

SUBLEASE AGREEMENT

BY AND BETWEEN

**SPORTS & EXHIBITION AUTHORITY
OF PITTSBURGH AND ALLEGHENY COUNTY**

AND

LEMIEUX GROUP LP

**DATE: September 18, 2007,
effective on the Commencement Date
(as herein defined)**

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LIST OF EXHIBITS

Exhibit A-1	Legal Description of Owned Property
Exhibit A-2	Legal Description of Central Medical Site
Exhibit B	Legal Description of Mellon Arena Site
Exhibit C	Permitted Encumbrances
Exhibit D	Form of Memorandum of Lease
Exhibit E	Affordable Seating Plan

SUBLEASE AGREEMENT

This **SUBLEASE AGREEMENT** (this "**Lease**") is made and entered into as of the 18th day of September, 2007, to be effective on the Commencement Date (as defined below), by and between the **SPORTS & EXHIBITION AUTHORITY OF PITTSBURGH AND ALLEGHENY COUNTY**, a body corporate and politic, organized and existing pursuant to the Sports and Exhibition Authority Act (Act of July 28, 1953, P.L. 723, No. 230, § 2501-A, added October 30, 2000, P.L. 616, No. 85, § 6, 16 Purdon's Statutes 5501-A), et seq. (the "**Authority**") and **LEMIEUX GROUP LP**, a Pennsylvania limited partnership (the "**Operator**").

WITNESSETH:

WHEREAS, the Authority has acquired, or has entered into one or more binding agreements to acquire, or intends to acquire, fee simple title to certain property, defined herein as the Authority Property and the Central Medical Site, in the proximity of Centre Avenue, Washington Place and Fifth Avenue, located in the Third (3rd) Ward of City of Pittsburgh, County of Allegheny and Commonwealth of Pennsylvania. The Authority Property is more particularly described on Exhibit A-1, and the Central Medical Site is more particularly described on Exhibit A-2, both Exhibits being attached hereto and made a part hereof. The proposed site shall consist of the Authority Property, an agreed upon portion of the Central Medical Site, and such other properties in the proximity that the Authority acquires for purposes of development of the New Arena (collectively, the "**Site**"). The exact location of the Site will be shown on a site plan which will be subsequently prepared, attached to this Lease by an addendum, and then made a part hereof. A legal description of the entire Site will also be subsequently prepared, attached to this Lease by an addendum, and then made a part hereof; and

WHEREAS, in connection with the issuance of debt by the Authority to finance the cost of construction and development of the New Arena, the Financing Leases will be delivered, pursuant to which the Authority will lease the Site to the Commonwealth, and the Commonwealth will then lease the Site back to the Authority; and

WHEREAS, the Authority intends to construct a multi-purpose first class sports and entertainment facility on the Site, which will contain approximately 18,500 seats (the "**New Arena**"), and will install the Equipment therein and will build a retaining wall on the southeast side of the Site (the "**Retaining Wall**") (the Site, the New Arena, the Retaining Wall and Equipment are sometimes referred to herein collectively as the "**Premises**"); and

WHEREAS, the public purposes of the New Arena are to provide a modern, first class, state of the art place of public assembly, and a facility to conduct hockey games, concerts, and other sporting events, present speakers, hold meetings, schedule musical and stage performances, utilize for convention related events, and to schedule other events typically performed in a modern multi-purpose sports, assembly and entertainment facility in the United States and Canada; and

WHEREAS, in connection with the construction and operation of the New Arena, the Authority and the Operator are simultaneously entering into a Preliminary Development Agreement (the "**Preliminary Development Agreement**"), which contemplates that the

Authority and the Operator will enter into a New Arena Development Agreement (the “**New Arena Development Agreement**”) within the time set forth in the Preliminary Development Agreement; and

WHEREAS, as more particularly outlined in Exhibit A to the Preliminary Development Agreement, the New Arena Development Agreement will provide, among other things, that the Operator shall be appointed as agent for the Authority in connection with work relating to the development and construction of the New Arena (in such capacity, Operator or its successor(s) or Affiliate(s) are sometimes collectively referred to in this Agreement as the “**Developer**”), and, following the Authority’s acquisition of the Site, demolition of all structures thereon and certain grading and related work thereon by or on behalf of the Authority, the Developer shall, as agent of the Authority, construct the New Arena on the Site; and

WHEREAS, the Authority desires to lease the Premises to the Operator, and the Operator wishes to lease and accept the Premises from the Authority, all under the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual promises, undertakings and covenants hereinafter set forth, and intending to be legally bound hereby, the Authority and the Operator covenant and agree as follows:

ARTICLE 1 **LEASE**

The Authority hereby leases to the Operator and the Operator hereby leases and accepts from the Authority the Premises for the Lease Term (as defined in Article 3 below), and upon the terms, conditions and covenants set forth herein.

ARTICLE 2 **DEFINITIONS**

As used in this Lease:

"Accountants" shall mean an independent and nationally recognized accounting firm selected by the Operator.

"Additional Rent" shall have the meaning set forth in Section 4.2.2.

"Affiliate" of a specified Person means any corporation, partnership, sole proprietorship or other Person that directly or indirectly through one or more intermediaries controls, is controlled by or is under common control with the Person specified. The term "control" means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person.

"Affordable Seating Plan" shall have the meaning set forth in Section 7.6.

"Alterations" shall mean any alteration, modification or improvement to the New Arena that is not (i) a Capital Repair or Capital Improvement, or (ii) a trade fixture, equipment or machinery that is affixed to the Premises.

"Amusement Tax" shall mean such tax as is currently imposed, or as may be imposed from time to time, by the City as an "amusement tax" on admission tickets to Events at the New Arena, which tax is currently imposed at the rate of five percent (5%) on the price of each ticket.

"Applicable Laws" shall mean any law (including common law), code, ordinance, or regulation, or charter or constitutional provision, duly enacted or adopted by the United States, the Commonwealth, the City or the County.

"Assumption Notice" shall have the meaning set forth in Section 11.2.2.

"Authority Act" shall mean the Sports and Exhibition Authority Act (Act of July 28, 1953, P.L. 723, No. 230, § 2501-A, added October 30, 2000, P.L. 616, No. 85, § 6, 16 Purdon's Statutes 5501-A, et seq.)

"Authority Environmental Losses" shall have the meaning set forth in Section 13.2.1.

"Authority-Indemnified Persons" shall have the meaning set forth in Section 11.1.

"Authority Luxury Suite" shall have the meaning set forth in Section 5.10.

"Authority Property" shall mean those tracts of land owned by the Authority as of the date of this Lease and described on Exhibit A-1, which comprise a portion of the Site.

"Authority Representative" shall mean the person or persons authorized to execute this Lease on behalf of the Authority, and/or the person or persons authorized or designated by the Authority to act on behalf of the Authority with respect to matters related to this Lease.

"Bank" shall mean PNC Bank, National Association, or such other financial institution located within the Commonwealth that is reasonably acceptable to the Authority and the Operator, or any successor of any of the foregoing.

"Base Rent" shall mean those sums set forth in Section 4.2.1.

"Bond Offering Closing Date" shall mean the date of closing of the offering of revenue bonds issued by the Authority in connection with the development of the Premises, which closing shall in all events occur prior to December 31, 2007.

"Bonds" shall have the meaning set forth in Section 7.7, and any refunding thereof.

"Business Day" shall mean any day other than a Saturday, Sunday or other day on which banks are required or authorized to close in Pittsburgh, Pennsylvania. If any time period set forth in this Lease expires on other than a Business Day, such period shall be extended to and through the next succeeding Business Day.

"Capital Improvements" shall mean all capital modifications or additions to existing facilities at the New Arena (and as provided in Section 10.4.4, the Garage) which (a) have been installed in at least one-half of Comparable Arena Facilities, (b) taken as a whole, can be demonstrated by the Operator to be reasonably necessary, directly or indirectly, for the Franchise to maintain its relative economic position, as of the Commencement Date, within the NHL with regard to revenues from the New Arena; and (c) are reasonably necessary to prevent the facilities and amenities of the New Arena from becoming materially outdated in comparison to Comparable Arena Facilities. Capital Improvements shall not in any event include modifications to the New Arena designed to increase its attendance capacity.

"Capital Repairs" shall mean all modifications, alterations, improvements, repairs, replacements or additions of a capital nature to existing facilities at the New Arena (and as provided in Section 10.4.4, the Garage), as further defined in Section 10.4.

"Capital Repair/Improvement Plans" shall have the meaning set forth in Section 10.6.1.

"Capital Reserve Fund" shall mean the account established under Section 10.3.1 to furnish funds for Capital Repairs and Capital Improvements.

"Casino Operator" shall have the meaning set forth in Section 7.7.

"Casino Operator Agreement" shall have the meaning set forth in Section 7.7.

"Central Medical Agreement of Sale" means that certain Agreement of Sale in Lieu of Condemnation entered into on the date hereof between the Operator and the Authority with respect to the purchase of the Central Medical Site by the Authority.

"Central Medical Site" shall mean that tract of land located on Centre Avenue described on Exhibit A-2, on which a vacant hospital structure and parking garage are currently located; a portion of the Central Medical Site comprises part of the Site.

"City" shall mean the City of Pittsburgh.

"Commencement Date" shall mean August 1, 2010, or such later date as may be fixed under Section 3.1 below.

"Commonwealth" shall mean the Commonwealth of Pennsylvania.

"Commonwealth Event(s)" shall mean those events scheduled under Section 5.6.

"Commonwealth Event Operating Expenses" shall have the meaning set forth in Section 5.6.

"Communication System" shall mean the internal broadcasting system at the New Arena, together with the scoreboard, and any other facilities within the New Arena designed to communicate with spectators at Events.

"Community Event(s)" shall have the meaning set forth in Section 5.5.

"Community Event Operating Expenses" shall have the meaning set forth in Section 5.5.

"Comparable Arena Facilities" shall mean all of the facilities in the United States and Canada where the primary tenant is a member of the NHL, and the facility is not used (other than on an occasional basis) by a member team of the National Basketball Association, and the facility was constructed after 1992.

"Concessions" shall mean all food and beverages, novelties and merchandise, or other such products sold at the New Arena by the Operator or its designated concessionaires.

"Construction Defect" shall mean a defective condition in the Premises caused, in substantial and material part, by the (a) failure of the Construction Manager, Contractor and/or its subcontractors to use such care as a reasonably prudent construction manager, contractor or subcontractor skilled in the construction of facilities similar to the Recent Arena Facilities (or parts thereof) would use under similar circumstances, and/or (b) deviation of the materials used in the construction or equipping of the Premises from the specifications for such materials.

"Consulting Engineer" shall have the meaning set forth in Section 10.5.1.

"Contamination" shall mean the presence or release or threat of release of Regulated Substances in, on, under or emanating to or from the Site, which pursuant to Environmental Laws requires notification or reporting to any Governmental Authority, or which pursuant to Environmental Laws requires the identification, investigation, cleanup, removal, remediation, containment, control, abatement, monitoring of or other response action to such Regulated Substances or which otherwise constitutes a violation of Environmental Laws.

"Contract" shall have the meaning set forth in Section 10.6.3.

"Contractor" shall have the meaning set forth in Section 10.6.3.

"County" shall mean the County of Allegheny.

"CPI Increases" shall mean increases, calculated from January 1 of the calendar year in which the Commencement Date occurs, to such date as may be applicable, as provided in this Lease, in the index known as the United States Department of Labor, Bureau of Labor Statistics, Consumer Price Index, All Urban Consumers, United States City Average, All Items (1982-84 = 100) (the "CPI") or the successor index that most closely approximates the CPI. If in any Lease Year the CPI decreases, then the applicable CPI Increase for that Lease Year shall be zero.

"Damages" shall mean any loss, liability, claim, damage (including incidental and consequential damages) and expense (including costs of investigation and defense and reasonable attorneys' fees), whether the action is for money damages, or otherwise at law, or for equitable or declaratory relief.

"Default Rate" shall mean the lesser of (a) four percent (4%) above the Prime Rate or (b) the greatest amount permitted by Applicable Laws.

"Design Defect" shall mean a material defective condition in the Premises caused, in substantial and material part, by the failure of the design professionals selected by the Operator to use such care as a reasonably prudent design professional skilled in the design of facilities similar to the Recent Arena Facilities (or parts thereof) would use under similar circumstances.

"Developer" shall have the meaning set forth in the preambles above.

"Discounted Tickets" shall have the meaning set forth on Exhibit E.

"Emergency Repairs" shall mean those repairs, maintenance or improvements, which, if not immediately made, would endanger the health and safety of the people working in or attending an Event in the New Arena, would cause imminent damage to any significant component of the New Arena, or would render the New Arena, or any material portion of its mechanical, electrical or plumbing systems or other significant component thereof, unusable for their intended purposes.

"Environmental Complaint" shall mean any written complaint by any Person or Governmental Authority setting forth a cause of action for personal injury or property damage, natural resource damage, contribution or indemnity for response costs, civil or administrative penalties, criminal fines or penalties, or declaratory or equitable relief arising under any Environmental Law or any order, notice of violation, citation, subpoena, request for information or other written notice or demand of any type issued by any Governmental Authority pursuant to any Environmental Law.

"Environmental Law" shall mean all Applicable Laws, including without limitation, any consent decrees, settlement agreements, judgments, or orders issued by or entered into with a Governmental Authority pertaining or relating to: (i) pollution or pollution control; (ii) protection of human health or the environment; (iii) the presence, use, management, generation, processing, treatment, recycling, transport, storage, collection, disposal or release or threat of release of Regulated Substances; (iv) the presence of Contamination; and (v) the protection of endangered or threatened species.

"Equipment" shall mean such electrical, plumbing, HVAC and mechanical and other fixtures, furnishings, machinery and equipment installed at the New Arena in connection with initial development and construction, and any replacements or additions thereto, all of which shall comprise a part of the Premises, including without limitation escalators, elevators, ice making equipment suitable for professional hockey, food storage and preparation equipment, scoreboards, the Communications System and all other facilities that are reasonably necessary to utilize and operate the New Arena as a facility equivalent to Comparable Arena Facilities.

"Event" or **"Events"** shall mean, separately and collectively, all NHL Events and Non-NHL Events.

"Event of Default" shall have the meaning set forth in Article 14.

"Existing Mellon Arena Parking Spaces" shall have the meaning set forth in Section 5.13.1.

"Expiration Date" shall mean June 30, 2040.

"Financing Leases" shall mean that certain lease to be executed by and delivered by the Authority to the Commonwealth in support of debt to be issued by the Authority to finance development and construction of the New Arena, together with that certain lease of the Site back to the Authority, dated as of the same date, from the Commonwealth, and any amendments thereto.

"Fiscal Year" shall mean the fiscal year of the Operator, which at present is the 12 month period ending on June 30 of each calendar year, as the same may be changed from time to time.

"Force Majeure" shall mean, with respect to any party to this Lease, any event outside the reasonable control of such party and not due to the fault or negligence of such party, including without limitation, strikes, lockouts or labor disputes (excluding an NHL player labor stoppage or lockout), acts of God, fire or other casualty, new or unanticipated governmental restrictions, enemy or hostile governmental action, terrorist acts, litigation, civil commotion, riots, tornadoes, or other similar casualty.

"Franchise" means the Pittsburgh Penguins NHL franchise.

"GAAP" shall mean United States generally accepted accounting principles as recognized from time to time by the Financial Accounting Standards Board or its successor(s) in function.

"Garage" shall have the meaning set forth in Section 5.12.

"Governmental Authority" shall mean any national, federal, state, local or other government or political subdivision or any agency, authority, board, bureau, commission, department or instrumentality thereof, or any court, tribunal, grand jury or arbitrator.

"Lease Term" shall have the meaning set forth in Article 3.

"Lease Year" shall mean each successive period of twelve (12) months during the Lease Term. The first Lease Year will begin on the Commencement Date and expire July 31, 2011; each succeeding Lease Year will begin on August 1 of each calendar year and expire on the following July 31. The final Lease Year of the Lease Term will expire on the Expiration Date. Each Lease Year, so defined, shall be a "Rental Period," as defined in Section 467 of the Internal Revenue Code.

"Lender" shall have the meaning set forth in Section 6.2.

"Lien" or **"Liens"** shall mean mechanics' and suppliers' liens, judgments, liens for local, state or federal taxes of any kind, municipal assessments, levies for improvements, or other encumbrances of any kind affecting the Premises.

"Luxury Suite" shall mean each of the private suites available for sale, lease or license at the New Arena.

"Management Agreement" shall mean any management agreement entered into by the Operator during the Lease Term with a management company with respect to the operation and/or management of the Premises.

"Mellon Arena" shall mean the existing arena in which the Pittsburgh Penguins play their NHL games as of the date of execution of this Lease.

"Mellon Arena New Parking Delivery Date" shall mean the date that the New Mellon Arena Parking Spaces are delivered to the Operator.

"Mellon Arena Site" shall mean approximately 28.74 acres on which Mellon Arena sits, together with surrounding parking lots, consisting of three separate (3) parcels which are specifically described on Exhibit B. Parcel 3 is the Melody Tent Site. No portion of the Mellon Arena Site shall constitute any part of the Premises.

"Melody Tent Site" shall mean that unimproved tract of land, described as Parcel 3 on Exhibit B, which is presently used for parking, and which is owned in fee simple by the URA.

"Naming Rights" shall mean the rights to receive revenue from the sale of the right to name all or any portion of the New Arena and/or the Site.

"New Arena" shall have the meaning set forth in the preamble hereto.

"New Arena Development Agreement" shall have the meaning set forth in the Preamble hereto.

"New Arena Operation and Maintenance Budget" shall have the meaning set forth in Section 7.4.

"New Arena Parking Lot" shall have the meaning set forth in Section 5.12.2.

"New Mellon Arena Parking Spaces" shall mean any additional paved and striped parking spaces located on the Mellon Arena Site following the opening of the New Arena.

"NHL" shall mean the National Hockey League, including the office of the Commissioner of the NHL, and any successor substitute association or entity of which the Operator is a member or joint owner, and which engages in professional hockey in a manner comparable to that now engaged in by the National Hockey League.

"NHL Entities" shall have the meaning set forth in Section 17.22.

"NHL Event" shall mean any NHL Home Game and any other hockey-related event scheduled by the Operator or the NHL to be held at the New Arena.

"NHL Home Games" shall mean the NHL schedule of pre-season, regular season, playoff, or exhibition hockey games played by the Franchise as the home team, other than such pre-season, regular season, playoff and exhibition hockey games that are scheduled by the NHL to be played at a location other than at the New Arena which, in the case of regular season and playoff hockey games, will not exceed more than three per season.

"NHL Rules and Regulations" shall mean collectively, the NHL Constitution, the NHL By-Laws, and any other rules, guidelines, regulations or requirements of the Office of the Commissioner of the NHL, and/or any other Person appointed by the foregoing that are generally applicable to NHL clubs, as applicable, all as the same now exist or may be amended or adopted in the future.

"Non-NHL Events" shall mean all events at the New Arena sponsored by or scheduled with the approval of the Operator, excluding NHL Events, Commonwealth Events and Community Events.

"Operator" shall refer initially to Lemieux Group LP, and shall also mean any successor or assign that assumes the obligations of Lemieux Group LP, as "Operator", under this Lease.

"Operator Agents" shall mean the Operator and its subtenants, invitees, licensees, concessionaires, agents, officers, directors, independent contractors, servants and employees, and their respective successors and assigns.

"Operator-Indemnified Persons" shall have the meaning set forth in Section 11.3.

"Operator Representative" shall mean the person or persons authorized to execute this Lease on behalf of the Operator, and/or the person or persons authorized by the Operator to act on behalf of the Operator with respect to matters related to this Lease.

"Option Agreement" shall mean that certain agreement entered into on the date hereof by and among the Authority, the URA, and the Operator with respect to the future redevelopment of the Mellon Arena Site and such other properties as may be made subject thereto, as the same may be amended, supplemented, extended, renewed or replaced from time to time.

"Permitted Encumbrances" shall mean utility easements and other similar matters of record which do not interfere materially with the Premises or the operation of the New Arena, and which are listed on Exhibit C hereto.

"Person" shall mean any natural person, sole proprietorship, partnership, corporation, trust, limited liability company, limited liability association, joint venture, unincorporated organization, joint stock company, Governmental Authority or any other entity.

"Preliminary Development Agreement" shall have the meaning set forth in the Preamble hereto.

"Premises" shall have the meaning set forth in the preambles above.

"Prime Rate" shall mean the "prime rate" of interest announced from time to time by the Bank as its then "prime rate"

"Proceeding" shall have the meaning set forth in Section 11.2.1.

"Proposed Capital Repairs and Improvements" shall have the meaning set forth in Section 10.5.2.

"Recent Arena Facilities" shall mean Nationwide Arena in Columbus, Ohio (Columbus Blue Jackets); Glendale Arena in Glendale, Arizona (Phoenix Coyotes); and Excel Energy Center in Minneapolis, Minnesota (Minnesota Wild).

"Regulated Substances" shall mean, without limitation, any substance, material or waste, regardless of its form or nature, defined under Environmental Laws as a "hazardous substance," "hazardous waste," "toxic substance," "extremely hazardous substance," "toxic chemical," "toxic waste," "solid waste," "industrial waste," "residual waste," "municipal waste," "special handling waste," "mixed waste," "infectious waste," "chemotherapeutic waste," "medical waste," "regulated substance," "pollutant" or "contaminant" or any other substance, material or waste, regardless of its form or nature, which otherwise is regulated by Environmental Laws.

"Related Agreements" shall mean the New Arena Development Agreement, the Option Agreement, and the Special Agreement, all as amended, supplemented, renewed or replaced from time to time.

"Rent" shall have the meaning set forth in Article 4.

"Required Environmental Permits" shall mean all permits, licenses, bonds, consents, programs, approvals or authorizations required under Environmental Laws to conduct operations at or maintain the Premises or to construct, maintain, operate or occupy the Premises or any Alterations or improvements thereon, regardless of whether such permits, licenses, bonds, consents, approvals or authorizations have been obtained by or on behalf of the Authority or the Operator.

"Required Environmental Reports" shall mean all notices, reports, plans, forms or other filings which pursuant to Environmental Laws, Required Environmental Permits or at the request or direction of a Governmental Authority must be submitted to a Governmental Authority or which otherwise must be maintained with respect to the Premises, Contamination and the operations and activities of the Operator.

"Response Action" shall mean the investigation, cleanup, removal, remediation, containment, control, abatement, monitoring of or any other response action to the presence of Regulated Substances or Contamination in, on, at, under or emanating from the Premises, including but not limited to the correction or abatement of any violation, required pursuant to Environmental Laws, Required Environmental Permits or by a Governmental Authority.

"Restoration Fund" shall have the meaning set forth in Section 12.9.

"**Restoration Fund Trustee**" shall have the meaning set forth in Section 12.9.

"**Retaining Wall**" shall have the meaning set forth in the preambles hereto.

"**Revenues**" shall mean all revenues generated in conjunction with the operation of New Arena.

"**Site**" shall have the meaning set forth in the preambles hereto.

"**Site Delivery Date**" shall have the meaning set forth in Section 3.1.

"**Special Agreement**" shall mean that certain Agreement by and among the Operator and the Authority, with the City, County and Commonwealth being third party beneficiaries, pursuant to which, *inter alia*, the Operator agrees not to relocate the Franchise from the City during the Lease Term, to play all of its NHL Home Games during the Lease Term at the New Arena, and to compensate the Authority, City, County and Commonwealth in the amount of damages set forth therein in the event of any relocation or attempted relocation of the Franchise from the New Arena.

"**Surcharge(s)**" shall have mean those charges imposed by the Authority as set forth in Sections 4.2.3 and 7.3.9, pursuant to its powers granted by the Authority Act, for the purpose of making funds available to pay costs of improvement, repair, maintenance and operation of the New Arena.

"**Team Affiliate**" shall have the meaning set forth in Section 4.3.4.

"**Untenantability Period**" shall mean any period during or after the occurrence of an event of Force Majeure, which prevents the Premises from being reasonably used for Events.

"**URA**" shall mean the Urban Redevelopment Authority of Pittsburgh, a body corporate and politic.

"**Utilities and Services**" shall have the meaning set forth in Article 9.

ARTICLE 3

TERM

3.1 Lease Term.

The term of this Lease (the "**Lease Term**") shall commence on the Commencement Date and shall continue thereafter until the Expiration Date, unless otherwise terminated in accordance with the terms herein. Provided however, if the Authority does not deliver the Site to the Developer to commence work of construction of the New Arena on or prior to the delivery date required under the New Arena Development Agreement (the "**Site Delivery Date**"), the Operator shall have the right to postpone the Commencement Date for a number of days not longer than the number of days that the Authority's delivery of the Site to the Developer is delayed beyond the Site Delivery Date.

3.2 Duties of Operator on the Expiration Date.

On or before the Expiration Date, the Operator will terminate or cause to be terminated (a) any Management Agreement, (b) any sub-sublease of space within the New Arena that is not terminable by either party thereto on ninety (90) days or fewer notice without additional liability and (c) all Concessions and other contracts, licenses and other agreements, written or oral, relating in any manner to the New Arena that are not terminable by either party thereto on ninety (90) days or fewer notice without additional liability. On the Expiration Date, the Operator will deliver the New Arena back to the Authority free and clear of any Lien created or imposed by the Operator or Operator's agents during the Lease Term (unless the Authority otherwise agreed that such Lien would not be required to be released on the Expiration Date in accordance with this Lease) or other obligation of the Operator and relating to the occupancy of the New Arena by the Operator under this Lease. Except as set forth in this Section 3.2, the occupancy of concessionaires, subtenants, or other persons or entities in occupancy of the New Arena under authorization of the Operator will not, in any event, extend beyond the expiration of the Lease Term. At the expiration or earlier termination of the Lease Term, the Operator shall surrender the Premises in good condition and repair, normal wear and tear and damage by fire or other casualty excepted.

ARTICLE 4 RENT

4.1 Date of Payment.

Operator shall pay all sums payable by the Operator to the Authority under this Article 4, collectively referred to as "**Rent**", at the address set forth in Article 17, or at such other address as may be given in writing by Authority to Operator. All Rent shall be paid on the applicable due date, without notice, demand, counterclaim, offset or deduction, except as otherwise specifically set forth herein.

4.2 Rent Formula.

4.2.1. Elements of Rent. Base Rent ("**Base Rent**") shall consist of the aggregate of the following:

(a) The sum of Four Million, One Hundred Thousand Dollars (\$4,100,000) per year, payable on September 25 of each Lease Year, beginning September 25, 2010, through and including September 25, 2039; and

(b) Following delivery to the Operator of the New Mellon Arena Parking Spaces, if such delivery occurs, the Operator will pay as Rent during each Lease Year of the Term, beginning with the Lease Year in which such parking spaces are delivered by the Authority to the Operator, the additional sum of Two Hundred Thousand Dollars (\$200,000); the first payment will be due within thirty (30) days following the Mellon Arena New Parking Delivery Date, and each additional payment will be due on September 25 of each Lease Year thereafter, through and including September 25, 2039; provided, however, if the New Mellon Arena Parking Spaces are

not delivered by the Authority to the Operator, no Base Rent under this subpart 4.2.1(b) shall be payable.

4.2.2. Additional Rent. The Authority and the Operator intend that all costs, charges, and expenses relating to the use, occupancy, repair and maintenance of the Premises, including but not limited to, assessments for improvements, utility charges, insurance, operation, maintenance and repairs (other than Capital Repairs and Capital Improvements) which may arise or become due during the Lease Term, and, subject to Section 5.12.2 below, the Surcharges described in Section 4.2.3 (i), (ii) and/or (iii), shall be paid by the Operator (all of which are called "**Additional Rent**"), and the Operator hereby agrees to indemnify, defend and hold harmless the Authority from and against the same. Subject to the provisions of Section 5.12.2, the Surcharges described in Section 4.2.3(i), (ii) and/or (iii) below and collected by the Operator, up to a maximum of \$400,000 per Lease Year, will be paid by the Operator to the Authority monthly for the duration of the Lease Term as Additional Rent, and that sum will be promptly deposited by the Authority into the Capital Reserve Fund. If the proceeds of those parking Surcharges in any Lease Year are less than \$400,000, the Authority shall in any subsequent Lease Year impose additional Surcharges to make up the deficiency, together with any costs or fees incurred by the Authority in connection with the failure to receive the sum of \$400,000 in the prior Lease Year and imposition of such Surcharges.

