

EXHIBIT C

**CONSTRUCTION MANAGEMENT AGREEMENT AND BALLPARK LEASE
FROM THE IDB TO THE NASHVILLE SOUNDS**

**CONSTRUCTION MANAGEMENT
AND
BALLPARK LEASE**

THIS CONSTRUCTION MANAGEMENT AND BALLPARK LEASE ("Lease") is made and entered into this ____ day of _____, 2005, by and among the Industrial Development Board of the Metropolitan Government of Nashville and Davidson County, Tennessee, a Tennessee Public, non-profit corporation organized as an Industrial Development Corporation pursuant to T.C.A. 7-53-101 (the "IDB"), the Metropolitan Development and Housing Agency ("MDHA"), the Metropolitan Government of Nashville and Davidson County, Tennessee ("Metro") and Nashville Sounds Baseball Club, Limited Partnership, a Tennessee limited partnership (hereinafter the "Club"). The IDB, MDHA and Metro are sometimes referred to collectively as "Governmental Parties."

WITNESSETH:

WHEREAS, the IDB leases from MDHA certain real estate located in Davidson County as more fully described in Exhibit A to this Lease (the "Real Property") pursuant to that certain Ballpark Ground Lease among Metro, MDHA as Lessor and the IDB as Lessee dated as of _____ (the "MDHA Lease"); and

WHEREAS, Metro and the IDB have found and do hereby restate their findings that the location of a professional league Ballpark in downtown Nashville will enhance the image of Nashville and Davidson County, Tennessee, as a sports center, will encourage and foster economic development and prosperity for the citizens of Nashville and Davidson County, and will provide recreation and other opportunities for the citizens of Davidson County; and

WHEREAS, the IDB wishes to enter into this Lease pertaining to, among other things, construction and financing of a baseball stadium (hereinafter the "Ballpark") on the Real Property and the use of the Ballpark by the Club after its construction; and

WHEREAS, the Club is a member of, and owns and operates a minor league professional baseball franchise in, the Pacific Coast League of Professional Baseball Clubs, Inc., which competes at the Class AAA level of professional baseball; and

WHEREAS, the franchise of the Club includes a valid player development contract with the Milwaukee Brewers Baseball Club major league baseball team; and

WHEREAS, constructing the Ballpark and providing the public with an opportunity to attend and view professional baseball games and other events in

the Ballpark serves the recreational and cultural needs and general welfare of the public and is in the best interests of Metro and its citizens; and

WHEREAS, the IDB desires to lease use of the Ballpark to the Club subject to the terms of this Lease, and the Club desires to lease use of the Ballpark from the IDB, at the times and pursuant to the provisions set forth in this Lease; and

WHEREAS, MDHA, as owner of the Real Property, is a party to this Lease to approve this Lease as required by the MDHA Lease and also to further protect and ensure its rights pursuant to the MDHA Lease and to exercise certain rights and remedies described herein and therein; and

WHEREAS, Metro is a party to this Lease to approve this Lease and also to acknowledge certain rights granted to it hereby and, pursuant to Section 19.2 hereof, to agree to contribute to the Club the sum of Five Hundred Thousand Dollars (\$500,000) per year during the Term, to be used solely for maintenance and repair of the Ballpark subject to the requirements and restrictions stated herein;

NOW, THEREFORE, for and in consideration of the foregoing premises and the terms, conditions, covenants and undertakings contained in this Lease, the Parties mutually agree as follows:

ARTICLE 1. – DEFINITIONS AND INTERPRETATION

1.1 **Definitions.** For all purposes of this Lease, the following terms shall have the meanings specified in this Section.

(a) "Applicable Law" shall mean any applicable constitution, treaty, statute, rule, regulation, ordinance, order, directive, code, interpretation, judgment, decree, injunction, writ, determination, award, permit, license, authorization, requirement or decision of or agreement with or by Governmental Authorities.

(b) "Architect" means _____, and any successor or alternate architect selected by the Club after consultation with and approval by the Governmental Parties.

(c) "Ballpark" means the facility and related improvements primarily designed for baseball and suitable for other athletic, cultural and recreational activities.

(d) "Ballpark Budget" means a budget prepared by the Club describing in detail all Ballpark Costs and submitted to the Governmental Parties

on or before _____ for review and approval, and which is so approved. The Ballpark Budget may be amended from time to time so long as approved by the Governmental Parties.

(e) "Ballpark Construction" means the design, construction, installation, furnishing and equipping of the Ballpark.

(f) "Ballpark Construction Account" shall have the meaning set forth in Section 2.c. of the MOU.

(g) "Ballpark Cost" means any cost or expense incurred by or on behalf of the Club or the Governmental Parties related to or in connection with Ballpark Construction. This includes, but is not limited to: (i) sums previously paid or to be paid to contractors, subcontractors, project managers, consultants, developers, the Architect, attorneys, trustees, agents or independent contractors; (ii) sums previously paid or to be paid in connection with the financing of Ballpark Construction prior to the Completion Date; (iii) Ballpark Construction; and (iv) any other or additional costs or expenses arising from change orders, overruns or otherwise in connection with Ballpark Construction for which the Club is solely responsible. The Club shall be responsible for all Ballpark Costs.

(h) "Ballpark Site" shall mean the Real Property described in Exhibit A.

(i) "Baseball Season" means April 1 through the date each year when the Club has finished playing Club Home Games.

(j) "Broadcasting" means the broadcasting by commercial television, cable television, radio or otherwise of any Professional Baseball Game or Other Event.

(k) "Club" has the meaning set forth in the introductory paragraph.

(l) "Club Home Game" means any professional home baseball game played by the Club, including exhibition, preseason, regular season, playoff and championship games. The term shall also include the All-Star game of any league in which the Club plays as a member, if the Club is entitled to have such game played in the Ballpark.

(m) "Commencement of Construction" or "Commencement" means the date on which the Club enters into any contracts with a contractor to construct all or any portion of the Ballpark.

(n) "Comparable Facilities" shall mean first-class sporting and entertainment stadiums that are (i) comparable to the Ballpark in that the

principal user is a Class AAA professional baseball team, (ii) of similar age to the Ballpark (built within ten years before or after the substantial completion of the Ballpark), and (iii) located in metropolitan areas of the United States of similar size to the Nashville Metropolitan area.

(o) "Completion Date" or "Completion" means the date on which completion of the construction, installation, furnishing and equipping of the Ballpark occurs, as evidenced by a certificate of completion issued by the Architect.

(p) "Concessions" means beer, wine coolers, nonalcoholic beverages, confections, peanuts, popcorn, ice cream, tobacco products, hot dogs, hamburgers, and all other food and nonalcoholic beverage items; souvenirs, novelties; programs and publications; promotional materials; items bearing the Club's insignia or the insignia of other teams in the National Association or the Major Leagues; and any other similar or incidental items customarily provided to patrons at baseball games or other events in ballparks of the same type as the Ballpark.

(q) "Construction Plans and Specifications" means the drawings, specifications and other architectural design documents to be prepared by the Architect and any approved change orders pursuant to Section 3.3 of this Lease.

(r) "Debt" shall mean the non-recourse notes issued by the IDB to fund a portion of the Ballpark Cost in the original amount of Twenty Three Million Dollars (\$23,000,000), or such other amount as may be approved by the Governmental Parties from time to time.

(s) "Effective Date" shall be the date upon which Metro executes and delivers this Lease and files a copy of the same with the Clerk of the Metropolitan Government of Nashville and Davidson County, Tennessee.

(t) "Event of Default" means one or more events of default as set forth in Article 25.

(u) "First Class Condition" shall mean the condition satisfying each of the following: (i) being in compliance with Applicable Law, (ii) being in good condition and repair, normal wear and tear excepted, and (iii) having the level of improvements from time to time found at Comparable Facilities. Provided, however, the provisions of subsection (iii) above shall expire upon the date which is fifteen years after the Completion Date.

(v) "Force Majeure" means, without limitation, the following: acts of God; strikes, lockouts or other industrial disturbances (including those that affect the Pacific Coast League or professional baseball players in the Pacific Coast League in general); acts of public enemies; orders of restraints of any kind

of the government of the United States of America or of the State of Tennessee or any of their departments, agencies or officials, or any other governmental, civil or military authority; insurrection; riots; landslides; earthquakes; fires; storms; droughts; floods; explosions; breakage or accidents to machinery, transmission pipes or canals; or any other cause or event not within the reasonable control of the Club but not due to the Club's negligence or recklessness.

(w) "Governmental Authorities" shall mean any and all jurisdictions, entities, courts, boards, agencies, commissions, offices, divisions, subdivisions, departments, bodies or authorities of any nature whatsoever of the United States, the State of Tennessee, Metro, and any other applicable governmental unit, whether now or hereafter in existence.

(x) "Governmental Parties" means, Metro, MDHA and the IDB. Whenever in this Lease any action requires the consent, approval, review, comment, or similar language, of the "Governmental Parties", or notice to the "Governmental Parties", then (unless specifically stated to the contrary) the consent or approval of each of Metro, MDHA, and the IDB, and notice to each such entity shall be required. If, pursuant to the pledge described in Section 2.2 B the interest of the IDB is foreclosed upon, thereafter, the term "Governmental Parties" shall include only Metro and MDHA.

(y) "Greer Lease" means that certain lease between Metro and the Club, as amended, effective February 17, 1998, pertaining to use of Greer Stadium, which is located at 539 Chestnut Street, Nashville, Tennessee 37203.

(z) "Independent Accountant" means a certified public accountant selected by the Club and approved by Metro to perform the services set forth in Section 21.1.

(aa) "Lease" means this lease among the Parties, as it may be amended from time to time.

(bb) "Lien" shall mean any lien, statutory lien, pledge, condemnation award, claim, restriction, charge, security interest, mortgage, deed of trust, title defect, lease, tenancy, license, covenant, right of way, easement, encroachment, right of first refusal or encumbrance of any nature whatsoever.

(cc) "MDHA Lease" has the meaning set forth in Section 1A.1F.

(dd) "MOU" means that certain Memorandum of Understanding among Metro, MDHA, the IDB, the Club and Struever Bros. Eccles & Rouse Development Holdings, LLC, dated as of _____, 2005.

(ee) "Major Leagues" means the National League of Professional Baseball Clubs and the American League of Professional Baseball Clubs.

(ff) "Master Program Schedule" shall mean the schedule issued by the Architect and approved in accordance with this Lease that reflects the master schedule of the design, construction and development of the Premises, as further modified, amended or supplemented in accordance with the terms of this Lease.

(gg) "Metro Use" has the meaning set forth in Section 12.1.

(hh) "National Association" means the National Association of Professional Baseball Leagues, Inc.

(ii) "Other Event" means any and all events and activities held in the Ballpark or any portion thereof, including the press box, clubhouse, or any other part of the Ballpark, other than a Professional Baseball Game.

(jj) "Parties" means the IDB, MDHA, Metro, and the Club.

(kk) "Premises" means the Ballpark and Real Property.

(ll) "Prime Rate" means the commercial lending rate announced from time to time by the bank with which the Ballpark Construction Account is maintained, or its successors as its prime rate or base rate.

(mm) "Professional Agreements" shall mean the agreements that relate to the acquisition, design, development, construction or equipping of the Project whether such agreements are with the Architect or other Project Providers.

(nn) "Professional Baseball Game" means any Club Home Game and any other baseball game or baseball exhibition played in the Ballpark that includes: (i) a team that is a member of the Major Leagues, the National Association or any other professional baseball league; or (ii) one or more players that generally are paid for their services as a baseball player.

(oo) "Prohibited Person" means: (i) any person that is in default or in breach of its obligations under any written agreement with any Governmental Party, unless the default or breach has been waived in writing by the appropriate Governmental Party; or (ii) any person that has been convicted in a criminal proceeding of a felony; or (iii) any person that is an organized crime figure or is reputed to have substantial business or other affiliations with an organized crime figure; (iv) any person associated with any organization identified by Governmental Authorities as a terrorist organization; or (v) any person that directly or indirectly controls, is controlled by, or is under common control with any of the foregoing persons. The determination as to whether any person is a Prohibited Person shall be made by the Metro Director of Law.

