
53444

DOWNTOWN MULTIPURPOSE ARENA
SUITE LICENSE AGREEMENT

Between

PHOENIX ARENA DEVELOPMENT LIMITED PARTNERSHIP,
as the "Operator",

and

as the "Licensee".

Suite No. _____

Phoenix, Arizona

19__

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SUITE LICENSE AGREEMENT

THIS LICENSE is executed to be effective the ____ day of _____, 19____, by and between PHOENIX ARENA DEVELOPMENT LIMITED PARTNERSHIP, a Delaware limited partnership, as the "Operator", and the party or parties so identified at the signature line(s) hereof, as the "Licensee."

RECITALS:

A. Pursuant to the Operating Agreement between Operator and the City of Phoenix, Operator is to be the operator of the Arena (a multipurpose arena to be constructed in downtown Phoenix, Arizona and owned by the City) and, in connection therewith, Operator is empowered to enter into licenses and other agreements for the use of the Arena.

B. This License is one of those being entered into by Operator pursuant to authorization from the City so as to permit the use of Suites in the Arena as and if the Arena is constructed.

THEREFORE, intending to be legally bound, for valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

53444

AGREEMENTS:

1. Definitions. As used in this License, capitalized terms shall have the meaning set forth in Schedule "1" hereto unless otherwise defined herein.

2. License. For the consideration and pursuant to the provisions hereof, Operator hereby grants to Licensee the right to use the Suite during Business Hours ("Daily Use") and for Arena Events during such time as the Arena is open to the public ("Event Use"). Daily Use shall be permitted only pursuant to an Admission Card which shall allow entry by not to exceed 20 persons designated by Licensee (or such lesser number as may be required by governmental authorities). Daily Use shall not overlap with or be permitted during Arena Events or Excluded Events. Event Use shall be permitted only pursuant to Tickets to be obtained by Licensee for the applicable Arena Event as provided in ¶ 5 hereof. Licensee shall not permit anyone into the Suite for Arena Events without a Suite Ticket and shall never allow more than 20 persons within the Suite at any one time (or such lesser number as may be required by governmental authorities). Licensee shall use the Suite only for Daily Use and Event Use but for no other purpose without the prior written consent of Operator or of the City if Licensee seeks to use the Suite during a City Event, which consent may be withheld in the sole discretion of Operator or the City, as applicable.

3. Term. This License shall be effective as a contract as of the date hereof but Licensee's right to use the Suite, and therefore the term of

this License, shall not commence until the date of the first Arena Event following the substantial completion of the Arena including the Suite and Suite Improvements as defined and provided in Schedule "3" hereto (the "Commencement Date"). Subject to termination as herein provided, the License term shall end on June 30 in the calendar year which is _____ calendar years after the calendar year of the Commencement Date (the "Expiration Date").

3.1 Termination. Notwithstanding any contrary provision hereof, (i) if for any reason or cause whatsoever, the construction of the Arena has not commenced by September 30, 1990, then at any time thereafter and prior to November 15, 1990, by written notice to Licensee, Operator may terminate this License; or (ii) if the Commencement Date has not occurred by December 31, 1993, this License automatically shall terminate on that date. In the event of a termination pursuant to this provision, the Deposits shall be returned to Licensee together with such interest as may have accrued thereon as provided in ¶ 4.1, and neither party shall have any further rights or obligations hereunder or otherwise in connection with the Arena or the Suite.

3.2 Delay. If this License is not terminated as provided in ¶ 3.1 but, nonetheless, for any reason whatsoever, the Commencement Date is delayed beyond the estimated date of July 1, 1992, neither Operator nor the City shall be liable to Licensee or any other person for any damages, losses or other harm of any kind resulting therefrom, this License shall continue in full force and effect, the License term shall not commence until the actual Commencement Date as provided in ¶ 3 hereof, and the Expiration Date shall be adjusted so that the License term shall expire as provided in ¶ 3. Within ten

days after the actual Commencement Date, the parties shall confirm in writing the actual Commencement and Expiration Dates and the number of months to be included in the last License Year, which confirmation shall be attached hereto and made a part hereof.

3.3 Refusal Right. Upon the expiration of the term hereof, if Licensee is not in default hereunder, Licensee shall have a right-of-first-refusal to license the Suite for such term, at such price and subject to such other provisions as Operator shall require in its sole discretion pursuant to such form of license as Operator then shall have established for that purpose (the "Replacement License"). Operator shall provide Licensee with a Replacement License not later than 90 days prior to the Expiration Date. Licensee shall have 30 days following receipt thereof within which to exercise this refusal right by executing the Replacement License and returning the counterparts to Operator, together with any payment required thereby, whereupon the Replacement License shall become effective immediately upon the expiration of the term hereof. If Licensee does not so exercise this refusal right, then Licensee shall have irrevocably waived its right to do so and, upon the expiration of this License, Licensee shall have no further rights or interests with respect to the Suite. This refusal right shall not be applicable if this License is terminated prior to the expiration of the stated term.

4. Fees. Licensee shall pay the following Fees for the right to use the Suite as herein provided:

4.1 Deposits. Licensee previously paid \$15,000.00 to reserve the right to execute this License (the "Reservation Deposit"). Licensee also shall pay to Operator the following additional deposits (the "Installment Deposits"): \$15,000.00 upon the execution hereof; and \$_____ on December 1, 1990. After the execution hereof, as to the Reservation Deposit, and thereafter as the Installment Deposits are received, Operator shall deliver the Deposits to a bank or other institutional depository designated by Operator, as the escrow agent, for placement into an escrow account bearing such rate of interest as may be mutually agreed between Operator and the escrow agent. If this License is terminated as provided in ¶ 3.1, the interest shall be paid to Licensee as therein provided. If this License is not so terminated, the interest through the Commencement Date shall accrue for the benefit of Licensee and be applied against the Annual Fee for the last License Year. On the Commencement Date, the Deposits shall be paid to Operator for credit against the last Annual Fee and thereafter all interest shall accrue for the benefit of Operator.

4.2 Annual Fee. The Deposits together with accrued interest thereon through the Commencement Date shall be applied as a credit against the Annual Fee for the last License Year. The Annual Fee for the first License Year shall be \$_____. The Annual Fee for the second and each subsequent License Year shall be the Annual Fee for the first License Year as increased by _____ percent for each License Year after the first License Year. In addition, the Annual Fee for the last License Year shall be adjusted by the percentage derived from a fraction, the numerator of which is the number of months in the last License Year, and the denominator of which is "12"

(for example, if the last License Year contains 16 months, the percentage adjustment would be 133 percent). The Annual Fee for the first License Year shall be payable 50 percent on the Commencement Date and 50 percent on the first day of the sixth month thereafter. The Annual Fee for the second and each subsequent License Year except the last shall be payable 50 percent on the first day of the License Year and 50 percent on the first day of the sixth month thereafter. The Annual Fee for the last License Year shall be payable on the first day of the last License Year after applying the Deposits and the accrued interest as above provided.

4.3 Payment. The Deposits, the Annual Fees and all other sums payable by Licensee pursuant to this License (collectively the "Fees") shall be paid as herein provided without deduction, offset, prior notice or demand. Fees payable to Operator shall be paid to the Operator Designate at the address set forth for the giving of notices hereunder or at such other place or to such other person as Operator from time to time may designate by notice hereunder. All payments shall be in lawful money of the United States of America by cash or other immediately available funds.

4.4 Fee Taxes. At the same time as any Fee is paid by Licensee hereunder, Licensee shall pay to Operator an amount equal to all federal, state and local gross proceeds taxes, privilege taxes, sales taxes, rent taxes, admission, amusement and other taxes now or hereafter levied or assessed upon such Fee, or the payment or receipt thereof, or which Operator will be required to pay as the result of the receipt or Licensee's payment

thereof, except that Licensee shall not be obligated to pay any amount on account of any net income tax.

4.5 Other Taxes. Licensee shall pay before delinquency all property and other taxes upon the Licensee Equipment which become payable during the term hereof. Licensee also shall pay when due all taxes payable by Licensee and, within 30 days after demand therefor, shall reimburse Operator for any and all taxes payable by Operator (other than net income taxes of Operator) whether or not now customary or within the contemplation of the parties which may during the term hereof be levied or assessed: (i) upon or with respect to the licensing, alteration, repair, use or occupancy of the Suite by Licensee including, without limitation, any property, possessory interest or other tax on the Suite or this License whether pursuant to A.R.S. § 42-682 or otherwise; or (ii) upon or measured by the value of the Licensee Equipment; or (iii) upon this transaction or any other document to which Licensee is a party which creates or transfers any interests or rights in the Suite or this License.