4.2.3. Surcharge on Parking. Following the Commencement Date, the Authority will impose, and the Operator will collect, a Surcharge (together with those charges under Section 7.3.9 below, a "**Surcharge**" or "**Surcharges**") on (i) the Existing Mellon Arena Parking Spaces, (ii) following delivery, the New Mellon Arena Parking Spaces, and/or (iii) the parking spaces located within the Garage or at the New Arena Parking Lot, which, in the aggregate are calculated to be sufficient to raise the sum of \$400,000 annually. Surcharges will also be imposed as set forth in Section 7.3.9 below. Any amounts collected from the Surcharges imposed under subparts (i), (ii) and/or (iii) of this Section 4.2.3 in excess of \$400,000 during any Lease Year, together with all moneys generated by those Surcharges identified in Section 7.3.9 below, shall be retained by the Operator. Except for the Surcharges described in Sections 4.2.2, 4.2.3 and 7.3.9, no new Surcharges on tickets to any Event, or revenues from parking or otherwise will be imposed during the Lease Term without the prior written approval of the Operator, except that the Authority may impose surcharges on available parking at the Mellon Arena Site after those spaces are no longer available to Operator as set forth in Section 5.13.3. Operator acknowledges that pursuant to the requirements of the Authority Act, the proceeds of the Surcharges are to be used to pay costs of improvement, repair, maintenance and operation at the New Arena.

4.2.4. Reimbursement for Excess Amusement Taxes. If at any time during the Lease Term, the rate of the Amusement Tax is increased above five percent (5%), or if any comparable tax on tickets or admissions to Events is

imposed by the City, the Operator will have the right to take a credit against Rent payable in an amount equal to the difference between the tax actually collected and paid during any period and the amount that the Operator would have paid during that period based upon an Amusement Tax Rate of five percent (5%). The rent credit shall be implemented as follows: by August 15 of each Lease Year, the Operator shall provide a report and give notice to the Authority and the City of the amount of the credit that it intends to take against the Rent payment due the following September 25. The report shall be in form reasonably acceptable to the Authority and the City and shall set forth the excess amounts of Amusement Tax and/or other comparable taxes paid during the preceding 12 month period (August 1 through July 31).

4.3 Accounting Matters.

4.3.1. Records. The Operator shall and hereby agrees to keep and maintain during the Lease Term and for a period of three (3) consecutive years following the end of each Lease Year, permanent, complete and accurate financial records for (i) the operations of the New Arena, and (ii) the operations of the Operator, for the Fiscal Year ended during the prior Lease Year, which records shall be maintained in accordance with GAAP, and which records shall be audited not less than annually by the Accountants.

4.3.2. Financial Reporting by Operator.

(a) The Operator shall submit to the Authority on or before December 1 of each Lease Year, beginning December 1, 2011, a complete and accurate financial statement with respect to the operations of the New Arena during the Operator's Fiscal Year ended during the prior Lease Year, prepared on a cash basis, and in a form reasonably acceptable to the Authority, certified as accurate and correct by the chief financial officer of the Operator, and audited by the Accountants. The foregoing certificate shall also evidence compliance with the working capital requirement imposed under Section 7.1.1 hereof, and shall further identify in reasonable detail how funds were expended under the Operation and Maintenance Budget during the prior Lease Year.

(b) Operator shall submit to Authority on or before December 1 of each Lease Year, beginning December 1, 2011, a complete and accurate annual audited financial statement prepared with respect to the overall operations of the Operator by the Accountants in accordance with GAAP. This financial statement shall include, but shall not necessarily be limited to, a balance sheet, statement of operations and cash flows.

(c) In addition, on or before December 1 of each Lease Year, beginning December 1, 2011, the Operator shall also submit to the Authority an annual report relating to operations of the Premises (which includes the Garage), as well as to the operation, under separate lease documents, of the parking lots located on the Mellon Arena Site, which report shall be in form reasonably acceptable to the Authority, shall

be designed to reflect the overall economic impact of the New Arena on the Pittsburgh community, and which shall identify: (i) the number of persons employed at the New Arena by the Operator, by its management agent, if any, and by any third party licensee, concessionaire or subtenant, and the amount of the payroll for each such Person; (ii) the number of persons employed at the New Arena by any Affiliate of the Operator, management company, subtenant, licensee or concessionaire, and the amount of the payroll for each such entity; (iii) attendance numbers for all Events held at the New Arena; (iv) the number of vehicles parked (daily and Event), number of persons employed at, and the gross amount of parking revenues received by the Operator, and the amount of parking taxes paid from, each of the Garage, the Existing Mellon Arena Parking Spaces, and the New Mellon Arena Parking Spaces; (v) gross amounts of Amusement Tax collected and paid to the City; (vi) gross amounts of any and all state and local taxes paid to any taxing authority, including sales and use taxes paid to the County and to the Commonwealth; (vii) a detailed summary of marketing efforts made and amounts expended by the Operator to promote the New Arena; (viii) a schedule of Events, on a daily basis, held at the New Arena during the preceding Lease Year; (ix) amounts paid by Operator or an Affiliate for maintenance, repairs, Capital Repairs, Capital Improvements and Alterations; (x) results of the efforts of Operator under the MBE/WBE Plan required to be implemented under Section 7.1.3 below; (xi) results of the implementation of the Affordable Seating Plan under Section 7.6 below; and (xii) such other information that is reasonably available to the Operator relating to the economic impact of the New Arena as the Authority may from time to time reasonably request.

4.3.3. Authority Inspection and Audit. All financial records of the Operator shall be open to the inspection and audit by the Authority's independent accounting representatives during the Lease Term and for a period of three (3) years thereafter, which inspection shall occur at the Operator's office, following reasonable notice. The Authority's independent accounting representatives shall have the right to review and examine (but not make, or deliver to the Authority, copies of) all documents and materials in the possession of the Operator relating to the financial statements submitted to the Authority under this Section, the Operator's management of the New Arena and the Operator's expenditures relating to the leasing and operation of the Premises, including without limitation, any and all contracts entered by the Operator with third-party non-Affiliates, to determine if all expenditures and contract terms were reasonable, and to determine the accuracy of any statements, schedules or other information provided under the terms of this Lease.

4.3.4. No Reporting with Respect to Franchise. Notwithstanding anything set forth elsewhere in this Section 4.3, and except as provided in Section 4.4 below, the Operator will not be required to deliver to the Authority, or to make available to the Authority for inspection, any financial statements, documents or materials relating to the operations of the Franchise, including of Lemieux Group LP or the Affiliate of the Operator, or any successor or assign, that holds the Franchise (the "**Team Affiliate**").

4.3.5. Delivery of Reports. Any financial statements required by Section 4.3.2(a) and (b) to be delivered to the Authority may, at the election of the Operator, based upon a reasonable need for confidentiality, be made available for review by the outside legal counsel for the Authority as designated by the Authority, rather than delivered to the Authority. In such event, the Operator shall also prepare and deliver to the Authority, within the time periods required by such Sections 4.3.2(a) and (b), a reasonable summary version of such financial statements.

4.4 Financial Certification.

The Operator shall cause to be submitted, and the Team Affiliate shall submit, to the Authority, on or before December 1 of each Lease Year, beginning December 1, 2011, a certificate, signed by the chief financial officer of the Team Affiliate, that (i) the Team Affiliate is in compliance, in all material respects, with all applicable NHL Rules and Regulations together with any requirements or covenants specifically imposed by the NHL on the Operator or Team Affiliate; (ii) neither the Operator, Team Affiliate nor any entity to which an assignment is made pursuant to Section 6.1.2 of this Lease is insolvent within the meaning of 12 Pa.C.S.A. §5102; (iii) that the Operator, Team Affiliate and any assignee to which this Lease has been assigned pursuant to Section 6.1.2 of this Lease, on a consolidated basis, would meet debt/equity and working capital requirements not less stringent than those imposed by NHL Rules and Regulations on NHL Franchises, and (iv) none of the Operator, Team Affiliate or any assignee to which this Lease has been assigned pursuant to Section 6.1.2 has guaranteed any obligations or subjected its assets to collateralization securing of any obligations of, any entity owned or commonly owned or controlled by the Operator or its owners and not part of the reorganization consented to pursuant to Section 6.1.2 or otherwise consented to by the Authority.

4.5 Payment of Rent.

All sums payable by the Operator under this Lease to the Authority shall be paid in legal tender of the United States by wire transfer or by check drawn on a U.S. bank (subject to collection), without demand, deduction or setoff, at the address to which notices to the Authority are to be given or to such other party or such other address as Authority may designate in writing. The Authority's acceptance of Rent after it shall have become due and payable shall not excuse a delay upon any subsequent occasion.

ARTICLE 5

USE OF PREMISES

5.1 Suitability for Use; Disclaimer of Warranties.

5.1.1. Acceptance. By accepting the New Arena on the Commencement Date, the Operator shall be deemed to have conclusively acknowledged that the Premises are fit for their intended purposes and suitable for use as of the Commencement Date.

5.1.2. No Representation by the Authority. Except as expressly set forth in this Lease, or in any Related Agreement, the Authority,

presently and for the duration of the Lease Term, hereby expressly disclaims any and all warranties, express or implied, relating in any way to the Premises, including, without limitation, any warranty provided for under statutory or common law or the Uniform Commercial Code, including, but not limited to, warranties of merchantability and fitness for a particular purpose. The Operator and the Authority are acting at arm's length to protect their own interests, and the Operator will use its own independent business judgment concerning its decision to accept the Premises.

5.2 Use of the New Arena by the Operator.

5.2.1. Permitted Uses. The Operator shall use and operate the New Arena for a range of public assemblies, the holding of athletic contests and exhibitions, sporting events and tournaments (including, without limitation, NHL Events), conventions, public assemblies, musical and dramatic performances and other business, social, cultural, scientific and recreational events, as is an appropriate use of the New Arena.

5.2.2. Pursuit of Attractions. The Operator will cooperate with the Authority and will make commercially reasonable, good faith efforts to bring a variety of attractions to the New Arena that will be of interest to a substantial number of persons residing in the Pittsburgh region, including without limitation attractions of interest to children, and those types of attractions contemplated in Section 7.1.1, and will report these efforts annually in the report contemplated under Section 4.3.2(c) above. The Operator acknowledges that the primary purpose of this Section 5.2.2 is to ensure that events of general interest are brought into the New Arena during the Lease Term, and to make the New Arena available to a large number of persons in the Pittsburgh Region, notwithstanding that certain activities and events will not generate maximum revenues. Provided, however, that the Operator shall have no obligation to pursue any events or attractions that may, in the Operator's sole but reasonable discretion, interfere with any proposed or previously scheduled NHL Events.

5.2.3. Propriety of Events. The Operator shall not permit any exhibition or event to be conducted at the New Arena which would be offensive to the then current standard of public morals of the Pittsburgh community; provided, however, that if the same or similar exhibition or event has been conducted at not less than two (2) other Comparable Arena Facilities, then such exhibition or event shall not be deemed to be offensive to the public morals of the Pittsburgh community.

5.3 Right of Authority to Require Selection of Management Agent.

If at any time during the Lease Term, the Authority has concerns that management of the Premises, whether being performed by the Operator or by an independent management agent pursuant to a Management Agreement, is not consistent with the standards set forth in this Lease,

the Authority will advise the Operator in writing of its objections, specifically identifying issues of concern in reasonable detail. Following the delivery of such written notice:

(i) the Operator will respond to the Authority within thirty (30) days after receipt of notice, and will either identify any changes that will be made, or state reasons why the Operator does not agree with the Authority's position as to any such matter;

(ii) within thirty (30) days following the receipt of the Operator's response, the Operator, Authority and the manager, if any, will meet to review the issues raised by the Authority, and the responses of the Operator;

(iii) if the Operator elects to undertake corrective measures, it will have an additional period of sixty (60) days, following the initial meeting of the parties (or such additional time as is reasonably necessary provided that the Operator acts promptly and proceeds diligently), to implement any agreed revised procedures;

(iv) if, in the reasonable and good faith judgment of the Authority, the Operator either (A) refuses to implement appropriate revised procedures, or (B) fails to adequately do so, or (C) if there is a Management Agreement in force, fails to require its management agent to do so, within ninety (90) days after the initial meeting of the parties, and subject to the rights of the parties under subpart (v) below, the Authority may, in its discretion, on behalf of the Operator, designate a management agent to manage the New Arena, pursuant to such reasonable terms as the Authority may impose; and

(v) at any time after the exhaustion of the procedures set forth in subparts (i) and (ii) above, either party will have the right to invoke the procedures set forth in Article 15, Arbitration and Mediation, in connection with any matters arising under this Section 5.3.

5.4 Revenues from Events.

The Operator shall be responsible for marketing and scheduling all Events (other than Community Events and Commonwealth Events) and will, subject to the required payments of Rent, except as otherwise specifically set forth in this Lease, retain 100% of the net Revenues from all Events.

5.5 Public Use - Community Events.

The City, County and Authority shall have the right to use the New Arena for up to four (4) civic, cultural or community events and activities, which events will be sponsored by and for the benefit of nonprofit organizations, such as non-commercial not-for-profit youth athletic events, or not-for-profit civic celebrations as designated by the Authority ("**Community Events**") during each Lease Year, commencing with the Commencement Date. Events of a political nature and commercial events will not be permitted under this Section 5.5. Community Events shall only be scheduled on dates approved by the Operator, and the Authority shall provide not less than ninety (90) days written notice to the Operator of dates on which it desires to schedule Community Events. Such notice shall include the date, time and length of events as well as a general description of the event. Community Events may not be scheduled on dates

previously scheduled by the Operator, and Community Events shall be moved to another date if the New Arena is required for an NHL Event or a previously scheduled Non-NHL Event. No Community Event will be permitted that will, in the reasonable judgment of the Operator, result in damage to, or unreasonable use of the New Arena, including without limitation the floor of the New Arena. All revenues derived from Community Events sponsored by a nonprofit entity, after payment of Community Event Operating Expenses and other costs of production incurred by the sponsoring entity, shall be distributed to the sponsoring entity. The Operator shall not charge rental or a license, use or other fee for use of the New Arena for a Community Event, but shall be reimbursed for all of its out-of-pocket operating expenses, and costs relating to the use of the New Arena for such purpose, including without limitation, the operation of Concessions, additional utility costs, insurance and security, costs of personnel, and maintenance and repair costs, which costs would not have been incurred but for the Community Event ("**Community Event Operating Expenses**"). Payments due to the Operator for Community Event Operating Expenses shall be made within thirty (30) days after submission of an invoice by the Operator to the Authority stating in detail the expenses incurred. As a condition to allowing the Community Event to occur, the Operator shall have the right to require that the sponsor of the Community Event comply with the rules and regulations developed by the Operator with respect to the New Arena and to carry, and to provide to Operator evidence of, appropriate levels of general liability insurance with respect to any such Community Event.

5.6 Use by the Commonwealth.

The Commonwealth shall further have the right to use the New Arena for up to two (2) non-commercial not-for-profit events during each Lease Year ("**Commonwealth Events**"), on any date that the New Arena is not scheduled or reserved for an NHL Event or a Non-NHL Event. Events of a political nature and commercial events will not be permitted. Commonwealth Events shall only be scheduled on dates approved by the Operator, and the Commonwealth, through the Authority, shall provide not less than ninety (90) days written notice to the Operator of dates on which it desires to schedule Commonwealth Events. Such notice shall include the date, time and length of events as well as a general description of the event. Commonwealth Events may not be scheduled on dates previously scheduled by the Operator for an NHL Event or a Non-NHL Event, and Commonwealth Events shall be moved to another date if the New Arena is required for an NHL Event. No Commonwealth Event will be permitted that will, in the reasonable judgment of the Operator, result in damage to, or unreasonable use of the New Arena, including without limitation the floor of the New Arena. All revenues derived from Commonwealth Events sponsored by a nonprofit entity, after payment of Commonwealth Event Operating Expenses and other costs of production incurred by the sponsoring entity, shall be distributed to the sponsoring entity. The Operator shall not charge rental or a license, use or other fee for use of the New Arena for a Commonwealth Event, but shall be reimbursed for all of its out-of-pocket operating expenses, and costs relating to the use of the New Arena for such purpose, including without limitation, the operation of Concessions, additional utility costs, insurance and security, costs of personnel, and maintenance and repair costs, which costs would not have been incurred but for the Commonwealth Event ("**Commonwealth Event Operating Expenses**"). Payments due to the Operator for Commonwealth Event Operating Expenses shall be made within thirty (30) days after submission of an invoice by the Operator to the Commonwealth through the Authority stating in detail the expenses incurred. As a condition to allowing the Commonwealth Event to occur, the Operator shall have the right to require that the

sponsor of the Commonwealth Event comply with the rules and regulations developed by the Operator with respect to the New Arena and to carry, and to provide to Operator evidence of, appropriate levels of general liability insurance, or other reasonably acceptable alternative, with respect to any such Commonwealth Event.

5.7 Announcements.

The Operator, at the request of the Authority, and at no cost to Authority, will permit the use of the Communication System to disseminate public service community announcements and announcements concerning future Community Events and Commonwealth Events at such reasonable times, during each Event, as are designated by the Operator. Up to two (2) announcements per Event may be made over the public address system. During Community Events or Commonwealth Events, the Operator will, at the request of the Authority, permit the sponsor of the Community Event or Commonwealth Event to use the Communication System on its behalf for any purpose related to its charitable or non-profit activities. In addition, the Operator shall, upon the Authority's request, from time to time, at reasonable times designated by the Operator, place announcements and advertisements concerning Community Events or Commonwealth Events in a prominent location on the marquee sign or signs placed on the Premises which are used to advertise Events, provided, however, that the placement, frequency and timing of such announcements and advertisements shall be consistent with the Operator's practices for placement, frequency and timing of advertisements with respect to Events and shall be subject to the restrictions imposed by the Operator's sponsorship, naming rights, marketing and advertising agreements and subject to NHL Rules and Regulations.

5.8 Compliance With Laws.

Operator shall comply with and conform to all Applicable Laws relating in any manner whatsoever to the Operator's control, use and occupancy of the Premises, and Operator shall procure and maintain all licenses, approvals and permits required for its business and for the operation of the New Arena.

5.9 Assignment of Warranties.

The Operator will have the benefit of all warranties and guaranties relating to construction, and to fixtures, machinery and equipment installed in the New Arena that are made and delivered by either (i) the Construction Manager or any Contractor or other person or (ii) any manufacturer of any fixtures, machinery and equipment, and the Authority hereby assigns and transfers, to the fullest extent assignable and transferable to the Operator, during the Lease Term, all of its right, title and interest in and to all such warranties and guaranties. Notwithstanding the foregoing, to the extent that any such warranties and guaranties impose duties of indemnification upon the maker, the Authority and the Operator will share such right of indemnification as their interests may appear. Following the occurrence of an Event of Default after the expiration of any applicable grace or cure period, all of the right, title and interest of the Operator in and to all such warranties and guaranties, shall forthwith vest in the Authority.

5.10 Authority Reservation of Luxury Box; Tickets and Services.

The Authority reserves for itself, and through the Authority other units of government (including, without limitation, the City, County and Commonwealth), without payment of additional rent, fees or charges, the use of one Luxury Suite (the "**Authority Luxury Suite**"), to be located at a location to be agreed by the parties. The Authority Luxury Suite will include, without additional charge, tickets to all NHL Events and Non-NHL Events. Food, beverage and other services to the Authority Luxury Suite will be furnished by the Operator through its Concessions agreements at the same prices paid by the Operator under such Concessions agreements, or at such other prices as may be agreed to by the concessionaire. In addition the Authority will be furnished, for all Events, without charge, (i) with not less than two (2) parking spaces at a location comparable to those spaces provided to holders of other Luxury Suites, and (ii) with not less than ten (10) seats in the stands which shall be not be obstructed, and not more than twelve (12) rows from the ice for all NHL Events, and not more than twelve (12) rows from the floor for all Non-NHL Events.

5.11 Authority Office.

At a location to be agreed within the New Arena, in proximity to the Operator's offices, the Authority will be furnished with a private office and reception area for its use, which will contain not less than 200 square feet, and be located at street level or above. This office will be delivered in a finished condition (excluding furnishings) suitable for use as a business office. The office space initially to be furnished to the Authority will be finished in connection with the construction of the New Arena, at no additional cost to the Authority. The cost of finishing any additional space, as well as all costs related to maintenance and repair of any space furnished to the Authority under this Section 5.11 will be paid by the Operator, and the Authority will have no responsibility for such costs. Moreover, the Authority will pay no rent or utilities, except the cost of telephone and communications services. Cleaning and routine maintenance, including periodic painting and replacement of carpeting will also be provided by, and at the cost of the Operator.

5.12 Parking Garage.

5.12.1. Construction of Garage. Subject to Section 5.12.2 below, the Authority will, in connection with the development and construction of the New Arena, complete or cause to be completed a five hundred (500) space structured parking garage adjacent and connected to the New Arena (the "**Garage**"), at a site and with a design agreed to by the parties. As will be provided in the New Arena Development Agreement, construction of the Garage will be completed in time for it to open in conjunction with the opening of the New Arena. The Operator will manage, operate and maintain, at its sole expense, and will retain all net revenues from the Garage, and during the Lease Term, except as provided in subsection 10.4.4, will be responsible for all costs of maintenance, repair, replacements and improvements to the Garage. For all purposes of this Lease, if constructed, the Garage shall be part of the Premises, but no surface parking spaces provided under this Lease shall constitute a part of the Premises.

5.12.2. Failure to Agree on Garage. Notwithstanding any other provisions in Sections 4.2 and 10.3 of this Lease, in the event that the Operator and the Authority are unable to reasonably agree upon the site and design of the Garage on or before November 1, 2007, then the Authority will not construct the Garage but instead will, (a) provide as of the Commencement Date a five hundred (500) space surface lot adjacent to the New Arena (the “**New Arena Parking Lot**”); (b) pay to the Operator on October 2, 2010, as a one time rent rebate, an amount equal to the following: the present value, as of the Bond Offering Closing Date, of a future payment stream equaling thirty annual payments of \$100,000 to be paid on October 1 of each year beginning on October 1, 2010 through and including October 1, 2039; the discount factor to be used to calculate the present value of the above-mentioned payment stream on the Bond Offering Closing Date will equal the “all-inclusive cost”, to be calculated using municipal bond industry norms, of the Authority’s aggregate taxable Bonds; *(The “all-inclusive cost” essentially represents the semiannual discount rate, on a 30/360 day basis, which equates the net issue proceeds (defined as par amount plus accrued interest plus original issue premium less original issue discount less underwriting spread less bond insurance and surety bond premiums less all other costs of issuance) to future payments relating to the taxable Bonds including the principal, gross interest and/or fixed periodic swap payments, ongoing liquidity and remarketing fees and other associated ongoing related expenses);* and (c) deposit into the Capital Reserve Fund on October 2, 2010 an amount equal to the following: the present value as of the Authority’s Bond Offering Closing Date of a future payment stream equaling thirty annual payments of \$400,000 to be paid on October 1 of each year beginning on October 1, 2010 through and including October 1, 2039; the discount factor to be used to calculate the present value of the above-mentioned payment stream will be the same as used in (b).

In addition, in the event that the Operator and the Authority do not so reasonably agree on the Garage, as additional rent rebate, the Surcharges described in Section 4.2.3 (iii) will be retained by the Operator for the Lease Term, and notwithstanding any other term of this Lease, the Surcharges described in Section 4.2.3 (i) and (ii) will be retained for as long as the Existing Mellon Arena Parking Spaces and the New Mellon Arena Parking Spaces remain undeveloped and available for parking.

The Operator will manage, operate and maintain, at its sole expense, and shall retain all net revenues generated by the New Arena Parking Lot, for the duration of the Lease Term. The precise location of the New Arena Parking Lot will be as agreed by the Parties.

5.13 Parking at Mellon Arena Site.

5.13.1. Existing Mellon Arena Parking Spaces. From and after the Commencement Date, the Operator shall, pursuant to separate parking leases with the Authority and with the URA (relating to the Melody Tent Site), manage, operate and maintain, at its sole expense, and shall receive all net revenues from the operation of, all parking spaces currently located on the Mellon

Arena Site (“Existing Mellon Arena Parking Spaces”), including but not limited to revenues from parking for Events, as well as revenues from parking on a daily basis not related to any Event.

5.13.2. New Mellon Arena Parking Spaces. After the Mellon Arena New Parking Delivery Date, the Operator shall manage, operate and maintain, at its sole expense, and shall receive all net revenues from the operation of, all New Mellon Arena Parking Spaces. The New Mellon Arena Parking Spaces will be subject to the parking lease with the Authority referred to in Subsection 5.13.1.

5.13.3. Parking No Longer Permitted. The Operator shall manage, operate, and maintain, all at its sole expense, and receive all revenues from the operation of, the Existing Mellon Arena Parking Spaces and the New Mellon Arena Parking Spaces until the earlier of, (i) the date that the Existing Mellon Arena Parking Spaces and the New Mellon Arena Parking Spaces are no longer available by reason of the redevelopment of the Mellon Arena Site, subject to the terms of the Option Agreement, or (ii) the date that the ten (10) year "drawdown period" which is set forth in the Option Agreement expires.

5.14 Future Development.

At the time of execution of this Lease, the Authority, URA and the Operator will execute and deliver the Option Agreement.

5.15 Security. The Operator will, at its sole cost, maintain adequate security at the New Arena during all Events and at all other times during the Lease Term, and will implement procedures designed to ensure appropriate behavior by patrons and proper crowd control at all Events. The Operator will also implement commercially reasonable security procedures to attempt to minimize any adverse impact upon neighboring properties and institutions that may arise out of attendance at Events. Upon the reasonable request of the Authority, the Operator will meet with the Authority to review the need for special efforts to minimize to the greatest extent practicable any adverse affect that Events or other activities at the New Arena are having on properties in the immediate vicinity of the New Arena, and if the Authority so requests Operator will also meet, not more frequently than quarterly, with the owners (or representatives) of nearby properties.

ARTICLE 6

ASSIGNMENT AND SUBLETTING

6.1 Restrictions. Except as otherwise provided in this Article 6:

6.1.1. Assignment. Except as provided in Sections 6.1.2, 6.1.3 or 6.1.4 below, the Operator shall not assign or transfer this Lease or any of the Operator's rights or obligations hereunder, without the Authority's prior written consent. For purposes hereof, (a) the sale of more than fifty percent (50%) of the direct or indirect voting equity interests of the Operator shall be deemed to be an assignment, and (b) a collateral assignment of the Operator's or any affiliated

entity's rights to use the Premises under this Lease to a Lender (as defined in Section 6.2 below) as security for financing provided to the Operator or such affiliated entity by such Lender from time to time shall not be deemed to be an assignment, but shall be subject to the provisions of Section 6.2 below..

6.1.2. Assignment to Subsidiary Entity. Notwithstanding Section 6.1.1, but subject to the provisions of this Section 6.1.2, the Authority agrees that it will not withhold its consent under Section 6.1.1 to the assignment of this Lease or any of the Operator's rights or obligations hereunder to an affiliated entity in connection with a restructuring of the Operator's corporate structure to shift certain specified operations to affiliated entities as described in this Section 6.1.2. The Operator has advised the Authority that it intends to create additional limited partnerships or similar business entities to perform certain of the operations currently performed by the Operator and the operations to be performed by the Developer as described in the recitals to this Agreement, such restructuring to be subject to approval by the NHL. The Authority will not withhold its consent to assignments necessary to carry out this restructuring subject to the following conditions:

(a) the Operator provides all information reasonably requested by the Authority with regard to the Operator and the new entities and their intended ventures and operations, including but not limited to, (1) an organization chart and narrative showing ownership, form, type of entity, for each entity in the new structure; (2) description of the business and intended activities for each entity; (3) governance structure of each entity; (4) organization documents for each entity (such as applicable articles of incorporation and bylaws of corporations, partnership agreements, LLC operating agreements and other organizational documents) together with any shareholder, partner or member agreements among the owners of each; (5) the proposed material contractual, financial or operating arrangements among the entities, including funding commitments, guaranties, management agreements, supply agreements and other such arrangements; (6) the intended owners of each entity and officers, directors, managers, partners of each and voting agreements relating to each; (7) intended investments by the Operator in each entity and commitments for future investment; and (8) any intended outside funding of any of the new entities;

(b) each entity to which an assignment is made hereunder is owned in its entirety by the Operator (except for such de minimus ownership interest not greater than 1% that may be held by the Operator's general partner or a wholly-owned subsidiary thereof) and is controlled by the Operator and/or the Operator's general partner, and each such entity will continue to be controlled by the Operator and/or the Operator's general partner for as long as such entity remains obligated under this Lease;

(c) such entity's principal office is located in the New Arena;

(d) each of the entities to which this Lease or rights and obligations thereunder is assigned, which shall include the Team Affiliate, explicitly agrees to fully assume any and all obligations of the Operator under this Lease and under

any Related Agreement pertinent to this Lease and to the rights and obligations assigned, and each such entity will execute such documents, instruments and assurances as are necessary to evidence the foregoing duties and obligations; provided that the Team Affiliate will not be required to assume those obligations of the Operator under Section 4.3, Article 5, Section 7.1 and Sections 7.3, 7.4, and 7.5 of this Lease.

(e) the Operator remains liable and obligated for all obligations under this Lease, the Special Agreement and the New Arena Development Agreement assigned to another entity;

(f) each of the entities to which the Lease is assigned is subject to any and all restrictions upon assignment, subletting, relocation, sale or other transfers, including transfers of equity or control to third parties, contained in this Lease or in the Special Agreement; and

(g) the sole business operation of any entity to which this Lease or rights and obligations hereunder is assigned shall be that identified in the assignment.