(pp) "Prohibited Uses" means football, lacrosse, soccer, and events which by their nature will cause material damage to the baseball playing surface or other Ballpark facilities.

(qq) "Project" shall mean the entire project that is the subject of this Lease.

(rr) "Project Providers" shall have the meaning set forth in Section 2.4C.

(ss) "Real Property" means that certain real property as described in Exhibit A attached to and made a part of this Lease.

(tt) "Rent" has the meaning set forth in Section 9.1.

(uu) "Risk Manager" means the Risk Manager of Metro, or his or her successor or designee.

(vv) "Scheduled Completion Date" means _____, unless and until such date may be extended by written agreement of the Parties. Said date shall be extended, on a day-by-day basis, by any time period during which Metro, IDB, or MDHA is late in performing post-Closing obligations under the MOU.

(ww) "Security Fund" shall mean the fund held by the IDB for the payment of the Debt.

(xx) "Special Account" shall have the meaning set forth in Section 5.1B.

(yy) "Term" means the term of this Lease, as set forth in Article 8.

1.2 Principles of Interpretation. In this Lease, the singular includes the plural and the plural the singular; words importing any gender include the other gender; reference to statutes, regulations or ordinances are to be construed as including all provisions consolidating, amending or replacing the statute, regulation or ordinance referred to; references to agreements and other contractual instruments shall be deemed to include all subsequent amendments to or changes in such agreements or instruments entered into in accordance with their respective terms; references to persons include: (a) their permitted successors and assigns; and (b) firms, companies, associations, partnership, trusts, corporations and other legal entities, as well as individuals; use of the term "include" or "including" shall mean to include or including without limitation; and references to a "Section" or "Article" shall mean a section or article of this Lease unless otherwise expressly stated.

**ARTICLE 1A – CONDITIONS PRECEDENT TO
OBLIGATIONS UNDER LEASE**

1A.1 Conditions Precedent. Notwithstanding anything in this Lease to the contrary, the duties and obligations of the Parties under Articles 7 through 22 of this Lease shall be subject to and contingent upon the satisfaction of all of the following conditions precedent on or before _____, ____:

A. The Governmental Parties shall have approved the Construction Plans and Specifications, and the Construction Plans and Specifications shall be acceptable to the Club and, to the extent required, approved by the National Association.

B. The Club shall have received bids for Ballpark Construction and other information such that the Governmental Parties are satisfied that the Ballpark Cost shall not exceed the amount specified in the Ballpark Budget.

C. The Club shall have received any and all approvals required, whether from the National Association, the Major Leagues, the Pacific Coast League of Professional Baseball Clubs, Inc., the Milwaukee Brewers Baseball Club, or otherwise, to play Club Home Games in the Ballpark.

D. The IDB shall have issued Debt for the financing of a portion of the Ballpark Cost on terms and conditions satisfactory to the IDB and the Club, including the provision of collateral by the Club as security for the repayment of all monetary obligations under the Debt.

E. All provisions of Sections 10c, d, and e of the MOU shall have been satisfied.

F. The Ballpark shall have been constructed in strict conformity with the Construction Plans and Specifications approved by the Governmental Parties and all costs incident thereto shall have been fully paid by the Club from the Debt, the Ballpark Construction Account or the Club's other resources. It is the intention of the Parties that the IDB shall have no obligations other than (i) the issuance of Debt (with no recourse to the IDB, MDHA or Metro) upon terms and conditions approved by the Governmental Parties, (ii) the distribution of any sales tax rebate received pursuant to T.C.A. 67-6-103 to pay the Debt, and (iii) the pledge of Ballpark rents and the IDB's interest in its lease with the MDHA for the Real Property (the "MDHA Lease") to secure the Debt.

1A.2 Monthly Status Reports. On the tenth business day of each calendar month after the date of this Lease, the Sounds shall document in writing to the other Parties the status of the conditions precedent referred to in Section 1A.1, and which of the conditions, if any, have been satisfied during the preceding calendar month. The Parties shall exercise reasonable diligence and

their commercially reasonable efforts to complete the conditions precedent in a timely manner.

ARTICLE 2. – BALLPARK CONSTRUCTION AND DEVELOPMENT

2.1 **Development Generally.** On and subject to the terms set forth in this Lease, including the scheduling of items set forth in this Lease, the Ballpark Budget set forth in Schedule 1 (as modified from time to time), and the criteria for the Ballpark as set forth in Schedule 2 (as modified and amended in accordance herewith), the Parties shall endeavor in good faith to design, construct, operate and use the Ballpark in the manner described herein.

2.2 **Obligations of IDB.** Prior to the Completion Date, the IDB shall have the following obligations with respect to the Ballpark and the Project:

A. To issue the Debt upon terms and conditions acceptable to the Governmental Parties.

B. To pledge as security for the Debt the rents under this Lease and its interest in the MDHA Lease, upon terms and conditions acceptable to the Governmental Parties. Provided, however, that upon foreclosure of such pledge, (a) the lender of the Debt and any other party to whom the IDB's interest hereunder is transferred must assume all duties and obligations of the IDB hereunder and under the MDHA Lease, and (b) this Lease will survive such foreclosure and the rights of Metro and the MDHA shall remain in full force and effect.

2.3 **Encumbrances upon the Ballpark Site and Zoning Issues.** The Ballpark Site will be delivered for use subject to any and all existing zoning matters, easements, utilities, and other encumbrances of any form and nature, but only to the extent that such are shown on the Title Policy; it being understood that the Club shall be solely responsible, at its cost, for modifying or attempting to modify any such conditions for use of the Ballpark Site for the construction or operation of the Ballpark and the Ballpark Site.

2.4 **Obligations of the Club.** Prior to the Completion Date, the Club shall be obligated to perform the following actions:

A. Cause the construction of the Ballpark to proceed with reasonable diligence after the Commencement until Completion in accordance with Construction Plans and Specifications approved by the Governmental Parties and for a Ballpark Cost not to exceed the Ballpark Budget approved by the Governmental Parties;

B. Assure compliance with the Master Program Schedule and cause Completion to occur on or before the Scheduled Completion Date;

C. Select and contract with architects, engineers, environmental consultants, additional construction managers, and other professionals and consultants (the "Project Providers"), subject to the prior written approval of the Governmental Parties;

D. Promptly pay or cause to be paid all Ballpark Costs, including any and all Ballpark Costs in excess of the Ballpark Budget;

E. Obtain and cause to be maintained each of the insurance policies required pursuant to the terms of Article 6 of this Lease;

F. Provide to the Governmental Parties "as built" drawings for the Project within 90 days after Completion;

G. Cause any damage to the Ballpark or Real Property to be repaired, restored and replaced as required in this Lease;

H. Upon Completion, cause the Club to relocate its home ballpark to the Ballpark; and not permit the Class AAA professional baseball franchise known as the "Nashville Sounds" to be surrendered or terminated.

ARTICLE 3.

SELECTION OF PROFESSIONALS; PLANS AND SPECIFICATIONS

3.1 Project Providers.

A. The Club shall select and engage the Project Providers as may be necessary to achieve completion by the scheduled Completion and otherwise on the terms set forth in this Lease. The Governmental Parties shall have the right to approve the selection of any and all Project Providers or require the change in any Project Providers. When requesting any such approval, the Club shall submit to the Governmental Parties the name, references, qualifications, financial statements, or similar financial information and such other information as the Governmental Parties may reasonably request concerning any proposed Project Provider.

B. The Club shall select, award and engage all Project Providers in accordance with Applicable Law.

C. Prior to the execution hereof, the Club has prepared and the Governmental Parties have approved the Master Program Schedule. Upon the execution hereof, the Club and the Architect immediately will begin the

implementation thereof. The Governmental Parties and the Club will cooperate with one another and shall act reasonably and in good faith with the Architect to amend and modify the Master Program Schedule as necessary or advisable subject, however, to the rights of the Governmental Parties to approve the same. No amendment, modification or supplement to the Master Program Schedule shall be effective unless it shall have been approved by the Governmental Parties and the Club in writing. Each Professional Agreement shall be subject to prior written approval by the Governmental Parties. Each such Professional Agreement shall grant third party beneficiary status to each of the Governmental Parties and shall permit the assignment thereof to the Governmental Parties or their designee without the need to attain the consent from the other parties to such agreement. Provided, however, that no such assignment shall relieve the assignor of any of its obligations under the assigned Professional Agreements.

D. In addition to the requirements set forth elsewhere in this Lease, the Professional Agreements shall require or provide for (i) the design, development, construction, equipping and completion of the Premises in accordance with the Construction Plans and Specifications, (ii) a guaranteed maximum price for the design, development, construction, equipping and completion of the Premises, (iii) guaranteed completion by not later than the Scheduled Completion Date, and (iv) the periodic payment by the Club of Ballpark Costs incurred under such Professional Agreements pursuant to procedures and requirements customary in the industry for projects similar to the Project.

3.2 Plans and Specifications.

A. The "Construction Plans and Specifications" are subject to the approval by the Governmental Parties and shall include, but not be limited to, all design documents, schematic documents, site plans, working drawings, and construction plans and specifications for the Ballpark. All such documents shall be in full detail.

B. The Construction Plans and Specifications must reflect that the Project will be completed by the Scheduled Completion Date, in compliance with the Master Program Schedule and within the Ballpark Budget.

C. The Governmental Parties agree that the Construction Plans and Specifications as approved by the Governmental Parties will be deemed to comply with the requirement that the Ballpark constitute a Comparable Facility as of the Completion Date.

D. The Ballpark will be designed to utilize the services of the Metro Nashville District Energy System.

3.3 Change Requests. Any material changes to plans and specifications requested by any Party shall be subject to the reasonable approval of the other Parties. In no event will the Governmental Parties be required to approve any change requests if such change requests results in a change in the usefulness and or aesthetic features of the Ballpark, which shall be determined in the sole discretion of the Governmental Parties. The Governmental Parties will not approve a change request from the Club if such change request would result in a failure to meet the Master Project Schedule or the Ballpark Costs exceeding the Ballpark Budget. Once approved, any such requested change will become part of the Construction Plans and Specifications.

3.4 Cost of Facilities. Except for providing the Real Property pursuant to this Lease, the Club shall pay all of the Ballpark Costs and the Governmental Parties shall have no liability therefor whatsoever.

3.5 Performance Bond. For any contract for the construction or equipping of the Ballpark in excess of \$25,000, the Club shall provide or cause to be provided and maintained in full force and effect, from the date of such contract in question until the expiration of the warranty period set forth in such contract, a performance bond and a labor and material payment bond in the full amount of the lump sum or guaranteed maximum price payable for the work under such contract. Such bonds shall be in form and substance and issued by a corporate surety satisfactory to the Governmental Parties. Each bond shall be in favor of the Governmental Parties and shall conform in all respects to all requirements imposed by Applicable Law. The Club shall pay all premiums for such bonds.

ARTICLE 4. - CONSTRUCTION OF THE BALLPARK

4.1 Construction Delays. If the Ballpark is not substantially completed on or before the Scheduled Completion Date, then the Club shall be in default of this Lease as specified in Article 25 hereof.

4.2 Construction Representatives. Each of Metro, the MDHA and the IDB and the Club shall appoint in writing, a representative to be available and actively involved in the activities contemplated by this Lease from the date hereof until Completion. The Metro representative shall be selected by the Metro Director of Public Property. Each party may remove and replace its representative as it desires and shall promptly notify the other parties in writing of such change. Each representative shall have full access to the Real Property and all Project Providers and shall be notified in advance of and invited to attend all material meetings relating to the design and construction of the Ballpark. Each of the representatives shall be permitted to take such other persons from the respective representative's organization that such representative considers advisable or appropriate. Any party hereto shall be entitled to rely upon any written directive from the authorized representative of another party.

ARTICLE 5.
DAMAGE TO THE BALLPARK PRIOR TO COMPLETION

5.1 Damage or Destruction Prior to Completion.

A. If at any time prior to completion the Ballpark or any part thereof shall be damaged or destroyed by a casualty, the Club, utilizing the funds of its insurance carriers or where applicable, its own funds, and at no cost to the Governmental Parties shall commence and thereafter proceed as promptly as possible to repair, restore and replace the damaged Ballpark so as to cause the same to be in accordance with the approved Construction Plans and Specifications for the Ballpark.