5. Use. Operator or the City, as applicable, shall have the right to control the use and occupancy of the Suite and all other portions of the Arena at all times during the term of this License. Licensee's use of the Suite shall not be exclusive or continuous but shall include only the amount of time reasonably necessary for the uses permitted hereunder. Except for use and access by Operator for maintenance and other purposes as herein provided, Operator shall not allow access to the Suite by anyone other than Licensee, its contractors, agents, employees and guests. As to Excluded Events,

Licensee shall have only such right to use the Suite as may be granted by the City or other sponsor thereof, albeit except for City Events, Licensee shall have a right-of-first-refusal to purchase Tickets for the Excluded Events upon such terms and conditions as may be established from time to time. Any disagreement between the parties as to whether, when or how the Suite may be used by Licensee shall be resolved as provided in ¶ 18 hereof.

5.1 Events.

5.1.1 Licensee shall receive without charge _____ Suite Tickets for each Arena Event during each License Year. Licensee also shall have the right to purchase six additional Suite Tickets for each Arena Event pursuant to such Ticket prices and procedures as Operator may establish from time to time for the purchase of additional Suite Tickets.

5.1.2 Licensee shall be entitled to a rebate of one percent of the Annual Fee for that License Year for each Arena Event less than 100 which is not conducted during the second or subsequent License Years (for purposes of determining this rebate and the refund provided in ¶¶ 12.4 and 19.2, Excluded Events which Licensee is allowed to attend shall be counted as "Arena Events" regardless of whether Licensee actually attends). The rebate amount, if any, shall be determined at the conclusion of the License Year and shall be credited against the Annual Fee payable for the next License Year or, as to the last License Year, shall be paid to Licensee in cash when Licensee has complied with the provisions hereof and has vacated the Suite at the expiration of the License term.

5.2 Alcohol. Beer, wine, distilled spirits, spirituous liquor and other substances regulated or controlled by the Arizona Department of Liquor Licenses and Control (collectively "Alcohol") shall be permitted in the Suite and other portions of the Arena but only in compliance with A.R.S. § 4-101, et seq., with all other applicable governmental statutes, ordinances and requirements and with the Policies. There shall be no restriction upon Operator's ability to amend or add to its Policies concerning Alcohol. Operator may limit, restrict or prohibit the sale, consumption, service and availability of Alcohol in the Suite for health, safety and any other reason which Operator determines in its sole discretion. Licensee shall be responsible for controlling the conduct of all persons who use or consume Alcohol in the Suite whether such conduct occurs therein or elsewhere. Licensee shall indemnify and hold Operator, the City, and their respective officers, employees and agents, harmless from and against any and all loss, cost, damage, expense and liability including, without limitation, attorneys' fees, arising from or in any way related to the sale, service, use or consumption of Alcohol in the Suite. Licensee shall not sell or otherwise dispense Alcohol in or from the Suite or any other portion of the Arena. The sale of Alcohol in or to the Suite shall be permitted only by the duly licensed concessionaire or agency authorized by Operator.

5.3 Common Area. Subject to the Policies promulgated by Operator with respect to the Arena, and the other rights reserved to Operator hereby, Licensee shall be entitled to the nonexclusive use in common with Operator and other users of the Arena, of such sidewalks, stairways, ramps, toilets, elevators and other portions of the Arena as Operator may from time

to time designate for exclusive use by the Licensees or for shared use with other users of the Arena. No other rights of any kind to light, air or otherwise over any portion of the Arena or any other property, whether belonging to Operator, the City or others, are granted to Licensee by this License.

5.4 Policies. Licensee, its employees, agents, contractors and guests, shall comply with the Policies attached to this License as Schedule "4" and with such modifications and additions thereto as Operator hereafter may adopt. Any amounts due from Licensee to Operator pursuant to such Policies shall be paid immediately upon demand by Operator. Any failure to pay such amounts and any other violation of the Policies by Licensee, its employees, agents, contractors or guests, shall constitute a failure to comply with the provisions of this License within the meaning of ¶ 15.1 hereof.

6. Exoneration.

6.1 General. Neither Operator, the City, nor any of their officers, agents or employees, have made any representation or warranty with respect to the Suite or the Facility, with respect to the suitability or fitness of the Suite or the Facility for Licensee's use, and have not agreed to undertake any improvement to the Suite or the Facility except as herein provided. Licensee accepts the Suite subject to all applicable zoning and other governmental requirements and is licensing the Suite "AS IS" based on its own inspection and investigation and not in reliance on any statement, representation, inducement or agreement of Operator, the City, or their officers, agents or employees. Neither Operator, the City, nor any of their officers, agents

or employees, have made any representation as to the taxation or other financial aspects or other ramifications of this License and Licensee has relied solely upon its own investigation and the advice of Licensee's professional advisors with respect to all tax and other consequences of this License and the purchase of Tickets and other items in connection herewith. Except as provided in ¶ 5.1.2, neither Operator, the City, nor any of their officers, agents or employees, have made any representation or provided any assurances that any particular number of Games or other Arena Events will be conducted at the Arena, and this License is not in any way dependent upon the conduct of those or any other events at the Arena but, instead, this License shall be unaffected by and shall continue in effect regardless of the kind or number of Arena Events.

6.2 City. Licensee acknowledges that this License imposes no contractual obligations upon the City unless, until and only if the City expressly assumes in writing the obligations of the Operator hereunder pursuant to the provisions of the Operating Agreement; that the City (and each of its officials, agents and employees as to the indemnities set forth in this License) is an express third party beneficiary of this License; and that in the event of a default under this License, of any kind or nature whatsoever, Licensee shall look solely to the Operator at the time of the default for remedy or relief; and that no member, elected official, other official, employee, agent, independent contractor or consultant of the City, shall be liable to Licensee, or any successor in interest to Licensee, in the event of any default or breach by the Operator for any amount which may become due to Licensee or any successor in interest to the Licensee, or on any other

obligation under the terms of this License, except for their criminal acts with respect hereto (i.e., acts which would constitute crimes were they prosecuted therefor and convicted thereof).

7. Services and Utilities. Subject to such Policies as Operator from time to time may establish with respect to the Arena, when the Suite is being used by Licensee in the manner herein provided, Operator shall furnish to the Suite only the following utilities or services: heating, ventilation and air conditioning so as to provide a temperature which in Operator's judgment is comfortable for the use of the Suite; electricity for standard lighting and Licensee's incidental use; cold water in a volume sufficient to service the drinking and lavatory use for the Suite; cleaning the Suite after each Arena Event for which it is used and periodically at other times as determined by Operator; and window washing of all exterior windows of the Suite, both inside and out, as determined by Operator. Licensee may connect to such telephone and television wiring and receptacles as are included within the Suite but Licensee shall be responsible for arranging for such services and shall pay when due the charges imposed by the utility company or other provider thereof. Food and beverages shall be provided to the Suite only by the Arena concessionaire or other person or entity designated by Operator pursuant to such menus and regulations and subject to the payment of such charges by Licensee as may be established by Operator. No other utilities or services shall be supplied to the Suite except at Licensee's expense after Operator's approval. Neither Operator nor the City shall be liable for, and Licensee shall not be entitled to any compensation or reduction of Fees by reason of, a failure or inability to furnish any services or utilities when such failure or

inability is caused by accidents, interruption of service or any other cause beyond the reasonable control of Operator or the City. Neither Operator nor the City shall be liable under any circumstances for damage to or loss of property or injury to person, however occurring, through or in connection with or incidental to any failure or inability to furnish any services or utilities. Any dispute concerning services or utilities shall be resolved as provided in ¶ 18 hereof.

8. Maintenance and Repair.

8.1 Licensee. All maintenance and repairs of the Suite and any other portion of the Facility which result from any negligent or intentional acts or omissions of Licensee, its agents, employees, contractors or guests, shall be performed by Operator's employees or by contractors approved by Operator, whichever Operator may require, but at the expense of Licensee, which expense Licensee shall pay to Operator or the contractors, as applicable, within ten days after written notice from Operator. At Licensee's expense, by Operator's employees or by contractors approved by Operator, whichever Operator may require, Licensee shall repair any damage to the Suite or any other portion of the Facility caused by or in connection with the installation or removal of any Licensee Equipment or any Additions including, without limitation, repairing the floor and patching and painting the walls where required by Operator. The expense shall be paid to Operator or the contractors, as applicable, within ten days after written notice from Operator.

8.2 Operator. Subject to §§ 12 and 19.2, except as provided in § 8.1, at its expense, Operator shall perform all maintenance and repairs of the Suite which are requisite therefor subject, however, to reasonable wear and tear and the obligation of Licensee to pay for services and utilities as provided in § 7. Operator shall have a reasonable time after written notice from Licensee within which to determine whether and if so, how and when such repairs shall be made. Any dispute as to the maintenance or repair of the Suite shall be resolved as provided in § 18 hereof. Licensee waives the benefits of any law now or hereafter in effect which would provide Licensee with the right to maintain or repair the Suite at the expense of Operator or to withhold payment of any Fees because of the status of maintenance or repair.

