

SECOND AMENDMENT TO SUBLEASE AGREEMENT

THIS SECOND AMENDMENT TO SUBLEASE AGREEMENT (this “**Second Amendment**”) is made and entered into as of the 16th day of February, 2010, 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 **PITTSBURGH ARENA OPERATING LP**, a Pennsylvania limited partnership (the “**Operator**”).

WITNESSETH:

WHEREAS, the Authority and Lemieux Group LP (“**Lemieux Group**”) entered into that certain Sublease Agreement dated as of September 18, 2007, to be effective as of the Commencement Date (as defined therein) (the “**Original Lease**”), pursuant to which Lemieux Group leased from the Authority, and the Authority leased to Lemieux Group, all or portions of certain real property located in the Third Ward of the City of Pittsburgh, Allegheny County, Pennsylvania, as more particularly described in the Lease, that the Authority acquired for purposes of development of the New Arena (as defined in the Lease; the New Arena now being known as “**Consol Energy Center**”) (collectively, the “**Site**”); and

WHEREAS, by that certain Assignment and Assumption Agreement dated October 17, 2007, Lemieux Group assigned all of its rights and interest in, under and to the Lease to the Operator; and

WHEREAS, the Owner and the Operator have previously entered into a First Amendment to Sublease Agreement dated October 19, 2009 (the “**First Amendment**”, and together with the Original Lease and this Second Amendment, the “**Lease**”) relating, *inter alia*, to a confirmation of the Site and the development of a Garage on the Site; and

WHEREAS, Owner and Pittsburgh Arena Development LP, a Pennsylvania limited partnership and an affiliate of the Operator (the “**Developer**”) entered into a New Arena Development Agreement (the “**Development Agreement**”) executed May 20, 2008, effective as of September 30, 2007, with respect to the construction and development of the New Arena; and

WHEREAS, Section 2.4(d) of the Development Agreement contains provisions allocating responsibility for payment of costs of developing the New Arena in excess of the Target Project Cost (as defined in the Development Agreement), and includes, in Section 2.4(d)(ii), a provision under which “the Operator, on behalf of the Developer will have the right to pay the Developer’s Excess Share in a lump sum or, at the Developer’s option, in the form of increased Rent payments under the Lease, which payment obligations will be addressed in an addendum to the Lease, and which will be sufficient in amount to support a financing that will generate net up front proceeds in the amount of the Developer’s Excess Share”; and

WHEREAS, the Authority and the Developer entered into a First Amendment to New Arena Development Agreement dated as of November 14, 2008 (the “**Development Agreement Amendment**”) which includes in Section 4(d), *inter alia*, Developer’s election to pay the Developer’s Excess Share in the form of increased Rent payments under the Lease and provides that the Authority and the Developer will work together in good faith to develop a mutually acceptable financing plan to fund the Developer’s Excess Share (as defined in the Development Agreement Amendment) utilizing the lease/sublease bond financing arrangement utilized by the Authority and the Commonwealth of Pennsylvania or another financing mechanism; and

WHEREAS, the Operator consents to the payment of increased Rent under the Lease to fund the Developer’s Excess Share; and

WHEREAS, the Authority, the Developer and the Operator have determined to proceed to finance the Developer’s Excess Share through the issuance by the Authority of its Commonwealth Lease Revenue Bonds, Taxable Series of 2010 (the “**2010 Bonds**”) pursuant to a Trust Indenture dated as of

September 15, 2007 between the Authority and The Bank of New York Mellon Trust Company, N.A. (the “Trustee”), as supplemented and amended by a First Supplemental Trust Indenture dated as of November 1, 2009 and a Second Supplemental Indenture to be dated as of February 1, 2010 (as so supplemented, the “Indenture”), and, in connection with the foregoing, the Authority and the Operator (as instructed by the Developer) have determined to amend the Lease to provide for the payment by the Operator of additional Rent in an amount needed to pay debt service on the 2010 Bonds to be issued by the Authority to finance the Developer’s Excess Share, capitalized interest, the costs of a debt service reserve fund and issuance costs, and the estimated costs and expenses associated with such financing, all on such terms and conditions as are hereinafter set forth; and

WHEREAS, the issuance of the 2010 Bonds satisfies any obligation of the Authority and the Commonwealth with respect to financing the Developer’s Excess Share; and

WHEREAS, it is necessary for the Authority and the Operator to enter into this Second Amendment in advance of the sale and issuance of the 2010 Bonds and prior to establishing definitive debt service and related costs.