B. All proceeds from insurance maintained by the Club in accordance with this Lease and paid on account of any damage or destruction to the Ballpark shall be deposited into a segregated, special escrow account with the bank selected by the Ballpark Lenders in accordance with Section 2 c of the MOU, as the escrow agent, established for the benefit of the Club and the Governmental Parties (the "Special Account"). The Club shall provide proof to the Governmental Parties at the time of execution of this Lease that the Club's insurance policies require all insurance proceeds upon damage or destruction of the Ballpark to be deposited directly therein for the benefit of the Governmental Parties and the Club to fund the repair, restoration and replacement obligations of the Club under this Lease. The escrow agreement shall provide that the escrow agent shall not permit any funds deposited into the Special Account to be withdrawn prior to the completion of the repair, restoration or replacement of damage to the Ballpark except for periodic progress payments for such repairs, restoration and replacement work which are (i) certified by the Architect and (ii) approved by the Governmental Parties.

ARTICLE 6.
INSURANCE DURING CONSTRUCTION PERIOD

6.1 Insurance Provided by the Club. Throughout the construction period, the Club, at no cost to the Governmental Parties, shall keep and maintain in full force and effect a policy or policies containing the following types of coverages, deductibles, limits and other terms (each, an "Insurance Policy"):

A. Comprehensive builder's casualty and property insurance on a replacement cost basis against any and all casualty or property loss or damage to the Ballpark on an "all risk" peril basis, including, but not limited to, fire, extended coverage, vandalism, malicious mischief, collapse, temporary building

and debris removal (including demolition occasioned by enforcement of any applicable legal requirements and including coverage for reasonable compensation for architect's services and expenses as a result of such insured loss), and special extended perils as contained in customary "all risk" policies. Such insurance shall cover, without limitation, slab on grade, excavations, foundations, caissons, tenant finish work, and retaining walls around the perimeter of the Premises. Any exclusion of so-called underground damage to pipes, collapse of structure, or damage resulting from explosion or blasting shall be deleted. The Governmental Parties shall have no responsibility for the deductible in the event of a loss; the entire responsibility therefor shall be that of the Club;

B. Comprehensive builders casualty and property insurance against any and all loss or damage to the Ballpark caused by earthquake or flood in an amount not less than \$20,000,000;

C. Commercial general liability insurance, occurrence version, including coverage of injury or death of any person, personal injury, or damage to property occurring with respect to the Ballpark with a single combined minimum coverage of not less than \$1,000,000 per occurrence;

D. Workers compensation insurance with statutory limits in accordance with Applicable Law;

E. Employer's liability insurance, as follows:

Bodily injury by accident - not less than \$1,000,000 each accident;

Bodily injury by disease - not less than \$1,000,000 each employee;

Bodily injury by disease - not less than \$1,000,000 policy limit.

F. Automobile liability insurance, including vehicles owned, hired, and non-owned, and coverage for loading and unloading hazards - not less than \$1,000,000 combined single limit each accident;

G. Umbrella liability insurance on a follow form basis - not less than \$10,000,000 combined single limit each occurrence in excess of each of the coverages described in clauses C, E and F.

6.2 Additional Terms of Insurance Policies.

A. Each insurance policy shall be with companies that are nationally recognized and, if underwriting primary coverage, that have a policyholder's rating of at least A, V, as listed at the time of insurance by *A.M. Best Insurance Reports*, or such other rating as the Governmental Parties and the Club may mutually agree, and are qualified to issue such insurance in Tennessee.

B. Each insurance policy shall provide that it may not be cancelled, terminated, reduced or materially changed unless at least 30 days advance notice thereof has been provided to each of the Governmental Parties except in the case of cancellation or termination due to a lapse for nonpayment, in which case only 10 days' advance notice shall be required.

C. Each insurance policy shall include waivers of (i) all rights of subrogation against the Governmental Parties and (ii) any recourse against any Parties other than the Club for payment of any premiums or assessments under such policy.

D. Each insurance policy covering third-party liability shall contain a "cross-liability" endorsement or a "severability of interest" endorsement providing that coverage, to the maximum amount of the policy will be available despite any suit between the insured and any additional insured under such policy.

E. The insurance policies shall not in the aggregate have deductibles in excess of \$50,000.

F. Each insurance policy obtained in accordance with Section 6.1 A and 6.1 B shall be on a "completed value" form for 100% of the insurable replacement value of the construction including "boiler and machinery" coverage, with "course of construction" business interruption insurance in such amount as may be determined by the Governmental Parties, and shall contain an endorsement providing that, in the case of loss, if the Ballpark cost more to restore due to changes in Applicable Law, then such increased costs shall be insured.

G. Each insurance policy shall provide that it may not be invalidated by any act, omission or negligence of the Club; provided that the commercial general liability insurance coverage may contain customary provisions excluding from its coverage loss or injury arriving from acts of the Club intended to result in such loss or injury.

H. Each insurance policy maintained in accordance with Section 6.1 A, 6.1 B, and 6.1 C shall name the Club and the Governmental Parties as joint loss payees. All other insurance policies maintained in accordance with this Agreement shall name as additional insured the

Governmental Parties. For any claims related to this Lease, the Club's insurance coverage shall be primary insurance as respects Governmental Parties. Any insurance or self-insurance programs covering Governmental Parties shall be in excess of the Club's insurance and shall not contribute with it.

I. Each insurance policy regarding liability coverage shall contain an endorsement specifying this Lease as "insured contracts".

J. Each insurance policy shall contain the provision required by Section 5.1B of this Agreement.

6.3 Certificates of Insurance. The Club shall deliver, or cause to be delivered, to the Governmental Parties full copies of insurance policies, certificates of insurance and any other documentation reasonably requested by the Governmental Parties evidencing the existence of the insurance policies, such delivery to be made at least three business days prior to the Commencement. Within 10 days after the issuance of any additional policies or amendments or supplements to any of the insurance policies, the Club shall deliver revised certificates of insurance reflecting any such addition, amendment or supplement. With respect to any insurance policy that expires by its terms prior to Completion, the Club shall deliver certificates of insurance and any other documentation reasonably requested by the Governmental Parties evidencing the existence of a renewal or replacement of such insurance policy, such delivery to be made at least three business days prior to the expiration of such insurance policy.

ARTICLE 7. - DEMISE OF PREMISES

7.1 Demise of Premises. The IDB leases use of the Premises to the Club, and the Club leases use of the Premises from the IDB, to have and to hold for the uses and purposes, upon the terms, conditions, covenants and undertakings, and to the extent set forth in this Lease.

This Lease is, in all respects, subject to the terms and conditions of the MDHA Lease. Except as herein explicitly leased, the IDB and MDHA (pursuant to the MDHA Lease) retain and reserve all rights to, control over, and use of the Premises.

ARTICLE 8. – TERM

8.1 Term. This Lease shall become effective upon execution and delivery by the Governmental Parties and the Club. The Term shall commence upon the Completion Date. Unless sooner terminated pursuant to this Lease, the Term shall expire on the thirtieth (30th) anniversary of the Completion Date. On the Completion Date the Parties shall execute an amendment to this Lease setting forth the Term expiration date.

8.2 Option to Extend Term. The Term may be extended by the Club for two additional five-year periods by giving written notice of the intent to extend on or before the 365th day preceding the last day of the current term. No option to extend may be exercised if an Event of Default exists at the time such option is attempted to be exercised. If the Club properly exercises any option to extend the Term of this Lease, the corresponding option to extend the term of the MDHA Lease shall be deemed to have occurred automatically.

ARTICLE 9. – RENT

9.1 Rent. The Club shall pay to the IDB an annual Rent necessary to fully and timely pay when due all amounts payable pursuant to (a) the Debt, including principal, interest, penalties, charges, fees and expenses, less the amount, if any, if and when received by the IDB of state and local option sales taxes pursuant to T.C.A. 67-6-103(d), plus (b) the Rent payable by IDB to MDHA under the MDHA Lease.

9.2 Net Lease. This Lease is and shall be deemed and construed to be a net lease. All payments due to the IDB under this Lease are net payments to be made without abatement, offsets, counterclaims, credits or deductions of any kind whatsoever. As further described in this Lease, all costs of construction, equipping, furnishing, maintaining, repairing and improving the Premises shall be the sole responsibility of the Club and none of the Governmental Parties shall have any responsibility unless specifically described in this Lease or the MDHA Lease.

ARTICLE 10. – UTILITIES

10.1 Utility Charges. The Club shall pay for all utilities, including telephone, water, sewer, electricity and natural gas. The Club shall contract with the Metro Nashville District Energy System for such utilities as it provides, at rates comparable to those charged to other users.

10.2 Energy Efficiency and Water Conservation Program. The Club shall develop and follow a resource conservation program to manage and use all

Ballpark utilities in an energy efficient and water-conserving manner. The Club and Metro shall renew and update this program on a periodic basis, not less frequently than biannually.

10.3 Solid Waste Reduction Program. The Club shall develop and follow a solid waste reduction program to reduce the volume of solid waste generated from the Club's use and occupancy of the Premises including, but not limited to, Concessions and Club administrative offices. This program shall include, but is not limited to, recycling. The Club and the Metro Director of Public Works shall review and update this program on a periodic basis, not less frequently than biannually.

ARTICLE 11. – USE OF PREMISES BY CLUB

11.1 General. Except as provided in Section 12.1, the Club shall be entitled to contract for, collect, receive and retain all gross income and revenues and other consideration of whatever kind or nature realized by, from or in conjunction with the Premises, including all gross revenues, royalties, license fees, concession fees and income or receipts of any nature, including, without limitation, those arising from (a) the sale or distribution of tickets, (b) the sale, lease, licensing of, or granting concession with respect to, advertising and other promotional rights of every nature, including those from interior signage and printed materials, (c) all Broadcasting, (d) promotion of events at the Ballpark, (e) the sale of Concessions at the Ballpark, and (g) the naming of the Ballpark.

11.2 Baseball Games. The Club shall have the obligation and exclusive right to exhibit, promote and stage Professional Baseball Games in the Ballpark during the Term. On or before February 1 of each year, the Club shall notify the Governmental Parties and of the scheduled dates and times for all Club Home Games to be played at the Ballpark during the upcoming Baseball Season, and all Professional Baseball Games to be played at the Ballpark during that year and the Club shall have exclusive use of the Ballpark on such dates. The Club may change any of the scheduled dates and times for Professional Baseball Games to any other dates and times during the Baseball Season which do not conflict with any Other Event previously scheduled for the Ballpark. Whenever practicable, the Club shall provide the Governmental Parties with prior notice of such change. The Club shall play all Club Home Games at the Ballpark unless Metro in its sole discretion approves an alternate location.

11.3 Level of Play. If the Club shall lose, transfer, or relinquish its baseball franchise, league affiliation, or player development contract, the Club and the transferee jointly shall continue to be obligated to field a team at the Ballpark for Club Home Games. The number of Club Home Games, the professional baseball classification level of play of the Club and the opposing teams, and the league or other affiliation of teams of which the Club is a member,

shall all be of an equal or higher number and an equivalent or higher classification and quality than that existing prior to such loss, transfer or relinquishment by the Club.

11.4 Ticket Sales. The Club shall be responsible for the printing, sale and collection of all tickets for admission to Professional Baseball Games. The Club shall have the exclusive right to set the Club's ticket prices, administrative fees and other charges for admission to Professional Baseball Games. The Club may provide for a reasonable number of complimentary admissions to Professional Baseball Games.

11.5 Practices. The Club shall have the right to use the Ballpark during the Baseball Season for practices and other activities related to and a part of the Club's baseball operations. This right may be exercised at any time during the Baseball Season which does not conflict with any Other Event previously scheduled for the Ballpark.

11.6 Clubhouses and Press Box. The home team clubhouse, as identified on the Construction Plans and Specifications, shall be under the exclusive control of the Club at all times during the Baseball Season. The visiting team clubhouse and the press box, as identified on the Construction Plans and Specifications, shall be under the exclusive control of the Club during Professional Baseball Games. The Club shall be responsible for providing, and resolving complaints arising from, access to the press box during Professional Baseball Games.