9. Additions and Equipment. Licensee shall make no Additions to the Suite and shall not install any Licensee Equipment in the Suite without the prior written consent of Operator. As a condition to consenting to Additions or Licensee Equipment, Operator may impose such requirements as it may deem necessary. Licensee shall keep the Suite and all other portions of the Facility free from, and shall indemnify Operator and the City with respect to, all Liens. If within 20 days following the filing or other assertion of any such Lien, Licensee does not cause such Lien to be released in a manner satisfactory to Operator (such as by posting a bond or other acceptable security), in addition to all other rights and remedies, Operator shall have the right but not the obligation to cause the Lien to be released by any means Operator deems proper including, without limitation, payment of the Lien. All sums paid by Operator or the City and all expenses incurred by Operator or the City in connection therewith including, without limitation, attorneys' fees

and costs, shall be payable by Licensee upon demand by Operator or the City. Additions shall become a part of the Suite and the property of the City so as to remain upon and be surrendered with the Suite unless Operator requires their removal. The License Equipment shall be the property of Licensee and may be removed at any time Licensee is not in default hereof. Any Licensee Equipment remaining in the Suite at the termination or expiration of this License shall become the property of the City.

10. Requitat. Licensee assumes all risk with respect to, waives all claims in connection with, and shall indemnify, hold harmless and defend Operator, the City, and their respective officers, agents and employees, from and against any and all claims and liability arising from any death of or injury to any person or damage to any property whatsoever: (i) occurring in, on or about the Suite or the Facility; (ii) arising from any violation of any provision hereof or any default of any obligation of Licensee hereunder; or (iii) arising from any act, omission or negligence of Licensee, its agents, contractors, employees or guests. Licensee shall pay all costs, attorneys' fees, expenses and liabilities incurred in the defense of any such claim and any action or proceeding brought thereon. If any action or proceeding is brought against Operator or the City by reason of any such claim, upon notice from Operator or the City, Licensee shall defend the same at Licensee's expense by counsel satisfactory to Operator or the City, or both Operator and the City if both are subject to such claim. Notwithstanding the foregoing, unless Licensee is reimbursed by insurance which Licensee is required to provide hereunder, Licensee shall not be required to indemnify Operator for damage or injury caused solely by the negligence or willful acts of Operator, its

agents or employees, and shall not be required to indemnify the City for damage or injury caused solely by the negligence or willful acts of the City, its agents or employees.

11. Insurance. At its expense, Licensee shall maintain during the term hereof extended coverage commercial general liability insurance with a broad form general liability and host liquor liability endorsement which shall provide "occurrence" and not "claims made" coverage for bodily injury, death and property damage in or about the Suite or resulting from Licensee's use or maintenance thereof. The insurance shall be specifically applicable to the Suite and shall be in the amount of not less than \$1 million, single limit, subject to increase from time to time as Operator or the City may deem necessary to afford adequate coverage. The required insurance shall be by a valid policy issued by an insurance company rated not less than B+ XII in Best's Rating Guide, authorized to do business in Arizona and approved by Operator. Licensee shall cause the required insurance to name Operator and the City as additional insureds and to provide for cross-liability; to waive the insurer's recovery rights against Operator and the City; to include contractual liability coverage for Licensee's indemnity and other obligations hereunder; and to require the insurer to notify Operator in writing at least 30 days prior to any cancellation, alteration or nonrenewal thereof. Upon the execution hereof and thereafter as the policy expires and is renewed or a new policy is issued, Licensee shall deliver to Operator a copy of the policy evidencing the required insurance and a letter or certificate from the insurer confirming that the premiums therefor have been paid and consenting to the waiver of recovery (subrogation) as herein provided. If Licensee fails to obtain the

insurance required herein or to deliver a copy thereof to Operator, then either Operator or the City shall be entitled but without obligation to obtain the insurance coverage at Licensee's expense. Licensee waives all rights of recovery against Operator, the City and their respective officers, employees and agents, for all injury to persons and loss or damage to Licensee, its property or the property of others, which is insured against or covered by any insurance benefitting Licensee or which was required to be so insured or covered as herein provided.

12. Damage or Destruction.

12.1 Partial--Licensee. In the event of any damage or destruction of the Suite caused by the negligence or willful acts of Licensee, its employees, agents, contractors or guests, at its expense, Licensee promptly shall restore the Suite to as good a condition as existed prior to such damage or destruction and this License shall continue in effect without any reduction in the Fees or diminution of the other obligations of Licensee hereunder. Such restoration shall be in accordance with plans approved by Operator and in compliance with applicable laws and the Policies. Operator shall have the right to designate the contractors performing the restoration and to require Licensee to post payment and performance bonds. The restoration of any damage to the Licensee Equipment shall be the expense and responsibility of Licensee albeit Licensee may elect not to restore such equipment. Except as provided in ¶ 12.2, Licensee waives the right to terminate this License or to discontinue the payment of Fees hereunder as the result of any damage or destruction of the Licensee Equipment, the Suite or the Facility.

12.2 Partial--Operator. Except as provided in ¶¶ 12.1 and 12.3, in the event of any damage or destruction of the Suite, at its expense, Operator shall restore the Suite (excluding Additions and Licensee Equipment) to as good a condition as existed previously provided Operator receives insurance proceeds sufficient to pay the costs and such restoration can be made within 90 days following the date of the damage or destruction. In that event, this License shall continue in effect without diminution of the obligations of Licensee hereunder except as provided in ¶ 12.4. If such restoration cannot be made in 90 days or the insurance proceeds are insufficient, at its option, Operator may make the restoration with reasonable diligence, in which event, this License shall continue in effect without diminution of the obligations of Licensee hereunder except as provided in ¶ 12.4. If such restoration cannot be made in 90 days or the insurance proceeds are insufficient, and if Operator does not elect to make such restoration, then this License may be terminated at the option of either party upon written notice to the other within 30 days following such damage or destruction. In the event of such termination, each party shall be entitled to the proceeds of any insurance which it has procured; Licensee shall not be entitled to a rebate of any Fees or to reimbursement of any other payments made or expenses incurred hereunder or in connection herewith except as provided in ¶ 12.4; and upon payment of any sums then owing by either party to the other, the parties shall be released from all future liability hereunder except for liability under the indemnity provisions hereof, which shall survive such termination.

12.3 Total. Regardless of whether there is any damage or destruction of the Suite, if the Arena is substantially destroyed, by written

notice to Licensee within 60 days after the date of such damage or destruction, Operator may terminate this License, in which event, each party shall be entitled to the proceeds of any insurance it has procured; Licensee shall not be entitled to a rebate of any Fees or to reimbursement of any other payments made or expenses incurred hereunder or in connection herewith except as provided in ¶ 12.4; and upon payment of any sums then owing by either party to the other, the parties shall be released from all future liability hereunder except for liability under the indemnity provisions hereof, which shall survive such termination. As used herein, the term "substantially destroyed" means the damage or destruction of 25 percent or more of the value of the Arena based upon the replacement cost thereof. If Operator does not elect to terminate this License as a result of the substantial destruction of the Arena, then at its expense, Operator shall restore the Arena to as good a condition as existed previously and Licensee shall not be released from any obligations hereunder except as provided in ¶ 12.4.

12.4 Fees Abatement. If Operator restores the Suite or the Arena as provided in ¶ 12.2 or 12.3, and if the extent or duration of the restoration results in Licensee having the use of the Suite for fewer than 100 Arena Events during any of the second or subsequent License Years, then Licensee shall be entitled to a rebate of the Annual Fee for the applicable License Year(s) pursuant to the formula described in ¶ 5.1.2. If this License is terminated as provided in ¶¶ 12.2 or 12.3, then Operator shall refund to Licensee the "unearned" portion of any prepaid Annual Fees less any sum then owed by Licensee hereunder. The "earned" portion of the Annual Fee for the License Year of termination shall be that percentage thereof which is equal to a

fraction, the numerator of which is the number of Arena Events which have been held that License Year and the denominator of which is "100." Any dispute as to the applicability or effect of this ¶ 12 shall be resolved as provided in ¶ 18.

13. Assignment. Licensee may assign, sublicense, license or transfer (collectively "Assign" or an "Assignment") this License in whole or in part, with or without the consent of Operator. No Assignment either with or without Operator's consent shall increase Licensee's rights or Operator's obligations hereunder. In the event of an Assignment without Operator's consent, Licensee shall remain fully liable hereunder as if no Assignment had been made, the assignee(s) shall have no rights hereunder and Operator need not proceed against or join the assignee(s) in any notice or action hereunder. The Suite, the Tickets, the Admission Card and all other rights and interests granted to Licensee by this License are inseparable from this License and shall not be Assigned except in conjunction with an Assignment of this License. Even if Operator consents to a partial Assignment, Operator need not issue additional Admission Cards or allocate Tickets, parking passes or other items hereunder but, instead, it shall be the responsibility of the assignee(s) to administer such items so that in all circumstances, Operator need only deal with one Licensee Designate and need not issue more than one Admission Card or allocate Tickets, parking passes or any other items hereunder among multiple parties.

