery, charges billed to or prepaid by shipper, or if deposited in the United States mail, registered or certified with return receipt requested, proper postage prepaid, addressed as follows:

If to Manager:

OVG360
5050 S Syracuse St., 8th Floor
Denver, CO 80237
Attention: Legal Department

E-mail: [_____]

with a copy to:

OVG360
150 Rouse Blvd.
Philadelphia, PA 19112
Attention: General Counsel

E-mail: Brian.Rothenberg@oakviewgroup.com

If to CRDA:

Capital Region Development Authority
450 Capitol Avenue, MS#55SEC
Hartford, CT 06106-1308
Attention: Anthony L. Lazzaro, Deputy Director

Facsimile: (860) 527-0133
E-mail: alazzaro@crdact.net

with a copy to:

Pullman & Comley LLC
850 Main Street P.O. Box 7006
Bridgeport, CT 06601-7006

Attention: John F. Stafstrom, Esq.

Facsimile: (203) 330-2210

E-mail: jstafstrom@pullcom.com

Each notice, demand, request, consent or approval shall be effective upon personal delivery, or upon confirmation of receipt of the applicable telecopy, or one (1) Business Day after delivery to a reputable overnight carrier in accordance with the foregoing, or three (3) Business Days after the date on which the same is deposited in the United States mail in accordance with the foregoing. Rejection or other refusal to accept or the inability to deliver because of changed address of which no notice was given shall not adversely impact the effectiveness of any such notice, demand, request, consent or approval. Any addressee may change its address for notices hereunder (including additional copies thereof) by giving written notice in accordance with this Section 19.12.

Section 19.13. Disclaimer.

Manager acknowledges that its officers, employees and agents have had adequate opportunity to inspect the Civic Center and evaluate the proposed operations thereof, and have sufficient familiarity with such matters to make an informed judgment as to the condition, value, status, operation and suitability thereof without any reliance on any representation of CRDA not made expressly in this Agreement.

Section 19.14. Amendment.

This Agreement may be modified or amended only by written instrument signed by the duly authorized officers of the Parties hereto.

Section 19.15. Counterparts; Facsimile and Electronic Signatures.

This Agreement may be executed in any number of counterparts, and each counterpart shall constitute an original instrument, but all such separate counterparts shall constitute one and the same agreement. This Agreement may be executed by the parties and transmitted by facsimile or electronic transmission, and if so executed and transmitted, shall be effective as if the parties had delivered an executed original of this Agreement.

Section 19.16. Governing Law.

The Parties deem the Agreement to have been made in the City of Hartford, State of Connecticut. Both Parties agree that it is fair and reasonable for the validity and construction of the Agreement to be, and it shall be, governed by the laws and court

decisions of the State of Connecticut, without giving effect to its principles of conflicts of laws. To the extent that any immunities provided by Federal law or the laws of the State of Connecticut do not bar an action against CRDA, and to the extent that these courts are courts of competent jurisdiction, for the purpose of venue, the complaint shall be made returnable to the Judicial District of Hartford only or shall be brought in the United States District Court for the District of Connecticut only, and shall not be transferred to any other court, provided, however, that nothing herein constitutes a waiver or compromise of the sovereign immunity of the State of Connecticut. Manager waives any objection which it may now have or will have to the laying of venue of any claims in any forum and further irrevocably submits to such jurisdiction in any suit, action or proceeding.

Section 19.17. Binding Effect.

This Agreement shall be binding upon the Parties and shall inure to the benefit of the Parties hereto and their respective successors and assigns, subject, however, to the limitations on assignment on Section 16.01.

Section 19.18. Waiver.

The failure of either Party to seek redress for violation of, or to insist upon the strict performance of, any provision, term, or condition of this Agreement, shall not constitute a waiver or in any way limit or prevent subsequent enforcement of any such provision, term or condition. The receipt by either party of any payments from the other, with or without knowledge of the breach of any such provision, term, condition, rule or regulation, shall not be deemed a waiver of such breach. No provision of this Agreement shall be deemed to have been waived by either party unless such waiver is in writing signed by such party.

Section 19.19. Rights Cumulative.

The various rights, powers and remedies of each party hereto shall not be considered as exclusive of, but shall be considered cumulative to any of the rights, powers, and remedies now or hereafter existing at law, in equity, by statute or by agreement between said Parties.

Section 19.20. Independent Contractor Relationship.

CRDA and Manager each acknowledge and agree that Manager is an independent contractor and that CRDA and Manager are not joint venturers, partners, or otherwise related to each other in any capacity as a result of this Agreement.

Section 19.21. No Agency Relationship.

Manager shall not be deemed to be an agent of CRDA except to the limited extent specifically provided in this Agreement. Manager shall have no power to bind CRDA except as specifically set forth herein.

Section 19.22. Tax-Exempt Bonds.

Manager acknowledges that, while the Civic Center is not currently subject to the Private Activity Bond Rules, the State, CRDA or another public instrumentality of the State may during the Term wish to issue tax-exempt bonds to fund improvements at the Civic Center and in that event it may be necessary to reform this Agreement as it relates to the Civic Center in order that it be considered a Qualified Management Contract. Accordingly, in the event that CRDA notifies Manager in writing that the State, CRDA or another public instrumentality of the State intends to issue tax-exempt bonds for the purpose of funding capital improvements at the Civic Center, and provides to Manager an opinion of nationally recognized bond counsel to the effect that in order for such bonds to be issued on a tax-exempt basis it is necessary that the contract for management services at the Civic Center be a Qualified Management Contract, Manager and CRDA agree to cooperate in a good faith effort to reform this Agreement as it relates to the Civic Center as a Qualified Management Contract on an economic basis, including compensation to Manager, that is reasonable in the circumstances and approximates, to the greatest possible extent, the financial benefits and risks of the Parties prior to such reformation. If despite such good faith efforts, the Parties are unable to agree on the terms of such contract reformation within a period of sixty (60) days after such notice of intent is given by CRDA, either party may terminate this Agreement on no less than one hundred twenty (120) days' prior written notice to the other party.