11.7 Office and Club Souvenir Store. The Club shall have the right to exclusive use of the Club administrative offices and the Club souvenir store, as identified on the Construction Plans and Specifications, on a year-round basis.

11.8 Parking. The Governmental Parties make no representation with respect to and shall have no responsibility for parking at, on, or adjacent to the Premises.

11.9 Non-Baseball Events. The Club shall have the right to exhibit, promote or stage Other Events in the Ballpark and shall be entitled to all revenues generated by such events. The Club shall promptly notify the Governmental Parties of any scheduled Other Event.

11.10 Prohibited Uses. The Club shall neither engage in nor schedule any Prohibited Uses without the prior written approval of the Governmental Parties. The Club shall make no use of the Ballpark other than as expressly authorized by this Lease.

ARTICLE 12. – USE OF PREMISES BY METRO

12.1 **Use of Premises by Metro.** Metro has the right to use and occupy, and authorize the use and occupancy of, the Premises for fifteen (15) days each calendar year for any purpose and to schedule any Other Event of any nature or kind, including but not limited to concerts, plays, operas, variety shows, cultural or arts events, exhibitions, recreational use, public meetings, rallies, baseball use other than Professional Baseball Games, other sporting events and use, group events, exhibitions, picnics, public service use, and other for-profit or nonprofit events or use ("Metro Use"). Any Metro Use or occupancy shall not conflict with previously scheduled Professional Baseball Games or any Other Event scheduled by Club. Metro shall schedule no Prohibited Uses without the prior written approval of the Club. Any direct additional operating expenses created by the use of the Premises for an Other Event shall be borne by Metro. Metro (or its authorized user) and the Club shall each receive fifty percent (50%) of the net revenues, if any, derived from any Metro Use. The Club's share of such net revenues received by Metro shall be remitted promptly to the Club.

12.2 **Restrictions on Metro Use During Baseball Season.** Due to the extensive use of the playing field for Professional Baseball Games during the Baseball Season, the field requires days of rest and days for repair and maintenance to occur. Therefore: (a) Metro shall not schedule any person to play, stage or hold any Other Event at the Ballpark on the day of a Club Home Game without the prior written consent of the Club, which shall not be unreasonably withheld; (b) Metro shall not schedule any person to play, stage or hold any Other Event on the playing field of the Ballpark on the day immediately before or after the date of any Club Home Game without the prior written approval of the Club, which shall not be unreasonably withheld; and (c) Metro and the Club shall cooperate in scheduling maintenance days during the Baseball Season. The purpose of maintenance days is to provide adequate time and opportunity for maintenance of the playing field as a first-class, professional baseball field as provided in Section 19.1. At the same time, it is the desire of Metro and the Club that the Ballpark, including the playing field, be available for any Other Event to the fullest extent possible. Accordingly, Metro after consultation with the Club and subject to the Club's right of approval under the circumstances provided in (a) and (b) of this Section, shall be entitled to allow any Other Event to be scheduled, played, staged or held on a maintenance day if the Other Event is not inconsistent with the Club's field maintenance requirements as provided in Section 19.1.

12.3 **Restrictions on Metro Use During Off-Season.** Metro and the Club anticipate that the playing field will require an annual winter maintenance program by the Club during the period between each Baseball Season. Metro and the Club shall cooperate with each other in scheduling use of the playing field for the winter maintenance program as necessary during such period. Metro shall be entitled to schedule any Other Event to be played, staged or held on the

playing field during such period if the Other Event is not inconsistent with the Club's winter maintenance program.

ARTICLE 13. – NAMING RIGHTS

13.1 Name of Team. The Club shall use the sole geographic designation of "Nashville" for the name of the Club's baseball team playing at the Ballpark unless Metro, in its sole discretion, agrees to permit the Club to change this designation. The Club acknowledges and recognizes the longstanding attachment of Nashville and the public to the "Sounds" nickname of the Club's baseball team; however, this Lease does not preclude the Club from changing that nickname, provided the new nickname is approved by the Governmental Parties, such approval not to be unreasonably withheld.

13.2 Name of Ballpark. The Club shall have the exclusive right to contract from time to time with any person or persons on such terms as the Club determines with respect to the naming of the Ballpark and any portion thereof; provided that (a) the term during which any such name shall apply shall expire no later than the expiration of the Term (whether on its scheduled termination date or by earlier exercise of any termination rights in this Lease or the MOU) and (b) given Metro's substantial interest in the Ballpark and the public character thereof, the Club shall not permit any name to be given to the Ballpark or any portion thereof without Metro's prior approval, which approval may be withheld if the name (i) violates Applicable Law or (ii) would reasonably cause embarrassment to Metro (such as names containing slang, barbarianisms, or profanity, that relate to any sexually orientated business or enterprise or that contain any overt political reference).

ARTICLE 14. - BROADCASTING

14.1 Broadcasting. The Club shall have the exclusive right to Broadcasting of Professional Baseball Games, and any Other Event promoted or staged by the Club at the Ballpark. The Club shall exercise such right at the times and in the manner the Club considers appropriate. Metro shall have the exclusive right to Broadcasting of any Other Event sponsored or authorized by Metro, and the net revenues therefrom shall be shared equally by Metro and the Club.

ARTICLE 15. – CONCESSIONS

15.1 Concessions by Club at Events. Except as otherwise provided in Section 15.6, the Club shall have the obligation and the exclusive right to operate and sell Concessions on the Premises: (a) at all Professional Baseball Games;

and (b) at all Other Events. The Club shall bear all expenses associated with the Club's operation and sale of Concessions. Pursuant to Section 15.6 and on request of Metro, the Club may waive the Club's exclusive right to operate and sell Concessions provided in this section.

15.2 Concessions by Club at Other Times. Except as otherwise provided in Section 15.6, on a year-round basis during the Term, the Club shall be entitled, at the sole expense of the Club, to operate and sell Concessions at the Premises.

15.3 Concession Equipment. The Club shall be responsible for and bear the sole expense of installation, maintenance, repair and replacement of all furnishings, fixtures and equipment used to operate and sell Concessions. On or before the Completion Date and following the installation of all such equipment, machinery, fixtures and facilities, the Governmental Parties and the Club shall inspect and prepare an inventory list of all such items provided by the Club. The Governmental Parties and the Club shall supplement the inventory list following installation by the Club of any such items thereafter during the Term. All such items shall remain the property of the Club. On the termination or expiration of this Lease, the Club may remove all such items if this can be accomplished without any damage or injury to the Premises. Otherwise, all such items shall become the property of the IDB on the termination or expiration of this Lease.

15.4 Engagement of Sub-concessionaire.

A. The Club shall be entitled to engage one or more qualified and reputable sub-concessionaires to assist the Club in providing Concessions. If the Club engages any such sub-concessionaires, the Club shall be and remain fully responsible to Metro for the operation and provision of Concessions to the same extent as if the Club provided Concessions directly without the use of the sub-concessionaire. Any agreement between the Club and such sub-concessionaire shall terminate no later than the expiration of the Term (whether on its scheduled termination date or by earlier exercise of any termination rights in this Lease or the MOU). Any such agreement shall not require the consent or approval of any one or more of the Governmental Parties.

B. In engaging sub-concessionaires, the Club shall not discriminate on the basis of race, creed, color, sex, age, religion, handicapped status or national origin. The Club shall encourage participation in the Concessions and other areas of Club operations by minority-owned businesses. The Club shall not contract with any Prohibited Person.

15.5 Concessions Requirements and Performance Standards.

A. The Club shall order, maintain and furnish Concessions so as to provide adequate, efficient and first-class levels of service to persons

attending Club Home Games, Professional Baseball Games and Other Events at which the Club is providing Concessions.

B. The Club shall apply for and take any necessary steps to procure and maintain all licenses and permits required for the Club's operation and sale of Concessions. Without limiting the generality of the foregoing, the Club shall obtain a permit from the Metro Health Department for all areas of the Ballpark subject to inspection by such department in connection with the provision of Concessions by the Club. The Club shall thereafter maintain at all times a Grade A sanitation rating for all such areas.

C. The Club shall operate and maintain all Concessions areas, equipment, machinery, fixtures and facilities in a neat, clean, sanitary and safe condition. Without limiting the generality of the foregoing, by no later than noon of the day following the date of each Club Home Game and Other Event for which the Club provides Concessions, the Club shall collect and deposit all trash and debris from such areas in designated garbage disposal dumpsters, bins and receptacles, other than materials to be recycled pursuant to Section 10.3.

D. The Club shall provide fresh, sanitary and wholesome food and beverages meeting an excellent standard of quality and purity.

E. The Club agrees to sell all beverages in paper or plastic cups and/or plastic bottles and not sell or provide any glass bottles or other glassware to purchasers of beverages or other Concessions. Notwithstanding the above, the use of glassware shall be allowed exclusively within the stadium club and private enclosed "skyboxes".

F. To the extent practicable, the Club shall use biodegradable containers and minimize the amount of packaging in the Club's furnishing of Concessions.

G. The Club shall prepare and submit to any Governmental Authority, at its request, a Concessions price list and food and beverage menu. The Club shall maintain competitive pricing for all Concessions.

H. The Club shall properly, promptly and courteously process and endeavor to resolve all claims, problems and complaints arising from the provision of Concessions.

I. The Club shall comply with Applicable Law in providing Concessions.

15.6 Concessions by Metro.

A. Notwithstanding Section 15.1, Metro or any person or group holding an Other Event authorized by Metro pursuant to Article 12 for which less than 250 persons are expected to attend may, with the approval of Metro, operate and sell, or provide for the operation and sale of: (i) consumable Concessions and (ii) non-consumable Concessions related to such Other Event. For Other Events held or authorized by Metro pursuant to Article 12 for which more than 250 persons are expected to attend, the Club, on request of or with the approval of Metro, may in its sole discretion waive its exclusive Concessions rights and allow Metro or any person or group holding such Other Event, to operate and sell, or provide for the operation and sale of, Concessions. In no event may Metro or any other person utilize concession equipment of the Club in connection with such Other Event.

B. Metro reserves and retains the right to retain or allow other persons or groups to retain any and all revenues derived from the operation and sale of Concessions pursuant to this Section 15.6.

15.7 Prohibition Against Bringing Food and Beverages into Ballpark. The Club may post a notice at each entrance to the Ballpark prohibiting any person from bringing food or beverages into the Ballpark at any time. The Club and Metro shall work cooperatively with each other to develop and implement necessary and appropriate procedures to enforce such prohibition. This section shall not apply to the provision of Concessions pursuant to Section 15.6.

Article 16. – ADVERTISING AND SCOREBOARD

16.1 Advertising by Club. Subject to the provisions of this Section 16.1, the Club shall have the exclusive right to erect signs on the Interior of the outfield fence of the Ballpark and in all other portions of the interior of the Ballpark and to sell and display all advertising on the interior of the outfield fence of the Ballpark, the scoreboards(s), matrix boards and in all other areas on the interior of the Ballpark. The method of erection of advertising signs and devices within the Ballpark shall be included as part of the Construction Plans and Specifications that shall be approved by the Governmental Parties. No further consent of Metro shall be required for any signage or advertising on the interior of the Ballpark that meets the standards contained in the Construction Plans and Specifications as so approved. The Club shall also have the exclusive right to sell all program and publication advertising as to operations of the Club. The Club shall bear all expenses associated with advertising sold and displayed by or on behalf of the Club including, without limitation, the cost of erection, maintenance, repair and replacement of all advertising signs and devices. All advertising sold or displayed by or on behalf of the Club shall be in good taste and consistent with the overall goals of Metro and the Club to provide wholesome family

entertainment through Professional Baseball Games and Other Events held at the Ballpark. In addition, the Club shall take into account the aesthetic quality of the Ballpark and shall not erect or place advertising on the exterior of the Ballpark that is clearly visible from outside the Ballpark (a) except to the extent that the signage associated therewith is part of the Construction Plans and Specifications and has been approved by the Governmental Parties as to design, size, location, number, illumination, and hours of operation, and (b) except that (i) the identity of the advertisers and advertisements on such signs shall conform to the standards set forth in Section 13.2 of this Lease, or (ii) the Governmental Parties consent in writing to the same. Any agreements between the Club and advertisers shall terminate no later than the expiration of the Term (whether on its scheduled termination date or by earlier exercise of any termination rights in this Lease or the MOU).