13.1 Consent. Operator shall not unreasonably withhold consent to an Assignment subject, however, to the following conditions: (i) each

Assignment shall be in the form and content approved by Operator and shall be subject and subordinate to the provisions of this License; (ii) Licensee shall submit to Operator a true and complete copy of the proposed Assignment which shall include, without limitation, the name of each assignee, the term, use, fees and other particulars of the proposed Assignment and satisfactory evidence that each proposed assignee is financially responsible; and (iii) Licensee shall pay Operator's reasonable attorneys' and accountants' fees incurred in evaluating the proposed Assignment. Operator shall have 30 days after receipt of all requisite information within which to advise Licensee in writing whether Operator consents to the proposed Assignment. If Operator fails to so notify Licensee within that 30-day period, Operator shall be deemed to have consented to the proposed Assignment. If Operator timely notifies Licensee that it does not consent to a proposed Assignment, then Licensee either shall withdraw the request for approval of that Assignment, shall modify the Assignment in such fashion if any as Operator may have advised in refusing to consent thereto or shall submit the matter for resolution as provided in ¶ 18 hereof. If the assignee has assumed all of Licensee's obligation hereunder, consent to an Assignment shall relieve Licensee from all obligations thereafter arising hereunder. Consent to one Assignment shall not be deemed to constitute consent to any subsequent Assignment. The acceptance of any sums from any other person shall not be deemed to be a waiver of any provision of this License or to be a consent to any Assignment.

13.2 Marketing. Before issuing any notices, announcements, messages, proposed agreements or other promotional materials to prospective

assignees, Licensee shall obtain Operator's prior written approval thereof. Licensee shall not issue any such promotional materials without the prior written approval of Operator and all such materials shall be in strict compliance with all applicable federal, state and local laws and regulations.

13.3 Prohibition. Notwithstanding and prevailing over any contrary provision hereof, (i) Licensee shall have no right to Assign if Licensee is in default hereof; and (ii) no partial Assignment to more than four separate assignees or for a term less than the then unexpired term hereof, shall be permitted under any circumstances.

13.4 Operator's Transfer. As and if provided by the Operating Agreement, Operator shall have the right to transfer, assign, convey, pledge and encumber in whole or in part the Suite and any and all of its rights under this License. If (i) Operator fully assigns its rights and delegates its duties hereunder and under the Operating Agreement in accordance therewith, and (ii) the assignee assumes Operator's obligations hereunder and thereunder in accordance therewith, Operator thereby shall be released from any further obligations hereunder and Licensee shall look solely to such assignee for performance of such obligations hereunder as arise thereafter.

14. Parking. Licensee shall be issued two permanent (valid during the term hereof) parking passes which will permit the holder to park one vehicle in the Parking Garage for Daily Use of the Suite or shortly before, during and after an Arena Event (subject to availability). Annually at the beginning of each License Year, Licensee shall receive a book of 100

individual parking vouchers which will permit the holder to park one vehicle in the Parking Garage for one Daily Use of the Suite or shortly before, during and after one Arena Event (subject to availability). Except for the foregoing, the provisions of this License confer no rights upon Licensee with respect to the parking of automobiles or other motor vehicles in, on or about the Parking Garage or other facilities within the vicinity of the Arena.

15. Licensee Default.

15.1 Events. If (i) Licensee fails to pay any Fees or other sums when due hereunder, or fails to comply with or perform any of the other provisions hereof, or (ii) Licensee seeks relief voluntarily or is subjected involuntarily to relief under any federal or state statute (including, without limitation, Title 11 of the United States Code) for the benefit of creditors such as debt adjustment, liquidation, winding up, dissolution, reorganization or bankruptcy, or a custodian (as defined in 11 U.S.C. § 101), receiver or liquidator takes charge of any of Licensee's property, whether by judicial appointment, agreement or operation of law; then, in any of such events, Licensee shall be in default hereof, albeit if Operator is not precluded by law from issuing notice of the default, Licensee shall have ten days after notice by Operator within which to cure the default.

15.2 Remedies. If pursuant to ¶ 15.1 notice of default is not required or notice is issued and the default is not cured within the time provided, then all Tickets, Admission Cards and parking passes previously issued to Licensee shall be invalid; Licensee and its designees shall have no right

to enter the Suite or the Arena and Operator may preclude their entry; Operator shall be excused from performing any obligations hereunder; Operator may terminate this License and with or without such termination, re-enter and remove all persons and property from the Suite; and subject to the obligation to comply with ¶ 18, if applicable, Operator may pursue all other rights and remedies provided by law including, without limitation, application of any prepaid Deposits and Fees toward Licensee's obligations hereunder. If Operator re-enters or takes possession pursuant to legal proceedings or otherwise, it either may terminate this License or it may from time to time, without termination of this License, re-license or otherwise let the Suite or any part thereof for such term, at such Fees and upon such conditions as Operator may deem advisable in its sole discretion. In the event of any such re-licensing or other letting, Operator also shall have the right to make such alterations and repairs to the Suite as Operator may deem advisable, in its sole discretion. No such re-entry or other act or omission by Operator shall be construed as an election to terminate or accept a surrender of this License unless Operator issues a written notice of such election to Licensee. Notwithstanding any such re-licensing or other letting without termination, at any time thereafter, Operator may elect to terminate this License for such previous default. With or without a termination or re-entry, in addition to all other remedies it may have, Operator may recover from Licensee all losses and damages Operator may suffer by reason of a default including, without limitation, the cost of recovering and any repairing, altering or reletting of the Suite (including, without limitation, brokers' commissions) and any unpaid Fees payable hereunder for the remainder of the stated term together with interest at the Default Rate. Operator may declare immediately due all Fees

payable hereunder and such amount shall be provable in bankruptcy or receivership. Operator shall have no obligation to re-license or otherwise to mitigate damages. Operator and the City each also shall have the right, but not the obligation, to render any performance required to cure such default and Licensee shall pay all costs and expenses so incurred by Operator or the City together with interest at the Default Rate upon presentment of a statement to Licensee indicating the amount thereof. Any amount which is not paid by Licensee when due shall bear interest from the date due until paid at the Default Rate. Payment of such interest shall not excuse or cure any default by Licensee hereunder. No remedy herein conferred upon Operator or the City shall be exclusive of any other remedy, but each remedy shall be cumulative and shall be in addition to every other remedy provided hereunder, or now or hereafter existing at law or in equity including, without limitation, the right to maintain an action to recover all amounts due hereunder. Subject to the requirement to comply with ¶ 18, if applicable, Operator may exercise its rights and remedies at any time, in any order, to any extent and as often as Operator deems advisable.

16. Surrender. Upon the expiration or termination of this License for any reason, Licensee immediately and peaceably shall surrender the Suite to Operator in a safe and clean condition and in good order and repair, reasonable wear and tear excepted. No act or conduct of Operator or the City shall be deemed to be or constitute an acceptance of the surrender of the Suite prior to the expiration of the term hereof unless Operator provides Licensee with a written acknowledgment of such acceptance. Licensee shall indemnify Operator and the City against any loss and liability resulting from

delay by Licensee in surrendering the Suite at the expiration or earlier termination of this License. If Licensee remains in possession of the Suite or any part thereof after the expiration or termination of the term hereof, unless otherwise agreed in writing, such occupancy shall be as a license-at-sufferance for a monthly Fee in the amount of \$10,000.00, plus all other Fees and amounts payable hereunder, and Operator may terminate that license at any time with or without notice.

17. Operator Default. If Operator shall fail to observe or perform any of the provisions of this License and such failure is not cured within 30 days after notice by Licensee to Operator, then Operator shall be in default and without further notice, subject to the requirement to comply with ¶ 18, if applicable, Licensee may at any time thereafter: (i) terminate this License; (ii) continue this License and recover damages resulting from the default; or (iii) effect a cure on Operator's behalf and all reasonable costs and expenses so incurred by Licensee together with interest at the Default Rate shall be due and payable by Operator on demand by Licensee. Notwithstanding the foregoing, if a default cannot reasonably be cured within 30 days, Operator shall not be in default of this License if it commences to cure the default within the 30-day period and thereafter diligently and in good faith cures the default. In no event shall Operator or the City be liable or responsible in any way for any lost income, profits or consequential damages of Licensee or any other person or entity. Notwithstanding and prevailing over any contrary provision hereof, the officers, directors, employees, representatives, agents and partners of Operator and the members, elected officials, other officials, employees, agents, independent contractors and consultants of the City

(collectively "Personnel"), shall not in any way be liable under or with respect to this License; no deficiency or other monetary or personal judgment of any kind shall be sought or entered against any of the Personnel; no judgment shall give rise to any right of execution or levy against the assets of any of the Personnel other than their interest in this License or the Arena, if any; and the liability of Operator hereunder shall be limited to its interest in this License and in the Arena, if any.