In the event that the Operator seeks to obtain the Authority's consent pursuant to this Section 6.1.2, it shall deliver notification to the Authority of its desire to make an assignment covered by this Section together with all information required in subsection (a) above, the form of consent sought from the Authority and documentation that the conditions contained in this Section 6.1.2 have been met. In the event that the Authority does not, within 45 days after receipt of the notification and documentation specified above, deliver to the Operator either its consent to the assignment or a statement of its objection and its reasons for refusing to consent, the Authority shall be deemed to have consented to the assignment requested by the Operator; provided, that in connection with the Operator's restructuring presently intended to be consummated in August, 2007, the time period set forth above in this sentence shall be 20 days.

6.1.3. Other Permitted Assignments. Subject to the requirements of Section 8.4, Consent of Authority, which shall be applicable to an assignment of this Lease, the Authority will not unreasonably withhold its consent to any assignment of this Lease not covered by Section 6.1.2 provided that, (i) after such assignment, the assignee will have not less than Seven Million Five Hundred Thousand Dollars (\$7,500,000) in available working capital, or under a line of credit (in form and substance reasonably satisfactory to the Authority), which sum will increase during each Lease Year based upon CPI Increases, and (ii) that the assignment is to the Team Affiliate or to an Affiliate of the Team Affiliate. The Authority's consent to any assignment, or the Authority's acceptance or collection of Rent from any assignee, transferee or any other party, shall not be construed (i) as a waiver or release of the Operator from liability for the performance of any obligation to be performed under this Lease by the Operator, or (ii) as relieving the Operator from its obligation to pay Rent and all additional sums required to be paid to the Authority by the Operator under this Lease, or (iii) as relieving Operator or any assignee, transferee or any other party from the obligation of obtaining the consent of the Authority to other matters for which its consent is

required. All restrictions and obligations imposed upon the Operator pursuant to this Lease, together with all other terms, covenants and conditions hereof, shall be deemed to extend to any assignee of the Operator. Notwithstanding the foregoing, upon any assignment of this Lease and provided, that the Authority has consented in writing to such assignment where such consent is required, all conditions of this Lease relating to such assignment have been met, and the assignee assumes all of the obligations of the Operator hereunder pursuant to an Assignment and Assumption Agreement in form and substance reasonably acceptable to the Authority, the Operator shall be released from all obligations thereafter arising hereunder.

6.1.4. Subletting; Licenses. The Operator shall not sublet the Premises or any part thereof in excess of one thousand (1000) square feet without the prior written consent of the Authority; provided, however, that the prior written consent of the Authority shall not be required for the Operator to sublet or license the Premises to the Team Affiliate. The approval of the Authority Representative to subleases for retail and office use of portions of the New Arena, and to license agreements for concessions or retail use, and to other license agreements, will be given if the proposed usage is consistent with, (i) the operation of the New Arena in a manner consistent with Comparable Arena Facilities, and as a family-oriented entertainment facility, (ii) the promotion of development within the City of Pittsburgh, and (iii) all standards set forth in this Lease. Notwithstanding any sublet or license, or the execution of any concessions or similar agreement under this subsection, the Operator and each successor lessee shall remain fully liable for the payment of the Rent and all additional sums required to be paid to the Authority by the Operator under this Lease or any Related Agreement, and the performance of the Operator's other obligations under this Lease. The Authority's consent to any license, subletting, occupancy or similar agreement, or the Authority's acceptance or collection of Rent from any sublessee or occupant, shall not be construed (i) as a waiver or release of the Operator from liability for the performance of any obligation to be performed under this Lease by the Operator, or (ii) as relieving the Operator or any sublessee or occupant from the obligation of obtaining the consent of the Authority to other matters for which its consent is required. All restrictions and obligations imposed upon the Operator pursuant to this Lease shall be deemed to extend to any sublessee, concessionaire or licensee of the Operator, or other Person in occupancy of any part of the New Arena with the consent of Operator. Operator shall cause such Persons to comply with all such restrictions and obligations.

6.2 Mortgaging of Lease, Leasehold Estate of Operator, and/or Franchise.

The Operator and any affiliated entity to which this Lease shall have been assigned pursuant to Section 6.1.2 or 6.1.3, or to which the Premises have been sublet or licensed pursuant to Section 6.1.4, shall have the right to pledge or mortgage this Lease or other applicable agreement and/or its applicable interest in the Premises, or to collaterally assign the same, to a commercial lending institution regularly engaged in the making of commercial loans (a "**Lender**") as security for financing provided to the Operator by such Lender from time to time.

The Operator or any affiliated entity described in the immediately preceding sentence shall also have the right to grant a security interest in its revenues, contracts, moveable personal property and equipment and other personal rights and interests, including but not limited to the Franchise, but excluding Equipment. Provided, however, notwithstanding the foregoing: (1) and notwithstanding any term, covenant or condition in any document or instrument required by the Lender and related to such financing, in the event of any enforcement of remedies by that Lender against the applicable estate of Operator or any affiliated entity, the Franchise, or any other rights or interests granted by the Operator or such affiliated entity to the Lender, the Lender will be bound by, and the rights of the Lender will be subordinate to, all terms, covenants and conditions of this Lease, the Special Agreement and the Related Agreements, including, without limitation, those requiring continuous occupancy of the New Arena by the Operator or such affiliated entity and the Franchise for the remainder of the Lease Term, and prohibiting the relocation of the Franchise, except as may otherwise be specifically agreed in writing between the Authority and such Lender; and (2) the Operator or such affiliated entity will have the right to grant a security interest in its fixtures, furnishings and trade fixtures for which the Operator or such affiliated entity itself has paid or for which it has obtained third party financing, and that are not paid for out of the offering of revenue bonds issued by the Authority in connection with the development of the Premises, and which are affixed to, and made part of, the New Arena, except in the event that such fixtures, furnishings and trade fixtures cannot be removed without material damage to the New Arena (it being understood that any immaterial damage will be promptly repaired by the Operator or the applicable affiliated entity), and further provided that if they are necessary for the normal operations of the New Arena, then they cannot be removed by the Lender, and the Lender shall acknowledge and agree to this provision as part of granting the security interest in said fixtures, furnishings and trade fixtures. In connection with any financing arrangement under this Section 6.2, the Authority will upon the request of the Operator or its applicable affiliated entity, deliver an estoppel to the Lender in a commercially reasonable form, which shall be consistent with the requirements of this Section. The Operator will reimburse the Authority upon demand for counsel fees incurred by the Authority in reviewing documentation submitted by any Lender with respect to a leasehold mortgage, security interest or other financing arrangements between the Lender and the Operator and/or any affiliated entity. The Operator will ensure that the terms of this Section 6.2 are disclosed to any Lender, and reference to this Section will be made in a memorandum of this Lease to be placed of record in Allegheny County, Pennsylvania; the form of memorandum of lease is attached to this Lease as Exhibit D.

ARTICLE 7

OPERATIONS

7.1 Operator's Covenants.

7.1.1. Management and Operations. At all times during the Lease Term, the Operator shall: (i) operate the New Arena in a manner consistent with the operation of Comparable Arena Facilities; (ii) use commercially reasonable, good faith efforts to maximize the use of the New Arena for a variety of events of interest and benefit to the Pittsburgh community, including but not limited to, concerts, performances, ice shows, a circus, sporting events other than hockey, religious events, programs of interest to children, and other attractions; (iii) cooperate with the Authority, the Convention and Visitors

Bureau and other agencies of the City, County and Commonwealth to attract conventions and regional events and to permit usage of the New Arena in connection with conventions and regional events; (iv) make the New Arena available to conventions, meetings and gatherings of various types at fair and reasonable rental charges, which shall be flexible based upon the nature of the event; and (v) promote tourism, and encourage economic growth and development of the Pittsburgh region. The Operator shall, manage, operate and maintain all aspects of the New Arena, subject to Authority's and the Commonwealth's right to use the New Arena for Community Events and Commonwealth Events, and further subject to the rights of the Authority, as set forth in Article 5 above. All of the foregoing shall be done at the sole cost of Operator, subject to Article 10 below. In addition, at all times during the Lease Term, Operator or any Affiliate to which this Lease has been assigned pursuant to Section 6.1.2, will maintain not less than Seven Million Five Hundred Thousand Dollars (\$7,500,000) in available working capital, or under a line of credit (in form and substance reasonably satisfactory to the Authority), which sum will increase during each Lease Year based upon CPI Increases.

7.1.2. Retention and Delegation of Management

Authority. In connection with the rights and obligations of the Operator to manage, market, maintain and operate the New Arena, the Operator itself may perform marketing, management and operating rights and duties with respect to the New Arena or may from time to time enter into a Management Agreement with a firm or firms of national or regional repute, experience and standing in certain or all aspects of marketing, management and operation of similar facilities, subject to the terms of this Lease. If the Operator intends to enter into a Management Agreement, the Operator shall advise the Authority of the management agent's name and the proposed duration of such Management Agreement in writing at least thirty (30) days prior to entering into the same, provided that prior to entering into any agreement with a management agent, the Operator shall receive the written approval of the Authority as to the identity of that Person. If the Authority does not object to the identity of the management agent within thirty (30) days after delivery of notice, the management agent shall be deemed to have been approved. If any such management company, or its principals, shall at any time have any business relationship with the Operator, or its principals, other than with respect to the New Arena, the Operator shall disclose such relationship in writing to the Authority and shall maintain such other business relationship and the New Arena relationship entirely independent and separate from each other.

7.1.3. MBE/WBE Plan. With respect to its management of the New Arena as provided herein, prior to the Commencement Date, the Operator shall develop and submit to the Authority for review and approval a Minority and Women Business Enterprise Plan. Operator shall at all times during the Lease Term demonstrate a good faith effort to meet or exceed the Authority's goals of minority business enterprise (MBE) and women business enterprise (WBE) in the operation of the New Arena. In its annual report required under Section 4.3.2 (c) above, Operator will set forth in reasonable detail a summary of

the results of its efforts under this Section. Operator will make reasonable modifications to this plan in response to the comments of the Authority, and upon the request of the Authority, it is expected that this plan will be reviewed, revised and updated throughout the Lease Term. Upon request of the Operator, the Authority shall use good faith efforts to support the Operator in its efforts with one or more unions representing persons employed in any aspect of the management and operation of the New Arena, if any, to obtain such equal employment opportunities concerning the operation of the New Arena necessary to implement the Minority and Women Business Enterprise Plan.

7.1.4. Additional Rights of Operator. The Operator shall have the right, in its discretion, to do all of the following:

(a) solicit, negotiate and enter into leases, licenses and similar agreements regarding the use and presentation of Events at the New Arena with other professional and amateur sports franchises, including colleges and universities, and with other promoters of events;

(b) enter into licenses for the use of Luxury Suites and club seats, and agreements with respect to promotional activities and advertising, and engage in any and all necessary and appropriate marketing and sales activities with respect to such licenses and agreements; and

(c) enter into agreements for the right to provide technical production services for radio, TV, cable, satellite and other transmissions from the New Arena.

7.1.5. Additional Duties of Operator. The Operator shall do all things and take all actions, and expend such funds, as may be reasonably necessary or desirable for the operation of the New Arena in accordance with this Lease throughout the Lease Term. Without limiting the generality of the foregoing, the Operator, at all times throughout the Lease Term, shall:

(a) Commence, defend and settle in good faith such legal actions or proceedings concerning the operation of the New Arena as are necessary or required in the reasonable opinion of the Operator; retain counsel in connection with such defense; and notify the Authority in writing of the commencement of any legal action or proceeding and advise the Authority of the progress of any such legal action or proceeding. Upon request, the Operator shall send to the Authority copies of all legal documentation relating to such legal actions.

(b) Employ, train, pay, supervise and discharge such employees of the Operator, and/or engage such independent contractors, as the Operator determines in its sole discretion to be necessary for the maintenance, repair and operation of the New Arena, including but not limited to ushers, cleaning personnel, ticket takers, maintenance workers and equipment operators. All personnel of the

Operator used in carrying out its duties under this Lease shall be employees or independent contractors of the Operator, and not the Authority.

(c) Maintain or cause to be maintained all necessary licenses, permits, approvals and authorizations required by any Governmental Authority, for the operation of the Premises.

(d) Comply in all material respects with all Applicable Laws relating in any respect to the use, occupancy and operation of the Premises, including without limitation, the Americans With Disabilities Act of 1990 (42 U.S.C. § 12101, et seq.), all regulations promulgated thereunder, and comparable laws, ordinances, codes and regulations of the Commonwealth, the County and the City.

(e) Operate and maintain the Premises in compliance with the U. S. Green Building Council's Leadership on Energy and Environmental Design (LEED) Green Building Rating System, as implemented in connection with the development and construction of the New Arena pursuant to the New Arena Development Agreement. The Operator will also implement a recycling plan for use at all Events, will submit that recycling plan to the Authority not less than annually for review and comment, and will make reasonable modifications to that plan in response to the comments of the Authority. In its annual report required under Section 4.3.2(c) above, the Operator will set forth in reasonable detail a summary of the results of its efforts under this Section.

7.1.6. Maintenance of Existence. At all times during the Lease Term, the Operator will maintain its existence as an entity organized under the laws of Delaware or Pennsylvania, and will not dissolve or liquidate, or change its form of existence, without the prior written consent of the Authority.

7.1.7. Maintenance of Corporate Headquarters, etc. At all times during the Lease Term, the Operator will maintain its headquarters and its principal place of business in Allegheny County, Pennsylvania.

7.1.8. Occupancy of the New Arena. The Operator or, following the assignment contemplated by Section 6.1.2, the Team Affiliate, will conduct NHL Home Games at the New Arena for the duration of the Lease Term, as further set forth in this Lease and the Special Agreement. The Operator further acknowledges that if it or the Team Affiliate violates this covenant, the Authority, the City, County and Commonwealth have the right to seek both equitable and other relief as further agreed in this Lease and the Special Agreement.

7.1.9. Notice of Sale, etc. If at any time the Operator or the Team Affiliate enters into a commitment, either orally or in writing, with any Person to sell, transfer, assign or convey any interests in the Operator, or other managing entity, where the prior written consent of the Authority or the Commonwealth to the transaction is required under this Lease or any Related Agreement, in addition to the notice required under Section 8.2 below, the

Operator or the Team Affiliate will immediately furnish written notice to the Authority and to the Commonwealth in the manner set forth in Section 17.1 below.

7.1.10. Successors Bound. If at any time during the Lease Term, subject to all applicable terms of this Lease, including, without limitation Section 6.1, and any Related Agreement, this Lease is assigned or a substantial portion of the Premises are sublet, or any interests in the Operator, or the Team Affiliate, or other managing entity are sold, transferred, assigned or conveyed, and if the consent of the Authority to any such transaction is required under this Lease, the Special Agreement or any other Related Agreement, the Operator and/or the Team Affiliate will, as a condition to any such transaction, cause any successor entity to agree to be bound by all terms, covenants and conditions of this Lease, the Special Agreement and the other Related Agreements, and such successor will execute and deliver to the Authority such documents, instruments and other assurances evidencing that undertaking as is reasonably requested by the Authority to carry out the intention of the parties to this Lease and to all Related Agreements.

7.1.11. Maintenance and Repair. At all times during the Lease Term, the Operator will perform such maintenance and repair, and comply with all other obligations relating to the management and operation of the New Arena, as are required by this Lease, including without limitation, Article 10 hereof, and the Related Agreements.

7.1.12. Commonwealth and Community Events. The Operator will make the New Arena available for Community Events and Commonwealth Events as is further set forth in Sections 5.3 and 5.4 hereof respectively.

7.1.13. Traffic Control, EMS Services, etc. At all times during the Lease Term, the Operator will pay all reasonable and customary expenses incurred by the Commonwealth, the County or the City relating to the use or installation of any temporary traffic control devices required by the Commonwealth, the County or the City in connection with Events, as well as all reasonable and customary costs that are related to the furnishing of traffic control, EMS, police, fire or other public or emergency services to the New Arena in connection with any specific Events.

7.1.14. No Power to Bind. The Operator shall have no power to bind the Authority, except as specifically approved in writing in advance by the Authority.

7.2 Operator's Covenants as to the Franchise. At all times during the Lease

Term:

7.2.1. Maintenance of Existence. The Operator or the Team Affiliate will maintain its existence as an entity organized under the laws of

Delaware or Pennsylvania, and will not dissolve or liquidate, or change its form of existence, without the prior written consent of the Authority.

7.2.2. Maintenance of Franchise. The Operator and the Team Affiliate, as applicable, shall (i) maintain its membership and the Franchise in the NHL in good standing, and (ii) hold, maintain and defend its rights and franchise to play hockey as a member of the NHL at the New Arena.

7.2.3. Maintenance of Corporate Headquarters, etc. The Operator and the Team Affiliate will maintain its headquarters and its principal place of business in Allegheny County, Pennsylvania, and will maintain all of its training facilities and camps and related facilities and activities, other than minor league franchises, and pre-season training camp, within (i) the Commonwealth of Pennsylvania, and (ii) a radius of not more than sixty (60) miles from the City.

7.2.4. Occupancy of the New Arena. The Operator or the Team Affiliate, as applicable, will conduct NHL Home Games at the New Arena for the duration of the Lease Term, as further set forth in this Lease and the Special Agreement. The Operator further acknowledges that if it or the Team Affiliate violates this covenant, the Authority, the City, County and Commonwealth have the right to seek both equitable and other relief as further agreed in this Lease and the Special Agreement.

7.2.5. Solvency of Operator. The Operator and the Team Affiliate shall not be insolvent within the meaning of 12 Pa.C.S.A. §5102.

7.2.6. Notice of Sale, etc. If at any time the Operator or the Team Affiliates enters into a commitment, either orally or in writing, with any Person to sell, transfer, assign or convey any interests in the Franchise, where the prior written consent of the Authority or the Commonwealth to the transaction is required under this Lease or any Related Agreement, in addition to the notice required under Section 8.2 below, the Operator will immediately furnish written notice to the Authority and to the Commonwealth in the manner set forth in Section 17.1 below.

7.2.7. Successors Bound. If at any time during the Lease Term, subject to all applicable terms of this Lease and any Related Agreement, this Lease is assigned or the Premises sublet, or any interests in the Franchise are sold, transferred, assigned or conveyed, and the consent of the Authority to any such transaction is required under this Lease, the Special Agreement or any other Related Agreement, the Operator will, as a condition to any such transaction, cause any successor owner of the Franchise to be bound by all terms, covenants and conditions of this Lease, the Special Agreement and the other Related Agreements, and such successor will execute and deliver to the Authority such documents, instruments and other assurances evidencing that undertaking as is reasonably requested by the Authority to carry out the intention of the parties to this Lease and to all Related Agreements.

7.2.8. No Power to Bind. The Team Affiliate shall have no power to bind the Authority, except as specifically approved in writing in advance by the Authority.

7.3 Revenues.

The Operator shall be entitled to receive and retain all Revenues from all Events (except as otherwise specifically set forth herein), including without limitation the following:

7.3.1. Gate Receipts. The Operator shall retain 100% of all ticket Revenues from all NHL Events.

7.3.2. Concessions. To the extent that the Operator determines that it will enter into Concessions contracts with any other Person, the Operator shall be responsible for the selection and negotiation of the New Arena's Concessions contracts, provided, that, except as otherwise provided by law, (a) the concessionaire shall be either (i) on a list of eligible concessionaires approved by the Authority, as such list may be amended from time to time with the approval of the Authority, which approval shall not be unreasonably withheld, delayed or conditioned, or (ii) providing concessions services at not less than two (2) other Comparable Arena Facilities, or (iii) approved by the Authority, which approval shall not be unreasonably withheld, delayed or conditioned, and (b) the contract provisions affecting construction of concession areas shall be subject to approval by the Authority, which approval shall not be unreasonably withheld, delayed or conditioned. Operator shall retain 100% of all Concessions Revenues.

7.3.3. Non-NHL Events. Operator shall be responsible for marketing and scheduling all Non-NHL Events, and will retain 100% of Revenues from Non-NHL Events.

7.3.4. Luxury Suites and Premium Seating. The Operator shall retain 100% of the Revenues generated from Luxury Suites and any other premium seating located in the New Arena, and, except as may otherwise be agreed between the parties, shall be responsible for the marketing and sale of Luxury Suites and such other premium seating.

7.3.5. Novelties and Programs. The Operator shall be responsible for the marketing and sale of novelties, merchandise and programs and shall retain 100% of the Revenue generated therefrom.

7.3.6. Outside Marquee. The Operator shall be responsible for the marketing and sale of one or more outside marquees, and shall retain 100% of the Revenues generated therefrom.

7.3.7. Sponsorships and Arena Advertising. The Operator shall be responsible for the marketing and sale of all sponsorships, advertising and signage with respect to the New Arena (including, without limitation, virtual signage, stationary displays of names, logos or products, product sampling, on-

premises promotions, website displays, radio spots, printed items, video board displays, service offerings (a/k/a “tabling”), naming rights for areas within the New Arena and on the Site, presenting sponsorships and event sponsorships) and shall retain 100% of the Revenues generated therefrom.

7.3.8. Naming Rights. Naming Rights for the New Arena shall belong to the Operator, and the Operator shall retain 100% of the Revenues generated by the sale of the Naming Rights.

7.3.9. Surcharges. During the Lease Term, from and after the Commencement Date, in addition to the Surcharges imposed under Section 4.2.3 above, pursuant to its powers under the Authority Act, the Authority will impose, and the Operator will collect, the following additional Surcharges in the amounts set forth below, and with respect to all of the following:

(a) an amount equal to five percent (5%) of the cost of all tickets to all Non-NHL Events;

(b) an amount of One Dollar (\$1.00) per vehicle for all vehicles parking at all parking lots located on the Mellon Arena Site, for all Events;

(c) an amount of \$.50 per day on each vehicle using all parking lots located on the Mellon Arena Site, on a daily, or lease, basis; and

(d) an amount equal to three percent (3%) of the total admission price which shall be imposed on all tickets for all seats sold to all NHL Events; provided, however, that this Surcharge shall not be imposed on any premium portion of the ticket price for premium seating tickets (including club seats and Luxury Suites); and provided further that the ticket price of premium seating tickets (including club seats and Luxury Suites) for the purposes of calculating such Surcharge shall equal the highest priced non-premium seating tickets for such events.

The proceeds of all of the foregoing Surcharges will be retained by the Operator; provided however, that, (i) the Surcharges on parking at the Mellon Arena Site set forth in subparts (b) and (c) above will only be retained by Operator during the period that those parking spaces are available to Operator, as provided in Section 5.13.3 above, and (ii) following the expiration of the period when those parking spaces are available to Operator, the Authority shall, in its discretion, have the right to impose surcharges on any remaining parking spaces at the Mellon Arena Site for its benefit.

7.3.10. Retail Uses. Operator shall retain 100% of the rents and other sums payable to the Operator under any sublease for retail use at the New Arena.

7.4 Operation and Maintenance Budget.

On or before October 1, 2010, and on or before July 31 of each calendar year thereafter, the Operator shall submit to the Authority its proposed operation and maintenance budget (the

"**New Arena Operation and Maintenance Budget**") for the succeeding Lease Year with respect to the Operator's estimated operation, maintenance and marketing expenditures with respect to such Lease Year (including a detailed itemization of such estimated expenditures). The New Arena Operation and Maintenance Budget shall provide sufficient funds to ensure that the Operator will perform prudent and ordinary maintenance to the New Arena during each Lease Year. The New Arena Operation and Maintenance Budget will provide for the expenditure of the Surcharges as contemplated in the Authority Act. It will be subject to the review of the Authority, and the Operator will make reasonable efforts to modify the New Arena Operation and Maintenance Budget in response to the comments of the Authority.

7.5 Operation of Concessions.

The Operator shall have the right, at its sole expense, to operate all Concessions. The Operator or its concessionaires, licensees or sublicensees shall have the right to sell to the general public at all times at the New Arena food, beverages, alcoholic beverages, clothing, novelties, merchandise and other items, as determined by the Operator in its reasonable judgment. The kind, quality and price of such items shall be consistent with the following:

7.5.1. all products for human consumption shall be stored, handled, prepared and served until delivery to the consumer in accordance with all Applicable Laws and operating requirements applicable to food storage, handling, preparation and service and in compliance with the highest applicable sanitation rating from any Governmental Authority having jurisdiction;

7.5.2. all Concessions shall be operated in a manner consistent with the operation of concessions at Comparable Arena Facilities;

7.5.3. all clothing, merchandise, novelties or other items sold at any "Team Store" or concession stand must have been produced in conformity to all standards imposed by any Governmental Authority which has regulatory authority over such goods or the use or sale thereof, including without limitation standards relating to fair wages, unsafe working conditions, unsafe environmental conditions, and "sweatshop" working environments; and

7.5.4. food and beverage offerings shall be similar in quality and price to those offered at Comparable Arena Facilities.

7.6 Affordable Seating.

With respect to the first Lease Year following the Commencement Date, the Authority and the Operator have agreed upon a plan to provide affordable seating at NHL Home Games as set forth on Exhibit E attached hereto (the "**Affordable Seating Plan**"), which is hereby approved by the Authority, and shall be implemented by the Operator on the Commencement Date. With respect to each succeeding NHL regular season during the Lease Term, to the extent that the Operator intends to implement the Affordable Seating Plan during such regular season, the Operator shall provide written notice thereof to the Authority not later than September 1 prior to the applicable Lease Year, and the Affordable Seating Plan shall be deemed to be approved by the Authority with respect to such NHL regular season following provision of such notice. In the

event that the Operator, in its sole discretion, does not intend to implement the Affordable Seating Plan during any applicable NHL regular season, then, on or before September 1 prior to the start of the next Lease Year, the Operator will submit to the Authority for its approval an alternate plan to provide affordable seating at NHL Home Games. This alternate plan will identify in detail the number and location(s) of seats designated as affordable, the number and dates of regular season NHL Home Games in which seats designated as affordable will be available, ticket prices to be charged, youth or other special admission programs and the means by which information relating to the availability of affordable tickets will be publicized. Operator will make reasonable modifications to its alternate affordable seating plan in response to the review and comment of the Authority. Operator will report annually as to the results of the implementation of this plan in its annual report required under Section 4.3.2 (c) above.

7.7 Covenant as to Casino Operator Agreement.

Operator acknowledges that an agreement (the "**Casino Operator Agreement**") will be effective between the Person that receives a license to operate a gaming casino in the City of Pittsburgh (the "**Casino Operator**"), and the Authority and/or the Commonwealth. Pursuant to the Casino Operator Agreement, the Casino Operator will make payments to the Authority or the Commonwealth to be used for the payment of debt service on certain bonds (the "**Bonds**") to be issued by the Authority on the Bond Offering Closing Date. Operator represents that neither it nor any related entity has, and covenants that neither it nor any related entity will, provide anything of value to the Casino Operator, directly or indirectly, in exchange for the Casino Operator entering into the Casino Operator Agreement or making the payments provided for in the Casino Operator Agreement. Operator covenants that it will not allow the Casino Operator or any related entity to use any portion of the New Arena in a trade or business, other than use as a member of the general public. The terms "related party", "use in a trade or business", and "use as a member of the general public", shall have the meanings ascribed for purposes of Treasury Regulation Section 1.141-4. The purpose of this Section is to avoid the creation or existence of "private security" or "private payments" that would jeopardize the tax-exempt status of the Authority's Bonds and this paragraph shall be interpreted so as to achieve that purpose. Provided however, nothing contained in this Section 7.7 shall be construed to prohibit the Operator from entering into any sponsorship, advertising similar agreements or arrangements (excluding naming rights) with the Casino Operator or any related entity upon terms that are negotiated on an arms length basis and are no more favorable to the Casino Operator than terms available to other sponsors.

ARTICLE 8

OPERATING AND NON-RELOCATION COVENANTS

8.1 Operating Covenant.

The Operator acknowledges that its commitment to play all of its NHL Home Games at the New Arena, and to otherwise occupy and operate the New Arena for the purpose of playing all of its NHL Home Games, as set forth in this Lease and the Related Agreements is a material inducement for the Authority to undertake development of the Premises, and to enter into this Lease. Accordingly, the Operator covenants that, during the Lease Term, subject to any Untenantability Period and to NHL Rules and Regulations (i) it will play all of its NHL Home

Games at the New Arena, (ii) the Operator will maintain its business offices at the Premises, and (iii) without the prior written consent of the Authority, which may be granted or withheld in the discretion of the Authority, the Operator will not play any game that would otherwise be scheduled as an NHL Home Game at any other facility.