Section 19.23. Limitations on Damages.

In no event shall either party be liable or responsible for any consequential, indirect, incidental, punitive, or special damages (including, without limitation, lost profits) whether based upon breach of contract or warranty, negligence, strict tort liability or otherwise, and each party's liability for damages or losses hereunder shall be strictly limited to direct damages that are actually incurred by the other party; provided, however, that the foregoing shall not limit or restrict any claim by Manager to Gross Revenue or the Investment Refund Payment as described herein upon a breach or default of this Agreement by CRDA, but any such claim shall be subject to all legal and equitable defenses available to CRDA with respect thereto.

Section 19.24. Agreement Not A Lease.

It is agreed that this Agreement is a management agreement and not a lease, that no leasehold or tenancy is to be created hereby, and that this Agreement shall not be construed as to create the relationship of landlord and tenant.

[The signature page follows.]

IN WITNESS WHEREOF, this Agreement has been duly executed by the parties hereto as of the day and year first above written.

GLOBAL SPECTRUM, L.P., d/b/a OVG360

By: _____
Name:
Title:

CAPITAL REGION DEVELOPMENT
AUTHORITY

By: _____
Name:
Title:

Accepted and agreed to:

CONNECTICUT OFFICE OF POLICY AND
MANAGEMENT

By: _____
Name:
Title:

CONNECTICUT OFFICE OF THE
ATTORNEY GENERAL

By: _____
Name:
Title:

SCHEDULE 1

INSURANCE REQUIREMENTS

Manager shall secure and will keep in force at all times during the Term of this agreement:

- (A) Commercial General Liability policy including, Independent Contractors, Premises and Operations, Products and Completed Operations, Broad Form Property Damage Coverage and Terrorism covering the Civic Center and the operation thereof, in the amount of not less than One Million Dollars (\$1,000,000) for bodily injury and property damage per occurrence and a total of not less than Two Million Dollars (\$2,000,000) for all bodily injury and property damage in the aggregate per policy year. Manager shall require its contractors, sub-contractors to provide evidence of Commercial General Liability insurance and name CRDA as Additional Insured.
- (B) Automobile Insurance for use covering all vehicles operated by Manager's officers, agents and employees in connection with the Civic Center, whether owned or leased by Manager with a combined single limit for bodily injury and property damage of not less than One Million Dollars (\$1,000,000) per occurrence including an extension of hired and non-owned coverage.
- (C) Workers' Compensation insurance providing statutory limits required under Connecticut Law and providing Employment Practices liability insurance with a limit of no less than One Million Dollars (\$1,000,000).
- (D) Umbrella Liability insurance in the amount of \$25 million written on a following form basis.
- (E) Fidelity and Crime Insurance which includes but not limited to burglary, theft, employee dishonesty with a blanket limit of One Million Dollars (\$1,000,000) shall be provided. Such insurance shall include coverage for money and securities. CRDA shall be named as loss payee.
- (F) Manager shall cause each Licensee or user of any portion of the Civic Center to maintain commercial general liability insurance for each Event at the Civic Center with a combined single limit coverage for bodily injury, including death and property damage, in the amount of Five Million Dollars (\$5,000,000), unless Owner approves the waiver or reduction of such insurance coverages for certain Events as requested by Manager from time to time. The event liability insurance obtained by the Licensees shall be primary and name CRDA and the City as Additional Insured.

- (G) A certificate of insurance (evidencing renewal or replacement of coverage) shall be delivered to Owner at least ten (10) days before a policy's expiration date except for any policy expiring on the termination date of this Agreement or thereafter; and the original or certified copy of each such renewal or replacement insurance policy (with all required policy endorsements) shall be delivered to Owner upon request.
- (H) Each required insurance policy shall not be suspended, voided, cancelled or reduced except after thirty (30) days' written notice by certified mail.
- (I) Manager's insurance shall have no right of recovery or subrogation against CRDA and all policies shall be primary/non-contributory as to any insurance maintained by CRDA.
- (J) All of the insurers shall be licensed by the State of Connecticut and rated A (VIII) or better by the latest edition of A.M. Best's Rating Guide. All insurance required hereunder shall be written on an "occurrence" (as opposed to "claims made") basis.

EXHIBIT A

CITY LEASE

[Delivered Separately]

EXHIBIT B

DECLARATION

[Delivered Separately]

EXHIBIT C

ADDITIONAL STATE CONTRACTING REQUIREMENTS

EXHIBIT D

FOOD AND BEVERAGE AGREEMENT

EXHIBIT E

MARKETING AGREEMENT

EXHIBIT F

TICKETING AGREEMENT

EXHIBIT G

AFFILIATION AGREEMENT

EXHIBIT H

EXISTING CONTRACTS

EXHIBIT I

FORM OF ESCROW AGREEMENT

EXHIBIT J

FORM OF PROJECT DESIGN LETTER AGREEMENT