18. Dispute Resolution. In the event of any default or other dispute between the parties which pursuant to the terms hereof is to be resolved pursuant to this ¶ 18, the parties first shall comply with the following procedure prior to arbitration: (i) within seven days after written request by either party (the "Request"), the parties promptly shall hold an initial meeting attended by individuals who have decision-making authority who shall attempt in good faith to negotiate a settlement of the dispute; (ii) if within ten days after the Request, the parties have not negotiated a settlement of the dispute, the parties jointly shall appoint a mutually acceptable neutral person who is not affiliated with either of the parties or the City (the "Neutral"); (iii) if the parties are unable to agree upon the appointment of the Neutral within 14 days after the Request, either party may cause the American Arbitration Association ("AAA") to select the Neutral; (iv) the fees of the Neutral and AAA shall be shared equally by the parties; (v) in order to resolve the dispute, the parties shall develop an alternative dispute resolution procedure ("ADR") with the assistance of the Neutral; (vi) the Neutral shall make the decision as to the procedure and/or place and time of the negotiations if the parties have been unable to agree on such matters by the

earlier of seven days after the appointment of the Neutral or 21 days after the Request; and (vii) the parties shall participate in good faith in the ADR process to its conclusion. If the parties resolve the dispute through ADR, the resolution shall be set forth in a written settlement agreement which shall bind both parties and preclude litigation of the dispute except enforcement of the settlement agreement. If within 30 days after the Request, the parties do not resolve the dispute through ADR, then at any time thereafter and prior to ADR resolution of the dispute, upon written demand by either party, the dispute shall be submitted to arbitration for resolution by a panel of three arbitrators who shall be selected and shall conduct the arbitration in accordance with the rules of the AAA. If the dispute involves or results in a determination through ADR or by the arbitrators that a default has occurred, the provisions of ¶¶ 15 and 17 shall govern the damages and other remedies which may be implemented in ADR or ordered by the arbitrators. Judgment upon the award rendered in ADR or by the arbitrators may be entered in accordance with A.R.S. § 12-1501 et. seq. Neither the requirement to utilize nor the pendency of the dispute resolution procedures of this provision shall in any way invalidate any notices or extend any cure periods applicable to a default as provided in ¶¶ 15 and 17. The procedures of this provision are intended to require that if so provided in this License, the parties shall use such procedures rather than judicial proceedings as a means of resolving their disputes and/or to determine the consequences of default and the implementation of the remedies therefor as provided in ¶¶ 15 and 17.

19. General Provisions.

19.1 Estoppel Certificate. Licensee shall at any time within ten days after presentation by Operator or the City execute, acknowledge and deliver to Operator or the City a statement in writing: (i) certifying that this License is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that this License, as so modified, is in full force and effect) and the date and amount of Fees paid hereunder; and (ii) acknowledging that there are not, to Licensee's knowledge, any uncured defaults by Operator hereunder, or specifying such defaults if any are claimed. Any such statement may be conclusively relied upon by Operator and the City.

19.2 Force Majeure. Except as provided herein and in ¶¶ 5.1.2 and 12.4, neither Operator nor the City shall be responsible to Licensee through a refund of Fees or otherwise, for the cancellation or non-performance of any Arena Event or for the inability of Licensee to use the Suite due to any cause or circumstance beyond the reasonable control of Operator, whether caused by reason of strike, inability to procure materials, failure of utilities, governmental actions or requirements or otherwise. If Operator is delayed or prevented from the performance of any act required hereunder by reason of any of the foregoing, then the performance of such act shall be excused for the period of the delay. If all or a part of the Suite is taken by right of eminent domain or in lieu thereof, on or before the date of the taking, Operator shall notify Licensee whether Operator will provide Licensee with another Suite elsewhere within the Arena ("Substitute Suite"). If

Operator elects to provide Licensee with a Substitute Suite, then Operator shall do so prior to the date of the taking and this License shall continue without diminution of the obligations of Licensee. If Operator elects not to provide a Substitute Suite, then this License shall terminate as of the date of the taking, Operator shall refund to Licensee the "unearned" portion of any prepaid Fees (determined in accordance with the formula set forth in ¶ 12.4) less any sum then owed by Licensee hereunder, and upon payment of any sums then owing by either party to the other, the parties shall be released from all future liability hereunder except for liability under the indemnity provisions hereof, which shall survive such termination.

19.3 Notices. All notices and other communications required or permitted to be issued hereunder shall be in writing to Operator c/o the Operator Designate, to Licensee c/o of the Licensee Designate, or to the City as applicable, and shall be deemed properly given if sent by personal delivery or by certified U.S. mail, postage prepaid, return receipt requested, addressed as follows:

Operator Designate:

Phoenix Arena Development
Limited Partnership
2800 North Central Avenue
Suite 1200
Phoenix, Arizona 85004
Attention: Arena Manager

City:

Phoenix Community and Economic
Development Department
One North First Street
Phoenix, Arizona 85004
Attention: Director

Licensee Designate:

With a copy to:

City Attorney
Phoenix Law Department
251 West Washington Street
Suite 800
Phoenix, Arizona 85003

Any party may by notice to the other specify a different address for subsequent notice purposes. Notice shall be deemed effective on the date of actual receipt or three days after the date of mailing, whichever is earlier.

19.4 Waivers. No delay or omission of Operator or the City to exercise any right or remedy arising from any default shall impair any such right or remedy, or shall be construed to be a waiver of any such default or an acquiescence therein. No waiver of a default or any provision hereof by Operator or the City shall be effective unless in writing. Approval of any act by Operator or the City shall not render unnecessary the obtaining of approval of any subsequent act of Licensee. The acceptance of any payment shall not waive any default by Licensee or any provision hereof other than the failure of Licensee to pay that portion of the payment so accepted.

19.5 Subordination. At the option of Operator or the City, this License shall be subordinate to any ground or other lease, mortgage, deed of trust or any other hypothecation for security (collectively "Encumbrance") now or hereafter placed upon the Suite or the Arena by Operator or the City and to any and all advances thereunder and all renewals, modifications, consolidations, replacements and extensions thereof. Such subordination shall be effective only if the holder of the Encumbrance agrees to recognize this

License and not to disturb Licensee's right to use the Suite so long as Licensee is not in default hereof and until this License expires or is terminated pursuant to its terms. If any such Encumbrance holder shall elect to have this License prior to the lien of its Encumbrance, and shall issue written notice thereof to Licensee, this License shall be deemed prior to such Encumbrance. Licensee shall execute any agreement required to effectuate such subordination or to make this License prior to the lien of any Encumbrance, as applicable, and if Licensee fails to do so within ten days after written demand, in addition to being in default hereof, Licensee irrevocably appoints Operator or the City, as applicable, as Licensee's attorney-in-fact and in Licensee's name, place and stead, to do so.

19.6 Brokerage. Licensee represents that it has not dealt with any real estate broker, salesperson, finder or agent (collectively "Broker") in connection with this License other than Phoenix Suns Marketing Limited Partnership ("PSMLP"). Operator shall pay any commission owing to PSMLP but Licensee shall indemnify and hold Operator and the City harmless from all costs and liabilities (including, without limitation, attorneys' fees) arising from any compensation, commission or fees claimed by any Broker other than PSMLP in connection with this License by reason of any act or contract of Licensee.

19.7 Attorneys' Fees. In any arbitration or suit to interpret, enforce or terminate this License, the prevailing party shall be entitled to recover its costs and reasonable attorneys' fees as determined by the arbitrators or the court, as applicable, and not by the jury, whether in arbitration

or in courts of original, appellate or bankruptcy jurisdiction. Operator and the City also shall be entitled to recover from Licensee all reasonable attorneys' fees and costs incurred by Operator or the City in enforcing their rights following a default by Licensee regardless of whether arbitration or legal proceedings are commenced.

19.8 Relationship. Licensee, its employees, agents, contractors and guests, shall not be considered employees or agents of Operator or to have been authorized to incur any expense on behalf of or to bind Operator or the Suite in any way. Operator shall not be liable for any acts, omissions or negligence of Licensee, its employees, agents, contractors or guests. Operator and Licensee shall not be construed to be either partners or joint venturers in the conduct or the operation of the Suite. This License is not a lease or sublease, but rather the relationship of the parties shall be solely that of licensor and licensee unless by notice to Licensee, Operator elects to designate this License as a lease.

19.9 Interpretation. The invalidity of any provision of this License as determined by an arbitrator or a court of competent jurisdiction shall in no way affect the validity of any other provision hereof. Time is of the essence hereof. Paragraph headings are not a part hereof. Feminine or neuter pronouns shall be substituted for those of masculine form and the plural shall be substituted for the singular in any place in which the context so requires. Each provision of this License performable by Licensee shall be deemed both a covenant and a condition. Subject to the provisions of ¶ 13, this License shall bind and inure to the benefit of the parties hereto and

their respective successors and assigns. This License shall be governed by the laws of the State of Arizona.

19.10 Entire Agreement. This License is an integrated contract which contains all agreements of the parties with respect to the Suite and any other subject hereof. No prior or contemporaneous agreement or understanding pertaining thereto shall be effective. This License may be modified only in writing, signed by the parties in interest at the time of the modification. No modification which affects the indemnities to or liability of the City shall be effective unless approved by the City. There are no oral or written statements, representations, agreements or understandings which modify, amend or vary any of the terms of this License. All schedules attached hereto shall be deemed to have been incorporated herein so as to be a part of this License.