8.2 Covenant Not to Relocate.

In consideration for the participation of the Authority and the Commonwealth in this project, the Operator affirmatively covenants, subject to, and except as otherwise necessitated by, any Untenantability Period, and except as otherwise consented to by the Authority in writing, in advance, (i) to play all of its NHL Home Games at the New Arena; (ii) not to play its NHL Home Games at any venue other than the New Arena; (iii) to maintain its business offices at the Premises; (iii) not to relocate or attempt to relocate the Franchise outside the City; (iv) not to initiate or participate in discussions that would be intended to result in the relocation of the Franchise; (v) not to transfer or assign the Franchise to any Person which does not expressly agree in writing to be bound by this Agreement; (vi) not to grant a security interest in the Franchise to any Person which does expressly subordinate the security interest, in writing, to this Agreement, and expressly agree in writing not to attempt to enforce its security interest by the sale or other disposition of the Franchise to a Person which does not expressly assume and agree to be bound by this Agreement and (vii) not to dissolve or liquidate all or substantially all of its business assets, provided, however, that the foregoing covenants shall not prohibit the Operator from engaging in discussions or negotiations during the final twelve (12) months of the Lease Term with any Person with respect to the relocation of the Franchise after the expiration of the Lease Term. In accordance with the foregoing covenants, the Operator further agrees not to make an application to the NHL to sell or transfer the Franchise without providing sixty (60) days' prior written notice of such intended application to the Authority and to the Commonwealth. These covenants shall expire only upon the expiration or sooner termination of the Lease Term in accordance with the terms and conditions of Section 14.8.3 of the New Arena Lease.

8.3 Sale of the Franchise.

In accordance with the covenants set forth in Section 8.2 above, the Operator further agrees not to make an application to the NHL to sell, pledge, encumber, assign, transfer or otherwise dispose of the Franchise without providing sixty (60) days' prior written notice of such intended application to the Authority and to the Commonwealth. This covenant shall expire only upon the expiration of the Lease Term. The Operator hereby agrees to request acknowledgment of the terms hereof from NHL. It shall be a condition to any sale, pledge, encumbrance, assignment, transfer or other disposition that any new owner or controlling entity of the Franchise shall execute a counterpart of this Lease, the New Arena Development Agreement and any Related Agreements and assume the obligations of the Operator thereunder. Further obligations of the Operator not to relocate the Franchise during the Lease Term, as well as damages related to any such relocation are set forth in the Special Agreement. For purposes hereof, the sale of more than fifty percent (50%) of the direct or indirect voting equity interests of the Operator shall be deemed to be an assignment, and a transfer of the Franchise.

8.4 Consent of Authority.

8.4.1. Standards. Notwithstanding the covenant not to transfer the Franchise without the prior written consent of the Authority contained in Section 8.2 of this Lease, the Authority will consent in writing to any sale, assignment or transfer of the Franchise if the assignee assumes and agrees to be bound by this Lease and the Operator provides written evidence reasonably satisfactory to the Authority that, after giving effect to such assignment, the assignee (i) will meet all standards of the NHL then in effect for any proposed acquirer of an NHL franchise, (ii) will comply, in all material respects, with all applicable NHL Rules and Regulations together with any requirements or covenants specifically imposed by the NHL on the Operator or the Team Affiliate, or on the proposed acquirer of the Franchise; (iii) has not less than Seven Million Five Hundred Thousand Dollars (\$7,500,000) in available working capital, or under a line of credit (in form and substance reasonably satisfactory to the Authority), which sum will increase during each Lease Year based upon CPI Increases; (iv) will not be insolvent within the meaning of 12 Pa.C.S.A. §5102; (v) following such assignment, will meet the debt/equity and working capital requirements under the NHL Rules and Regulations, and (vi) has not guaranteed any obligations or subjected its assets to collateralization securing of any obligations of, any entity owned or commonly owned or controlled by the assignee or its owners unless consented to by the Authority.

8.4.2. Further Requirements. Notwithstanding the foregoing, the Authority will not in any event consider granting consent to relocate the Franchise in the absence of documentation evidencing: (i) the willingness of the NHL to grant a franchise to a qualified owners' group that has committed to play all of the regular season, playoff and exhibition hockey games played by the franchise as the home team in the New Arena (other than such regular season, playoff or exhibition hockey games which are scheduled by the NHL to be played at a location or locations other than the New Arena), on terms and conditions consistent with NHL Rules and Regulations; (ii) the willingness of Operator or the Team Affiliate or its successor or assignee to transfer (A) the name "Penguins", (B) the then current symbol/emblem of the Franchise, and (C) the black, gold, and white team colors, to any future NHL franchisee in Pittsburgh; and (iii) the willingness of the Operator or the Team Affiliate or its assignees to transfer all championship banners and team trophies earned by the Franchise to the Authority or its assignee prior to any such relocation

8.5 Unique Nature of Agreement; Injunctive Relief.

The Operator and the Authority agree that the rights and duties established in this Article 8, and in the Special Agreement, are of a unique and special nature. Therefore, Operator, for itself and for its successors and assigns, acknowledges all of the following: (i) that the Authority, the Commonwealth, the City, and the County would suffer irreparable harm if the Franchise would, during the term of this Agreement, relocate or the Operator would enter into any agreement for the sale or assignment of its rights and privileges under the Franchise that would

contemplate a relocation of the Franchise or otherwise violate the covenant set forth in Section 8.2 above (the Covenant not to Relocate); (ii) that a violation by the Operator of its Covenant not to Relocate would (A) constitute a material breach of this Lease, (B) that damages incurred as a result of such material breach would not be readily ascertainable, (C) that money damages would not adequately compensate the Authority, the Commonwealth, the City or the County for resulting injuries, and (D) that such damages would not be an adequate substitute for an equitable remedy specifically enforcing the Covenant not to Relocate; and (iii) that its obligations set forth in this Agreement are unique and that the Authority would not have an adequate remedy at law if the Operator were to violate the Covenant not to Relocate. Therefore, the Operator agrees that this Agreement may be specifically or mandatorily enforced by the Authority. The Operator agrees that, if it breaches the Covenant not to Relocate, then in addition to any other remedies available at law or equity (including specific performance), the Authority, the Commonwealth, the City and the County (or any one or more of them) shall be entitled to a temporary, preliminary, or permanent injunction in order to prevent the continuation of such breach or harm. the Operator hereby waives any requirement that any of such parties provide any notice or post a bond in connection with any request for any injunction.

8.6 No Waiver of Damages.

Nothing set forth in this Article 8 shall be construed to modify or alter in any respect any rights or remedies that the Authority, the Commonwealth, the City or the County may have to assert a claim for monetary damages under this Lease, the Special Agreement or any other Related Agreement if the Operator violates the Covenant not to Relocate set forth in Section 8.2 above.

8.7 Intended Third Party Beneficiaries. The Commonwealth, the County and the City are all intended third party beneficiaries of this Article 8.

ARTICLE 9 **UTILITIES**

Operator shall be solely responsible for and promptly pay or cause to be paid all charges or taxes for heat, water and sewer, gas, electricity, telephone, communications and any other utilities and services rendered to or used on or about the Premises (including all costs of maintenance, repair, pest control, security, waste removal and janitorial, elevator and escalator services, collectively "**Utilities and Services**"). In no event shall Authority be liable for an interruption or failure in the supply of any Utilities and Services to the Premises, except for its gross negligence or willful misconduct. From and after the Commencement Date, the Operator shall have the right to enter into reasonable agreements with utility companies or governmental agencies as may be required in order to service the Premises, and the Authority covenants and agrees to consent thereto and to execute any and all documentation and to undertake all actions in order to effectuate the same, as long as the same do not materially adversely affect the Authority.

ARTICLE 10
REPAIRS, MAINTENANCE AND ALTERATIONS

10.1 Operator's Covenants.

At all times during the Lease Term, and subject to such provisions for Capital Repairs and Capital Improvements as are made pursuant to this Article, Operator shall at its sole cost and expense: (a) keep and maintain the Premises and all Equipment in compliance with all Applicable Laws and NHL requirements, and in good, clean, safe and sanitary condition and repair (ordinary wear and tear excepted), in a manner similar to how the Comparable Arena Facilities are kept and maintained, and make all ordinary and necessary repairs and replacements required for the day to day operation of the New Arena; (b) maintain or cause to be maintained all necessary licenses, permits, approvals and authorizations for the operation of the Premises; (c) maintain the playing surface and the ice making systems of the New Arena; (d) perform ordinary maintenance required to keep the exterior portions of the Premises in a neat and orderly condition, free of litter and debris, with grass and shrubbery in trim; (e) not commit waste or destroy, demolish, vacate or abandon any part of the Premises; (f) maintain the roof and structural components of the Premises, and (g) be responsible for snow and ice removal, and for performing ordinary maintenance to preserve the safe condition of all sidewalks and any other structures located on the Premises, outside of the New Arena. Maintenance work and Alterations anticipated as being necessary, to be performed on an annual basis, will be identified in the annual New Arena Operation and Maintenance Budget. All repairs and replacements shall utilize materials or component parts of substantially the same quality as those being repaired or replaced.

10.2 Authority's Covenants.

Subject to the terms of this Lease, the Authority shall pay the cost of all Capital Repairs and, subject to Section 10.3.5, all Capital Improvements. To the extent that funds in the Capital Reserve Fund are not sufficient to pay the cost of Capital Repairs or Capital Improvements, as required by the terms of this Lease, the Authority will provide the necessary funds or obtain the necessary funds from other sources.

10.3 Capital Reserve Fund: Payment for Capital Repairs.

10.3.1. **Establishment of Fund.** The Authority shall establish and control a Capital Reserve Fund as a segregated fund of the Authority ("**Capital Reserve Fund**"), separate and apart from other funds of the Authority. On the Commencement Date, the Authority will deposit \$3,000,000 into the Capital Reserve Fund. Thereafter, during each Lease Year, the Authority shall deposit the sum of \$400,000 into the Capital Reserve Fund (or such lesser sum as may be actually paid to the Authority by Operator), from the proceeds of the Surcharge imposed by the Authority as described in Section 4.2.3, which is collected by the Operator and paid to the Authority. Except, however, as described in Section 5.12.2, in the event the Garage is not agreed to, the sum of \$400,000 of the Surcharge proceeds that would otherwise have been paid to the Authority and deposited into the Capital Reserve Fund during each Lease Year shall be retained

by the Operator, and the Authority shall instead, in addition to the sum of \$3,000,000 described above, deposit to the Capital Reserve Fund on October 2, 2010, the amount required by Section 5.12.2. All funds in the Capital Reserve Fund shall be invested by the Authority in the same manner as other comparable Authority funds, and in compliance with Applicable Laws. Investment income earned on the amounts in the Capital Reserve Fund shall be added to the principal of the Capital Reserve Fund and used as provided in this Article 10.

10.3.2. Use of Funds. The proceeds of the Capital Reserve Fund will not be used for ordinary maintenance and repairs, but shall be limited solely to Capital Repairs and Capital Improvements as set forth herein.

10.3.3. Withdrawals from Capital Reserve Fund. All withdrawals from the Capital Reserve Fund or from other Authority funding applied toward the construction of any Capital Repair or Capital Improvement made in accordance with this Section, shall be distributed pursuant to such procedures as the Authority and the Operator may reasonably agree upon. All withdrawals from the Capital Reserve Fund for the purpose of making Capital Repairs and Capital Improvements shall be countersigned by both parties. Any party refusing to sign such withdrawal request shall deliver to the other party a statement of the basis (with reasonable detail) for such recipient's objection thereto. Any dispute resulting from the foregoing refusal to sign a withdrawal request shall be resolved in the manner provided in Section 10.10 and Article 15 hereof.

10.3.4. Limitations on Use of Capital Reserve Fund for Capital Repairs. Notwithstanding the foregoing and notwithstanding anything contained in this Lease or in any Related Agreement to the contrary, except as provided in this subsection: (a) for the first two (2) Lease Years, the Capital Reserve Fund shall not be available to pay for any Capital Repairs, (b) during the third Lease Year, the Capital Reserve Fund shall not be available for any Capital Repairs costing in the aggregate in excess of \$300,000, (c) during the fourth Lease Year, the Capital Reserve Fund shall not be available for any Capital Repairs costing in the aggregate in excess of \$350,000, and (d) during the fifth Lease Year, the Capital Reserve Fund shall not be available for any Capital Repairs costing in the aggregate in excess of \$450,000. The Operator will be responsible for any costs incurred in excess of the foregoing amounts; provided, however, that the limitation set forth in (a) above shall not apply to Capital Repairs defined in Section 10.4.1(d) or to Emergency Repairs and the limitations set forth in (b), (c) and (d) above shall not apply to the Capital Repairs defined in Sections 10.4.1(a) or 10.4.1(d) or to Emergency Repairs.

10.3.5. Limitations on Use of Capital Reserve Fund for Capital Improvements. During a period of ten (10) Lease Years following the Commencement Date, the Capital Reserve Fund shall not be available for, and the Authority shall have no responsibility to pay for, any Capital Improvements. The Operator may however, at its cost, propose and perform such Capital

Improvements, subject to Authority approval. However, following the expiration of this ten (10) year period, all terms and conditions of this Article 10 applicable to the making of and payment for Capital Repairs shall also apply to Capital Improvements. Notwithstanding the foregoing, the Operator shall have the right, at the end of each of the sixth Lease Year and the eighth Lease Year, to present to the Authority for its consideration two Capital Improvement projects (i.e. two at the end of the sixth Lease Year and two at the end of the eighth Lease Year) to be paid for out of the Capital Reserve Fund. The Authority shall have the right to approve or disapprove the funding of the cost of any such Capital Improvement in its reasonable discretion.

10.3.6. Annual Report. Beginning during the Second Lease Year, the Authority will submit to the Operator a financial statement prepared by the chief financial officer of the Authority, certified as correct and accurate, and identifying (i) all funds deposited into the Capital Reserve Fund since the date of the prior report (or in the case of the first report, since the inception of the fund), (ii) all interest and investment earnings on the Capital Reserve Fund, and (iii) all distributions from the Capital Reserve Fund to the date of the financial statement, indicating the reason for the distribution.

10.4 Capital Repairs Defined.

10.4.1. Capital Repairs. All Capital Repairs and, to the extent provided in Section 10.6.8, Emergency Repairs, shall be made by the Authority or Operator, as required by and at the times and subject to the terms and provisions of this Article 10. "**Capital Repairs**" shall be defined as:

- (a) prudent, extraordinary repairs and replacements;
- (b) capital repairs that have a useful economic life (as intended to be used in the New Arena) of greater than seven (7) years;
- (c) major repairs and replacements that are reasonably necessary to maintain the roof, foundation and the structural integrity of the Premises, and preserve its usefulness for the purposes for which it is being leased hereunder;
- (d) such major repairs, replacements, modifications or additions required by Applicable Laws or NHL Rules and Regulations or required by the Operator's insurance carrier as a condition to its willingness to provide or continue to provide insurance at commercially reasonable rates (taking into account the type of facility, use and geographic location of the New Arena; provided further that the Operator's insurance carrier regularly insures publicly owned arenas comparable to the New Arena); provided, no modifications or additions that should have been made so as to cause the New Arena to comply with Applicable Laws or NHL Rules and Regulations as of the time of construction of the New Arena shall be deemed to be Capital Repairs;

(e) replacement of HVAC compressors or any material part thereof, and major repairs to the HVAC, mechanical, electrical and plumbing systems at the Premises;

(f) replacement of substantial amounts of carpeting in public areas of the New Arena; provided that no such replacements in public areas of the New Arena shall be deemed to be Capital Repairs if required within four (4) years after installation or prior replacement;

(g) to the extent necessitated by ordinary wear and tear, replacement of New Arena seats or seat standards, or the cement into which the seat is affixed;

(h) replacement of or major repairs to New Arena lighting fixtures and systems;

(i) replacement of or major repairs to the ice-making equipment that are necessary to continue to maintain the ice surface in a manner suitable for NHL play and consistent with that in other NHL venues in the United States and Canada;

(j) major repairs of components of the Communication System and the scoreboards (including the control room, message boards, videoboards, bulbs and circuit breaker panels);

(k) major repairs to, or replacement of, cracked or disintegrated concrete, broken pipes, or leaking roof or sections thereof; and

(l) cleaning of the exterior façade of the New Arena no more often than every seven (7) years.

For purposes of this Section 10.4.1, a "major repair" shall be one which (i) is necessary because of a failure of a system in the absence of fault by the Operator or management agent, and (ii) is of sufficient scope so that, if not timely made, the use of the New Arena for its intended purposes will be materially adversely affected. In addition, the Authority shall not be required to pay the cost of a "major repair" (from the Capital Reserve Fund or otherwise) to the extent that there is warranty coverage available to defray the cost thereof.

10.4.2. Capital Repairs not to Include. Notwithstanding the foregoing provisions, and without limitation, but by way of example, Capital Repairs shall not include:

(a) regular, periodic maintenance procedures stipulated in operating manuals or warranties for arena components;

(b) periodic painting or the application of protective coatings;

- (c) repairs to or replacement of carpeting, except as provided in Section 10.4.1(f) above;
- (d) routine upkeep of the exterior facade of the New Arena, or cleaning the exterior facade of the New Arena except as provided in Section 10.4.1(l) above;
- (e) routine maintenance of plumbing systems, electrical and lighting systems, mechanical systems or heating, ventilation or air conditioning systems, including, without limitation, periodic cleaning, lubrication and changing of filters;
- (f) fixtures, finishes, build-out materials and supplementary equipment in any public or private restaurants or other retail establishments in the New Arena that are occupied and operated pursuant to a sublease or similar arrangement;
- (g) routine maintenance of elevators and escalators;
- (h) groundskeeping of exterior portions of the Premises;
- (i) preparation of the ice making equipment and ice surface required on an annual basis;
- (j) repair of portions of the playing surface and ice making equipment to a condition that could have been prevented by routine and customary maintenance;
- (k) replacement of light bulbs, fuses and circuit breakers (other than components of the New Arena lighting);
- (l) replacement of items of property damaged by misuse that could have been prevented by prudent security measures or by routine maintenance;
- (m) modifications or additions necessary to comply with Applicable Laws or NHL Rules and Regulations in effect at the time of construction of the New Arena;
- (n) items covered under warranty or covered by insurance;
- (o) the cost of long term maintenance contracts negotiated in connection with any Capital Repairs or Capital Improvements; or
- (p) repairs required in substantial part as a result of Design Defects or Construction Defects.

10.4.3. Design and/or Construction Defects. The Authority, the Developer and/or the Operator will jointly pursue against the parties responsible the cost of repairs required in substantial part as a result of Design Defects and/or Construction Defects in the design and/or construction of the New

Arena, whether or not covered by a warranty. If any claim by the Authority, the Developer and/or the Operator is successful, any funds expended by the Authority to correct design or construction defects will be reimbursed by the Person or Persons deemed to be responsible for the applicable Design and/or Construction Defects, or such Person or Person's applicable insurer(s). Notwithstanding the foregoing, the Authority will have no obligation to fund the cost of any work required as the result of Design Defects and/or Construction Defects.

10.4.4. The Garage. Major repairs and replacements that are reasonably necessary to maintain the foundation and the structural integrity of the Garage shall be paid 1/2 by the Authority and 1/2 by the Operator. The Authority may fund its share from the Capital Reserve Fund or from other moneys available to the Authority. All terms and conditions of this Article 10 applicable to approval and payment of moneys from the Capital Reserve Fund will be applicable to the performance of major repairs and replacements to the Garage pursuant to this Section 10.4.4.

10.5 Periodic Inspections of the Premises.

10.5.1. Consulting Engineer. Beginning in the second Lease Year, the Operator and the Authority shall, no more often than once during each Lease Year, jointly select an independent qualified engineer experienced in hockey arena operations (the "**Consulting Engineer**") to inspect the Premises to determine whether the Premises are in good condition and working order, in compliance with Applicable Laws, and whether there are any items of deferred maintenance that need to be performed with respect to any part of the Premises. Notwithstanding the foregoing, the Authority may select a Consulting Engineer at any time during the Lease Term, at the expense of the Authority, if the Authority in its reasonable judgment, determines that further inspection of the Premises is warranted. In connection with the Consulting Engineer's review, the Consulting Engineer shall prepare a written report which shall be delivered to both the Authority and the Operator, which shall summarize the condition of the Premises, identify any necessary repairs or improvements, identify items of deferred maintenance, identify additional investigations and inspections that may be required and contain recommendations for the ongoing repair and maintenance of the Premises. To the extent that the Consulting Engineer determines that the Premises or any component thereof are not in good condition and working order and that there are items of maintenance deferred beyond a reasonable period of time, based upon similar maintenance performed at Comparable Arena Facilities, the Operator shall take all customary measures reasonably necessary to promptly return the Premises to good condition and working order and to perform the applicable items of deferred maintenance so identified by the Consulting Engineer, and if such work is deferred to the next Lease Year, the Operator will provide sufficient funds to pay the cost of such work in the Operator's next annual New Arena Operation and Maintenance Budget. The Operator shall also promptly perform the repairs, replacements and maintenance recommended in the Consulting Engineer's report and cause the recommended additional inspections

and investigations to be performed. Provided, however, if the Operator reasonably objects to performing any repairs, replacements, maintenance, inspections or investigations recommended by the Consulting Engineer pursuant to this Section 10.5, the Operator shall so notify the Authority in writing. If the required repairs qualify as Capital Repairs, the Authority shall pay for such Capital Repairs pursuant to the procedures set forth in this Article 10. The Operator shall pay the Consulting Engineer's fees provided that the Operator shall only be required to pay the cost of one Premises inspection by the Consulting Engineer per year during the Lease Term (unless the Consulting Engineer's report recommends additional inspections and/or investigations). Except as provided in the preceding clause, the Authority shall pay the costs of any additional inspections and investigations. Any disputes between the parties with respect to the findings of the Consulting Engineer shall be subject to resolution in accordance with the procedures set forth in Section 10.10 and Article 15 below. The Operator shall coordinate and administer a preventative maintenance program which shall incorporate the recommendations of the Consulting Engineer. Notwithstanding anything contained herein to the contrary, the failure of the Consulting Engineer to identify any necessary repairs or improvements shall not relieve the Operator of any of its obligations under this Lease.

10.5.2. Capital Repair Audit. On the fifth (5th) anniversary of the Commencement Date, and each five (5) years thereafter during the Lease Term, the Authority shall, as an expense of the Capital Reserve Fund, or otherwise at the expense of the Authority, provide the Operator with a structural and capital component inspection report prepared by a licensed professional engineer, reasonably acceptable to the Operator, having at least ten (10) years of experience in performing structural and capital component inspections of commercial buildings, including structures similar to the New Arena, and otherwise qualified to provide the information required hereunder. In the discretion of the Authority, the audit may be performed by the Consulting Engineer. The designated engineer shall report on the condition of the structure and each capital component of the Premises, which report shall include suggestions for any Capital Repairs and Capital Improvements that are necessary or desirable. On or before the first day of the sixth (6th) Lease Year, the Operator will prepare at its cost and submit to the Authority, a list of proposed Capital Repairs and Capital Improvements, together with a preliminary budget for such work, that the Operator expects will be necessary during the succeeding five (5), ten (10) and fifteen (15) year periods (the "**Proposed Capital Repairs and Improvements**"). The list of Proposed Capital Repairs and Capital Improvements, and preliminary budget, shall be updated annually and delivered to the Authority by the Operator on or before June 15 of each Lease Year. All Proposed Capital Repairs and Capital Improvements shall be commercially reasonable in light of the then-expected remaining useful life of the New Arena.

10.6 Procedures Relating to Performance of Capital Repairs, Capital Improvements and Alterations.

10.6.1. Proposal for Capital Repairs or Capital Improvements. Notwithstanding Section 10.5 above, at any time during the Lease Term, the Authority may require, or the Operator may propose no more often than once every ninety (90) days, that Capital Repairs (or after ten (10) Lease Years following the Commencement Date, Capital Improvements) be made to the Premises. A Capital Repair proposed by the Operator will be subject to the limitations of Section 10.3.4. If either the Authority or the Operator knows of or discovers any Applicable Laws or NHL Rules and Regulations necessitating a Capital Repair or Capital Improvement, or any condition or defect in, damage to, or alteration of the physical structure, fixtures, appurtenances, machinery, equipment, furniture, systems, surfaces or any other component of the Premises necessitating a Capital Repair or Capital Improvement, or which, in such party's reasonable opinion, makes such Capital Repair or Capital Improvement necessary or advisable, such party shall promptly notify the other of such matter. The proposed work must include a detailed description as to the necessity of the Capital Repair (or Capital Improvement), a detailed budget including identification of any architect/construction manager/ inspection costs on each project, preliminary bid plans and specifications, MBE/WBE plan, and schedule (all of which are collectively called "**Capital Repair/Improvement Plans**"). The Authority will advise the Operator in writing as to whether it deems the proposed work eligible for payment by the Authority as a Capital Repair or Capital Improvement within 45 days after submission of the Capital Repair/Improvement Plans. Operator will have 30 days to dispute any of the items deemed ineligible and any dispute will be resolved in accordance with Section 10.10 and Article 15 hereof.

10.6.2. Specific Procedures Applicable to Performance of Alterations.

(a) The Operator shall, at its sole cost, make all Alterations to the Premises: (i) necessary to comply with Applicable Laws; (ii) requisite for the safe operation of the Premises; (iii) required by NHL Rules and Regulations; or (iv) otherwise required under the terms of this Lease. Subject to this Section 10.6, the Operator may make such other Alterations to the Premises as the Operator determines to be appropriate. All Alterations which will involve, individually, the expenditure by the Operator of costs in excess of \$500,000, as adjusted annually on the first day of each succeeding Lease Year after the Commencement Date by CPI Increases, or which will affect the New Arena exterior, or its structural components, shall require the prior written approval of Authority. The Operator may not make or permit Alterations to the Premises if such Alterations would affect adversely the overall design, structural integrity, utility or value of the Premises or the Site, or which would result in waste. Upon installation, all Alterations shall become a part of the Premises and the property of Authority.

(b) The performance of Alterations by the Operator will be subject to all of the following:

(i) Not less than sixty (60) days prior to the commencement of any Alterations, the Operator must, (A) submit written notice of its intent to perform an Alteration and a request for Authority approval if required under subsection (a) above, (B) a reasonably detailed description of the scope of work, (C) a reasonably detailed budget including identification of any architect/construction manager/ inspection costs on each project, (D) preliminary bid plans and specifications, (E) information as to insurance, and (F) a project schedule. If its approval is required under subsection (a) above, the Authority will approve or disapprove such work within forty five (45) days (and any required approval that is not denied in writing by the Authority within such 45-day period shall be deemed to have been granted by the Authority hereunder). In any case, the Authority may impose such reasonable conditions on the performance of Alterations as may be customary with respect to Comparable Arena Facilities, including the provision of reasonable and customary surety or payment and/or performance bonds (or such other bonds as may be required by Applicable Laws).

(ii) Any review or approval by the Authority of plans and specifications, or other documentation, with respect to any Alteration is solely for the Authority's benefit, and without any representation or warranty to the Operator with respect to adequacy, correctness or efficiency thereof or its compliance with Applicable Laws or otherwise.

(iii) The Operator shall deliver to Authority, within sixty (60) days after completion of any Alteration, "as-built" drawings thereof, or, if no as-built drawings were prepared, the final marked working drawing thereof. After completion of any Alteration requiring Authority approval, the Operator shall, for the duration of the Lease Term, keep records of such Alteration, including plans and specifications, copies of contracts, invoices, evidence of payment and all other records customarily maintained by owners and managers of commercial real estate relating to similar improvements and the cost thereof and shall, within thirty (30) days after request by the Authority, furnish to Authority copies of such records. All records maintained by the Operator under this Section 10.10.2 shall be delivered by the Operator to the Authority on the Expiration Date.