16.2 Scoreboards. The Club shall, at Club expense, install, maintain, repair, and replace as necessary, one or more electronic scoreboards acceptable to the Governmental Parties and in accordance with the Construction Plans and Specifications. The Club shall have the exclusive right to sell and retain the revenues from advertising on the scoreboard(s). The Club shall operate the scoreboard(s) for all Professional Baseball Games and the Other Events sponsored by the Club. Metro shall be entitled to use and operate the scoreboard(s) for any Other Event sponsored or authorized by Metro. Metro shall use trained scoreboard operators. During normal business hours and at mutually agreeable times, the Club shall provide training, at no cost to Metro, to the person(s) using and operating the scoreboard(s) on behalf of Metro. Metro shall be responsible for any scoreboard programming caused by such Metro use and operation. If Club is not in default under this Lease, on the termination or expiration of this Lease, the Club may remove the scoreboard(s) furnished by the Club if this can be accomplished without any damage or injury to the Premises. Otherwise, the scoreboard(s) furnished by the Club shall become the property of the IDB on the termination or expiration of this Lease.

16.3 Metro Rights to Advertising and Scoreboards. The Club agrees to provide, at no charge to Metro, (a) one full color page of advertising in the programs for each Professional Baseball Game promoting Nashville, Metro sponsored civic and cultural events (whether or not at the Ballpark), and Metro sponsored Other Events; (b) one announcement on the scoreboard or matrix board at the Ballpark during Professional Baseball Games promoting Nashville, Metro sponsored civic or cultural events, or Metro sponsored Other Events (whether or not at the Ballpark); and (c) one announcement from the public address system during Professional Baseball Games promoting Nashville, Metro sponsored civic or cultural events, Metro sponsored Other Events (whether or not at the Ballpark). Metro shall be responsible for providing all such advertising and promotional materials that shall be reasonably required for the fulfillment of the requirements of this Section.

ARTICLE 17. – SUFFICIENT CLUB PERSONNEL

17.1 Sufficient Club Personnel. At all times during the Term, the Club shall furnish, employ, engage, retain, train, compensate and manage, at Club expense, sufficient personnel and other persons to perform all duties, obligations and functions of the Club pursuant to this Lease. Without limiting the generality of the foregoing, the Club shall provide qualified public address announcers, scoreboard operators, ticket sellers and takers, Concessions personnel, ushers, umpires, first aid personnel, and all other personnel and persons appropriate for the proper and safe use of the Premises for Professional Baseball Games and Other Events.

ARTICLE 18. – SECURITY

18.1 Club Responsibility. Except as provided in this Article 18, the Club shall, at Club expense, provide such security personnel and traffic control both on the Premises and inside the Ballpark as are necessary to maintain order and protect the Premises and the safety of players, officials, spectators and customers. Metro may supplement such personnel with Metro law enforcement officers, in the sole discretion and at the sole expense of Metro. At all times during the Term, the Club shall be responsible for security in the Premises.

Security for the Ballpark provided by the Club shall encompass all measures reasonably necessary to prevent terrorist acts at the Ballpark and shall include (but not be limited to) items such as surveillance, screening of attendees, and physical barriers.

The Construction Plans and Specifications shall encompass all measures reasonably necessary as required by insurance companies, any professional baseball league, or any Applicable Law to prevent terrorist acts at the inception of this Lease. Thereafter, if any third party (e.g., insurance companies, any professional baseball league, or any Applicable Law) requires additional measures, then the Club at its expense shall promptly take such actions as are necessary to comply with such measures.

18.2 Metro Responsibility. For Other Events sponsored by Metro pursuant to Article 12, Metro shall be responsible for security. Upon agreement of the Parties, such security may be provided by the Club at Metro's expense.

ARTICLE 19. – REPAIRS AND MAINTENANCE

19.1 By Club. The Club shall have the sole and full responsibility for all repair, maintenance, and upkeep necessary to keep the Ballpark and the

Premises in good order, repair and condition and in a First Class Condition fully suitable for Professional Baseball Games and Other Events. In addition to, and not by way of limitation of, the other duties and responsibilities of the Club under this Lease, the Club shall, at the Club's expense:

- A. Repair and maintain the physical structure of the Ballpark.
- B. Be solely responsible for the scoreboards or matrix board on the interior and exterior of the Ballpark, including, but not limited to, replacing burned out light bulbs. Said scoreboard and matrix board shall be maintained in a First Class Condition suitable for use.
- C. Repair, maintain and be responsible for replacement of furnishings, fixtures and equipment and keep the same in good order, repair and condition.
- D. Replace burned out light bulbs and maintain and repair the Ballpark light fixtures, including the lighting towers which illuminate the playing field.
- E. Maintain and repair the playing field drainage system and repair any damage to the playing field.
- F. Paint as necessary the areas of the Ballpark to be painted pursuant to the Construction Plans and Specifications in a color or colors mutually satisfactory to Metro and the Club.
- G. Keep and maintain the playing field in First Class Condition suitable for Professional Baseball Games, including but not limited to all natural turf areas, all dirt areas, dugouts, foul lines and foul territory, base paths, pitcher's mound, bullpens, warning track, and coach's boxes. The Club shall provide such field maintenance equipment (including a suitable covering for the playing field during inclement weather) and groundskeeping and other field maintenance services as are appropriate to maintain a quality playing surface for Professional Baseball Games. The Club shall perform and pay all costs of field restoration required as result of damage to the playing field caused by, during or in connection with any Professional Baseball Games, or Other Event staged by the Club.
- H. Keep and maintain in good repair and condition the hitting screen, batting cage and all other on-field baseball equipment. The Club shall be responsible for replacement of such equipment if it becomes unrepairable through normal wear and tear.
- I. Maintain, repair, and be responsible for replacement of any furnishings, fixtures and equipment provided by the Club.

J. Provide for, or cause to be provided, janitorial and housekeeping services and supplies in the Ballpark. Such janitorial and housekeeping services and supplies shall be as necessary to keep and maintain all of the foregoing areas in a neat, clean, sanitary and safe condition. The Club shall collect and deposit all trash and debris from such areas in designated garbage disposal dumpsters, bins and receptacles.

K. Perform and pay all costs of repairs and replacements, including any capital expenditures or additions, to the Premises, including but not limited to the furnishings, fixtures and equipment contained or located on or in the Premises.

19.2 By the IDB, MDHA or Metro. This is a net lease. The Governmental Parties shall have no responsibility for the upkeep, maintenance, replacement or repair of the Ballpark (including structural replacement, repair or maintenance, capital expenditures or capital improvements) or Premises unless specifically assumed herein. So long as no Event of Default has occurred hereunder, Metro shall pay to the Club the sum of Five Hundred Thousand Dollars (\$500,000) per lease year (prorated for partial lease years) in arrears to be used by the Club solely for the maintenance and repairs at the Ballpark. Such payment shall be made within ninety (90) days following December 31 of each year of the Term. This contribution shall be subject in all events to (a) the satisfactory inspection of the Ballpark by Metro to insure that it is maintained in a First Class Condition, and (b) the Club being in full compliance with all terms of this Lease.

On or before March 1 of each year, the Club shall provide Metro with a schedule describing the use of Metro's contributions for maintenance and repair during the immediately preceding lease year. Such schedule shall include the amount of each expenditure and the person to whom such expenditure was paid. Metro shall have the right to inspect the records supporting each such expenditure and to conduct such audits as it may deem necessary or appropriate to ensure that monies provided by Metro have been expended solely for maintenance and repairs at the Ballpark.

ARTICLE 20. – ALTERATIONS AND IMPROVEMENTS

20.1 By Club. The Club may make non-material alterations and improvements to the Premises after the Completion Date, without the prior written approval of the Governmental Parties. The Club may make material alterations and improvements to the Premises after the Completion Date, subject to the prior written approval of the Governmental Parties and a written agreement between the Governmental Parties and Club as to payment of the expense of such alterations and improvements and the manner in which the alterations and

improvements shall be accomplished. In the absence of such approval and agreement, the Club shall make no material alterations or improvements to the Premises. All alterations and improvements shall be at the sole cost and expense of the Club, and the Club shall obtain written lien waivers from all persons performing work upon or supplying materials to the Premises prior to the commencement of work. On the termination or expiration of this Lease, if the Club is not then in default under this Lease, the Club may remove alterations and improvements made by the Club at the Club's sole expense if this can be accomplished without any damage or injury to the Premises. Otherwise, all such alterations and improvements shall become the sole property of the IDB on the termination or expiration of this Lease.

20.2 National Association Requirements. The Club shall be responsible for and shall complete at its sole expense any alterations and improvements to the Ballpark required to meet National Association standards applicable to teams playing at the same professional baseball classification level as the Club and in the ballpark of the same or greater age as the Ballpark. The Club may apply to the National Association or Major Leagues, as applicable, using best efforts to obtain a waiver, exemption or variance from such new standards. The Club shall inform the Governmental Parties in writing, of the determination by the National Association or the Major Leagues on the waiver, exemption or variance application. If the waiver, exemption, or variance application is denied, the Club shall make the necessary improvements at its sole expense.

ARTICLE 21. – FINANCIAL REPORTS AND RECORDS

21.1 Annual Statements. As soon as practicable at the end of each calendar year occurring during the Term and, in any event, by _____, _____ and each _____ 1 thereafter, the Club shall furnish to the Governmental Parties an income statement of the Club's operations with respect to the Premises and this Lease. All such income statements shall be in accordance with generally accepted accounting principles applied by the Club in a consistent manner and in reasonable detail. On or before _____ 1 of each year, the Club shall: (a) cause an Independent Accountant selected by the Club and approved by the Governmental Parties to audit and examine the Club's financial statements for the fiscal year ending on the immediately preceding _____; and (b) deliver to the Governmental Parties an "Opinion as to Accuracy and Sufficiency" prepared by such Independent Accountant. Provided, however, that if the holder of the Debt requires an annual audit of the Club's financial statements for any fiscal year prepared by an independent certified public accountant, then the delivery of such audit to the Governmental Parties on or before the date specified in subsection (a) shall satisfy the requirements of such subsection (a). All such financial statements, reports and documentation shall be at the sole expense of the Club.

21.2 Maintenance of Books and Records. The Club shall at all times keep and maintain at the Ballpark complete and accurate books and records of the operations of the Club and any licensee, concessionaire or other persons engaged by the Club with respect to the Premises from which the Governmental Parties may determine the items to be shown or set forth on the statements or other financial information to be delivered to each of them pursuant to Section 21.1 or elsewhere in this Lease. The Club shall preserve these books and records for a period of at least five (5) years after the end of each applicable period of time.

21.3 Metro Inspection and Audit. The Governmental Parties (and their designated agents) have the right from time to time during regular business hours, upon twenty-four (24) hours' written notice, to inspect and audit any and all of the Club's books and records and other papers and files required to be provided or maintained by the Club pursuant to Sections 21.1 or 21.2. The Club shall produce the same upon request of the Governmental Parties. The Club shall include, in each license, concession or other agreement with any person doing business with the Club a provision giving the Governmental Parties the similar rights of inspection and audit.

21.4 Survival. The provisions of Article 21 shall survive the termination or expiration of this Lease.

ARTICLE 22. – INSURANCE AFTER COMPLETION

22.1 By Club. At all times during the Term, the Club shall, at Club expense, procure and thereafter maintain the insurance specified in this Article 22 with insurance companies acceptable to the Governmental Parties and licensed to do business in the State of Tennessee. The terms, conditions and amount of all such insurance shall be subject to the prior review and approval of the Risk Manager. A copy of each such policy, together with a receipt and certificate of insurance indicating payment by the Club of the insurance premium on the policy, shall be promptly submitted to the Risk Manager. In the event of a loss which may be covered by any policy of insurance, the Club shall submit to the Risk Manager a copy of the proof of claim at the time the Club submits the claim to the insurance carrier. All such insurance shall contain an endorsement giving Metro not less than thirty (30) days' prior written notice of any cancellation or material alteration and, with the exception of workers' compensation insurance, shall include the Governmental Parties as an additional insured. Without limiting the generality of the foregoing:

A. Workers' Compensation Insurance. The Club shall procure and maintain worker's compensation insurance providing statutory benefits in compliance with Applicable Law.