19.11 Authority. Any individual executing this License on behalf of, or as representative for, a person, partnership, corporation or other entity, represents that he is duly authorized to execute and deliver this License on behalf of such person or entity and that this License is binding upon such person or entity in accordance with its terms. If it is a corporation, Licensee shall deliver to Operator at the time of the execution hereof, a certified copy of a resolution of the Board of Directors authorizing the execution of this License.

19.12 Joint and Several Obligations. If Licensee is or becomes comprised of two or more persons or entities, all obligations of Licensee herein shall be the joint and several obligations of the persons and entities

constituting the Licensee. If Licensee shall be husband and wife, the obligations hereunder shall extend individually to the sole and separate property of each as well as to their community property.

19.13 Efficacy. Submission of this License for examination shall not bind Operator in any manner and no License or obligation of Operator shall arise until this License is executed and delivered both by Licensee and Operator.

IN WITNESS WHEREOF the parties hereto have executed this License to be effective as herein provided.

OPERATOR:

PHOENIX ARENA DEVELOPMENT
LIMITED PARTNERSHIP,

By Phoenix Arena Development
Corporation, an Arizona
corporation, General Partner,

By: _____
Its _____

LICENSEE:

[Spouse of Licensee]

SCHEDULE "1"

DEFINITIONS

As used in this License, the following terms have the stated meaning:

1. "Additions" means permanent installations and alterations to the Suite not included in the original Suite or Suite Improvements as provided in Schedule "3" to this License.
2. "Admission Card" means the pass or card which Operator shall issue to Licensee so as to permit entry into the Suite for Daily Use.
3. "Ancillary Events" means any activity or event which is conducted at the Arena, is open to the public and the Tickets for which are sold or controlled by Operator not including the Games or Excluded Events.
4. "Arena" means the multipurpose arena to be constructed in downtown Phoenix, Arizona as described in the DDA generally depicted in Schedule "2" to this License.
5. "Arena Events" means the Games and the Ancillary Events. Each performance of an Arena Event, although repeated in the afternoon and/or evening, or given on multiple days, shall be deemed to be a separate Arena Event.

6. "Business Hours" means those hours of the day that the Suites are available for Daily Use by the Licensees as established from time to time by Operator (generally contemplated to be 7:30 a.m. to 5:00 p.m. on Mondays through Fridays but subject to change by Operator at any time and to reduction and/or elimination on Event Days).

7. "City" means the City of Phoenix, an Arizona municipal corporation.

8. "City Events" means Arena activities or events which are not conducted or authorized by Operator but, rather, by or pursuant to direct authorization by or from the City in accordance with the right to do so reserved to the City by the Operating Agreement.

9. "Commencement Date" means the date of the commencement of the term of this License as provided in ¶ 3 of this License.

10. "DDA" means the Disposition and Development Agreement (including attachments) by and between Operator and the City, dated as of July 19, 1989, as and if amended or restated.

11. "Daily Use" means the use of the Arena by Licensee for activities other than Arena Events as defined and described in ¶ 2 and elsewhere in this License.

12. "Default Rate" means that rate of interest which is two percentage points in excess of the Prime Rate designated by The Valley National Bank of

Arizona, Phoenix, Arizona, or its successor bank, from time to time during the period when the Default Rate applies.

13. "Deposits" mean the Reservation Deposit and the Installment Deposits described in ¶ 4.1 of this License.

14. "Event Days" means those days when Arena Events are conducted.

15. "Event Use" means the use of the Arena by Licensee for attendance at Arena Events as defined and described in ¶ 2 and elsewhere in this License.

16. "Excluded Events" means: (i) City Events, (ii) Suns play-off Games, (iii) NBA All-Star games, (iv) NCAA tournament basketball games, (v) the games of a Phoenix franchise of the National Hockey League or other major or minor hockey league, and (vi) any other Arena Event (except the Games) as to which the sponsor requires additional charges for Tickets to the Suites.

17. "Expiration Date" means the date of the expiration of the term of this License as defined in ¶ 3 of this License.

18. "Facility" means the Arena, the Parking Garage, underlying land and related improvements as described in the DDA.

19. "Fees" means the "Annual Fees" and the other sums payable by Licensee as provided in this License.

20. "Games" means those pre-season and regular season NBA basketball contests conducted at the Arena between the Suns and other NBA teams.

21. "License Year" means each successive 12-month period during the term of this License beginning with the Commencement Date except that the last License Year shall include more or less than twelve months so as to end on the Expiration Date.

22. "Licensee" means the party so identified at the signature line(s) hereof, and such successors and assigns as are permitted hereby. There shall be no more than four persons or entities which comprise the "Licensee" and any greater number may be disregarded by Operator and shall have no rights hereunder. "Licensees" means Licensee and the licensees of the other Suites.

23. "Licensee Designate" is the person authorized to issue and receive notices and to act for and to bind Licensee in all matters concerning this License and shall be the person so designated in ¶ 19.3 of this License or such alternate as Licensee may appoint by notice to Operator as therein provided.

24. "Licensee Equipment" means decorations and other moveable furniture or equipment placed in the Suite by Licensee at its expense as described in ¶ 9 of this License.

25. "Licenses" means this License and the license agreements for the other Suites.

26. "Liens" means liens, encumbrances, security interests, pledges, claims and demands of every kind and nature arising out of any work performed, materials furnished or obligations incurred or permitted by or on behalf of Licensee.

27. "NBA" means the National Basketball Association, its successors and assigns, irrespective of the name by which it or they are known or denominated.

28. "Operating Agreement" means the Operating Agreement (including attachments) by and between Operator and the City, dated as of July 19, 1989, as and if amended or restated, which sets forth the rights and duties of Operator as to the management and operation of the Arena and confirms Operator's authority to execute this License as the Operator.

29. "Operator" means Phoenix Arena Development Limited Partnership, a Delaware limited partnership, and any "Replacement Operator" as provided in the Operating Agreement including, without limitation, the City.

30. "Operator Designate" is the person authorized to issue and receive notices on behalf of Operator with respect to this License and shall be the person so designated in ¶ 19.3 of this License or such alternate as Operator may appoint by notice to Licensee as therein provided.

31. "Parking Garage" means the parking structure in the vicinity of the Arena which is designated by Operator from time to time for the parking of vehicles during Arena Events.

32. "Policies" means the rules, regulations and policies from time to time established by Operator with respect to the Arena and/or the Suites including, without limitation, those set forth in Schedule "4" to this License.

33. "Suite" means box seat enclosure No. _____ (as depicted on Schedule "2" to this License) to be constructed within and so as to be a part of the Arena including the Suite Improvements. "Suites" refers to the approximate 110 box seat enclosures depicted on Schedule "2" to this License.

34. "Suite Improvements" means the Standard Suite Improvements and the Additional Suite Improvements, if any, as described in Schedule "3" to this License.

35. "Suns" means the Phoenix Suns Limited Partnership and any successor or assignee of its NBA franchise.

36. "Ticket" means the certificate, license, badge or other indicia by which admission to Arena Events is permitted and controlled.

SCHEDULE "2"

ARENA DIAGRAM

SCHEDULE "3"

CONSTRUCTION OF SUITE IMPROVEMENTS

1. The configuration, components, equipment and other improvements (collectively "Standard Suite Improvements") to be constructed by Operator within or as a part of the Suite, and the value of each separate item thereof, are set forth in the Floor Plan and Improvements Description attached hereto as Schedule "3A". Within 30 days following written notice from Operator, Licensee shall provide Operator with a full and complete written list (the "Revision List") of all requested deletions from ("Deletions") and additions to ("Additional Suite Improvements") the Standard Suite Improvements. If Licensee does not provide the Revision List within the requisite 30-day period, then Licensee shall be deemed to have elected to receive only the Standard Suite Improvements as installed in such manner as Operator may determine and §§ 2 and 3 of this Schedule shall be inapplicable.

2. Within 30 days after receipt of the Revision List from Licensee, Operator shall prepare the plans and specifications (the "Preliminary Plans") for the Standard Suite Improvements excluding such Deletions and including such Additional Suite Improvements as are approved by Operator in its sole discretion (collectively the "Suite Improvements"). If Operator rejects any of the Deletions or any of the Additional Suite Improvements which are requested by Licensee, Operator shall so notify Licensee in writing within the aforesaid 30-day period and if the parties are unable to resolve such

objections within ten days thereafter, then the rejected Deletions or Additional Suite Improvements shall not be constructed.