10.6.3. Liens. Prior to the Operator performing any construction or other work on or about the Premises for which a lien could be filed against the Premises, the Operator shall enter into a written contract ("**Contract**") with each contractor who is to perform such work, or materialman providing materials (each a "**Contractor**"), requiring that Contractor deliver to the Operator and the Authority, as a condition to Contractor's receipt of any payment under the Contract, and to the extent permitted by Applicable Laws, current unconditional lien waivers from such Contractor and all of its subcontractors, sub-subcontractors and materialmen (as appropriate) for any prior payment and current conditional lien waivers from such Contractor and all subcontractors, sub-subcontractors and

materialmen for the payments to be paid in connection with such current payment to such Contractor. In addition, each Contractor shall, at the request of either the Operator or the Authority, verify in an affidavit in a form approved by the Authority (if accurate) that all labor and materials furnished by Contractor, including all applicable taxes, have been paid by it up to the date of such requested affidavit. Notwithstanding the foregoing, if the mechanics' or other lien shall be filed against the Premises purporting to be for labor or material furnished or to be furnished on behalf of the Operator, or for any other reason relating to the acts or omissions of the Operator, then the Operator shall at its expense, cause such lien to be discharged of record by payment, bond or otherwise within twenty (20) days after the filing thereof. If the Operator shall fail to cause such lien to be discharged of record within the twenty (20) day period, the Authority may cause such lien to be discharged by payment, bond or otherwise without investigation as to the validity thereof or as to any offsets or defenses thereto, and the Operator shall, upon demand, reimburse the Authority for all amounts paid and costs incurred in connection therewith including, without limitation, attorney's fees and disbursements

10.6.4. Performance of Work. Any Alteration, Capital Repair or Capital Improvement made by or for the Operator, or by or for the Authority, shall be completed (a) in a good, workmanlike, first-class and prompt manner, using materials and equipment at least substantially equal in quality and class to the then-standards for the New Arena established by the Operator and the Authority, (b) by an experienced, reputable Contractor selected by the Operator after consultation with the Authority (in the case of work to be performed by the Operator), or through a competitive bidding process (to the extent required by Applicable Laws) if work is to be performed by the Authority, and (c) in compliance with Applicable Laws and any insurance requirements. The Operator shall not proceed with any Alteration, Capital Repair or Capital Improvement except in full compliance with the terms of this Lease, and until the Operator shall have submitted to the Authority a description in reasonable detail of the work to be performed. Prior to the commencement of any work, the Operator or the Authority, as the case may be, shall obtain and furnish copies to the other, of all necessary governmental permits and certificates for the commencement and performance of any such Alteration, Capital Repair or Capital Improvement, together with evidence of worker's compensation insurance of its contractors in statutory limits, "All Risk" Builder's Risk coverage and general liability insurance, with a completed operation endorsement for any occurrence in or about the New Arena, under which the Authority shall be named as an additional insured and loss payee, in such limits as the Authority may reasonably require, with insurers reasonably satisfactory to the other party. All work of Alterations, Capital Repairs or Capital Improvements shall, to the extent required by Applicable Laws, be fully bonded with payment and performance bonds, and publicly bid, and prevailing wages paid to all workers. Each party shall furnish the other with evidence that all required insurance is in effect at or before the commencement of any Alteration, Capital Repair or Capital Improvement and, on request, at reasonable intervals thereafter during the continuation of such work

10.6.5. Additional Procedures. The Operator will follow the appropriate procedures for bidding the project, if required, in accordance with Applicable Laws. Following receipt of bids, the Operator shall present to the Authority for approval a formal recommendation describing the scope, bid results, MBE/WBE participation, schedule, copy of the bid bonds, evidence of insurance warranty information and recommendation letter from consultant. Following approval by the Authority, the Operator shall select and enter into contracts with any and all contractors, subcontractors, suppliers, vendors, architects, engineers, construction managers, project managers, consultants or other entities or individuals with respect to the completion of Alterations, Capital Repairs or Capital Improvements, as the case may be. Provided further, all such contracts shall be entered into on an arms-length basis at commercially reasonable rates and in compliance with Applicable Laws. Neither the Operator, nor any key employees or Affiliates shall receive fees or profit from such contracts. Upon the request of the Authority, copies of contracts, together with copies of plans, specifications and related documents, will be delivered to the Authority. Each party shall use commercially reasonable efforts to obtain for the benefit of both parties from each contractor and subcontractor engaged by such party, commercial warranties for all work performed by such contractor or subcontractor. Capital Repairs and Capital Improvements must be completed to a standard of quality substantially comparable to that of the original component, and Alterations must be completed to a standard of quality substantially comparable to the remainder of the New Arena. If the work completed is unsatisfactory then all reasonable remedies must be sought by the Operator against the architect, contractor or subcontractor. The Operator shall use commercially reasonable efforts to ensure that the work performed by each contractor and subcontractor with whom the Operator contracts is performed in a good and workmanlike manner and in accordance with the Capital Repair/Improvement Plans, other approved plans, and in compliance with Applicable Laws.

10.6.6. Capital Repairs and Capital Improvements by Authority. If the Authority is entitled to perform any Capital Repairs and Capital Improvements pursuant to this subsection, the Authority will have the right to access those portions of the New Arena necessary to perform such Capital Repairs and Capital Improvements, and to select and enter into contracts with any and all contractors, subcontractors, suppliers, vendors, architects, engineers, construction managers, project managers, consultants or other entities or individuals with respect to the completion of the Capital Repairs and Capital Improvements. Except with respect to Emergency Repairs, when only such notice as is reasonable under the circumstances shall be required, the Authority shall have the right to enter the Premises to perform Capital Repairs or Capital Improvements only, (i) upon the agreement of the Operator, or (ii) if the Operator fails to perform its obligation to make Capital Repairs or Capital Improvements under this Lease, and further fails to rectify such failure within thirty (30) days after written notice of the Operator's failure is delivered by the Authority to the Operator (unless the Operator has commenced rectifying the problem within the 30-day period and is acting in good faith to diligently cure such failure). The Authority shall not be

liable in connection with any such entry other than for its gross negligence or willful misconduct. If for any reason, based upon the standards set forth in this Article 10, the cost of any work performed by the Authority does not constitute a Capital Repair or Capital Improvement, or is not for any reason otherwise payable from the Capital Reserve Fund, the Operator will reimburse the Authority for all reasonable costs incurred by Authority, plus interest (after 30 days) at the Default Rate computed from the date on which Authority paid the cost. If the Operator does not reimburse the Authority for such costs in a timely manner, the Authority may, in its discretion, elect to be reimbursed from moneys that would otherwise be deposited into the Capital Reserve Fund.

10.6.7. Right of Authority to Perform Maintenance and Repairs. The Authority shall also have the right to enter the Premises to perform work of maintenance or repair if the Operator fails to perform its maintenance and repair obligations, and further fails to rectify such failure within fifteen (15) days after written notice of the Operator's failure is delivered by the Authority to the Operator (unless the Operator has commenced rectifying the problem within the 15-day period and is acting in good faith to diligently cure such failure). The Authority shall not be liable in connection with any such entry other than for its gross negligence or willful misconduct. The Authority shall be reimbursed by Operator for all reasonable costs incurred by the Authority in so maintaining or repairing the Premises, plus interest (after 30 days) at the Default Rate computed from the date on which Authority paid the cost. The cost of any required reimbursement to Authority pursuant to this subsection (including interest) may be paid from funds available in the New Arena Operation and Maintenance Budget submitted under Section 7.4 above. The Authority may also, at its election, offset such reimbursement from any obligation it has to fund the Capital Reserve Fund, which right of offset is subject to the rights and remedies available to the parties under this Lease and the Related Agreements.

10.6.8. Emergency Repairs. Subject to the terms of this Section 10.6, Emergency Repairs shall be made by the Operator. If any such Emergency Repair qualifies as a Capital Repair or a Capital Improvement in accordance the standards set forth in this Article 10, the Authority shall pay for the cost of such repairs out of the Capital Reserve Fund or otherwise. In making Emergency Repairs, the Operator shall comply with the requirements of Applicable Laws, and in any case, the costs of such Emergency Repairs shall be paid by the Authority only if the Operator has complied with all Applicable Laws. If the Operator fails to make an Emergency Repair for which it is otherwise responsible in a timely manner within such reasonable notice period as is appropriate under the circumstances, and in compliance with Applicable Laws, the Authority may elect to make such Emergency Repair, and unless such Emergency Repair qualifies as a Capital Repair or Capital Improvement, the Operator will reimburse the Authority for all costs incurred by the Authority within thirty (30) days after submission of an invoice.

10.7 Title to Alterations, Capital Repairs and Capital Improvements.

All Alterations, Capital Repairs and Capital Improvements made to the Premises shall become a part of the Premises, shall be the property of the Authority, and shall remain upon and be surrendered with the Premises at the end of the Lease Term.

10.8 Authority Access.

Nothing contained in this Section, or elsewhere in this Lease, is intended to limit the right of the Authority, Commonwealth, County or City when exercising a nonproprietary function (e.g., building and fire safety inspections, as applicable) to access the Premises through properly credentialed personnel. The Authority, as owner of the Premises, may enter the Premises at any time provided that Authority shall not unreasonably interfere with the operations of Operator or the New Arena. Notwithstanding the preceding sentence, the Authority may enter the Premises to perform necessary maintenance or repair to the Premises and the facilities thereon, or to perform Capital Repairs or Capital Improvements, when such activities have not been performed or agreed to be performed by the Operator, as set forth in Section 10.6.

10.9 No Expansion.

No expansion of the New Arena, including without limitation, the installation of additional permanent seating, will be permitted at any time during the Lease Term without the prior written consent of the Authority, which consent may be granted or withheld in the discretion of the Authority.

10.10 Resolution of Disputes.

The Authority and the Operator agree to attempt in good faith to resolve any disagreement with respect to Capital Repairs, Capital Improvement or Alterations referred to in this Article 10 promptly by negotiations between the Authority Representative and the Operator Representative. In the event (i) the parties are unable to resolve such disagreement within thirty (30) calendar days, and (ii) the disagreement involves items with an aggregate cost not in excess of One Million Dollars (\$1,000,000), as adjusted by CPI, or (iii) if otherwise agreed by the parties, then the disagreement shall be settled pursuant to the procedures set forth in Article 15 below.

ARTICLE 11 **INDEMNIFICATION**

11.1 Indemnification and Payment of Damages by Operator.

Operator will indemnify, defend and hold harmless the Authority, the Commonwealth, the City and the County, and each of their respective elected officials, appointed officials, board members, officers, employees, agents and attorneys (collectively, the "**Authority-Indemnified Persons**") for, and will pay to the Authority-Indemnified Persons the amount of any Damages, whether or not involving a third-party claim arising, directly or indirectly, from or in connection with:

11.1.1. any material breach of any representation or warranty made by Operator in this Lease or in any schedule or exhibit attached hereto or any other certificate or document delivered by the Operator to the Authority pursuant to this Lease;

11.1.2. any material breach by the Operator of any covenant or obligation of Operator in this Lease;

11.1.3. any claim by any Person for Damages in connection with the violation by the Operator, any Affiliate, the Construction Manager, or any employee or agent of the Operator, of any Applicable Law, including without limitation, a failure by the Operator to competitively bid any maintenance or repair, Alteration, Capital Repair, Capital Improvement or other work to be performed at the Premises;

11.1.4. Design Defects and Construction Defects, except to the extent caused by the gross negligence or willful misconduct of the Authority, its employees, agents or contractors;

11.1.5. otherwise arising in any manner out of, or related to the occupancy of the Premises pursuant to this Lease (except as set forth in subpart 11.3 hereof), except to the extent caused by the gross negligence or willful misconduct of the Authority, its employees, agents or contractors.

If Operator fails to make any payment of any sums payable by Operator to Authority-Indemnified Persons when due, which failure shall continue for thirty (30) days, then such payment shall bear interest at the Default Rate.

11.2 Defense Of Indemnified Claims.

11.2.1. Notice of Claims. Promptly after receipt by an Authority-Indemnified Person of the notice of the commencement of a claim against it for which the Authority-Indemnified Person would be entitled to receive indemnification under Section 11.1 (a "**Proceeding**"), the Authority-Indemnified Person will give notice to the Operator of the commencement of such claim, but the failure to notify the Operator will not relieve the Operator of any liability that it may have to the Authority-Indemnified Person, except to the extent that failure to give such notice materially prejudices the Operator or its rights under this Lease. Operator shall promptly give written notice to Authority of any claim, including a claim for damages, against an Authority-Indemnified Person, of which the Operator receives written notice.

11.2.2. Assumption of Defense by Operator. If any Proceeding referred to in Section 11.2.1 is brought against an Authority-Indemnified Person and it gives notice to the Operator of the commencement of such Proceeding, the Operator will, at its sole cost and expense, unless the claim involves a matter described in subpart 11.4 hereof, be required to assume the defense of such Proceeding with counsel reasonably satisfactory to the Authority-

Indemnified Person, and, after written notice from the Operator to the Authority and the Authority-Indemnified Person that it has undertaken to assume the defense of such Proceeding (the "**Assumption Notice**"). After the Operator delivers its Assumption Notice: (i) it will be conclusively established between the parties to this Lease (but shall not constitute an admission of liability as to any third party claimant) that the claims made in that Proceeding are within the scope of and subject to indemnification; (ii) no compromise or settlement of such claims may be effected by the Operator without the Authority-Indemnified Person's consent unless (A) there is no finding or admission of any violation of Applicable Laws or any violation of the rights of any person and no effect on any other claims that may be made against an Authority-Indemnified Person, and (B) the sole relief provided is monetary damages that are paid in full by the Operator; (iii) Operator will not be responsible to pay additional counsel fees incurred by the Authority, and (iv) the Authority-Indemnified Persons will have no liability with respect to any compromise or settlement of such claims effected without its consent. If notice is given to the Operator of the commencement of any Proceeding and the Operator does not, within twenty (20) days after the Authority Indemnified Person's notice is given, deliver the Assumption Notice, the Operator will be bound by any determination made in such Proceeding or any compromise or settlement effected by the Authority-Indemnified Person, including the payment of money damages.

11.2.3. Authority-Indemnified Person's Defense of Claims.

If the Authority-Indemnified Person determines in good faith that there is a reasonable probability that a Proceeding may adversely affect it or its Affiliates other than as a result of monetary damages for which it would be entitled to indemnification under this Lease, the Authority-Indemnified Person may, by notice to the Operator, assume the exclusive right to defend, compromise, or settle such Proceeding, and the Operator will reimburse the Authority-Indemnified Person for all legal fees and costs incurred but the Operator will not be bound by any determination of a Proceeding so defended or any compromise or settlement effected without its consent (which will not be unreasonably withheld, conditioned or delayed).

11.2.4. Jurisdiction. Subject to the other provisions of this Article 11, the Operator may contest the jurisdiction of any court in which a Proceeding is brought against an Authority-Indemnified Person if the Operator determines, in its reasonable discretion, that such jurisdiction may not be appropriate with respect to the claim out of which such Proceeding arises.

11.3 Indemnification and Payment of Damages by Authority.

In addition to any other indemnification obligations of the Authority set forth in this Lease or in any Related Agreement, to the extent permitted by Applicable Laws and without causing Authority to waive its rights of sovereign immunity (it being understood that Authority does not hereby waive its rights of sovereign immunity, to the extent available to Authority), Authority will indemnify, defend and hold harmless the Operator and its officers, board members, directors, employees, attorneys and agents (collectively, the "**Operator-Indemnified**

Persons") for, and will pay to the Operator-Indemnified Persons the amount of Damages arising, directly or indirectly, from or in connection with:

11.3.1. any material breach of any representation or warranty made by Authority in this Lease or in any schedule or exhibit attached hereto or any other certificate or document delivered by Authority to the Operator pursuant to this Lease;

11.3.2. any material breach by Authority of any covenant or obligation of Authority in this Lease; or

11.3.3. the gross negligence or willful misconduct of the Authority; or

11.3.4. any indemnification obligation under any Related Agreement.

If Authority fails to make any payment of any sums payable by Authority to Operator-Indemnified Persons on the date due, which failure shall continue for thirty (30) days, such payment shall bear interest at the Default Rate.

11.4 Survival.

The indemnification undertakings of this Article 11 shall survive the expiration or earlier termination of this Lease to the extent they relate to matters arising or occurring prior to such expiration or termination.

ARTICLE 12 **INSURANCE - CONDEMNATION - RESTORATION**

12.1 Insurance.

Subject to the terms of this Article 12, Operator covenants and agrees that Operator, at its sole cost and expense, shall obtain, maintain, and keep (or cause to be obtained, maintained or kept), in full force and effect with insurance companies having A. M. Best Company Ratings of "A-" or better for financial strength, and "XII" or better for financial size, licensed and authorized to do business in the Commonwealth, and otherwise reasonably satisfactory to the Authority, the insurance coverage described in this Article. In all such insurance policies (other than Workers Compensation insurance and professional liability coverages) the Authority and the Commonwealth shall be named as an additional insured and/or as a loss payee, and such insurance shall provide that the insurance provided in each policy shall not limit or void the coverage of any one named insured with respect to claims made against the same named insured by any other named insured or by the directors, officers, employees, agents, boards, or commissions of such other named insured. All policies of insurance required under this Article 12 shall be written in commercially reasonable form and substance and shall be reasonably satisfactory to the Authority. All of the foregoing policies shall be considered primary to any other coverages that the Authority or the Commonwealth might carry and shall be provided on an occurrence basis (except for professional liability insurance coverage, which may be written

on a claims made basis). Each policy shall provide that the coverage may not be canceled, permitted to expire, or materially changed without at least thirty (30) days prior written notice to the Authority and the Commonwealth. Operator shall carry or cause to be carried insurance coverage as follows:

12.1.1. Commercial General Liability Insurance.

Commercial general liability insurance containing standard form provisions and insuring against any claims for personal injury, bodily injury, death or property damage occurring on, in or about or arising from operations at the Premises, with a combined single limit for each occurrence of not less than \$10,000,000 per occurrence and \$20,000,000 annual policy aggregate. If Operator obtains a blanket policy, the general aggregate limits thereunder must apply separately to the Premises and Operator's use thereof. Such liability insurance shall contain a broad-form endorsement and include, without limitation, coverage for premises and operations, collapse, explosion and underground hazard, terrorism, products/completed operations, personal and advertising injury, contingent liquor liability, broad-form property damage, personal injury (employee exclusion deleted), independent contractors', owners' and contractors' protective liability coverage, employees as additional insureds, and cross-liability coverage. Operator shall also obtain and maintain by separate policy or by endorsement to Operator's commercial general liability insurance policy, pollution legal liability coverage in an amount not less than \$5,000,000 per occurrence, \$10,000,000 aggregate.

12.1.2. Workers Compensation. Workers Compensation insurance affording statutory coverage and statutory limits required under Pennsylvania Law and Employer's Liability Insurance. The policy must evidence a minimum of \$500,000/\$500,000/\$500,000 in Employer Liability Limits for Each Accident / Disease - Policy Limit / Disease - Each Employee, respectively.

12.1.3. Automobile Coverage. Comprehensive automobile liability coverage insuring against liability arising from the maintenance, use, loading and unloading of all owned, non-owned, hired, leased, rented trucks, automobiles and other vehicles arising from bodily injury, death or property damage, with a combined single limit for each occurrence of not less than \$1,000,000.

12.1.4. Property Insurance. Property insurance on the New Arena and any other improvements now or hereafter located on the Premises on a non-contributory, "All Risk" basis, including but not limited to fire, sprinkler leakage, flood, earthquake, vandalism, malicious mischief and terrorism, of sufficient amounts to allow full replacement of the New Arena, with full replacement cost, exclusive of excavations, footings and foundations. Such property insurance may contain sub-limits for flood and earthquake insurance coverage, each in an amount not less than \$100,000,000 and shall also cover loss or damage, including sprinkler leakage, on property (other than personal property), comprising the contents, fixtures, machinery, equipment, improvements and betterments on the Premises, including plate glass, and on the property of others in

Operator's care, custody, and control, located on the Premises, for the full replacement cost of said contents, fixtures, machinery, equipment, inventory, improvements, and betterments. Operator expressly assumes the risk of loss to the extent of any deductibles, and the amount of any deductibles in excess of \$100,000 shall be subject to the approval of the Authority, which approval shall not be unreasonably withheld, conditioned or delayed.

12.1.5. Boiler and Machinery Coverage. Boiler and machinery insurance insuring against loss or damage from explosion of boilers or pressure vessels to the extent applicable to the Premises or any other improvements now or hereafter located on the Premises.

12.1.6. Garage Keepers Insurance. Garage keepers legal liability insurance insuring against claims for liability arising out of the operation of the Garage or the New Arena Parking Lot and the parking spaces on the Mellon Arena Site, with limits similar to comparable parking garage structures and parking lots at Comparable Arena Facilities; provided, if the Operator causes or permits any other Person to operate the Garage, then such Person shall maintain the insurance described in this Section 12.1.6.

12.1.7. Liquor Law Coverage. Liquor law liability (dram-shop) insurance in coverage amounts similar to that maintained at Comparable Arena Facilities, to cover claims arising from the selling, serving or furnishing of alcoholic and/or intoxicating beverages on the Premises; Operator shall have the right to require its concessionaire(s) to maintain the coverage required under this Section 12.1.7.

12.1.8. Architect/Engineer Coverage. Architects and engineers errors and omissions project specific professional liability insurance in coverage amounts similar to that maintained at Comparable Arena Facilities, with respect to any work at the Premises undertaken from time to time for which the services of an architect or engineer are engaged.

12.1.9. Umbrella Coverage. Umbrella liability insurance providing following form coverage and scheduling Operator's underlying policies for commercial general liability (including contingent liquor liability coverage), employers' liability and automobile liability coverage, with said umbrella limits amounting to \$50,000,000 in excess of the underlying limits and containing an aggregate limit of \$50,000,000. If Operator's "umbrella" policy provides excess liability protection for Operator's operations at the Premises as well as other locations, the Umbrella policy's aggregate limit shall be provided on a per location basis.

12.1.10. Future Changes. If because of changes in the insurance industry or other reasons, any of the provisions of this Article 12 become impracticable or commercially unreasonable to fulfill, the parties shall in good faith negotiate a reasonable amendment to this Lease. In any case, the

amounts of coverage and other requirements of this Article 12 will be reviewed periodically by the parties, not less often than every four (4) Lease Years, and may be modified following such review to amounts or conditions then reasonably agreed to by the Authority and the Operator. In reviewing insurance matters, the parties will consider coverage requirements at Comparable Arena Facilities, and if the parties do not agree to reasonable modifications, the provisions of Article 15 may be invoked by either party.

12.2 Certificates of Insurance.

At least thirty (30) days prior to the date on which the foregoing insurance must be in effect, Operator shall deliver to the Authority and the Commonwealth, certificates of insurance for such policies, together with evidence of payment, and Operator shall deliver the policies to the Authority and the Commonwealth as soon as possible thereafter, but in no event later than sixty (60) days thereafter. Except as expressly set forth in this Lease, insurance certificates must indicate the Authority and the Commonwealth as additional insureds for liability coverages (other than Workers' Compensation insurance and professional liability insurance) and loss payees for property insurance coverage. All certificates of insurance shall be in a commercially reasonable customary form, and certificates of property insurance shall confirm the insurer's consent to the waiver by Operator of the insurer's right of subrogation, as provided for in Section 12.3 below. At least thirty (30) days prior to the expiration of any policy, Operator shall deliver to the Authority a certificate for such policy's renewal.

12.3 Waiver of Subrogation.

The Authority and Operator hereby release each other and their respective employees and agents, but only to the extent of losses coverable under the insurance coverages required to be maintained under this Lease, from any and all liability or responsibility to the other whatsoever, even if such loss shall be brought about by the fault or negligence of the other party, for all claims by the Authority or Operator, as the case may be, or by anyone claiming by, through or under it or them, by way of subrogation or otherwise, for any loss or damage to the releasing party arising out of the covered premises. Operator shall cause all policies of insurance required to be carried by Operator under this Lease, and the Authority shall cause all policies, if any, of insurance carried by the Authority with respect to the Premises, to be written to permit the insured thereunder to grant the foregoing release and to waive the right of the insurer to be subrogated to the rights of the insured with respect to any claim for damage which the Authority or Operator, as the case may be, may have against the other. Tenant acknowledges that the Authority may currently carry no insurance policies with respect to the Premises and that it has no obligation to carry such insurance in the future.

12.4 No Violation.

Operator shall not violate, or permit the violation of, any condition imposed by any insurance policy then issued in respect of the Premises and shall not do, or permit anything to be done, or keep or permit anything to be kept in the Premises, which would materially increase any insurance rate in respect of the Premises over the rate which would otherwise then be in effect or which would result in insurance companies of good standing refusing to insure the Premises in

amounts reasonably satisfactory to Authority, or which would result in the cancellation of, or the assertion of any defense by the insurer in whole or in part to claims under, any policy of insurance in respect of the Premises.

12.5 Authority Rights.

If Operator shall fail at any time to comply with the terms of this Section, after the passage of any grace period, Authority may cure such non-compliance and may purchase such insurance as it may elect. Reasonable costs incurred by Authority, together with interest at the Default Rate computed from the date such premium is paid by Authority, shall be reimbursed by Operator on demand. Any actions by Authority under this Section shall not constitute a waiver of any non-compliance with the terms of this Lease.

12.6 Duty of Operator to Restore Premises.

Notwithstanding anything set forth elsewhere in this Article, and subject to Force Majeure, the Operator will, at its cost, promptly repair any damage to the Premises sustained as the result of any fire or other loss, to a condition comparable to that previously existing, which restoration shall be completed in compliance with Applicable Laws, and further in compliance with the standards set forth in Section 12.9. The obligations of the Operator under this subpart will be limited to the amount of proceeds from insurance available to the Operator, provided that Operator maintains the insurance in amounts required under this Article 12.

12.7 Rights of Authority to Insurance Proceeds.

All insurance proceeds payable as the result of any damage to the Premises where the proceeds payable are in excess of the sum of \$3,000,000, as such sum may be increased during the Lease Term based upon CPI Increases, shall be payable, under the provisions of the insurance policy, into the Restoration Fund (as defined below) and disbursed pursuant to Section 12.9. All proceeds of insurance payable as the result of any damage to the Premises where the proceeds payable are less than \$3,000,000, as such sum may be increased during the Lease Term, based upon CPI Increases, shall be disbursed directly to the Operator, which shall promptly restore the Premises to a condition comparable to that previously existing, subject to such plans and specifications, and pursuant to such contracts, as are approved the Authority in the manner applicable to Alterations under Article 10 above.

12.8 Condemnation.

12.8.1. Partial Taking. If, at any time during the Lease Term, a condemnation or taking of a portion of the Premises occurs, and the proceeds of such condemnation or taking are less than \$3,000,000, as such sum may be adjusted during the Lease Term based upon CPI Increases, the proceeds of such condemnation or taking will be payable to the Operator, which, subject to the adequacy and availability of such proceeds, will promptly restore the remainder of the Premises to a condition comparable to that previously existing, subject to such plans and specifications, and pursuant to such contracts, as are approved by the Authority in the manner applicable to Alterations under Article 10 above. If the proceeds of taking exceed the sum of \$3,000,000, such proceeds will be payable to

the Authority and deposited initially into the Restoration Fund established under Section 12.9 below. Provided, however, the Operator shall not be required to expend more upon such restoration than the total amount of proceeds received by the Operator as a result of such condemnation or taking. Any proceeds of condemnation or taking paid to either the Operator or the Authority under this Section, and not required to be utilized to restore the Premises, will be paid to the Authority. The Operator will have no claim for damages arising out of any condemnation or taking of any portion of the Premises, except that the Operator shall have the right to make a separate claim for damages for any items of personal property of the Operator that are taken, and relocation payments.

12.8.2. Total Taking. If a condemnation or taking of the entire Premises occurs, or if a constructive total taking occurs, Operator shall have the right to terminate this Lease as of the date of vesting of title in the condemning authority. The term "constructive total taking" shall mean a condemnation or taking of such scope that in the reasonable judgment of the Operator the uncondemned or untaken portion of the Premises is insufficient to permit restoration of the Premises so as to constitute an improvement substantially similar to the Premises immediately prior to such condemnation or taking, and which is not, in the reasonable judgment of the Operator, suitable to be used for its intended purposes as a multi-purpose sports, entertainment and public assembly facility similar to Comparable Arena Facilities. In the event of a condemnation or taking of the entire Premises, or in the event of a constructive total taking, the award or awards for said taking, shall be paid as follows:

(a) The Authority shall first be entitled to receive such portion of the award or awards with interest thereon as shall equal the then unpaid balance of the Authority debt incurred to finance the development and construction of the Premises;

(b) The Operator shall then be entitled to receive such portion of the award or awards with interest thereon as shall as shall equal the then unpaid balance of the Operator debt incurred to finance the development and construction of the Premises;

(c) The Authority and the Operator shall then share any balance of the award or awards as their interests may appear.

12.9 Restoration.

All proceeds of insurance payable to the Authority pursuant to this Article shall be held in a restoration fund ("**Restoration Fund**") to be established at the Bank as restoration fund trustee (the "**Restoration Fund Trustee**"). The interest or income, if any, received on all deposits or investments of any moneys in the Restoration Fund shall be added to the Restoration Fund. If the Authority consents to the deposit of such funds in an interest-bearing account or otherwise consents to the investment of such funds, neither the Authority nor the Restoration Fund Trustee shall be liable or accountable for any loss resulting from any such deposit or investment or for any withdrawal, redemption or sale of deposits or investments, unless caused

by the gross negligence or willful misconduct of the Authority or the Restoration Fund Trustee. The Restoration Fund Trustee may impose reasonable charges for services performed in managing the Restoration Fund and may deduct such charges therefrom. Restoration shall be performed only in accordance with the following conditions:

12.9.1. prior to the commencement of restoration, the contracts, contractors, plans and specifications for the restoration shall have been approved by Authority, and any Governmental Authority having jurisdiction, and Authority shall be provided with reasonably satisfactory and customary surety bonds insuring satisfactory completion of the restoration and the payment of all subcontractors and materialmen;

12.9.2. all restoration work shall be done under Contracts entered into in compliance with Applicable Laws;

12.9.3. at the time of any disbursement, an Event of Default or any event or conditions which with the passage of time and/or the giving of notice, or both, would constitute an Event of Default shall not have occurred, and be continuing, and no mechanics' or materialmen's liens shall have been filed and remain undischarged;

12.9.4. disbursements from the Restoration Fund shall be made from time to time, but not more than once calendar month, for completed work under the aforesaid contracts (subject to retainage) and for other costs associated therewith and approved by Authority upon receipt of evidence satisfactory to Authority of the stage of completion and of performance of the work in a good and workmanlike manner in accordance with the contracts, plans and specifications as approved by Authority;

12.9.5. the cost of the Authority's inspecting architect or engineer and the cost of reasonable attorneys' fees and disbursements incurred by the Authority in connection with such restoration will be paid from the Restoration Fund; and

12.9.6. the Authority shall have the option to hold retainage of up to five percent (5%) of the cost of all work.