B. Liability Insurance. The Club shall procure and maintain commercial general liability insurance, including but not limited to the following coverage parts: premises/operation; products and completed operations; independent contractors; broad form property damage; host liquor liability; and personal injury, including coverage for false arrest, false imprisonment, malicious prosecution, libel, slander, defamation and advertising. Defense costs shall be included in the coverage. Such insurance shall contain limits approved from time to time by the Risk Manager but in no event less than a combined single limit of One Million Dollars (\$1,000,000) each occurrence for bodily injury, personal injury, and property damage liability, and Ten Thousand Dollars (\$10,000) per person for medical payments coverage. As to those comprehensive general liability insurance coverage parts for independent contractors and host liquor liability, the Club shall cause its independent contractors to procure and maintain such coverages determined to be appropriate by the Club and Governmental Parties on behalf of the Club and the Governmental Parties.

C. Employer's Liability Insurance. Employer's liability insurance with limits of not less than: bodily injury by accident, \$1,000,000 each accident; bodily injury by disease, \$1,000,000 each employee; and bodily injury by disease, \$1,000,000 policy limit.

D. Automobile Liability Insurance. Automobile liability insurance with limits not less than \$1,000,000 combined single limit each accident.

E. Excess Insurance. Excess insurance with a limit of not less than \$10,000,000 each occurrence in excess of each coverage described in clauses B, C and D of this Section 22.1. This coverage shall be on a follow form basis.

F. Comprehensive Casualty and Property Insurance. Comprehensive casualty and property insurance against any and all loss or damage to the Ballpark for the full replacement value thereof on an "all risk" peril basis, including coverage against fire, extended coverage, vandalism, malicious mischief and special extended perils as contained in customary "all risk" policies. Comprehensive casualty and property insurance against any and all loss or damage to the Ballpark caused by earthquake or flood in an amount not less than \$20,000,000.

G. Terrorism Coverage. On an annual basis, use commercially reasonable efforts to obtain insurance for acts of terrorism for the coverages described in subparagraphs B, E and F above. If such policies cannot be obtained at a commercially reasonable cost after utilizing such efforts, the Governmental Parties shall either waive such requirement for that policy year or reach another mutually satisfactory arrangement with the Club.

H. Other Insurance. At the request of the Governmental Parties, the Club shall procure and maintain such other insurance that is or may become customary or available for protection against claims, liabilities and losses connected with the Club's use or occupancy of the Premises.

22.2 Additional Terms of Insurance Policies.

A. Each insurance policy shall be with companies that are nationally recognized and, if underwriting primary coverage, that have a policyholder's rating of at least A, V, as listed at the time of insurance by *A.M. Best Insurance Reports*, or such other rating as the Governmental Parties and the Club may mutually agree, and are qualified to issue such insurance in Tennessee.

B. Each insurance policy shall provide that it may not be cancelled, terminated, reduced or materially changed unless at least 30 days advance notice thereof has been provided to the Governmental Parties, except in the case of cancellation or termination due to a lapse for nonpayment, in which case only 10 days' advance notice shall be required.

C. Each insurance policy shall include waivers of (i) all rights of subrogation against the Governmental Parties and (ii) any recourse against any parties other than the Club for payment of any premiums or assessments under such policy.

D. Each insurance policy covering third-party liability shall contain a "cross-liability" endorsement or a "severability of interest" endorsement providing that coverage, to the maximum amount of the policy, will be available despite any suit between the insured and any additional insured under such policy.

E. The insurance policies shall not in the aggregate have deductibles in excess of \$50,000.

F. Each insurance policy shall provide that it may not be invalidated by any act, omission or negligence of the Club; provided that the commercial general liability insurance coverage may contain customary provisions excluding from its coverage loss or injury arriving from acts of the Club intended to result in such loss or injury.

G. Each insurance policy maintained in accordance with Section 22.1B and 22.1F shall name the Club and the Governmental Parties as joint loss payees. All other insurance policies maintained in accordance with this Agreement shall name as additional insureds the Governmental Parties.

H. Each insurance policy regarding liability coverage shall contain an endorsement specifying this Lease as "insured contracts".

I. Each insurance policy shall contain the provision required by Section 5.1B of this Agreement.

22.3 Certificates of Insurance. The Club shall deliver, or cause to be delivered, to the Governmental Parties full copies of insurance policies, certificates of insurance and any other documentation reasonably requested by the Governmental Parties evidencing the existence of the insurance policies, such delivery to be made at least three business days prior to the Term. Within 5 days after the issuance of any additional policies or amendments or supplements to any of the insurance policies, the Club shall deliver revised certificates of insurance reflecting any such addition, amendment or supplement. With respect to any insurance policy that expires by its terms prior to the end of the Term, the Club shall deliver certificates of insurance and any other documentation reasonably requested by the Governmental Parties evidencing the existence of a renewal or replacement of such insurance policy, such delivery to be made at least three business days prior to the expiration of such insurance policy.

ARTICLE 23. – INDEMNIFICATION

23.1 Obligation to Indemnify. To the fullest extent permitted by law, the Club shall indemnify and save harmless the Governmental Parties and their respective officers, employees, agents and contractors (hereinafter the "Indemnitees") against and from all liabilities, suits, obligations, fines, damages, penalties, losses, claims, costs, charges and expenses, including, without limitation, attorneys' fees and disbursements (hereinafter collectively referred to as "Charges"), which may be imposed upon or asserted against or reasonably incurred by the Indemnitees arising as a result of or in connection with the acts or omissions of the Club or the Club's officers, employees, players, agents, assigns, sublessees, concessionaires, sub-concessionaires, licensees and guests (hereinafter the "Indemnitors"); provided, however, that this obligation shall not extend to Charges which may be imposed upon or asserted against or reasonably incurred by the Indemnitees arising as a result of the acts or omissions of the Indemnitees. Without limiting the generality of the foregoing, but subject to the limitations on the Club's obligations as provided in the foregoing, this indemnity shall include, but is not limited to:

A. Operation. Any act or omission of any Indemnitors pertaining to any use, non-use, possession, occupation, alteration, repair, condition, operation, maintenance or management of the Premises;

B. Injury. Any accident, injury (including death) or damage to any person or property occurring in, on or about the Premises as a result of the acts or omissions of any Indemnitors;

C. Private Property Damage. Any claims or liabilities for loss or theft of, or damage to, any property located on the Premises of any of the following as a result of the acts or omissions of any Indemnitors, Indemnitors' employees, and players of other teams playing Professional Baseball Games or Other Events sponsored by the Club, umpires, and members of the public or any other person attending Professional Baseball Games or Other Events sponsored by the Club;

D. Liens. Any Lien which may be alleged to have arisen against or on the Premises or the leasehold interest of the Club as a result of the act or omissions of any Indemnitors;

E. Sublease. Any and all liabilities, claims, and causes of action arising under the provisions of any occupancy, sublease, assignments, service contracts or other agreements of any Indemnitors affecting or relating to the Premises;

F. Indemnitor Default. Any failure on the part of any Indemnitor to keep, observe and perform any of the provisions of any agreements by the Indemnitors affecting the Premises; and

G. Rental. Any failure on the part of the Indemnitors to pay rent or to keep, observe, perform or comply with any provision in this Lease, and the exercise by the Governmental Parties of any remedy provided in this Lease with respect to such failure.

23.2 Club's Obligation to Defend. If any claim, action or proceeding is made or brought against any Indemnitee by reason of any event as to which the Club is required to indemnify any Indemnitee pursuant to this Article 23, then, upon demand by such Indemnitee, the Club at its sole cost and expense, shall resist or defend such claim, action or proceeding in such Indemnitee's name, if necessary, by the attorneys for the Club's insurance carrier (if such claim, action or proceeding is covered by insurance), and otherwise by such attorneys as the Governmental Parties shall approve. The Governmental Parties agree that in the event any or all of the Governmental Parties are named as a party to an action, they will reasonably cooperate with the Club in the conduct of the proceedings. Metro reserves the right to participate in the defense of any such action. No settlement or compromise shall be binding upon Metro unless approved by the Department of Law Settlement Committee and, when required, the Metro Council.

23.3 Metro Indemnity Obligation. Metro shall be responsible for any damage to the Premises arising in connection with an Other Event, and shall indemnify the Club for the same, to the fullest extent allowed by Applicable Law.

23.4 Survival. The provision of this Article shall survive the termination or expiration of this Lease.

ARTICLE 24. – CASUALTY LOSS; CONDEMNATION

24.1 Casualty Loss. If the Ballpark shall be partially or totally damaged or destroyed by fire or other casualty, the Club, at Club's expense, shall repair the damage out of the proceeds of insurance provided pursuant to Section 22.1. The Club shall use such proceeds to restore the Ballpark and Premises to substantially the condition existing immediately prior to such fire or other casualty. In undertaking any such work or repair and restoration, the Club shall proceed promptly and diligently to completion, subject to reasonable delays beyond the Club's control. To the extent proceeds of insurance are insufficient to completely repair or restore the Premises to substantially the same condition existing immediately prior to such fire or other casualty, the Club shall complete the repair or restoration at its sole expense.

24.2 Condemnation. In the event that all or any material portion of the Ballpark is taken by the exercise of the right of eminent domain exercised by a governmental entity or pursuant to any other governmental order and such taking renders the Ballpark unfit or unusable for Club Home Games, then this Lease shall terminate and expire on the date of such taking. In such event, the Club shall pay rent for the period of time up until the date of taking; any obligation of Club to pay rent for use of the Ballpark from and after the date of taking shall cease. The Club shall have no right to any portion of any award granted with respect to such taking, except that the Club shall have the independent right to make a claim, to the extent such claim may be then allowed by Applicable Law, against the condemnor for and retain any award based on the reasonable value of any improvements made to the Ballpark by the Club and for the expenses incidental to relocating from the Ballpark. For purposes of this Section, the "date of taking" means the date title to the Ballpark or the material portion taken is permanently vested in such governmental entity.

ARTICLE 25. – EVENTS OF DEFAULT

25.1 By Club. Each of the following events shall constitute an Event of Default under this Lease:

A. if the Club shall fail to pay any installment of Rent and such failure shall continue for ten (10) days;

B. if the Club shall fail to make any other payment required to be paid by the Club under this Lease (to the IDB or any other third party) for a period of fifteen (15) days after written notice from the Governmental Parties to the Club specifying such failure, other than any portions of such payment subject to a good faith dispute between the Governmental Parties and the Club during the pendency of such dispute and so long as the amount in dispute is either deposited into a special escrow account or secured with a bond;

C. if the Club shall fail to complete the Ballpark Construction by the Scheduled Completion Date substantially in accordance with the Construction Plans and Specifications as evidenced by a certification of completion issued by the Architect.