3. Upon completion of the Preliminary Plans, Operator shall submit them to Licensee for its approval. Licensee's failure to approve or disapprove the Preliminary Plans within five days of receipt shall be deemed approval. Upon approval of the Preliminary Plans, they shall be attached hereto as Schedule "3B" and Operator shall prepare Working Drawings adequate to perform the work and to effectuate the Preliminary Plans. Licensee's failure to approve or disapprove the Working Drawings within five days of receipt shall be deemed approval. Operator shall include with the Preliminary Plans a preliminary estimate of the costs to be paid by Licensee for the Additional Suite Improvements, if any; shall include in the Working Drawings, the final cost of such Additional Suite Improvements; and shall deduct from such costs the value of the Deletions as such value is set forth in Schedule "3A" hereto (in no event shall the deduction for Deletions exceed the cost of the Additional Suite Improvements). Upon approval of the Working Drawings by the parties, the Working Drawings shall be attached hereto as Schedule "3C" and Licensee then shall pay to Operator a cash sum in the amount of the cost of the Additional Suite Improvements (after credit for the value of any Deletions) as set forth in the Working Drawings. Operator need not commence construction of the Suite Improvements until after receipt of the aforesaid payment from Licensee, if applicable.

4. Operator shall commence construction of the Suite Improvements as soon as the Arena has been sufficiently completed to allow the construction

of the Suite Improvements without interfering with the schedule for the construction of the Arena. Operator shall notify Licensee of the date that the Arena has been substantially completed as defined in and provided by the DDA and the date when the Suite Improvements have been substantially completed in accordance with the Working Drawings and that latter date shall be utilized in determining the Commencement Date of this License. Within five days after Operator has so notified Licensee, Licensee shall deliver to Operator a "punchlist" of items that Licensee deems it necessary that Operator correct or complete in order for the Suite Improvements to be completed. Operator shall commence immediately to correct the punchlist items, except those that it contends are not justified. If Licensee does not deliver the punchlist to Operator within the five-day period, Licensee shall be deemed to have accepted the Suite and to have approved the Suite Improvements. Operator's correction of the punchlist items shall not extend or delay the Commencement Date of this License. Notwithstanding any contrary provision hereof, if substantial completion of construction shall be delayed as a result of any change orders requested by Licensee, delays by Licensee in the submission of information or approvals or delays resulting from any other act or omission of Licensee or its agents, then at Operator's option, the Suite Improvements shall be deemed substantially completed on the date when they would have been ready but for such delays and that date shall be utilized in determining the Commencement Date of this License. At Operator's option, the period for the substantial completion of the Suite Improvements and the concomitant Commencement Date of this License, shall be extended during the time of delays in the construction process caused by events beyond the reasonable control of Operator or its contractors. Any dispute between the parties as to the quality or timing of the

construction of the Suite or Suite Improvements shall be resolved as provided in ¶ 18 of this License.

INITIALS:

OPERATOR: _____

LICENSEE: _____

(To Be Revised)

SCHEDULE "3A"

FLOOR PLAN AND IMPROVEMENTS DESCRIPTION

The following Standard Suite Improvements shall be provided by Operator within the Suite. Any additional improvements, items of work or quantity of work in excess thereof shall be at Licensee's expense as well as all necessary architectural fees, permits, contractor's overhead and profit required to execute the excess work, as more particularly provided in Schedule "2" to this License.

<u>ITEM</u>	<u>DESCRIPTION</u>	<u>UNIT ALLOWANCE</u>	<u>VALUE</u>
PARTITIONING:	INTERIOR: 2-1/2 metal studs	Ten lineal	
\$ _____	24" O.C. with 5/8" gypsum wall board both sides. Partitions to extend from floor to underside of ceiling grid painted with smooth finish and 2-1/2" rubber base both sides.	feet per 100 square feet of Suites floor area.	

DEMISING & CORRIDOR: 2-1/2" Each two lineal
 metal studs with 5/8" feet of
 gypsum wall board. demising
 Partitions to extend to corridor part-
 underside of floor deck ition shall be
 painted with smooth counted as one
 finish and 2-1/2" rubber lineal foot of
 base on Suites side. licensee
 Demising partition will partitioning.
 include 2-1/2" sound in-
 sulation batts.

\$ _____

DOORS:

ENTRY: 3'-0" x 9'-0" x

One per

\$ _____

1-3/4" solid core

Licensee.

Mozambique wood door in

A second entry

an aluminum frame with a

door shall be

3'-0" x 9'-0" x 1-3/4"

provided (with-

wire glass sidelite.

out sidelite)

Hardware to include

if required by

lever handle lockset

Phoenix

(brushed bronze) floor

Building Code.

stop and automatic

closer.

	<u>INTERIOR:</u> 3'-0" x 9'-0"	Three per 1000	\$_____
	x 1-3/4" solid core with	square feet of	
	Mozambique wood door in	Suites	
	an aluminum frame. Hard-		
	ware to include lever handle		
	latchset (brushed bronze)		
	and floor stop.		
ACOUSTICAL	Suspend tegular tile in an	Provided at all	\$_____
CEILING:	exposed white 2' x 2' grid.	Suites areas.	
	Ceiling height in all		
	Suites areas and corridors		
	shall be 9'-0".		
LIGHT FIXTURES:	2' x 4' three lamp recessed	One per 75	
\$_____			
	3" Parabolic light fixture	square feet of	
	with cool white lamps.	Suites floor	
		area.	

LIGHT SWITCHES:	Single pole switch with white cover plate.	One per 250 square feet of Suites floor area.	\$ _____
ELECTRICAL CONVENIENCE OUTLET:	Duplex wall outlet with white cover plate.	One per 150 square feet of Suites floor area.	\$ _____
TELEPHONE OUTLETS:	Wall outlet with white cover plate.	One per 250 square feet of Suites floor area.	\$ _____
EXIT LIGHTS:	Stencil faced fixture.	Provided as required by Phoenix Building Code.	\$ _____
HVAC:	Separate thermostat.	One per Suite.	\$ _____
FLOOR COVERINGS:	Arena standard carpet with a choice of colors.	Provided at all Suites areas.	\$ _____

WINDOW COVERINGS: 1" mini-blinds with Provided at all
\$_____

Arena standard color exterior
and 1-1/2" head rails. windows.

FIRE PROTECTION: Sprinkler heads and Necessary
\$_____

covers shall be sprinkler drops
recessed chrome to meet Code.

SIGNAGE: Arena standard Licensee One each as
\$_____

identification and suite approved by
number sign shall be pro- Operator.
vided at Suites entry door.

Arena standard dir-
ectory shall be provided
as the Arena directory.

TOTAL: \$_____

INITIALS:

OPERATOR: _____

LICENSEE: _____

SCHEDULE "4"

POLICIES

1. The Suite shall be utilized solely for the Daily Use and the Event Use as permitted by the License and not for lodging, sleeping, gambling or any other purpose. Licensee shall not use the Arena for manufacturing, storing, displaying or exhibiting any services or merchandise, shall not charge for admission or sell any Tickets therefrom or in connection therewith, shall not distribute any advertising materials or engage in any advertising within the Arena or the Parking Garage and shall not use the name or pictures of the Arena or the Suite in connection with or in promoting or advertising any business of Licensee. Licensee shall not disturb, solicit or canvass any occupant of the Arena. Peddlers, solicitors and beggars shall be reported to Operator. Licensee shall not erect or place in the Arena, any signs or other written information. Operator reserves and shall have the sole right to place and locate in the Arena and the Parking Garage, such signs, advertising, notices, displays and other items as it deems appropriate. Subject to revocation of this privilege if Operator determines that its exercise is disturbing other users of the Arena or violative of exclusivity or other restrictions in Arena advertising contracts entered into by Operator, the City or the Suns, Licensee may display in the Suite reasonable quantities and sizes of its merchandise, trademarks or tradenames so long as it is lawful to do so and they are not visible from outside the Suite.

2. Licensee shall not install lighting, window covering, floor covering or any other items or materials on or decorate, paint or otherwise alter or improve the Arena or the Suite without Operator's prior written consent. Licensee shall not mark on or drive nails, drill or screw into the partitions, woodwork or plaster (except as may be incidental to the hanging of wall decorations in the Suite) or in any way deface the Suite or the Arena. Except for items that are a part of the original Suite Improvements, Licensee shall not install or operate in the Suite any antenna, television, movie camera, video camera, recorder or any other equipment or install telephone wires or electrical wires or circuits, without Operator's prior written consent. Operator reserves the right to confiscate film, tape, photographs, records and all other depictions of the Arena, Excluded Events and/or Arena Events. Licensee shall not interfere with radio or television broadcasting or reception from or in the Arena or elsewhere. The location of radios, televisions, telephones, microwave ovens, computers and other equipment within the Suite shall be subject to the prior approval of Operator.

3. The passageways, exits, elevators and other common area in and about the Arena shall not be obstructed by Licensee or its guests and (except for toilets) shall not be used for any purpose other than for ingress to and egress from the Arena and the Suite. Licensee shall not store or place products, containers or merchandise in the Arena in areas outside of the Suite. Operator retains the right to control all common area in and about the Arena and the Parking Garage and to prevent access thereto by all persons whose presence in the judgment of the Operator may be prejudicial to the safety or interests of Operator, the Arena or its users. Licensee shall have no right

to use, enter into or cause to be entered into that portion of the Suite above the standard ceiling line or below the standard floor (as established by Operator) without the prior written consent of Operator. Licensee shall not overload the floor of the Suite beyond the load limit therefor established by Operator. Operator shall have the right to prescribe the weight, size and position of all furniture and equipment brought into the Arena and the times and manner of moving the same in and out of the Arena. Hand trucks shall be equipped with rubber tires and side guards. Heavy objects shall, if considered necessary by Operator, stand on wood strips of such thickness as shall be necessary to properly distribute the weight. Operator will not be responsible for loss of or damage to any such property from any cause, and all damage done to the Arena by moving or maintaining any such property shall be repaired at the expense of Licensee.