If, within a reasonable period of time after the occurrence of any loss or damage to the Premises (which period will not in any case exceed ninety (90) days), the Operator shall not have submitted to the Authority plans and specifications for the repair, restoration or rebuilding of such loss or damage or shall not have obtained approval of such plans and specifications from any Governmental Authority whose approval is required or if, after such plans and specifications are approved by the Authority and by any Governmental Authority, the Operator shall fail to commence promptly such repair, restoration or rebuilding or if thereafter the Operator fails to carry out diligently such repair, restoration or rebuilding or is delinquent in the payment to mechanics, materialmen or others of the costs incurred in connection with such work or if any other condition of this paragraph is not satisfied within a reasonable period of time after the

occurrence of any such loss or damage, then Authority, in addition to all other rights herein set forth, and after giving the Operator fifteen (15) days written notice of the non-fulfillment of one or more of the foregoing conditions, may, failing the Operator's fulfillment of said conditions within said fifteen (15) day period, at the Authority's option, perform or cause to be performed such repair, restoration or rebuilding and may take such other steps as the Authority may elect to carry out such repair, restoration or rebuilding and may enter upon the Premises for any of the foregoing purposes, and the Operator hereby waives, for itself and all others holding under it, any claim against the Authority, its directors, officers, agents and employees (other than claims based upon gross negligence or intentional misconduct) arising out of anything done by them or any of them pursuant to this paragraph and the Authority may, in its discretion, apply any insurance or condemnation proceeds held by it or the Restoration Fund Trustee to reimburse itself for all amounts expended or incurred by it in connection with the performance of such work, including any excess costs for which the Operator is liable, and the Operator's obligation to pay such excess costs shall bear interest at the Default Rate until paid.

12.10 Maintenance of Insurance by Subtenants, Licensees, etc.

The Operator will insure that, at all times during the Lease Term, that its subtenants, concessionaires, licensees and any management company at the New Arena maintain insurance in commercially reasonable and customary amounts and coverages. The Operator will review the coverages to be required under this Section with the Authority prior to the Commencement Date and during periodic review of insurance under Section 12.1.10 above, and will make revisions to those coverages at the reasonable request of the Authority.

ARTICLE 13

ENVIRONMENTAL MATTERS

13.1 Operator's Covenants.

The Operator hereby covenants and agrees for itself, and for the Operator Agents, that, during the Lease Term, the Operator shall, and shall cause the Operator Agents to:

13.1.1. cause all Required Environmental Permits to be maintained in full force and effect and Operator shall comply with the terms and conditions thereof. The Operator shall submit to a Governmental Authority and/or maintain, as appropriate, all Required Environmental Reports;

13.1.2. not permit, and take reasonable precautions against, the presence of Contamination as the result of the use and occupancy of the Premises by the Operator or the Operator Agents, except to the extent specifically authorized by Governmental Authorities, any Required Environmental Permit or pursuant to Environmental Laws;

13.1.3. not permit, and take reasonable precautions against, the imposition of, any lien or other encumbrance authorized by Environmental Laws to be imposed against or attached to the Premises, to the extent such lien is caused by the Operator or Operator Agents;

13.1.4. comply with applicable Environmental Laws relating to the Operator's development construction, completion, use, maintenance, operation or occupancy of the Premises;

13.1.5. to the extent caused by the Operator or the Operator Agents, at its sole cost and expense, perform all Response Actions required to address the presence of Contamination at, in, on, under, or emanating from the Premises in compliance with and to the extent required by applicable Environmental Laws, Required Environmental Permits or by Governmental Authorities;

13.1.6. take all reasonable precautions against, and not permit the Premises to be used to generate, manufacture, refine, treat, handle, label, distribute, collect, store, dispose of, produce, process, recycle, transport or otherwise use or manage material quantities of Regulated Substances, except in compliance with Environmental Laws or Required Environmental Permits, and in the ordinary course of the business of Operator;

13.1.7. promptly after obtaining actual knowledge of any of the following, notify Authority in writing, including a detailed description, of: (i) the presence of Contamination; (ii) the receipt by Operator or any of the Operator Agents of an actual or threatened Environmental Complaint; (iii) the imposition or attachment against the Premises of a lien or other encumbrance authorized under Environmental Laws; (iv) the inability to obtain or renew any Required Environmental Permit or a notice from a Governmental Authority that it has, will or intends to revoke or suspend, in whole or in part, a Required Environmental Permit; or (v) any violation of Environmental Laws or Required Environmental Permits.

13.2 Operator's Indemnity of Authority.

13.2.1. Indemnity. Only if and to the extent caused by the Operator or an Operator's Agent, the Operator shall, at its sole cost and expense, protect, defend, indemnify, release and hold harmless the Authority-Indemnified Persons, from and against any and all claims, suits, liabilities (including without limitation strict liabilities), actions, proceedings, obligations, debts, damages, losses, costs, expenses, diminution in value, fines, penalties, charges, fees, expenses, judgments, awards, amounts paid in settlement, encumbrances, liens, consequential damages, lost profits or punitive damages, costs and expenses of investigation and defense of any claim, whether or not such claim is ultimately defeated, all of whatever kind or nature, contingent or otherwise, including but not limited to reasonable attorneys and expert fees (collectively, "**Authority Environmental Losses**") directly imposed upon, threatened against, incurred by, awarded or asserted against Authority-Indemnified Persons, and arising out of, from or in any way relating to:

- (a) the failure of Operator or any of the Operator Agents to comply with any terms, conditions or provisions of Section 13.1 of this Lease; or
- (b) any actual or alleged violation of Environmental Laws or Required Environmental Permits affecting the Premises; or
- (c) the presence of any Regulated Substance on, in, at or under the Premises (or any portion thereof) or the migration of any Regulated Substances from the Premises to any surrounding areas or other property in violation of Environmental Laws or Required Environmental Permits; or
- (d) Environmental Complaints based on or relating or pertaining to Contamination on, in, at or under the Premises, or any portion thereof; or
- (e) any damages to the Premises or any surrounding areas or other property caused by or resulting from a Response Action performed by or on behalf of the Operator or the Operator's Agents; or
- (f) the enforcement of this Article 13 to the extent Authority is the prevailing party.

13.2.2. Authority Fault. Operator's obligation under this Section shall be in effect and enforceable regardless of whether such obligation arises before or after expiration of the Lease Term; provided, however, that Operator shall have no obligation to indemnify, defend, protect, save and hold harmless Authority-Indemnified Persons for any Authority Environmental Losses to the extent proportionately caused by the negligence, willful misconduct or gross negligence of the Authority-Indemnified Persons or for any matter for which the Operator may seek indemnification from the Authority pursuant to this Lease or any Related Agreement.

13.2.3. Notice of Actions. Any Authority-Indemnified Person, after the receipt (whether after termination of this Lease or otherwise) of a written notice of any demand or claim or the commencement of any suit, action or proceeding concerning Operator, the Premises or Authority-Indemnified Persons, and related in any manner to the matters set forth in this Article 13, shall provide the Operator with written notice of the same. However, the failure of any Authority-Indemnified Person to provide such notice shall not relieve the Operator of any liability to such Authority-Indemnified Person hereunder, except to the extent such failure actually prejudices the rights and remedies of the Operator.

13.3 Authority's Indemnity of Operator.

To the extent permitted by Applicable Laws and without causing Authority to waive its rights of sovereign immunity (it being understood that Authority does not hereby waive its rights of sovereign immunity, to the extent available to Authority), the Authority shall, at its sole cost and expense, protect, defend, indemnify, release and hold harmless the Operator-Indemnified Persons, from and against any and all claims, suits, liabilities (including without limitation strict

liabilities), actions, proceedings, obligations, debts, damages, losses, costs, expenses, diminution in value, fines, penalties, charges, fees, expenses, judgments, awards, amounts paid in settlement, encumbrances, liens, consequential damages, lost profits or punitive damages, costs and expenses of investigation and defense of any claim, whether or not such claim is ultimately defeated, all of whatever kind or nature, contingent or otherwise, including but not limited to reasonable attorneys and expert fees directly imposed upon, threatened against, incurred by, awarded or asserted against the Operator-Indemnified Persons, and arising out of, from or in any way relating to:

- (a) any environmental condition existing or arising from circumstances existing on the date the Operator takes possession of the Premises (but excluding any environmental condition existing on the Central Medical Site that first arose during the ownership of the Central Medical Site by an Affiliate of Operator, and is not attributable to any act or omission of the Authority or its agents);
- (b) any intentional or unintentional act or omission on the part of the Authority, or its agents, employees, contractors, licensees which violate any Environmental Law;
- (c) the enforcement of this Article 13 to the extent the Operator is the prevailing party.

ARTICLE 14

DEFAULT AND REMEDIES

14.1 Events of Default.

Each of the following shall constitute an "**Event of Default**" under this Lease:

14.1.1. Failure to Pay Rent. The Operator's failure to pay when due any payment due under this Lease, including without limitation, any portion of Rent, which failure to pay is not cured within five (5) days following the date when due;

14.1.2. Abandonment. The Operator and/ or the Team Affiliate shall vacate or abandon the Premises, at any time during the Lease Term;

14.1.3. Violation of Article 8. The Operator and/or the Team Affiliate shall at any time fail to occupy the Premises, and play all of its NHL Home Games in the New Arena during the Lease Term, as required by Section 8.1 hereof, or the Operator or the Team Affiliate shall otherwise violate Article 8 of this Lease;

14.1.4. Bankruptcy, Etc. (i) The Operator and/or the Team Affiliate shall institute voluntary proceedings in Bankruptcy; (ii) involuntary proceedings in Bankruptcy shall be instituted against the Operator and/or the Team Affiliate which are not discharged within sixty (60) days thereafter; (iii) any proceedings shall be instituted by or against the Operator and/or the Team Affiliate

under any law relating to insolvency or reorganization, and in the case of an involuntary proceeding, which is not discharged within sixty (60) days after filing; (iv) a trustee or receiver shall be appointed for the Operator and/or the Team Affiliate by any court of competent jurisdiction; (v) the Operator and/or the Team Affiliate shall make a general assignment for the benefit of its creditors; (vi) a final, non-appealable judgment is entered against the Operator and/or the Team Affiliate for an amount in excess of \$2,000,000, which final judgment is not either covered by insurance, or bonded or satisfied within thirty (30) days of having become final; or (vii) the Operator and/or the Team Affiliate shall dissolve or liquidate, or shall otherwise cease to exist as validly existing legal entities;

14.1.5. Other Default. The Operator's or the Team Affiliates' violation or failure to perform or observe any other covenant or condition of this Lease binding upon such entity, which failure or violation shall continue for thirty (30) days after the receipt of written notice by the Operator or Team Affiliate identifying with particularity the failure or violation, provided that if such failure or violation is susceptible to cure but is not capable of being cured within such thirty (30) day period, there shall exist no Event of Default provided that the Operator promptly advises Authority of the Operator's or Team Affiliate's intention duly to institute all steps necessary to cure such default and the Operator or Team Affiliate promptly commences cure of such failure or violation, and diligently pursues such cure to completion;

14.1.6. Related Agreements. The Operator, the Developer or the Team Affiliate or any other Affiliate shall violate, or failure to perform or observe, any material covenant or condition in any of the Related Agreements, which failure or violation shall continue beyond the grace period, if any, set forth therein or the occurrence of any "default" or "event of default" in any of the Related Agreements (it being understood that any such default or event of default shall be an additional Event of Default hereunder and shall not be construed to be in substitution of any other Events of Default);

14.1.7. Misrepresentations. Any representation or warranty made by the Operator or the Team Affiliate herein, or in any Related Agreement shall prove to have been incorrect when made, in any material respect;

14.1.8. Termination of Franchise. The Franchise is terminated by the NHL, unless such action is stayed as the result of available appeals or similar proceedings;

14.1.9. Default under Special Agreement. Any default (after the expiration of any applicable grace period) by the Operator or the Team Affiliate under the Special Agreement shall have occurred.

14.2 No Notice Required for Certain Defaults.

Upon the occurrence of any Event of Default under subsections 14.1.1, 14.1.2, 14.1.3, 14.1.4, 14.1.8 and 14.1.9 above, Authority shall not be required to deliver notice of default to the Operator, and the Authority shall, upon the occurrence of such Event of Default, have the right to take such action under this Lease, the Special Agreement and any Related Agreement, including without limitation, at its sole option, the right to terminate this Lease immediately, as hereinafter provided, or to take or institute such actions, as are available to Authority at law or in equity, as the Authority in its sole discretion may determine desirable or necessary to protect the interests of the Commonwealth, City, County, Authority and general public in the subject matter of this Lease.

14.3 Remedies.

14.3.1. General Remedies. Following the occurrence of an Event of Default, and after the expiration of any applicable grace or cure period, the Authority shall have the right, at its election and without further notice, (i) in the event of a default under Section 14.1.9 above, to assert such rights and exercise such remedies as may be available to the Authority under the Special Agreement, (ii) to terminate this Lease upon giving written notice thereby to Operator, and in such event, this Lease and the term and estate hereby granted shall terminate upon delivery of notice, or (iii) to terminate the right of the Operator to occupy the Premises, leaving this Lease in effect, but in either case Operator shall remain liable for Rent for the balance of the Lease Term, and damages as provided herein or pursuant to law, or pursuant to any Related Agreement, or (iv) to assert such other right or exercise such other remedy as may be available to the Authority under Pennsylvania law. In addition, with or without terminating this Lease, Authority, or Authority's agents, may, solely through legal process, by summary proceedings or by any suitable judicial action or proceeding at law under and by virtue of the laws of the Commonwealth of Pennsylvania, reenter into or upon the Premises or any part thereof, terminate Operator's right of possession and take possession of the Premises. If Authority elects to terminate this Lease and/or Authority elects to terminate the right of possession of the Operator, such election shall be made without prejudice to Authority's right to recover from Operator all Rent and other sums for which Operator is obligated under this Lease. Whether or not this Lease is terminated and/or Authority elects to terminate Operator's right of possession, Operator nevertheless shall remain liable for any Rent or damages which may be due or sustained by the Authority prior or subsequent to such default, together with all costs, fees and expenses (including without limitation reasonable attorneys' fees, brokerage fees and expenses incurred in placing the Premises in rentable condition) incurred by Authority in pursuit of its remedies.

14.3.2. Rental Obligations. In addition, following the occurrence of an Event of Default, Operator shall be liable, at Authority's election, which may be made in the Authority's sole discretion, to pay to the Authority the following:

(a) Rent, which would have become due during the remainder of the Lease Term, computed and payable following Operator's default upon the due dates specified in this Lease, and shall continue until the date of expiration of the Lease Term; or

(b) an amount equal to the present value (as of the date of the occurrence of the Event of Default) of the Rent which would have become due during the remainder of the Lease Term. For purposes of this Section, "present value" shall be computed by discounting at a rate which shall be equal to the rate of interest most recently published, prior to the date of occurrence of such Event of Default, by the Federal Reserve Board in Federal Reserve Statistical Release H.15 (519), representing the weekly average of United States Treasury Securities having a constant maturity of five (5) years.

14.3.3. Authority's Right of Possession. If at any time during the Lease Term, the Operator and/or the Franchise abandons the Premises, the Authority may, without institution of legal process, retake control of the Premises, including possession of any personal property left at the Premises, and the Authority may dispose of that personal property in such manner as it considers appropriate without any liability to the Operator and/or the Operator. No action taken by the Authority under this subpart will be construed to constitute a termination of this Lease, or acceptance of termination by the Operator and/or the Operator, and the Authority will continue to possess all rights and remedies of lessor under this Lease.

14.3.4. Limitations on Authority Damages. Notwithstanding anything to the contrary set forth in this Article 14 or elsewhere in this Lease, the Authority shall not be entitled to recover any incidental, indirect, special, consequential or punitive damages arising out of any Event of Default hereunder. Although the Authority has no obligation to mitigate its damages arising out of any Event of Default hereunder, the Authority will credit Operator the amount of any sums received by the Authority, less taxes, expenses, costs and fees incurred by the Authority, arising out of any actions taken by the Authority that have the effect of mitigating its damages.

14.4 Equitable Remedies.

Operator acknowledges that the rights reserved and/or granted by this Lease to the Authority are of a unique and special nature, and that any Event of Default by Operator in its obligations under this Lease will result in immediate and irreparable harm to the Authority and any third-party beneficiaries of this Lease (including without limitation any Authority-Indemnified Person). In the event of any actual or threatened Event of Default under any of the provisions of this Lease, the Authority, and any third-party beneficiaries of this Lease, shall be entitled as a matter of right to an injunction or a decree of specific performance without bond from any equity court of competent jurisdiction, which action may be instituted in the Court of Common Pleas of Allegheny County, Pennsylvania. The Operator agrees that Court shall, unless otherwise specifically elected in writing by the Authority, have exclusive jurisdiction of matters

instituted by the Authority under this Section 14.4. Moreover, the Operator waives the right to assert the defense that any such actual or threatened Event of Default can be compensated adequately in damages in an action at law.

14.5 Default Rate.

If the Operator fails to make any payment of the Rent or any other sums payable by Operator to the Authority on the date due, which failure shall continue for thirty (30) days, then such payment shall bear interest at the Default Rate.

14.6 Remedies Cumulative.

All of the Authority's rights and remedies set forth in this Lease are cumulative and in addition to the Authority's rights and remedies at law or in equity or in the Related Agreements. Each exercise by the Authority of any such right or remedy shall not prevent the concurrent or subsequent exercise of any other right or remedy. The Authority's delay or failure to exercise or enforce any rights or remedies shall not constitute a waiver of any such rights, remedies or obligations. The Authority shall not be deemed to have waived any default unless such waiver is expressly set forth in an instrument signed by the Authority. If the Authority waives in writing any default, then such waiver shall not be construed as a waiver of any covenant or condition set forth in this Lease except as to the specific circumstances described in such written waiver. Neither payment of a lesser amount than the sum due hereunder nor endorsement or statement on any check or letter accompanying such payment shall be deemed an accord and satisfaction, and the Authority may accept the same without prejudice to the right to recover the balance of such sum or to pursue any other remedy. No act or thing done by the Authority or its agents shall be deemed an acceptance of surrender of the Premises, and no agreement to accept such surrender shall be valid, unless in writing and signed by the Authority.

14.7 Waivers by Operator.

If proceedings shall be commenced to recover possession of the Premises either at the end of the Lease Term or sooner termination of this Lease, for non-payment of Rent, or for any other reason, the Operator and the Team Affiliate specifically waive the right to the three (3) months' notice to quit and/or the fifteen (15) or thirty (30) days' notice to quit required by the Act of April 6, 1951, P.L. 69, as amended, and agrees that the notices required by this Lease shall be sufficient. The Operator waives and surrenders all right and privilege that the Operator might have under or by reason of any present or future law to redeem the Premises or to have a continuance of this Lease after the Operator is dispossessed or ejected therefrom by process of law or under the terms of this Lease or after any termination of this Lease.

14.8 Default by the Authority; Limited Right of Termination.

14.8.1. Notice of Default and Remedies. If the Authority fails to fund the Capital Reserve Fund from moneys paid to the Authority as required under Section 10.3.1 of this Lease, or otherwise fails to perform any of its obligations under this Lease, and fails to cure any such default within sixty (60) days after written notice of default is delivered by the Operator to the Authority (plus such additional period as may be reasonably necessary to cure, provided that

the Authority is proceeding diligently and in good faith to do so), then the Authority shall be in default; provided that the right of the Operator to enforce a judgment against the Authority will be subject to (A) the limited recourse provisions set forth in subpart 14.8.2 below, and (B) such laws and procedures as may otherwise relate to the enforcement of a money judgment against an instrumentality of the Commonwealth. Any sums payable by the Authority under this Section 14.8 shall bear interest at the Default Rate.

14.8.2. Limited Recourse Obligations of Authority.

Notwithstanding and prevailing over any contrary provision or implication of this Lease, or any of the Related Agreements, the rights and remedies of the Operator against the Authority shall be limited to those rights and remedies that are set forth in this Lease or that are available under the laws of the Commonwealth, and no personal recourse may be had against any director, officer, employee or agent of the Authority. No property or assets of any officer, director, agent or employee of Authority shall become subject to levy, execution, attachment or other enforcement procedures for the satisfaction of Operator's remedies.

14.8.3. Limited Right to Terminate Lease.

Notwithstanding anything set forth above, or elsewhere in this Lease to the contrary, and notwithstanding any default by the Authority in any of its obligations hereunder, and notwithstanding any arbitration award, the Operator shall not have the right to (i) terminate this Lease, (ii) vacate the Premises, (iii) cease payment of Rent or any other sum payable by the Operator under this Lease when due, or (iv) otherwise cease to perform any of the Operator's obligations under this Lease as and when required by the terms hereof, prior to the Expiration Date, unless the Operator has obtained a final, nonappealable order from a court of competent jurisdiction, which expressly grants the Operator a judgment for money that remains unsatisfied or expressly finds that the Authority has otherwise breached its obligations under this Lease and directs the Authority to cure such default and the Authority fails to pay such money judgment or cure such default within two (2) years following the date that such order becomes final and non-appealable. Provided further, if the Operator terminates this Lease at any time during the Term, neither the Operator, nor any of its concessionaires, subtenants or other persons or entities in occupancy of the New Arena under authorization of the Operator, shall have any right to remain in occupancy of any portion of the New Arena following termination of this Lease. The Operator further acknowledges that its agreements set forth in this Section 14.8 are material inducements to the commitments of funds and other resources made by the Authority, City, County and Commonwealth in furtherance of the development of the Premises.

14.8.4. No Waiver of Sovereign Immunity. Except to the extent specifically waived by the Authority in this Lease or in any Related Agreement and except to the extent such rights have been waived pursuant to Applicable Laws or otherwise, nothing contained in this Section 14.8, or elsewhere in this Lease, shall be in any manner whatsoever construed as a waiver of rights of

sovereign immunity possessed by the Authority as an instrumentality of the Commonwealth.

ARTICLE 15

ARBITRATION AND MEDIATION

15.1 Arbitration.

If (i) any dispute between the parties to this Lease arises, which by the terms of this Lease are made subject to this Article 15, or (ii) if a default by either party hereunder results in a claim exclusively for monetary relief which does not exceed the sum or value of \$1,000,000, as adjusted annually from and after the Commencement Date based upon increases in CPI, exclusive of interest and costs, or (iii) the parties agree to invoke the provisions of this Article 15, any party shall have the right to submit the dispute or claim to arbitration administered before three (3) arbitrators, which arbitration will be conducted subject to the rules of the American Arbitration Association. In any arbitration, the parties shall be entitled to conduct discovery in accordance with the applicable rules of the Federal Rules of Civil Procedure, with such modifications thereto as may be mutually agreeable to the parties unless the arbitrators appointed to hear the case rule that discovery should be limited in light of the particular dispute. In the event the parties are unable to agree on the three arbitrators, the parties shall select the three arbitrators by striking alternatively (the first to strike being chosen by lot) from a list of not less than thirteen (13) arbitrators designated by the American Arbitration Association. Each of the parties to the arbitration shall bear the cost of the arbitration on such basis as the arbitrators of the matter shall determine. Notwithstanding the foregoing, nothing in this Agreement shall preclude any party from filing any action in a court of competent jurisdiction seeking any temporary restraining order or preliminary injunction. Unless either party is restrained or enjoined by a court competent jurisdiction, the decision of the arbitrators shall be conclusive and non-appealable except in case of fraud.

15.2 Mediation.

If any dispute arises under this Lease where the claim for which the requested relief is not limited to monetary relief, or for which monetary relief is requested, any party may request the appointment of a mediator pursuant to procedures administered by the American Arbitration Association under its Commercial Mediation Rules. In the event the claim is not settled through mediation, any party, subject to the terms of this Lease, shall have the right to request arbitration under Section 15.1 above if permitted by the terms of this lease, or to commence litigation in the Court of Common Pleas of Allegheny County, Pennsylvania.

ARTICLE 16

REPRESENTATIONS AND WARRANTIES

16.1 Representations and Warranties of the Authority.

The Authority hereby represents and warrants to the Operator, the following as of the date of execution of this Lease:

16.1.1. Organization and Good Standing. The Authority is duly organized and validly subsisting under the laws of the Commonwealth of Pennsylvania and has full power and authority to own and operate its properties and to conduct its affairs as now conducted.

16.1.2. Authorization, Validity and Enforceability. The Authority has all requisite power and authority to enter into this Lease, to perform its obligations hereunder, and to carry out the actions contemplated hereby. The execution, delivery, and performance by the Authority of this Lease have been duly authorized and approved by all necessary governmental action (other than the various government approvals, licenses and permits which are required for the development, construction, use and operation of the New Arena), all of which have been obtained and remain in effect. The Authority Representative is the individual duly authorized to execute this Lease on behalf of the Authority and has so executed this Lease. This Lease constitutes, and the Related Agreements when executed will constitute, the valid and legally binding obligations of the Authority, enforceable against it in accordance with their respective terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws and subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

16.1.3. No Conflicts. The execution, delivery and performance of this Lease or the Related Agreements will not result in a violation, in any material respect, of any provision of any other agreements, instruments, contracts, judgments or decrees to which the Authority is a party, or by which the Authority or its assets may be bound or affected, including without limitation the Authority's charter documents and any written rule, regulation or policy of the Authority.

16.1.4. No Violation of Laws. Except as otherwise previously disclosed in writing to the Operator, the Authority has complied in all material respects with all Applicable Laws, statutes, rules, regulations or orders with respect to the Site and the transactions contemplated in and by this Lease and the Related Agreements; and the Authority is not in default or violation with respect to any judgment, order, injunction or decree of any court, administrative agency, or other governmental authority which is in any respect material to the Authority or the transactions contemplated in and by this Lease. Neither the execution, delivery nor, performance of this Lease by the Authority violates the Authority's articles of organization, the enabling legislation governing the Authority, or any ordinance or resolution of the Authority, or any other agreement or instrument to which the Authority is subject or by which the Authority is bound, or of any Applicable Laws.

16.1.5. Information. All information delivered or to be delivered by the Authority pursuant to this Lease is, or at the time of delivery and as of the Commencement Date shall be, correct and complete in all material

respects and such information is or shall be set forth in a manner that is not misleading.

16.1.6. Title to Premises. The Authority has good and marketable fee simple title to that portion of the Premises described on Exhibit A-1, subject only to the Permitted Encumbrances set forth on Exhibit C, and prior to the Commencement Date the Authority will acquire good and marketable fee simple title to the remainder of the Premises.

16.2 Representations and Warranties of the Operator.

The Operator hereby represents and warrants to the Authority the following as of the date of execution of this Lease:

16.2.1. Organization and Good Standing. The Operator is a limited partnership duly organized and validly subsisting under the laws of Pennsylvania, and has full power and authority to own and operate its properties and to conduct its affairs as now conducted. The Operator has all requisite partnership power and authority to enter into this Lease and each of the Related Agreements to which it is a party.

16.2.2. Authorization, Validity and Enforceability. All partnership action of the Operator necessary for the authorization, execution, delivery and performance of all obligations of the Operator under this Lease and the Related Agreements has been taken. All consents and approvals of any Person (including the sole general partner of the Operator) required in connection with the execution of this Lease and the Related Agreements have been obtained. This Lease and the Related Agreements, when executed, shall constitute valid and legally binding obligations of the Operator enforceable in accordance with their respective terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws and subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

16.2.3. No Conflicts. The execution, delivery and performance of this Lease or the Related Agreements will not result in a violation of, in any material respect, any provision of any other agreements, instruments, contracts, judgments or decrees to which the Operator is a party or by which the Operator or its assets may be bound or subject, including without limitation, the Operator's documents of organization or by-laws, or the NHL Rules and Regulations, nor will the execution, delivery and performance of this Lease or the Related Agreements result in the breach of or constitute a default under any loan or credit agreement, or other agreement or instrument to which the Operator is a party or by which the Operator or its assets may be bound or subject. No NHL Entity has any right to terminate this Lease, the Special Agreement or any other Related Agreement, to in any way abrogate the non-relocation covenants set forth in any

such document or instrument, or to force relocation of the Franchise from the New Arena at any time during the Lease Term.