D. if the Club shall fail to observe or perform one or more of the other provisions of this Lease or any representation of the Club set forth in this Lease is untrue in any material respect, and such failure or misrepresentation shall continue for a period of thirty (30) days after written notice by the Governmental Parties to the Club specifying such failure (unless such failure or misrepresentation requires work to be performed, acts to be done, or conditions to be removed which cannot by their nature reasonably be performed, done or removed, as the case may be, within such thirty-day period, in which case no Event of Default shall be deemed to exist as long as the Club shall have commenced curing the same within such thirty-day period and shall diligently and continuously prosecute the same to completion);

E. if the Club shall admit, in writing, that it is unable to pay its debts as such become due or shall make an assignment for the benefit of creditors;

F. if the Club shall file a voluntary petition in bankruptcy or shall be adjudicated bankrupt or insolvent, or shall file any petition or answer seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under the present or any future federal bankruptcy act or any other present or future applicable federal, state or other statute or law, or shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of the Club or of all or any substantial part of its properties or of any interest of the Club in the Premises;

G. if within ninety (90) days after the commencement of any proceeding against the Club seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under the present or any future federal bankruptcy act or any other present or future applicable federal, state or other statute or law, such proceeding shall not have been dismissed, or if, within ninety (90) days after the appointment of any trustee, receiver or liquidator of the Club or of all or any substantial part of its properties or of any interest of the Club in the Premises, such appointment shall

not have been vacated or stayed on appeal or otherwise, or if, within sixty (60) days after the expiration of any such stay, such appointment shall not have been vacated;

H. if the Club shall abandon the Premises and such abandonment shall continue for a period of thirty (30) days;

I. if the Lease or the estate of the Club hereunder shall be assigned, leased, transferred, or encumbered without the approval of the Governmental Parties required by this Lease or without compliance with the applicable provisions of this Lease (the Governmental Parties understand that at the initial closing of the issuance of the Debt, the holder of the Debt will require certain collateral assignments of the Lease, and such assignments will be subject to the approval of the Governmental Parties at the time of such closing);

J. if a levy under any execution or attachment shall be made against the Club or its property and such execution or attachment shall not be vacated or removed by court order, bonding or otherwise within a period of thirty (30) days; or

K. if an Event of Default shall occur under the MOU or any document to which the Club is a party executed in connection with the issuance of the Debt and such Event of Default shall not be cured, within any available cure period.

25.2 By Metro or the IDB. It shall constitute an Event of Default under this Lease if Metro, the MDHA or the IDB shall fail to observe or perform one or more of the provisions of this Lease or the MOU, or any representation of the IDB, the MDHA or Metro set forth in this Lease, and such failure or misrepresentation shall continue for a period of thirty (30) days after written notice by the Club to the appropriate party specifying such failure (unless such failure or misrepresentation requires work to be performed, acts to be done, or conditions to be removed which cannot by their nature reasonably be performed, done or removed, as the case may be, within such thirty-day period, in which case no Event of Default shall be deemed to exist as long as the appropriate party shall have commenced curing the same within such thirty-day period and shall diligently prosecute the same to completion).

25.3 Termination of Lease in Event of Default by Club. If an Event of Default by the Club shall occur, the Governmental Parties at any time thereafter, at their option, may give written notice to the Club stating that this Lease shall expire and terminate on the date specified in such notice, which date shall be not less than thirty (30) days after the giving of such notice with respect to any Event of Default. Thereafter, this Lease and all rights of the Club under this Lease shall expire and terminate on the date specified in the notice as if that date were the date definitely fixed in this Lease for the expiration of the Term, and the Club

shall immediately quit and surrender the Premises. Following such surrender of the Premises, the Club shall remain liable to the Governmental Parties for damages resulting from the Event of Default.

25.3 Re-entry by IDB, the MDHA or Metro on Termination. If the Lease shall be terminated as provided in this Article 25 or by summary proceedings, or otherwise, Metro, MDHA, or the IDB may re-enter and repossess the Premises pursuant to Applicable Law.

25.4 No Reinstatement of Term. No receipt of moneys by the IDB, the MDHA or Metro from the Club after termination of this Lease, or after the giving of any notice of termination of this Lease (unless such receipt is before the termination date set forth in the notice and cures the Event of Default which was the basis for the notice), shall reinstate, continue or extend the Term or affect any notice previously given to the Club or operate as a waiver of the right of the IDB, the MDHA or Metro to recover possession of the Premises.

25.5 Alternate Remedies of the IDB, the MDHA and Metro. In the event of any Event of Default or threatened breach of any of the provisions of this Lease, the IDB, the MDHA or Metro shall be entitled to enjoin such Event of Default or threatened breach and shall have the right to invoke any rights and remedies allowed at law or in equity (including specific performance) or by statute or otherwise as though re-entry, summary proceedings, and other remedies were not provided for in this Lease.

25.6 Alternate Remedies of Club. In the event of any Event of Default or threatened breach of any of the provisions of this Lease, the Club shall be entitled to enjoy such Event of Default or threatened breach and shall have the right to invoke any rights and remedies allowed at law or in equity (including specific performance) or by statute or otherwise.

25.7 Rights and Remedies are Cumulative. Each right and remedy of the IDB, the MDHA, Metro and the Club provided for in this Lease shall be cumulative and not exclusive and shall be in addition to every other right or remedy provided for in this Lease or now or hereafter existing at law or in equity (including specific performance) or by statute or otherwise. The exercise or beginning of the exercise by the IDB, the MDHA, Metro or the Club of any one or more of the rights or remedies provided for in this Lease or now or hereafter existing at law or in equity or by statute or otherwise shall not preclude the simultaneous or later exercise by the IDB, the MDHA, Metro or the Club of any or all other rights or remedies provided for in this Lease or now or hereafter existing at law or in equity or by statute or otherwise.

25.8 Protection for Club Bankruptcy. If an order for relief is entered or if a stay of proceeding or other act becomes effective in favor of the Club or the Club's interest in this Lease in any proceeding which is commenced by or against

the Club under the present or any future federal bankruptcy code or any other present or future applicable federal, state or other statute or law, the IDB, the MDHA or Metro shall be entitled to invoke any and all rights and remedies available to it under such bankruptcy code, statute, law or this Lease, including, without limitation, such rights and remedies as may be necessary to adequately assure the complete and continuous future performance of the Club's obligations under this Lease.

ARTICLE 26. – TRANSFER OF CLUB'S INTEREST

26.1 Club Right of Assignment. So long as the Club is not in default hereunder, the Club shall be entitled to assign this Lease without the consent of the Governmental Parties to a third party approved by the National Association as an owner of a professional baseball team with a franchise and league affiliation in the National Association at a classification level equal to or greater than that held by the Club at the time of execution of this Lease, so long as such assignee: (a) agrees to assume all of the rights and obligations of the Club under this Lease and the MOU, (b) demonstrates to the satisfaction of the IDB, the MDHA and Metro that the assignee is financially capable of assuming all of the rights and obligations of this Lease, the MOU and the Debt, and (c) is not a Prohibited Person. Other than as set forth in this Section, the Club shall not be entitled to assign this Lease without the express written consent of Metro, the MDHA and the IDB which may be withheld for any reason. No assignment shall in any way relieve or excuse the Club from any of the Club's obligations under this Lease prior to the effective date of the assignment. Following an assignment permitted by this section, the Club shall thereafter be released of any liability arising under this Lease after the date of such assignment, unless such liability is based on events, activities, circumstances, acts or omissions occurring prior to the date of such assignment.

26.2 Prohibited Transfers. Except as explicitly authorized in Section 26.1, the Club shall not permit, suffer or enter into an assignment, sublease, transfer, sale, conveyance, syndication or other disposition of any kind whatsoever (hereinafter collectively referred to as a "Transfer") of any of the Club's interest in this Lease or the leasehold estate or Concessions rights established in this Lease, without the prior written approval of Metro, the MDHA and the IDB. In no event shall the subcontracting for security, concessions or maintenance services or for services to be provided by a Project Provider constitute a Transfer under the provisions of this Section 26.2 so long as all other applicable provisions of this Lease are adhered to, and provided further that no such subcontracting shall relieve the Club of its obligations under this Lease. Such approval of a Transfer shall be in the sole discretion of Metro, the MDHA and the IDB. All provisions of this Lease shall be binding upon the person to whom or to which an approved Transfer is made. Except as explicitly provided in Section 26.1, no Transfer shall in any way relieve or excuse the Club from any of

the Club's duties, obligations, responsibilities, covenants and requirements under this Lease.

26.3 Draft of Club Territory. The Club shall use best efforts in good faith to oppose any attempt by any person holding a franchise in the National Association to draft the Club's territory.

26.4 Transfer of Franchise. The Club shall not sell or transfer the franchise now known as the Nashville Sounds Baseball Team without (a) the consent of the Governmental Parties in accordance with the procedures of this Article 26, and (b) the assumption by the transferee of all obligations hereunder.

ARTICLE 27. – MISCELLANEOUS

27.1 Nondiscrimination. The Club shall not discriminate on the basis of race, creed, color, sex, age, religion, handicapped status or national origin with respect to use and occupancy of the Premises. The Club shall comply with the equal employment opportunity provisions attached hereto and made a part of this Lease as Exhibit B, and shall be deemed to be the "Contractor" for purposes of Exhibit B.

27.2 Compliance with Applicable Law. In connection with the occupancy and use of the Premises, the Club shall, at Club expense, comply with all present and future Applicable Laws. The Club shall not use or occupy, nor permit or suffer the Premises to be used or occupied: (a) for any unauthorized, unlawful, illegal, disreputable, dangerous, noxious or hazardous business, use or purpose; (b) in such manner as to constitute a nuisance of any kind (public or private); (c) in violation of any licenses or permits pertaining to the Premises or activities and events on the Premises; (d) in a manner which causes or results in any waste on the Premises; (e) for any purpose or in any way in violation of the certificates of occupancy or of any laws, ordinances, orders or regulations of any lawful authority having jurisdiction over the Premises; or (f) in a manner which may make void or voidable any insurance then in force on the Premises. Upon the discovery of any such unauthorized, unlawful, illegal, disreputable, dangerous, noxious, hazardous or other improper use, the Club shall immediately take all necessary steps, legal and equitable, to compel the discontinuance of such use.

27.3 Cooperative Efforts. This Lease shall be liberally construed in order to promote a harmonious relationship among the Parties with regard to the construction, occupancy and use of the Ballpark. The Club accepts the relationship of trust and confidence established between the Club, the IDB, the MDHA and Metro by this Lease. The Club covenants with the IDB, the MDHA and Metro to furnish its best skill and judgment and to fully and effectively cooperate with the IDB, the MDHA and Metro to accomplish the purposes and objectives of this Lease. If a problem arises that this Lease does not directly or

indirectly address, the Club and the IDB, the MDHA and Metro agree to work with one another to determine a mutually satisfactory solution. Metro, the MDHA, the IDB and the Club agree to meet from time to time during the Term upon written request of either party to review the provisions of this Lease.

27.4 Amendment. No alteration, amendment, change or addition to this Lease shall be binding on any Party unless reduced to writing and signed by all Parties.

27.5 Waiver. No failure by the IDB, the MDHA, Metro or the Club to insist upon the strict performance of any provision of this Lease or to exercise any right or remedy upon a breach of such provision, and no acceptance of full or partial rental payment by the IDB during the continuance of any such breach, shall constitute a waiver of any such breach or of such provision. No provision of this Lease to be performed or complied with by the Club, the IDB, the MDHA or Metro, and no breach of such provision, shall be waived, altered or modified except by a written instrument executed by the IDB, the MDHA, Metro or the Club, as applicable. No waiver of any breach shall affect or alter this Lease, but each and every provision of this Lease shall continue in full force and effect with respect to any other then existing or subsequent breach.

27.6 Relationship of Parties. Nothing in this Lease is intended or shall be interpreted to create a joint venture or partnership between the IDB, the MDHA, Metro and the Club or make the IDB, the MDHA or Metro the partner of the Club or constitute either the agent of the other, or make either party in any way responsible for the debts, losses, duties, obligations, responsibilities or liabilities of the other party. Without limiting the generality of the foregoing, the IDB, the MDHA, Metro and the Club agree that in respect to use and occupancy of the Premises by the Club, the operation of Concessions, and all other activities and services of the Club pursuant to this Lease, the Club shall be acting as a lessee and independent contractor on the Club's behalf. The Club agrees that it will not represent to anyone that its relationship to the IDB, the MDHA or Metro under this Lease is other than as a lessee and independent contractor.

27.7 No Third Party Beneficiaries. The IDB, the MDHA, Metro and the Club acknowledge and agree that neither intends this Lease to confer direct benefits upon any persons other than themselves, that any benefits other persons may receive are purely incidental, and that neither intends to confer any contractual or other rights including the right to enforce all or any portion of this Lease, upon any such persons.

27.8 Taxes and Encumbrances. The Club shall list the Club's furnishings, fixtures, equipment and other personal property located on the Premises for purposes of personal property taxation, and shall promptly pay when due any and all personal property taxes imposed or assessed on the same. The Club shall not permit any Liens to exist against the Premises or the

leasehold interest of the Club unless approved in writing by Metro, the MDHA and the IDB. The Club, within thirty (30) days of any such Lien being asserted against the Premises or the leasehold interest of the Club, shall either cause the same to be released of record or obtain title insurance coverage satisfactory to Metro, the MDHA and the IDB in the respect to such Lien and proceed diligently to contest the same in good faith.