4. At its expense, Licensee promptly shall comply with the Policies and all applicable laws and governmental requirements as to the use of the Suite and the Arena which now or hereafter are in effect. Licensee shall not engage in or permit any activity which will cause the cancellation or increase the existing premium rate of any insurance applicable to the Suite or any other portion of the Arena. Licensee shall not permit in or about the Suite any article that may be prohibited by applicable insurance policies. Licensee shall not use, keep or permit to be used or kept any noxious gas or substance in the Suite, or permit or suffer the Suite to be occupied or used in a manner offensive or objectionable to Operator or other users of the Arena by reason of odors, vibrations or otherwise, or interfere in any way with Operator or other users. No bicycles, skateboards, vehicles, animals, birds, fish,

reptiles or insects shall be brought in or kept in or about the Suite or the Arena. Licensee shall not commit or permit in the Suite any offensive, noisy or dangerous activity or other nuisance or other activity or thing which may disturb Operator or any other user of the Arena. Licensee shall not employ any sound emitting device in or about the Suite that is audible outside the Suite. Licensee shall not make or permit to be made any disturbing noises or disturb or interfere with other users of the Arena by the use of any musical instrument, radio, television, electronic or other devices. Operator reserves the right to exclude or expel from the Arena any person who, in the judgment of Operator, is intoxicated or under the influence of liquor or drugs, or who shall in any manner do any act in violation of any of the Policies of the Arena or the provisions of the License. Licensee shall not throw or allow anyone else to throw anything out of the windows or doors or down the passageways. No cooking shall be permitted in the Suite or any method of heating or air conditioning other than that supplied with the Suite. Licensee shall not waste electricity or water, shall cooperate fully with Operator to assure the most effective operation of the Suite heating and air conditioning equipment and shall not adjust any controls. No vending machine shall be installed, maintained or operated in the Suite.

5. Licensee shall not commit or permit any waste of the Suite or any other portion of the Arena or in any manner deface or injure the Suite or any other portion of the Arena. The toilet rooms, urinals, wash bowls and other apparatus shall not be used for any purpose other than that for which they were constructed and no foreign substance of any kind whatsoever shall be thrown therein. The expense of any breakage, stoppage or damage resulting

from a violation of this rule shall be borne by Licensee. Licensee shall place all refuse or trash in receptacles provided by Operator. If Licensee creates an unusual amount of trash in the opinion of Operator and Operator so requests in writing, Licensee shall provide at its own cost for its own trash disposal and pickup at such intervals as Operator may deem reasonably necessary so that no refuse or trash is visible in or around the Suite. Licensee shall give prompt notice to Operator, or its designee, of any injury to or defects in the Suite or any plumbing, electrical fixtures, heating apparatus and/or air conditioning equipment therein so that the same may be attended to properly.

6. Licensee shall not employ any persons other than the personnel of Operator for the purpose of cleaning the Suite unless otherwise agreed to by Operator. Except with the written consent of Operator, no persons other than those approved by Operator shall be permitted to enter the Suite for the purpose of its cleaning. Licensee shall not cause any unnecessary labor by reason of Licensee's carelessness or indifference in the preservation of good order and cleanliness in the Suite. Operator shall not be responsible to Licensee for any theft or loss of property from the Suite or any other portion of the Arena, however occurring, or for any damage done to the effects of Licensee, by or as result of the acts of the cleaning personnel, any other agent, employee or contractor of Operator, or any other person. Operator's cleaning service shall only include ordinary dusting, housekeeping and cleaning by the personnel assigned to such work and shall not include cleaning of the Licensee Equipment, the moving of furniture or any other special services. Cleaning services will not be furnished in any Suite occupied at the

time the cleaning personnel attempt to clean it. Window cleaning shall be done only by Operator at intervals it deems appropriate. Employees or agents of Operator shall not be requested to perform any work or do anything outside of their regular duties unless under special instructions from Operator.

7. Operator reserves and shall at all times have the right to enter the Suite to inspect, to supply cleaning and other services, to perform maintenance, repairs and alterations, and as otherwise may be necessary or desirable for the operation or improvement of the Suite or the Arena, all without abatement of Fees or other compensation or liability to Licensee, albeit the use and enjoyment of the Suite by Licensee shall not be interfered with unreasonably. Licensee waives any claim for damages for any injury or inconvenience to or interference with Licensee's use and any other loss occasioned thereby. For the foregoing purposes, Operator shall have the right to retain a key with which to unlock all doors and cabinets of the Suite, and in an emergency to use any and all means in order to gain access and entry to the Suite and any such entry shall not be construed or deemed to be a forcible or unlawful entry into or a detainer of the Suite or an eviction of Licensee therefrom.

8. Access to the Suite may be controlled through the use of security personnel and/or security devices. Such personnel will have the right to demand of any and all persons seeking access to the Suite proper identification to determine if they have right of access thereto. Operator shall not be liable for damages or otherwise for any error with regard to the admission to or exclusion of any person from the Suite. In case of invasion, mob, riot,

public excitement or other commotion, Operator reserves the right to prevent access to the Suite by closing the doors or otherwise. The foregoing notwithstanding, Operator shall have no duty to provide security protection for the Suite or any other portion of the Arena at any time or to monitor access thereto. Licensee assumes full responsibility at all times for protecting the Suite and all personal effects of Licensee, its employees, agents and guests from theft, robbery and pilferage, which includes keeping doors locked and other means of entry to the Suite closed and secured, and Operator shall have no liability with respect thereto. Licensee shall close and lock the doors of the Suite and shut off all water faucets, water apparatus and electrical items before leaving the Arena. Licensee shall be responsible for any damage to the Arena or to other users caused by a failure to do so. All keys to the Suite shall be obtained from Operator. Should Licensee require any duplicate keys, Licensee shall request such keys from Operator, which shall provide such keys at a reasonable charge. Upon termination of its rights hereunder, Licensee shall deliver to Operator all keys to the Suite and shall pay Operator the cost of replacing any lost key or of changing the lock or locks which can be opened by such lost key if Operator deems it necessary to make such change. Licensee shall not alter or replace any lock or install any additional locks or any bolts on any door or other portion of the Suite.

9. Licensee shall comply with all parking rules of Operator and the City and shall not park in driveways or other areas in which parking is restricted or prohibited. Operator and its agents shall have the right to cause to be removed any car of Licensee, its employees, agents and guests that may be parked in unauthorized areas, and Licensee shall save and hold harmless

Operator, its agents and employees from any and all claims, losses, damages and demands, arising or asserted in connection with the removal of any such vehicle and for all expenses (including attorneys' fees and costs) incurred by Operator in connection with such removal. From time to time, upon request of Operator, Licensee shall supply Operator with a list of license plate numbers of vehicles owned or operated by Licensee, its employees, agents and guests.

10. Operator reserves the following rights, exercisable without notice, without liability to Licensee for injury to person or damage to property, and without constituting an eviction, constructive or actual, or a disturbance of Licensee's use or possession or giving rise to any reduction of Fees or any other claim of any kind by Licensee: the right to change the name or street address of the Arena and to add to, alter or improve any part of the Arena or the Parking Garage; when making repairs, alterations, improvements, and at other times deemed appropriate by Operator, to close doors and the common area and to interrupt or suspend Arena services; the right to control and extinguish the lighting within the Suite during Arena Events and at such other times as Operator deems appropriate; the right to prevent access to the Suite during Excluded Events and at such other times as may be required by the City or other governmental authority; the right to grant to anyone the exclusive right to conduct any business in or render any service to the Arena; the right to control and receive the revenue from the use and sale of beverages, foods, candies, cigarettes and other commodities and concessions within the Suite and the Arena; the right to install all signs located on or in the Suite or elsewhere in the Arena, to receive all revenue therefrom and to designate all sources of sign painting and lettering; the right to grant or withhold any

required consent or approval in Operator's sole and unfettered discretion; and the right not to enforce a Policy against a Licensee or other user of the Suites, in Operator's sole and unfettered discretion (Operator shall not be responsible or liable to Licensee for the breach or nonperformance of this License or the Policies by any other Licensee or user of the Arena).

11. These Policies are in addition to, and shall not be construed in any way to be limited by, the provisions of the License. By the execution hereof, Licensee acknowledges and agrees that it has read and understands these Policies, will fully comply with them, will abide by, keep and observe all modifications and additions hereto which Operator may adopt from time to time and shall be responsible for compliance herewith by the contractors, agents, employees and guests of Licensee.

INITIALS:

OPERATOR: _____

LICENSEE: _____