16.2.4. No Violation of Laws. The Operator has received no written notice as of the date of execution of this Lease asserting any noncompliance in any material respect by the Operator with applicable statutes, rules and regulations of the United States of America, the Commonwealth of Pennsylvania, or of any other state or municipality (excluding the Authority) or agency having jurisdiction over and with respect to the transactions contemplated in and by this Lease or the Related Agreements; and the Operator is not in default with respect to any judgment, order, injunction or decree of any court, administrative agency, or other governmental authority which is in any respect material to the transactions contemplated in and by this Lease.

16.2.5. NHL Rules and Regulations. A true and correct copy of the NHL Rules and Regulations have been delivered by the Operator to the Authority prior to the date of execution of this Lease. The Operator will promptly furnish revised NHL Rules and Regulations to the Authority following amendment thereof.

ARTICLE 17 **MISCELLANEOUS**

17.1 Form of Notices; Addresses.

All notices, demands or requests required under this Lease shall be in writing. All such notices, demands and requests required under this Lease shall be deemed to have been properly given if (i) served personally, or (ii) if sent by United States registered or certified mail, or (iii) if sent by overnight delivery service, (iv) or sent by telecopy if followed within twenty-four (24) hours by service under one of the other subparts above, to the parties as follows (or at such other address as a party may from time to time designate by notice given pursuant to this Article). Each notice shall be deemed given and received upon receipt:

To the Operator:	Lemieux Group LP One Chatham Center, Suite 400 Pittsburgh, PA 15219 Attention: Chief Executive Officer Telecopy: (412) 642-1813
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With a copy to:	Pepper Hamilton LLP One Mellon Center 500 Grant Street, 50th Floor Pittsburgh, PA 15219 Attention: Charles M. Greenberg, Esquire Telecopy: (412) 281-0717
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To the Authority: Sports & Exhibition Authority of Pittsburgh and Allegheny County
Regional Resource Center
425 Sixth Avenue, 27th Floor
Pittsburgh, PA 15219
Attention: Executive Director
Telecopy: (412) 393-0204

With a copy to: Buchanan Ingersoll & Rooney PC
301 Grant Street, 20th Floor
One Oxford Centre
Pittsburgh, PA 15219
Attention: Mark R. Hornak, Esquire
Telecopy: (412) 562-1041

With a copy to: Secretary of Budget
Commonwealth of Pennsylvania
238 Main Capitol
Harrisburg, PA 17120
Telecopy: (717) 787-4590

17.2 Entire Lease; Memorandum of Lease.

This Lease, the documents which are Exhibits to this Lease and the Related Agreements contain the sole and entire agreement between the parties with respect to their subject matter and supersede any and all other prior written or oral agreements, and all contemporaneous oral agreements, between them with respect to such subject matter. At the option of either party, a memorandum of this Lease may be placed of record in the Office of Recorder of Deeds of Allegheny County, Pennsylvania; the form of memorandum of lease is attached to this Lease as Exhibit D.

17.3 Amendment.

No amendment or modification of this Lease shall be valid unless in writing and duly executed by the party affected by the amendment or modification. The parties acknowledge that, pursuant to NHL Rules and Regulations, the Operator may be required to obtain the consent of NHL in connection with any amendment or modification of this Lease.

17.4 Binding Effect.

This Lease shall be binding upon the Authority and the Operator, and their respective successors and assigns, subject to such limitations on transfer as may be set forth in this Lease and/or in any Related Agreement.

17.5 Trial by Jury.

Authority and Operator each waive trial by jury in any action in connection with this Lease.

17.6 Waiver.

Waiver by any party of any breach of any provision of this Lease shall not be considered as or constitute a continuing waiver or a waiver of any other breach of the same or any other provision of this Lease.

17.7 Captions.

The captions contained in this Lease are inserted only as a matter of convenience or reference and in no way define, limit, extend or describe the scope of this Lease or the intent of any of its provisions.

17.8 Construction.

In the construction of this Lease, whether or not so expressed, words used in the singular or in the plural, respectively, include both the plural and the singular and the masculine, feminine and neuter genders include all other genders.

17.9 Article and Exhibit References.

All references contained in this Lease to Articles and Exhibits shall be deemed to be references to Articles of, and Exhibits attached to, this Lease, except to the extent that any such reference specifically refers to another document. All references to Articles shall be deemed to also refer to all subsections of such Articles, if any. The definitions of terms defined in this Lease shall apply to the Exhibits, unless the context otherwise indicates.

17.10 Severability.

If any term or provision of this Lease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term or provision to persons or circumstances other than those as to which it was held invalid or unenforceable, shall not be affected thereby, and each term or provision of this Lease shall be valid and enforceable to the fullest extent permitted by Applicable Laws.

17.11 Third Party Beneficiaries.

The City, County and Commonwealth shall be and are intended third party beneficiaries of this Lease. Except as to the City, County and Commonwealth, nothing in this Lease, express or implied, is intended to: (a) confer upon any entity or person other than the parties and their permitted successor(s) and assigns any rights or remedies under or by reason of this Lease as a third-party beneficiary or otherwise except as specifically provided in this Lease; or (b) authorize anyone not a party to this Lease to maintain an action pursuant to or based upon this Lease.

17.12 Rights of the City, County and Commonwealth.

The Operator acknowledges that their respective rights and duties established in this Lease and the Related Agreements are of a unique and special nature. Any violation of either Article 6, Article 8, or Section 7.1 of this Lease, or of any comparable provision in any Related Agreement, will result in immediate and irreparable harm to the City, County and Commonwealth, and in the event of any actual or threatened breach or violation of any of the provisions of Article 6, Article 8, or Section 7.1 of this Lease, or of any comparable provision of any Related Agreement prohibiting the relocation of the Franchise from the City during the Lease Term, the City, County and Commonwealth, jointly and severally, will be entitled as a matter of right to (i) an injunction or a decree of specific performance without bond from any court of competent jurisdiction, including without limitation the Commonwealth Court of Pennsylvania, (ii) such monetary damages as are authorized by law, and (iii) such other and further relief as is available. Nothing contained in this Section 17.12 shall be construed to affect or limit in any manner any other rights or remedies of the Authority, City, County, Commonwealth or URA under this Lease or any Related Agreement.

17.13 Other Documents.

The parties shall take all such actions and execute all such documents which may be reasonably necessary to carry out the purposes of this Lease, whether or not specifically provided for in this Lease; provided that the parties further acknowledge that certain additional actions by Authority may require approval, and to the extent such approval is required by Applicable Laws, obtaining the approval shall be a condition to Authority's obligations under this Article.

17.14 Governing Law.

This Lease and the interpretation of its terms shall be governed by the laws of the Commonwealth of Pennsylvania, without application of conflicts of law principles. Venue for any judicial, administrative or other action to enforce or construe any term, covenant or condition of this Lease, or arising from or relating to this Lease, shall lie exclusively in the Commonwealth Court of Pennsylvania or the Court of Common Pleas of Allegheny County, Pennsylvania.

17.15 Counterparts.

This Lease may be executed and delivered in counterparts, each of which shall be deemed to be an original and both of which, taken together, shall be deemed to be one Lease.

17.16 Relationship of Parties.

It is agreed that nothing contained in this Lease shall be deemed or construed as creating a partnership or joint venture between Authority and the Operator, or between Authority and any other party, or cause Authority to be responsible in any way for the debts or obligations of Operator or any other party.

17.17 Nondiscrimination.

Operator will not discriminate against any employee or applicant for employment , and there shall be no discrimination against or segregation of any person, or group of persons, on account of sex, marital status, sexual orientation, race, color, creed, religion, age, national origin, disability or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Premises. Operator shall post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Authority setting forth the provisions of this Section. Operator shall, in all solicitations or advertisements for employment state that all qualified applicants will receive consideration for employment without regard to sex, marital status, sexual orientation, race, color, creed, religion, age, national origin, disability or ancestry. In connection with the performance of work at the Premises, Operator shall undertake measures designed to eliminate any discriminatory barriers in the terms and conditions of employment on the grounds of sex, marital status, sexual orientation, race, color, creed, religion, age, national origin, disability or ancestry. Such measures shall include measures to ensure equal opportunity in the areas of hiring, upgrading, demotion or transfer, recruitment, layoff or termination, rate of compensation, and in-service or apprenticeship training programs. Neither Operator nor any person claiming under or through it shall establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of licensees, sublicensees or vendors (if any), using or operating at Premises or any portion thereof. Authority, the City, County and the Commonwealth shall be the beneficiaries of this Section, and shall have the right to enforce its terms.

17.18 Required Contractual Nondiscrimination Clause.

Operator, for itself and its successors and assigns, shall cause the following clause to appear in all contracts, licenses or sublicenses concerning the Premises: "Any supplier, contractor or lessee in performing under this contract shall not discriminate against any worker, employee or applicant, or any member of the public because of race, creed, ancestry, color, religion, sex, marital status, disability or national origin. The supplier, contractor or lessee shall ensure that applicants are employed, and that employees are dealt with during employment without regard to their race, creed, color, ancestry, religion, sex, marital status, disability or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The supplier, contractor, or lessee further agrees that this clause will be incorporated in all subcontracts entered into with suppliers of materials or services, and all labor organizations furnishing skilled, unskilled and union labor, or who may perform any such labor or services in connection with this contract." The clause required by this Lease may be modified or deleted to conform to changes in Applicable Laws and deleted when no longer required by Applicable Laws.

17.19 Quiet Enjoyment.

If and so long as Operator shall comply with all of the covenants, conditions and provisions of this Lease on Operator's part to be observed and performed hereunder, Operator

shall peaceably and quietly have, hold and enjoy the Premises for the Lease Term, subject nevertheless to all of the provisions of this Lease.

17.20 Estoppel Certificate.

The Operator, agrees that at any time and from time to time upon not less than ten (10) Business Days' prior request by Authority, the Operator will execute, acknowledge and deliver to the Authority a statement in writing certifying: (a) that this Lease is unmodified and in full force and effect or, if there have been modifications, that the same are in full force and effect as modified and identifying the modifications; (b) the date to which Rent and Additional Rent have been paid; (c) that neither the Operator, nor to the knowledge of the Operator the Authority, is in default under any provisions of this Lease or, if there has been a default, the nature of said default; (d) that all work with respect to the Premises to be performed by the Operator and the Authority under this Lease or any Related Agreement has been performed, or if not so performed, specifying the work to be performed; and (e) any other matter that the Authority or such prospective mortgagee or other lender shall reasonably request, it is intended that any such statement may be relied upon by any person, prospective mortgagee of, or assignee of any mortgage, upon such interest.

17.21 Tax-Exempt Financing.

In the event the Authority determines, based upon the advice of nationally recognized bond counsel, that continued compliance with the provisions of this Lease could adversely affect the tax-exempt status of the interest on any bonds issued by the Authority to finance a portion of the costs of the Premises, the parties agree to make such reasonable efforts, including amendment of the provisions of this Lease, to the extent necessary to preserve such tax-exempt status; provided, that such amendment will not have a material adverse impact or result in a substantial additional cost to the Operator. The obligations of the parties under this Section will be subject to Article 15 without regard to the amount in controversy.

17.22 Operator Subject to NHL Requirements.

The parties hereby acknowledge that, on the date hereof, Operator is a constituent member of NHL, and as such, is, or may be, subject to (a) certain present or future agreements or arrangements entered into with third parties by, or on behalf of the NHL or its related or affiliated entities (collectively, the "NHL Entities"), either on its own behalf or on behalf of the NHL clubs; (b) certain present or future agreements or arrangements entered into between the Operator and/or the Team Affiliate and any of the NHL Entities (the Operator hereby agrees that it will not consent to an agreement or arrangement inconsistent with this Lease), and (c) the applicable rules, regulations, guidelines, policies, agreements, bulletins or directives issued by any of the NHL Entities. The Operator represents that, as of the date of this Lease, and to its knowledge, this Lease is not inconsistent with any such terms.

17.23 Authority Review and Approval.

In each instance in this Lease where the approval or consent of Authority may be sought or is required, and such approval or consent shall be granted or denied on behalf of Authority by its Executive Director or Board of Directors, except as otherwise indicated in this Lease, and in

each case such consent shall not be unreasonably withheld, delayed or conditioned. If at any time during the Lease Term, the Operator shall make a request of the Authority, which in the reasonable, good faith discretion of the Authority requires counsel review, then the Operator will reimburse the Authority for reasonable legal fees incurred.

17.24 Termination of Lease Prior to Delivery of Premises.

(a) Without limiting the rights of Operator or the Authority under Section 14.8.3, in the event that the revised Project Budget, including but not limited to the GMP+ (as such terms will be defined in the New Arena Development Agreement) exceeds the sum of \$310,000,000 (after diligent and good faith efforts to reduce the revised Project Budget below \$310,000,000, by value engineering or otherwise, are unsuccessful), then at any time prior to the start of construction of the New Arena, the Operator shall have the right to terminate this Lease, and in the event of termination, neither the Operator nor any of its Affiliates shall have any obligation to occupy the Premises, pay Rent or to perform any other obligations under this Lease.

(b) In the event that, on or before August 1, 2010, the Central Medical Agreement of Sale is terminated as a result of an uncured Event of Default (as defined therein) thereunder by the Authority, then the Operator shall have the right to terminate this Lease.

(c) If the Authority materially fails to fund the overall construction of the New Arena with the funds from the revenue bonds issued by the Authority that the Authority is required to provide pursuant to the New Arena Development Agreement and as a result of this material failure to fund, the New Arena cannot be constructed, and if the Authority fails to cure this material failure to fund within thirty (30) days after written notice thereof from the Operator, then the Operator shall have the right to immediately commence expedited proceedings seeking specific performance of, or other equitable relief to enforce, the Authority's obligation to fund the construction of the New Arena. The Authority and the Operator stipulate and agree that (i) any such proceeding will be commenced only in the Court of Common Pleas of Allegheny County, Pennsylvania, (ii) they will jointly request and stipulate that the proceeding shall be assigned to and be heard by the President Judge of said Court, or at his direction, the Administrative Judge of the Civil Division of such Court, (iii) such proceeding shall be heard and determined by the Court sitting without a jury, (iv) it shall be heard on an expedited basis, with the hearing thereon commenced and concluded within thirty (30) days after the filing of the proceeding and (v) the Court will render its judgment and decision, which shall be binding upon the parties, within thirty (30) days thereafter. In the event that the Authority does not, pursuant to a Court order resulting from such proceeding requiring it to do so, provide the required funding for the New Arena construction, within thirty (30) days of the entry of such order, then the Operator shall have the right to terminate this Lease

(d) Upon any termination of this Lease pursuant to this Section 17.24, each of the Related Agreements shall be terminated and the Operator

shall have the right to terminate the Seventh Amendment to Civic Arena Lease by and among the Authority, SMG Pittsburgh, L.P. d/b/a Pittsburgh Arena, LP and the Operator.

[THE REMAINDER OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK]

WITNESS the due execution hereof as of the date set forth at the beginning of this
Lease:

Attest:

AUTHORITY:

**SPORTS & EXHIBITION AUTHORITY
OF PITTSBURGH AND ALLEGHENY
COUNTY**

By: Mary F Conturo
Name: Mary F Conturo
Title: Executive Director

By: John Chalovich
Name: John Chalovich
Title: Chairman

[SEAL]

OPERATOR:

LEMIEUX GROUP LP

**By: Team Lemieux LLC, its sole general
partner**

By: _____
Name:
Title:

[SEAL]

WITNESS the due execution hereof as of the date set forth at the beginning of this
Lease:

Attest:

AUTHORITY:

**SPORTS & EXHIBITION AUTHORITY
OF PITTSBURGH AND ALLEGHENY
COUNTY**

By: _____
Name:
Title:


By: _____
Name:
Title:

[SEAL]

OPERATOR:

LEMIEUX GROUP LP

**By: Team Lemieux LLC, its sole general
partner**

By:  _____
Name:
Title:

[SEAL]

Exhibit A-1

Legal Description of Owned Property

All that certain lot or piece of ground situate in the 3rd Ward of the City of Pittsburgh, County of Allegheny and Commonwealth of Pennsylvania, being bounded and described as follows:

[DESCRIPTION TO BE COMPLETED UPON RECEIPT OF RECORDED SUBDIVISION PLAN].

Being comprised of all or part of the following tax parcels:

Block 2-G, Lot 306-01
Block 2-G, Lot 306-02
Block 2-G, Lot 303
Block 2-G, Lot 321-01
Block 2-G, Lot 321-02
Block 2-G, Lot 325
Block 2-G, Lot 328
Block 2-G, Lot 358

Title was acquired by the following:

(a) Deed of Paul Zimmerman, et al. to R. Phelan, dated March 16, 1901 and recorded in Deed Book Volume 1109, page 367.

(b) Deed of Mary M. McGovern, widow, et al. to Right Reverend R. Phelan, Roman Catholic Bishop of the Diocese of Pittsburgh, Trustee for The Roman Catholic Congregation of The Church of the Epiphany, dated August 21, 1901 and recorded in Deed Book Volume 1134, page 383.

(c) Deed of Bridget O'Keefe to Right Reverend R. Phelan, Roman Catholic Bishop of the Diocese of Pittsburgh, Trustee for The Roman Catholic Congregation of The Church of the Epiphany, dated September 2, 1901 and recorded in Deed Book Volume 1141, page 553.

(d) Deed of Bridget O'Keefe to Right Reverend R. Phelan, Roman Catholic Bishop of the Diocese of Pittsburgh, Trustee for The Roman Catholic Congregation of The Church of the Epiphany, dated August 6, 1901 and recorded in Deed Book Volume 1141, page 555.

- (e) Deed of Meyer Rosenbloom to Right Reverend R. Phelan, Roman Catholic Bishop of the Diocese of Pittsburgh, Trustee for The Roman Catholic Congregation of The Church of the Epiphany, dated November 12, 1901 and recorded in Deed Book Volume 1148, page 539.
- (f) Deed of Elizabeth D. Morris to Right Reverend R. Phelan, Roman Catholic Bishop of the Diocese of Pittsburgh, Trustee for The Roman Catholic Congregation of The Church of the Epiphany, dated November 23, 1901 and recorded in Deed Book Volume 1148, page 542.
- (g) Deed of Regis Canovin to Right Reverend R. Phelan, Roman Catholic Bishop of the Diocese of Pittsburgh, Trustee for The Roman Catholic Congregation of The Church of the Epiphany, dated November 5, 1901 and recorded in Deed Book Volume 1148, page 563.
- (h) Deed of Sarah Jacobs to Right Reverend R. Phelan, Roman Catholic Bishop of the Diocese of Pittsburgh, Trustee for The Roman Catholic Congregation of The Church of the Epiphany, dated September 18, 1901 and recorded in Deed Book Volume 1151, page 505.
- (i) Deed of David Rees, et ux. to Right Reverend R. Phelan, Roman Catholic Bishop of the Diocese of Pittsburgh, Trustee for The Roman Catholic Congregation of The Church of the Epiphany, dated March 13, 1902 and recorded in Deed Book Volume 1170, page 577.
- (j) Deed of Charles E. Black to R. Phelan, dated February 1, 1902 and recorded in Deed Book Volume 1178, page 224.
- (k) Declaration of Trust made by R. Phelan, dated July 10, 2002 and recorded in Deed Book Volume 1380, page 56.
- (l) Deed of St. Regis Association to Most Reverend John F. Dearden, Bishop of The Roman Catholic Diocese of Pittsburgh, Trustee for The Church of the Epiphany Congregation, dated December 14, 1954 and recorded in Deed Book Volume 3387, page 575.
- (m) Deed of Urban Redevelopment Authority of Pittsburgh to Most Reverend John J. Wright, Bishop of The Roman Catholic Diocese of Pittsburgh, Trustee for The Roman Catholic Congregation, known as Church of the Epiphany, dated December 9, 1964 and recorded in Deed Book Volume 4201, page 249.

FIRST DESCRIBED:

All that certain lot or parcel of land situate in the 3rd Ward, City of Pittsburgh, County of Allegheny, Commonwealth of Pennsylvania, more particularly bounded and described as follows:

Beginning at a point on the northerly right of way line of Fifth Avenue, on the westerly line of property now or formerly Congress Street; thence along the northerly right of way line of Fifth Avenue, North $86^{\circ} 47' 02''$ West, 25.86 feet to a point at the southeast corner of property now or formerly Stanley W. Greenfield, P.C.; thence along the dividing line of property now or formerly Stanley W. Greenfield, P.C. and property herein described, the following two (2) courses and distances, viz: North $25^{\circ} 52' 07''$ West, 97.87 feet to a point; thence South $65^{\circ} 14' 20''$ West, 22.63 feet to a point on the easterly line of a 3.5 foot private alley; thence along the easterly line of a 3.5 foot private alley, North $25^{\circ} 52' 07''$ West, 50.50 feet to a point on the southerly line of property now or formerly Parkway Partnership of Pittsburgh, L.P; thence along the southerly line of property now or formerly Parkway Partnership of Pittsburgh, L.P., North $65^{\circ} 14' 20''$ East, 45.23 feet to a point on the westerly line of property now or formerly Congress Street; thence along the westerly line of property now or formerly Congress Street, South $25^{\circ} 52' 07''$ East, 160.50 feet to the place of beginning.

Contains 4,632.38 Sq. Ft. or 0.106 Acres.

Being designated as Block 2-G, Lots 336 and 338.

Title to the above described land was acquired by the following deeds:

(a) Deed from Sidney Levy to Laborers Combined Funds of Western Pennsylvania, a Pennsylvania non profit corporation, by deed dated June 13, 1991 and recorded in Deed Book Volume 8499, page 523.

(b) Deed from Charles Klein and Co., Inc. to Laborers Combined Funds of Western Pennsylvania, a Pennsylvania non profit corporation, dated June 13, 1991 and recorded in Deed Book Volume 8499, page 527.

SECOND DESCRIBED:

All that certain lot or parcel of land situate in the 3rd Ward, City of Pittsburgh, County of Allegheny, Commonwealth of Pennsylvania, more particularly bounded and described as follows:

Beginning at a point on the northerly right of way line of Fifth Avenue, on the westerly line of property now or formerly Elm Street; thence along the northerly right of way line of Fifth Avenue, North $86^{\circ} 47' 02''$ West, 51.45 feet to a point on the easterly line of property now or formerly of Joseph LaQuatra et al., Trustees; thence along the easterly line of property now or formerly of Joseph LaQuatra et al., Trustees, North $25^{\circ} 52' 07''$ West, 111.04 feet to a point on the southerly line of a private alley; thence along the southerly line of a private alley, North $65^{\circ} 29' 58''$ East, 45.22 feet to a point on the westerly right of way line of Elm Street, 27 feet wide; thence along the westerly right of way line of Elm Street, 27 feet wide and the westerly line of now or formerly Elm Street, South $25^{\circ} 45' 49''$ East, 134.97' to the place of beginning.

Contains 5,547.70 Sq. Ft. or 0.127 acres.

Being designated as Block 2-G, Lot 245.

Being the same property which Dr. Saul Averbach et al. conveyed to Laborers' Combined Funds of Western Pennsylvania, a Pennsylvania non profit corporation, by deed dated December 8, 1986 and recorded in Deed Book Volume 7461, page 35.

PARCEL ONE:

All that certain lot or piece of ground situate in the Third Ward of the City of Pittsburgh, County of Allegheny and Commonwealth of Pennsylvania, bounded and described as follows, to wit:

Beginning at a point on the Northerly side of Fifth Avenue, distant Eastwardly from Washington Street, 106.07 feet; thence Northerly along line dividing this Lot from the Lot on the West, marked "F", 94.82 feet to an alley five feet wide; thence Northeasterly along said alley, 28.14 feet to the line dividing this Lot from the Lot on the East marked "C"; thence Southerly along said line and through the line of a party wall 107.89 feet to Fifth Avenue and thence Westerly along Fifth Avenue 24.93 feet to the place of beginning.

Being a part of purpart "F" in the partition of the Estate of Robert Watson, deceased, at No. 163 April Term, 1875, and No. 168 in Partition Docket No. 5, page 382.

Excepting and reserving from the aforesaid description a strip of land having a frontage of 0.17 feet on the Westerly side of said property, which strip was conveyed to the James Cohen Estate by divers deed of the heirs of Julius Radbord and Harry Radbord, the description of which strip is more particularly set forth in the following deeds: Deed Book Volume 3495, page 201; Deed Book Volume 3495, page 401; Deed Book Volume 3495, page 409 and Deed Book Volume 3495, page 405.

Being designated as Block 2-G, Lot 343 in the Deed Registry Office of Allegheny County, Pennsylvania.

Having erected thereon a building known as 1025 Fifth Avenue, Pittsburgh, Pennsylvania, 15219.

Being the same property which Ruth R. Radbord, et al. conveyed to Julian A. Elbling and Janet B. Elbling, husband and wife, and Bernard Halpern and Betty Halpern, husband and wife, by deed dated January 4, 1983 and recorded in Deed Book Volume 6591, page 166.

Julian A. Elbling, et ux., et al., conveyed an undivided 1/3 interest to Michael L. Halpern and Sue Ann Halpern, husband and wife, by deed dated July 31, 1987 and

recorded in Deed Book Volume 7613, page 124.

See also deed from Bernard Halpern et ux. to Julian A. Elbling and Janet B. Elbling, husband and wife, and Michael L. Halpern and Sue Anne Halpern, dated January 3, 1992 and recorded in Deed Book Volume 8633, page 601.

Michael L. Halpern and Sue Anne Halpern, husband and wife, conveyed their interest to Julian A. Elbling and Janet B. Elbling, husband and wife, by deed dated July 13, 1999 and recorded in Deed Book Volume 10528, page 61.

Janet B. Elbling conveyed her interest to Julian A. Elbling by deed dated February 5, 2002 and recorded in Deed Book Volume 11269, page 1.

FIRST DESCRIBED:

All that certain lot or piece of ground situate in the 3rd Ward of the City of Pittsburgh, County of Allegheny and Commonwealth of Pennsylvania, being part of Lot No. 14 in the plan of lots annexed to Partition of Estate of Elizabeth Black, deceased, in Partition Docket No. 1, page 36, in the District Court of Allegheny County No. 56 November Term, 1837, bounded and described, etc.:

Beginning on the Northerly side of Fifth Avenue at a point distant 26 feet Westwardly from Congress Street; thence Westwardly along Fifth Avenue, 26 feet to a point on the dividing line between Lots Nos. 14 and 15 in said Plan; thence Northwardly along said dividing line and parallel with Congress Street 85 feet and 10-1/8 inches to a point; thence Northeastwardly 22 feet and 7-1/4 inches to a point on the dividing line between Lots Nos. 14 and 13 in said Plan; thence Southeastwardly along said dividing line and parallel with Congress Street 97 feet 11 1/2 inches to the Northerly side of Fifth Avenue at the place of beginning.

Being the same property which Stanley W. Greenfield and Carolyn J. Greenfield, husband and wife, both as agents and straw parties for Stanley W. Greenfield, P. C. conveyed to Stanley W. Greenfield, P. C., by deed dated December 31, 1986 and recorded in Deed Book Volume 7487, page 559.

SECOND DESCRIBED:

All that certain lot or piece of ground situate in the 3rd Ward of the City of Pittsburgh, County of Allegheny and Commonwealth of Pennsylvania, being bounded and described as follows, to-wit:

Beginning on the North side of Fifth Avenue, 178.45 feet Eastwardly from Washington Street; thence Northwardly through the middle of the partition wall of the house on this and the adjoining Lot on the West, 52.06 feet; thence Southwardly along the Western line of Lot No. 14 in the Plan of the Watson Estate, 59.65 feet, more or less, to Fifth Avenue, and thence Westwardly along Fifth Avenue, 28.56 feet to the place of beginning.

Being the same property which Stanley W. Greenfield and Carolyn J. Greenfield, husband and wife, both as agents and straw parties for Stanley W. Greenfield, P. C.

conveyed to Stanley W. Greenfield, P. C., by deed dated December 31, 1986 and recorded in Deed Book Volume 7487, page 556.

The above premises First and Second Described being together designated as Block 2-G, Lot 339.

All that certain lot or piece of land situate in the 3rd Ward, City of Pittsburgh, County of Allegheny, Commonwealth of Pennsylvania, more particularly bounded and described as follows:

Beginning at a point on the Northerly right of way line of Fifth Avenue, on the Easterly line of formerly Old Washington Place; thence along the Northerly right of way line of Fifth Avenue, South $86^{\circ} 47' 02''$ East, 84.07 feet to a point at the Southeast corner of property now or formerly Mark Bertenthal, et ux..., being the true point of beginning; thence along the Easterly line of property now or formerly Mark Bertenthal, et ux., North $03^{\circ} 05' 36''$ East, 117.89 feet to a point on the Southerly line of a 5 foot private alley; thence along the Southerly line of a 5 foot private alley, the following two (2) courses and distances, viz: South $25^{\circ} 49' 35''$ East, 30.50 feet to a point; thence North $65^{\circ} 14' 20''$ East, 8.32 feet to a point at the Northwest corner of property now or formerly Julian A. Elbling; thence along the Westerly line of property now or formerly Julian A. Elbling, the following two (2) courses and distances, viz: South $03^{\circ} 52' 05''$ West, 13.11 feet to a point; thence South $02^{\circ} 55' 25''$ West, 82.02 feet to a point on the Northerly right of way line of Fifth Avenue; thence along the Northerly right of way line of Fifth Avenue, North $86^{\circ} 47' 02''$ West, 22.17 feet to the true point of beginning.