27.9 Fireworks. The Parties recognize that firework displays are customary outdoor entertainment in conjunction with Professional Baseball Games. The parties also recognize that firework displays within Nashville require and are subject to the prior approval of Metro on a case-by-case basis. Subject to such approval, firework displays may be held in the Ballpark. The Club agrees to coordinate all such displays with Metro on those occasions when Metro is also sponsoring firework displays.

27.10 Inspection and Right of Entry. Metro, the MDHA and the IDB shall have the unrestricted right to enter upon the Premises, including any and all portions used or occupied by the Club. During Ballpark Construction and prior to the Completion Date, Metro, the MDHA and the IDB shall have the right, on reasonable prior notice to the Club, to enter upon the Premises to verify that Ballpark Construction is proceeding in substantial compliance with the Construction Plans and Specifications. If Metro, the MDHA or the IDB discovers that Ballpark Construction is proceeding other than in substantial compliance with the Construction Plans and Specifications, the discovering party shall immediately notify the Club in writing as to the particulars of such noncompliance.

27.11 Cost of Compliance. Except where otherwise explicitly provided in this Lease, the Club shall bear the sole cost and expense of complying with and performing all of the duties and obligations of the Club under this Lease, and each Governmental Party shall bear the sole cost and expense of complying with and performing all of its respective duties and obligations under this Lease.

27.12 Exercise of IDB's, the MDHA's and Metro's Rights. All rights, privileges, duties and obligations of the IDB, the MDHA, or Metro pursuant to this Lease may be performed or exercised, as the case may be, by the IDB, MDHA or Metro (and their respective officers and employees) directly, or by any designees, agents, independent contractors, assignees, successors, or other persons or entities selected by the IDB, the MDHA or Metro.

27.13 Sale of the Premises. The IDB, the MDHA or Metro has the unrestricted right to sell, assign and convey their respective interests in this Lease, in whole or in part. The Club acknowledges that the holder of the Debt has requested IDB, MDHA, and Metro to assign certain rights pursuant to this Lease as security for the Debt and that the exercise of remedies pursuant to such assignment could affect the ability to utilize the state and local option sales

taxes pursuant to T.C.A. 67-6-103(d); the Club agrees to such assignment. Otherwise, the IDB, MDHA, and Metro shall not sell, assign, or convey their respective interests in this Lease if the same would result in an impediment to the utilization of such state and local option sales taxes pursuant to Section 9.1 of this Lease. Any such sale, assignment or conveyance shall be subject to the leasehold interest and other rights of the Club provided in this Lease. In the event of any such sale, assignment or transfer of the IDB's, MDHA's or Metro's interest in this Lease, the IDB, the MDHA or Metro shall be freed and relieved of all their respective agreements, covenants and obligations to be performed from and after the date of such sale, assignment or transfer. It shall be deemed and construed without further agreement between the Parties or their successors in interest or between the Parties and the purchaser, assignee or transferee on any such sale, assignment or transfer that such person has assumed and agreed to carry out any and all agreements, covenants and obligations of the IDB, the MDHA or Metro (as applicable) accruing from and after the date of such sale, assignment or conveyance. Nothing contained in this Section shall be construed to relieve the IDB, the MDHA or Metro from its responsibility to comply with its respective agreements, covenants and obligations under this Lease required to be performed prior to the date of any such sale, assignment or conveyance of its respective interest.

27.14 Performance of Government Functions. Notwithstanding anything in this Lease which may be to the contrary, nothing contained in this Lease shall in any way estop, limit or impair Metro, the MDHA or the IDB from exercising or performing any regulatory, policing, legislative, governmental or other powers or functions with respect to the Premises or otherwise, including, by way of illustration but not limitation, inspection of the Premises in the performance of such functions and exercise of the power of eminent domain with respect to the Premises.

27.15 Severability. If any provision of this Lease or its application to any person or circumstances shall, to any extent, be or become invalid or unenforceable, the remainder of this Lease, or the application of such provisions to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby. Each provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.

27.16 Choice of Law. This Lease shall be governed by and construed in accordance with the laws of the State of Tennessee. Any litigation arising out of this Lease shall be brought in courts sitting in Nashville, Tennessee.

27.17 Binding Effect. All benefits, privileges, burdens, obligations and duties created by this Lease shall bind, attach and inure to the benefit and burden of the successors and assigns of the IDB, the MDHA, Metro and the Club. This Section shall not be interpreted so as to confer any independent right

in the Club to convey, transfer or assign any such benefits, privileges, burdens, obligations and duties.

27.18 Notices. All notices, consents, approvals, and other communications given any Party under this Lease shall be in writing to such Party at the address set forth below or at such other address as such Party shall designate by notice to the other Parties hereto in accordance with this Section 27.18 and may be delivered personally (including delivery by private courier services, including overnight courier delivery or by telecopy (with a copy of such notice sent by private courier service for overnight delivery or by registered or certified mail), or by first-class United States mail, postage prepaid, and shall be deemed to be duly given or made when received:

(a) If to IDB, addressed to:

Industrial Development Board of
Metropolitan Government of
Nashville and Davidson County
c/o Bobby D. Davis, atty.
101 Shepherd Hills Drive
Madison, TN 37115
Facsimile: 615-859-7934

(b) If to MDHA, addressed to:

Metropolitan Development and Housing Authority
701 South Sixth Street
Nashville, TN 37206
Facsimile: 615-252-3677

with a copy to:

Robert M. Holland, Jr.
Miller & Martin, LLP
1200 One Nashville Place
150 Fourth Avenue, North
Nashville, TN 37219-2433
Facsimile: 615-256-8197

(c) If to Metro, addressed to:

The Metropolitan Government of Nashville
and Davidson County
106 Metropolitan Courthouse
Nashville, TN 37201

Attn: Director of Finance
Facsimile: 615-862-6156

with a copy to:
Director of Law
204 Metropolitan Courthouse
Nashville, TN 37201
Facsimile: 615-862-6352

(d) If to the Nashville Sounds, addressed to:

Nashville Sounds Baseball Club Limited Partnership
c/o Amerisports Companies, LLC, General Partner
837 South Thurlow Street
Hinsdale, IL 60521
Attn: Glenn Yaeger, Chief Operating Officer
Facsimile: 630-455-9835

with a copy to:
Frost Brown Todd, LLC
424 Church Street, Suite 1600
Nashville, TN 37219
Attn: John W. Lewis, Esq.
Facsimile: 615-251-5551

The Parties shall, by written notice to the other Parties, each have the right to change the person and address to which notices are to be sent.

27.19 Force Majeure. The time periods for performance by any party hereto of its obligations hereunder shall be extended during any period of Force Majeure, such extension not to exceed, however, thirty (30) days.

27.20 Headings. The table of contents and all headings that appear after article and section numbers in this Lease are included for convenience only and shall not affect the construction or interpretation of the provisions of this Lease.

27.21 Additional Assurances. From time to time after the date of this Lease, without further consideration and subject to the other terms of this Lease, the Parties shall promptly execute and deliver such other instruments and take such other action as any other Party reasonably may request to consummate the transactions contemplated hereby.

27.22 Applicable Standard. Any approval, consent, decision or election to be made or given by a Party hereunder may be made or given in such Party's

sole judgment and discretion, unless a different standard (such as reasonableness) is explicitly provided for.

27.23 Recordation of Lease. The IDB shall record a memorandum of this Lease in the form of Annex I in the appropriate real property records of Davidson County, Tennessee promptly following the Completion Date.

27.24 Non-Binding Mediation. In the event of (a) a dispute between the Parties arising out of or relating to this Lease or (b) an alleged breach by a Party of its obligations hereunder, any Party may with five (5) days' notice initiate non-binding mediation to attempt to resolve the dispute or alleged breach. Any such mediation shall be conducted (i) by a single mediator selected jointly by agreement of the Parties or (ii) if the Parties are unable to agree upon a mediator within five (5) days of the receipt of the notice initiating mediation, by an impartial mediator selected by any Chancellor of any Chancery Court of Davidson County, Tennessee so long as such mediator is licensed by the Supreme Court of Tennessee to practice law, is actively engaged in the practice of law and maintains law offices in Davidson County. The mediation shall take place in Davidson County within thirty (30) days of the date of receipt of the notice initiating mediation, and each Party will bear its own expenses and attorneys' fees and an equal share of the fees and expenses of the mediator. In the absence of Applicable Law regulating or administering non-binding mediation, the mediator, acting reasonably and in accordance with the scope of this Section 27.24, shall establish the dates, times, places and general conduct of the mediation sessions. All discussions, negotiations and written materials produced for or made during any such mediation, including, without limitation, the statements, positions and offers of any Parties, their attorneys, other participants and the mediator, shall be considered for all purposes and at all times to be compromises, offers to compromise and attempts to compromise pursuant to Rule 408, Tennessee Rules of Evidence. No Party shall be compelled to participate in any meeting or meetings with the mediator pursuant to this Section 27.24 for more than two (2) days, or at any time more than thirty (30) days after the receipt of notice initiating such mediation. Nothing contained herein shall toll any applicable notice, cure or termination provision of this Lease. If any dispute or alleged breach is not resolved by such mediation, the Parties may resort to any remedies permitted by Applicable Law, and nothing contained herein shall be construed to preclude any Party from seeking and obtaining injunctive or other emergency relief to protect its rights pending mediation. No request for injunctive or other emergency relief shall be deemed a waiver of mediation hereunder.

27.25 Metro Authority. The rights of Metro to approve, consent, or enforce and provision of this Lease shall be coordinated and communicated by the Director of Law. Rights to approve, consent or enforce provisions related to Professional Providers, Professional Agreements, the Ballpark Cost, the Ballpark Budget, the Master Program Schedule, the Construction Plans and Specifications (including changes thereto), a change in the Sounds' nickname,

any alterations or improvements to the Ballpark following Completion, or the transfer of the Club's franchise shall be exercised by the Sports Authority of the Metropolitan Government of Nashville and Davidson County. Rights to approve the Master Plan for the Project shall be exercised by the Metro Planning Commission. Metro may change the person or entity responsible for the exercise of such rights by resolution of the Metro Council, promptly followed by notice to the other parties to this Lease.

27.26 Entire Agreement. This Lease, the MOU, and the MDHA Lease contain and represent the entire and integrated agreement among the IDB, MDHA, Metro and the Club and, other than the Greer Lease, supersede all prior negotiations, representations or agreements, whether written or oral. With the exception of the Greer Lease, there are no promises, agreements, conditions, inducements, warranties or understandings, written or oral, express or implied, between the Parties other than as set forth or referenced in this Lease, the MOU, and the MDHA Lease.

IN WITNESS WHEREOF, the IDB, the MDHA, Metro and the Club have caused this Lease to be executed under seal in their respective names by .

THE METROPOLITAN GOVERNMENT OF
NASHVILLE AND DAVIDSON COUNTY

By: _____
Its: _____

Attested By: _____

METROPOLITAN DEVELOPMENT AND
HOUSING AGENCY

By: _____
Its: _____

Attested By: _____

INDUSTRIAL DEVELOPMENT BOARD OF
THE METROPOLITAN GOVERNMENT OF
NASHVILLE AND DAVIDSON COUNTY

By: _____
Its: _____

Attested By: _____

APPROVED AS TO FORM AND LEGALITY

By: _____
Metro Attorney

APPROVED AS TO AVAILABILITY OF FUNDS

By: _____
Director of Finance

APPROVED AS TO RISK AND INSURANCE

By: _____
Risk Manager

APPROVED AS TO FORM AND LEGALITY

By: _____
MDHA Attorney

CLUB:

NASHVILLE SOUNDS BASEBALL CLUB
LIMITED PARTNERSHIP,
A Tennessee limited partnership

By: AMERISPORTS COMPANIES, LLC
Its general partner

By: _____
Its: _____

SCHEDULE 1

Ballpark Budget

SCHEDULE 2

Criteria for Ballpark