Containing 2,221.80 square feet or 0.051 acres.

Together with all of the right, title, interest and estate, if any, of the grantor in and to the bed or right of way of any street, alley or way, public or private, abutting the land.

Being designated as Block 2-G, Lot No. 344 in the Deed Registry Office of Allegheny County, Pennsylvania.

Being the same property which Lawrence M. Rubin and Sharyn Rubin, husband and wife, conveyed to Tuck Enterprises, LLC, by deed dated February 28, 2006 and recorded in Deed Book Volume 12762, page 377.

All that certain lot or parcel of land situate in the 3rd Ward, City of Pittsburgh, County of Allegheny, Commonwealth of Pennsylvania, more particularly bounded and described as follows:

Beginning at a point on the Northerly right of way line of Fifth Avenue, on the Easterly line of formerly Old Washington Place; thence along the Northerly right of way line of Fifth Avenue, South $86^{\circ} 47' 02''$ East, 40.19 feet to a point at the Southeast corner of property now or formerly Mark Bertenthal, et ux., being the true point of beginning; thence along the Easterly line of property now or formerly Mark Bertenthal, et ux., North $03^{\circ} 04' 57''$ East, 99.59 feet to a point on the Southerly line of a 5 foot private alley; thence along the Southerly line of a 5 foot private alley, North $64^{\circ} 10' 25''$ East, 25.00 feet to a point at the Northwest corner of property now or formerly Mark Bertenthal, et ux.; thence along the Westerly line of property now or formerly Mark Bertenthal, et ux., South $03^{\circ} 05' 36''$ West, 111.73 feet to a point on the Northerly right of way line of Fifth Avenue; thence along the Northerly right of way line of Fifth Avenue, North $86^{\circ} 47' 02''$ West, 21.88 feet to the true point of beginning.

Contains 2,312.02 square feet or 0.053 acres.

Together with all of the right, title, interest and estate, if any, of the grantor in and to the bed or right of way of any street, alley or way, public or private, abutting the land.

Having erected thereon a three story commercial building more commonly known as 1017 Fifth Avenue.

Being designated as Block 2-G, Lot 346 in the Deed Registry Office of Allegheny County, Pennsylvania.

Being the same property which ExcheQuer Enterprises conveyed to THA III Properties, LLC, a Pennsylvania limited liability company, by deed dated November 30, 2004 and recorded in Deed Book Volume 12289, page 534.

All that certain lot or parcel of land situate in the 3rd Ward, City of Pittsburgh, County of Allegheny, Commonwealth of Pennsylvania, more particularly bounded and described as follows:

Beginning at a point on the Northerly right of way line of Fifth Avenue, on the Easterly line of formerly Old Washington Place; thence along the Northerly right of way line of Fifth Avenue, South 86° 47' 02" East, 18.12 feet to a point at the Southeast corner of property now or formerly Parkway Partnership of Pittsburgh, L.P., being the true point of beginning; thence along the Easterly line of property now or formerly Parkway Partnership of Pittsburgh, L.P., North 03° 01' 35" East, 87.30 feet to a point on the Southerly line of a 5 foot alley; thence along the Southerly line of a 5 foot private alley, North 64° 10' 25" East, 25.31 feet to a point at the Northwest corner of property now or formerly THA III Properties, LLC.; thence along the Westerly line of property now or formerly THA III Properties, LLC., South 03° 04' 57" West, 99.59 feet to a point on the Northerly right of way line of Fifth Avenue; thence along the Northerly right of way line of Fifth Avenue, North 86° 47' 02" West, 22.07 feet to the true point of beginning.

Containing 2,066.63 square feet or 0.047 acres.

Together with all of the right, title, interest and estate, if any, of the grantor in and to the bed or right of way of any street, alley or way, public or private, abutting the land.

Designated as Block 2-G, Lot³⁴⁷ in the Deed Registry Office of Allegheny County, Pennsylvania.

Being known as No. 1015 Fifth Avenue.

Being the same property which Paul A. Love, Trustee for Wilbert Darling and Wilbert Darling, individually, conveyed to Mark Bertenthal and Goldie Bertenthal, husband and wife, by deed dated May 1, 1991 and recorded in Deed Book Volume 8473, page 179.

All that certain lot or parcel of land situate in the 3rd Ward, City of Pittsburgh, County of Allegheny, Commonwealth of Pennsylvania, more particularly bounded and described as follows:

Beginning at a point on the Northerly right of way line of Fifth Avenue, at the Southwest corner of property now or formerly Mark Bartenthal, et ux.; thence along the Northerly right of way line of Fifth Avenue, the following two (2) courses and distances, viz: North 86° 47' 02" West, 110.57 feet to a point; thence by an arc of a circle deflecting to the right in a Northwestwardly direction, having a radius of 12.00 feet, an arc distance of 19.12 feet (chord bearing and distance, North 41° 08' 47" West, 17.16 feet) to a point on the Easterly right of way line of Washington Place; thence along the Easterly right of way line of Washington Place, the following two (2) courses and distances, viz: North 04° 29' 28" East, 23.04 feet to a point; thence by an arc of a circle deflecting to the left in a Northwardly direction, having a radius of 411.00 feet, an arc distance of 126.09 feet (chord bearing and distance, North 04° 17' 51" West, 125.59 feet) to a point on the Southerly right of way line of Colwell Street, 60 feet wide; thence along the Southerly right of way line of Colwell Street, 60 feet wide, the following four (4) courses and distances, viz: by an arc of a circle deflecting to the right in a Northeastwardly direction, having a radius of 15.00 feet, an arc distance of 21.47 feet (chord bearing and distance, North 27° 54' 58" East, 19.68 feet) to a point; thence North 68° 55' 06" East, 56.68 feet to a point; thence by an arc of a circle deflecting to the right in a Northeastwardly direction, having a radius of 180.00 feet, an arc distance of 76.33 feet (chord bearing and distance, North 81° 04' 02" East, 75.76 feet) to a point; thence South 86° 47' 02" East, 261.86 feet to a point on the Westerly right of way line of Elm Street, 27 feet wide; thence along the Westerly right of way line of Elm Street, 27 feet wide, the following two (2) courses and distances, viz: by an arc of a circle deflecting to the right in a Southeastwardly direction, having a radius of 20.00 feet, an arc distance of 21.30 feet (chord bearing and distance, South 56° 16' 25" East, 20.31 feet) to a point; thence South 25° 45' 49" East, 96.26 feet to a point on the Northerly line of a private alley; thence along the Northerly line of a private alley, South 65° 29' 58" West, 45.23 feet to a point on the Easterly line of property now or formerly Laborers' District Council of Western PA; thence along the Easterly line of property now or formerly Laborers' District Council Of Western PA, North 25° 52' 07" West, 5.27 feet to a point; thence along the Northerly line of property now or formerly Laborers' District Council of Western PA, South 65° 29' 58" West, 45.32 feet to a point on the Easterly line of Congress Street; thence along the Easterly line of Congress Street, North 25° 52' 07" West, 85.58 feet to a point on the Northerly terminus of

Congress Street; thence along the Northerly line of Congress Street, South 64° 07' 53" West, 40.05 feet to a point on the Northerly line of a 5 foot private alley; thence along the Northerly line of a 5 foot private alley, the following three (3) courses and distances, viz: South 65° 14' 20" West, 90.19 feet to a point; thence North 25° 49' 35" West, 35.88 feet to a point; thence South 64° 10' 25" West, 74.78 feet to a point; thence through a 5 foot private alley and the Westerly line of property now or formerly Mark Bartenthal, et ux., South 03° 01' 35" West, 93.01 feet to the place of beginning.

Containing 55,473.79 square feet or 1.274 acres.

Together with all of the right, title, interest and estate, if any, of the grantor in and to the bed or right of way of any street, alley or way, public or private, abutting the land.

Designated as Block 2-G, Lot 350 in the Deed Registry Office of Allegheny County, Pennsylvania.

Being the same premises which Vanmarc Realty Corp., a New York corporation, by its deed dated January 13, 1999 and recorded in the Recorder of Deeds Office of Allegheny County, Pennsylvania on June 15, 1999 in Deed Book Volume 10388, page 500, granted and conveyed unto Parkway Partnership of Pittsburgh, L.P., a Pennsylvania limited partnership.

All that certain lot or piece of land situate in the 3rd Ward, City of Pittsburgh, County of Allegheny and Commonwealth of Pennsylvania, being bounded and described as follows:

Beginning at a point on the Northerly right of way line of Fifth Avenue, on the Easterly line of formerly Old Washington Place; thence along the Northerly right of way line of Fifth Avenue, South $86^{\circ} 47' 02''$ East, 156.76 feet to a point at the Southeast corner of property now or formerly SH I, Inc., being the true point of beginning; thence along the Easterly line of property now or formerly SH I, Inc., North $03^{\circ} 03' 34''$ East, 82.69 feet to a point on the Southerly line of a 3.5 foot private alley; thence along the Southerly line of a 3.5 foot private alley, the following two (2) courses and distances, viz: South $25^{\circ} 52' 07''$ East, 20.30 feet to a point; thence North $64^{\circ} 07' 53''$ East, 3.50 feet to a point on the Westerly line of property now or formerly Stanley W. Greenfield, P.C.; thence along the Westerly line of property now or formerly Stanley W. Greenfield, P.C.; thence along the Westerly line of property now or formerly Stanley W. Greenfield, P.C., the following two (2) courses and distances, viz: South $25^{\circ} 52' 07''$ East, 18.49 feet to a point; thence South $03^{\circ} 12' 58''$ West, 50.48 feet to a point on the Northerly right of way line of Fifth Avenue; thence along the Northerly right of way line of Fifth Avenue, North $86^{\circ} 47' 02''$ West, 21.69 feet to the true point of beginning.

Containing 1,446.77 square feet or 0.033 acres.

Together withh all of the right, title, interest and estate, if any, of the grantor in and to the bed or right of way of any street, alley or way, public or private, abutting the land.

Being designated as Lot and Block 2-G-341 in the Deed Registry Office of Allegheny County, Pennsylvania.

Being the same property which Louis P. Vitti and Bernard Markovitz conveyed to Ralph D. Karsh by deed dated October 8, 1996 and recorded in Deed Book Volume 9800, page 628.

All that certain lot or piece of ground situate in the 3rd Ward, City of Pittsburgh, County of Allegheny, Commonwealth of Pennsylvania, more particularly bounded and described as follows:

Beginning at a point on the Northerly right of way line of Fifth Avenue, on the Easterly line of formerly Old Washington Place; thence along the Northerly right of way line of Fifth Avenue, South $86^{\circ} 47' 02''$ East, 131.00 feet to a point at the Southeast corner of property now or formerly Julian A. Elbling, being the true point of beginning; thence along the Easterly line of property now or formerly Julian A. Elbling, North $03^{\circ} 01' 25''$ East, 108.24 feet to a point on the Southerly line of a 5 foot private alley; thence along the Southerly line of a 5 foot private alley, North $65^{\circ} 14' 20''$ East, 10.21 feet to a point on the Westerly line of a 3.5 foot private alley; thence along the Westerly line of a 3.5 foot private alley, South $25^{\circ} 52' 07''$ East, 34.72 feet to a point at the Northwest corner of property now or formerly Ralph Karsh; thence along the Westerly line of property now or formerly Ralph Karsh, South $03^{\circ} 03' 34''$ West, 82.69 feet to a point on the Northerly right of way line of Fifth Avenue; thence along the Northerly right of way line of Fifth Avenue, North $86^{\circ} 47' 02''$ West, 25.76 feet to the true point of beginning.

Containing 2,639.13 square feet or 0.061 acres.

Together with all of the right, title, interest and estate, if any, of the grantor in and to the bed or right of way of any street, alley or way, public or private, abutting the land.

Being designated as Block 2-G, Lot 342 in the Deed Registry Office of Allegheny County, Pennsylvania.

Being the same property which Morton A. Milch, et ux., et al., conveyed to SH I Inc., a Pennsylvania corporation, by deed dated November 11, 1998 and recorded in Deed Book Volume 10341, page 594.

Exhibit A-2

Legal Description of Central Medical Site

LEGAL DESCRIPTION OF CENTRAL MEDICAL SITE

All that certain tract of ground situate in the Third Ward of the City of Pittsburgh, County of Allegheny and Commonwealth of Pennsylvania, bounded and described as follows:

Beginning at an iron pin/cap, located on the corner of the Southern right of way line of Centre Avenue (a 112 foot right of way) and the Northwestern corner of lands now or formerly of Urban Redevelopment Authority of Pittsburgh (Washington Plaza, Inc.); thence along line of lands now or formerly of Urban Redevelopment Authority of Pittsburgh, South $29^{\circ} 02' 08''$ East, 385.65 feet to a drill hole in concrete (set) on the Northern right of way line of Colwell Avenue (a 60 foot right of way); thence along the Northern right of way of Colwell Avenue North $86^{\circ} 47' 02''$ West 898.15 feet to a drill hole in concrete (set) in the centerline of Congress Street (vacated); thence along the center line of Congress Street (vacated) and lands of now or formerly of the Roman Catholic Diocese - Church of the Epiphany North $25^{\circ} 52' 07''$ West 96.53 to a Mag nail (set); thence by same North $26^{\circ} 02' 40''$ West 201.02 feet to a drill hole (set) on the Southern right of way line of Centre Avenue; thence along the Southern right of way line of Centre Avenue North $89^{\circ} 25' 06''$ East 704.50 feet to an existing concrete monument; thence by same along a curve to the left having a radius of 856.00 feet, an arc length of 136.16 feet and a chord of North $84^{\circ} 51' 50''$ East 136.01 feet to the point of beginning.

Being designated as Block 2-G, Lot 284-1 and Block 2-G, Lot 284-2 in the Deed Registry Office of Allegheny County, Pennsylvania.

Being the same property which was conveyed by St. Francis Central Hospital to Lemieux Development LP by deed dated June 6, 2001 and recorded in Deed Book Volume 11070, page 452.

Exhibit B

**Legal Description of Mellon Arena Site
(three parcels)**

LEGAL DESCRIPTION OF MELLON ARENA SITE

ALL THOSE CERTAIN PLOTS, PIECES OR PARCELS OF LAND situate, lying and being in the 2nd and 3rd Wards of the City of Pittsburgh, County of Allegheny and Commonwealth of Pennsylvania, (Parcel I being designated Block 2-B, Lot No. 400 in the Allegheny County Deed Registry Records and Parcel II being designated Block 2-C, Lot No. 400 in the Allegheny County Deed Registry Records) bounded and described as follows:

PARCEL I

BEGINNING at the point of intersection of the Northerly line of Centre Avenue as now located and the Easterly line of Crosstown Boulevard; thence along said Easterly line of Crosstown Boulevard North $23^{\circ} 10' 06''$ East a distance of 192.500 feet to a point; thence continuing along same North $21^{\circ} 52' 53''$ East a distance of 114.207 feet to a point; thence along same North $70^{\circ} 58' 55''$ East a distance of 3.859 feet to a point; thence along same North $21^{\circ} 52' 53''$ East a distance of 3.748 feet to a point on the Southerly line of Bedford Avenue; thence along said line North $70^{\circ} 58' 55''$ East a distance of 37.903 feet to a point of curve; thence by an arc of a circle deflecting to the right, having a radius of 36.000 feet and a central angle of $31^{\circ} 41' 00''$ for an arc distance of 19.907 feet to a point of tangent on the Westerly line of Washington Place; thence along said line South $21^{\circ} 04' 54''$ East a distance of 258.35 feet to a point of curve; thence by an arc of a circle deflecting to the right, having a radius of 26.000 feet and a central angle of $47^{\circ} 57' 00''$ for an arc distance of 21.759 feet to a point of tangent on the Northerly line of Centre Avenue; thence along said line South $89^{\circ} 25' 06''$ West a distance of 71.042 feet to a point of curve; thence continuing along same by the arc of a circle deflecting to the left, having a radius of 847.500 feet and a central angle of $12^{\circ} 49' 52''$ for an arc distance of 189.793 feet to a point of tangent; thence along same North $66^{\circ} 49' 54''$ West a distance of 4.146 feet to the place of BEGINNING.

CONTAINING 43,059 square feet.

BEING designated as Block 2-B, Lot 400 in the Deed Registry Office of Allegheny County.

PARCEL II

BEGINNING at a point in the Northerly line of Centre-Wylie Avenue, said point being distant from the intersection of the existing North line of Centre Avenue and the East line of Crawford Street the following: South $60^{\circ} 57' 33''$ West, 181.03 feet to a point; North $29^{\circ} 02' 27''$ West, 8.00 feet to a point of curve in the Northerly line of Centre-Wylie Avenue; and thence by the arc of a curve deflecting to the right, said curve having a radius of 744.00 feet and a tangent bearing of South $60^{\circ} 57' 33''$ West, 231.59 feet to a point, said point being the place of beginning; thence continuing along the Northerly line of Centre-Wylie Avenue by the arc of a curve deflecting to the right, said curve having a radius of 744.00 feet and a tangent bearing of South $78^{\circ} 47' 37''$ West, at said point of beginning, 137.96 feet to a point of tangent; thence continuing along the Northerly line of Centre-Wylie Avenue South $89^{\circ} 26' 06''$ West, 1010.42 feet to a point in the Easterly line of Washington Place; thence along the Easterly line of Washington Place by the arc of a curve deflecting to the right, said curve having a radius of 46.00 feet and a tangent bearing of North $41^{\circ} 17' 15''$ West, 16.22 feet to a point of tangent; thence continuing along the Easterly line of Washington Place North $21^{\circ} 04' 54''$ West, 338.91 feet to a point; thence continuing along the Easterly line of Washington Place North $68^{\circ} 55' 06''$ East, 6.00 feet to a point; thence continuing along the Easterly line of Washington Place by the arc of a curve deflecting to the right, said curve having a radius of 40.00 feet and a tangent bearing of North $21^{\circ} 04' 54''$ West, 39.84 feet to a point of tangent in the Southerly line of Bedford Avenue; thence continuing along the Southerly line of Bedford Avenue North $35^{\circ} 59' 28''$ East, 363.96 feet to a point of curve; thence continuing along Southerly line of Bedford Avenue by the arc of a curve deflecting to the right, said curve having a radius of 628.00 feet, 274.02 feet to a point of tangent; thence continuing along Southerly line of Bedford Avenue North $60^{\circ} 59' 28''$ East, 347.29 feet to a point; thence South $28^{\circ} 54' 20''$ East, 1129.45 feet to the place of beginning.

CONTAINING 807,441.08 square feet.

BEING designated Block 2-C, Lot 400 in the Deed Registry Office of Allegheny County.

PARCEL 3

Melody Tent Site Legal Description

BEGINNING at a point in the Northerly line of Centre Avenue, said point being distant from the intersection of the North line of Centre Avenue and the East line of Crawford Street the following: South 60°57'33" West 181.03 feet to a point; North 29°02'27" West, 8.00 feet to a point of curve in the Northerly line of said Centre Avenue; and thence by the arc of a curve to the right, said curve having a central angle of 17°50'04" from South 60°57'33" West, a radius of 744.00 feet, arc length of 231.39 feet to a point, said point being the place of beginning; thence along the East line of property of the Urban Redevelopment Authority of Pittsburgh North 28°54'20" West 1129.45 feet to a point on the Southerly line of Bedford Avenue; thence North 60°59'28" East, 324.96 feet along the said line of Bedford Avenue to a point of curve; thence by the arc of a curve to the right, said curve having a central angle of 90°06'12", a radius of 20.00 feet, arc length of 31.45 feet to a point on the Westerly line of Crawford Street as widened; thence along the Westerly line of Crawford Street as widened South 28°54'20" East, 1125.02 feet to a point of a curve; thence by the arc of a curve to the right, said curve having a central angle of 89°51'53", a radius of 20.00 feet, arc length of 31.37 feet to a point on the Northerly side of Centre Avenue; thence along said Northerly line South 60°57'33" West 97.10 feet to a point of curve; thence by the arc of a curve to the right, said curve having a central angle of 17°50'04" a radius of 744.00 feet, arc length of 231.59 feet to the place of beginning.

Containing approximately 9.17 acres; being Block and Lot 2-C-300 in the Deed Registry Office of Allegheny County

Exhibit C

Permitted Encumbrances

**PERMITTED ENCUMBRANCES
OWNED PROPERTY**

1000 Colwell Street (Lot 350) File No. 06-0446 dated 9/11/06

1. Utilities lines, if any, within the vacated portions of Old Washington Place and Congress Street
2. Right of way from The Downtown Racquet and Athletic Club to Duquesne Light Co., dated July 14, 1983 and recorded in Deed Book Volume 6700, Page 152.

1015 Fifth Avenue (Lot 347) File No. 06-0445 dated 9/11/06

1. Rights of others incident to the ownership of a party wall structure

1017 Fifth Avenue (Lot 346) File No. 06-0444 dated 9/11/06

1. Rights of others incident to the ownership of a party wall structure

1021 Fifth Avenue (Lot 345) File No. 06-0443 dated 9/11/06

1. Rights of others incident to the ownership of a party wall structure

1023 Fifth Avenue (Lot 344) File No. 06-0442 dated 9/11/06

1. Rights of others incident to the ownership of a party wall structure
2. Five (5) foot wide private alley crossing the Northerly portion of the land and rights of others therein.

1025 Fifth Avenue (Lot 343) File No. 06-0441 dated 4/11/06

1. Rights of others incident to the ownership of a party wall structure

1029 Fifth Avenue (Lot 342) File No. 06-0440 dated 9/11/06

1. Rights of others incident to the ownership of a party wall structure

1031 Fifth Avenue (Lot 341) File No. 06-0439 dated 9/11/06

1. Rights of others incident to the ownership of a party wall structure

1033 Fifth Avenue (Lot 339) File No. 06-0438 dated 4/11/06

1. Rights of others incident to the ownership of a party wall structure

1109 Fifth Avenue (also known as 80 Congress Street and 1039 Fifth Avenue
(Lot 245, 336 and 338) File No. 06-0437A dated 10/19/06

1. Rights of others incident to the ownership of a party wall structure

1101 -1103 Fifth Avenue (Lot 246 and 247) File No. 06-0437B dated 10/19/06

1. Rights of others incident to the ownership of a party wall structure

Epiphany Church (Lots 303, 306, 321, 325 and 358) File No. 06-0436 dated 4/11/06

1. Conditions, Covenants and Restrictions set forth in Disposition Contract between Urban Redevelopment Authority of Pittsburgh and Most Reverend John J. Wright, Bishop of The Roman Catholic Diocese of Pittsburgh, Trustee for The Roman Catholic Congregation, known as the Church of the Epiphany, dated July 1, 1964 and recorded in Deed Book Volume 4129, Page 670, and in deed to Most Reverend John J. Wright, Bishop of The Roman Catholic Diocese of Pittsburgh, Trustee for The Roman Catholic Congregation, known as the Church of the Epiphany, dated December 9, 1964 and recorded in Deed Book Volume 4201, Page 249.
2. Parcel of ground conveyed by Most Reverend John J. Dearden, Bishop of Diocese of Pittsburgh, Trustee for The Roman Catholic Congregation of The Church of the Epiphany, to Urban Redevelopment Authority of Pittsburgh, dated January 7, 1957 and recorded in Deed Book Volume 3657, Page 369.
3. Right of way from Epiphany Roman Catholic Church to Equitable Gas Company, dated May 8, 1961 and recorded in Deed Book Volume 3939, Page 103.
4. Release from Most Reverend John J. Wright, Bishop of The Roman Catholic Diocese of Pittsburgh, Trustee for The Roman Catholic Congregation, known as Church of Epiphany, to Urban Redevelopment Authority of Pittsburgh, dated July 1, 1964 and recorded in Deed Book Volume 4201, Page 215.
5. All matters set forth in deed from William R. Black, et ux. to Margaret Appleton, dated June 17, 1872 and recorded in Deed Book Volume 293, Page 360

**PERMITTED ENCUMBRANCES
CENTRAL MEDICAL SITE**

1200 Centre Avenue (Lot 284) File No. 05-0416 dated 6/8/05

1. Rights in water and sewer lines in the bed of Congress Street, as reserved by Ordinance No. 159 of the City of Pittsburgh, enacted May 5, 1960, vacating Congress Street and 4 inch gas line of the Equitable Gas Company in the bed of Congress Street between Colwell Street and Centre Avenue, as set forth in Lease Agreement between Urban Redevelopment Authority of City of Pittsburgh and Webb & Knapp, Inc., dated June 18, 1962 and recorded in Deed Book Volume 3987, Page 526.
2. Right of way granted to Duquesne Light Company by instrument from Urban Redevelopment Authority of Pittsburgh, dated April 9, 1974 and recorded in Deed Book Volume 5414, Page 35.
3. Lease Agreement from St. Francis Central Hospital to Pittsburgh SMSA, L.P., dated December 31, 1998, as evidenced by Memorandum of Lease dated December 31, 1998 and recorded in Deed Book Volume 10415, Page 478.
4. Restrictive covenants set forth in deed from Urban Redevelopment Authority of Pittsburgh to St. Francis Central Hospital, dated August 4, 2000 and recorded in Deed Book Volume 10833, Page 641.

Exhibit D

Form of Memorandum of Lease

MEMORANDUM OF LEASE

Made this ____ day of _____, 200__:

Name and Address of Authority:

Sports & Exhibition Authority of Pittsburgh and Allegheny County
Regional Enterprise Tower
425 Sixth Avenue, 27th Floor
Pittsburgh, PA 15219

Name and Address of Tenant:

Lemieux Group LP
One Chatham Center, Suite 400
Pittsburgh, PA 15219

Date of Execution of Lease:

September ___, 2007

Description of Premises:

All those certain lots or pieces of ground situate in the Third (3rd) Ward of the City of Pittsburgh, Allegheny County, Pennsylvania, being bounded and described on Exhibits _____, attached hereto and incorporated herein by this reference.

Term of the Lease:

The term of the Lease commences on August 1, 2010 and expires June 30, 2040.

Rights of Extension or Renewal:

None

Right of Purchase or Refusal:

None

Expansion Rights:

None

Conflict with Lease:

If there is any conflict between the terms of this Memorandum of Lease, and the terms of the Lease, the terms of the Lease shall be applicable.

Other Provisions:

Pursuant to Article 6 of the Lease, Tenant may mortgage or encumber the estate created by the Lease as security for financing furnished to Tenant from time to time by commercial lending institutions, provided that in the event of the enforcement of any remedies by any such lender arising out of such financing, such lender(s) will be bound by all terms of the Lease and Related Agreements (as defined in the Lease), including without limitation the operating covenant referenced above, and those covenants prohibiting relocation of the National Hockey League Franchise of Tenant, all as further set forth in the Related Agreements.

WITNESS the due execution hereof:

LANDLORD:

**SPORTS & EXHIBITION AUTHORITY OF
PITTSBURGH AND ALLEGHENY COUNTY**

By: _____
Name:
Title:

TENANT:

LEMIEUX GROUP LP

**By: Team Lemieux LLC, its sole general
partner**

By: _____
Name:
Title:

COMMONWEALTH OF PENNSYLVANIA)
) SS:
COUNTY OF ALLEGHENY)

On this _____ day of _____, 200__, before me, a notary public, personally appeared _____, who acknowledged himself to be the _____ of Team Lemieux LLC, a Pennsylvania limited liability company, sole general partner of Lemieux Group LP, a Pennsylvania limited partnership, and that he, as such officer being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the limited liability company as such general partner by himself as such officer.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Notary Public

My commission expires:

COMMONWEALTH OF PENNSYLVANIA)
) SS:
COUNTY OF ALLEGHENY)

On this _____ day of _____, 200__ before me, a notary public, personally appeared _____, who acknowledged _____ self to be the _____ of the Sports & Exhibition Authority of Pittsburgh and Allegheny County, a body corporate and politic, and that _____ he, as such officer being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the Authority by _____ self as such officer.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Notary Public

My commission expires:

Exhibit E

Affordable Seating Plan

The Operator will make available for purchase by the general public tickets to NHL Home Games during the applicable NHL regular season at a materially discounted price in a designated section or sections of the New Arena ("**Discounted Tickets**"). The total number of Discounted Tickets made available during the applicable NHL regular season shall be equal to an average of three hundred (300) tickets per NHL Home Game during such regular season. By means of example, and for illustrative purposes only, if there are forty-one NHL Home Games during the applicable NHL regular season, the total number of Discounted Tickets made available during such NHL regular season shall be 12,300. The price of Discounted Tickets with respect to any applicable NHL regular season shall be determined by the Operator, in its reasonable discretion, taking into account prices for discounted tickets made available for purchase during such NHL regular season or during preceding regular seasons by NHL member teams in substantially comparable markets. Written summary information as to the total number, price and locations of Discounted Tickets shall be made available by the Operator to the Authority upon request.