NOW, THEREFORE, for good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, intending to be legally bound hereby, the Authority and the Operator hereby covenant and agree as follows:

1. Incorporation of Recitals. The recitals set forth above are incorporated into this Second Amendment by reference as if set forth in full.

2. Use of Capitalized Terms. Capitalized terms used in this Second Amendment, unless otherwise defined in this document, shall have the meanings ascribed in the Lease.

3. Amendment of Section 4.2.1 of the Original Lease- Supplemental Base Rent. In accordance with the Section 2.4(d)(ii) of the Development Agreement and Section 4(d) of the Development Agreement Amendment, the Authority and the Operator hereby agree to amend the Section 4.2.1 of the Original Lease to provide for the payment of supplemental Base Rent as follows:

(a) Section 4.2.1(b) of the Original Lease shall be amended by deleting the period at the end of such subsection and replacing it with a semi-colon followed by the word “and”.

(b) The following new Section 4.2.1(c) shall be inserted following the end of Section 4.2.1(b), as amended by the foregoing Section 3(a), which new Section 4.2.1(c) shall read as follows:

(c) The sum of One Million Seven Hundred Thousand Dollars (\$1,700,000) per year, payable on September 25 of each Lease Year, beginning September 25, 2010, through and including September 25, 2039; provided, however, that, following the sale of the 2010 Bonds by the Authority but prior to September 25, 2010, the amount of Base Rent payable by the Operator pursuant to this Section 4.2.1(c) (such amount being referred to herein as “**Supplemental Base Rent**”) may be reduced to such amount as shall be specified in a certificate to be delivered by the Authority to the Operator, such adjustment being permitted to reflect the actual debt service payable on the 2010 Bonds. In the event that the Authority delivers such a certificate to the Operator reducing the amount of Supplemental Base Rent payable pursuant to this Section 4.2.1(c), such certificate shall be attached to this Second Amendment as an exhibit hereto, its terms incorporated herein, and a copy of such certificate shall be recorded with this Second Amendment. In addition to the foregoing, to the extent that the Supplemental Base Rent together with any moneys available in the Series 2010 Account of the Expense Fund or the Series 2010 Account of the Project Fund established under the Indenture are insufficient to pay any Ongoing Fees and Transaction Expenses (as defined in the Indenture), the Operator, upon the delivery by the Authority of a written request for payment accompanied by reasonably detailed invoices relating to such Ongoing Fees and Transaction Expenses, shall within ten (10) days of such written request pay to the

Authority the amount of Ongoing Fees and Transaction Expenses detailed in the Authority's written request for payment.

4. Prepayment of Base Rent. The Operator shall be entitled to prepay all amounts of Supplemental Base Rent due under Section 4.2.1(c) of this Lease, in full but not in part, on or before the Expiration Date to the same extent and upon the same conditions that the Authority has the right to prepay the indebtedness evidenced by the 2010 Bonds pursuant to the terms of the 2010 Bonds and of the Indenture. It is understood and agreed by the parties hereto that the option of the Operator to prepay Base Rent is conditioned upon and subject to the ability of the Authority to defease or redeem the 2010 Bonds and cause them to no longer be outstanding under the terms of the Indenture. The parties hereto further acknowledge that the Authority is under no obligation to issue refunding bonds to refinance the indebtedness evidenced by the 2010 Bonds.

Subject to the foregoing, the Operator shall have the right to exercise its option to prepay Supplemental Base Rent upon not less than ninety (90) days prior written notice to the Authority. The Operator agrees to pay all actual costs and expenses that may be incurred by the Authority in connection with analyzing the feasibility of and effectuating a plan of finance that results in the defeasance or redemption of the 2010 Bonds and the resulting prepayment of Supplemental Base Rent (the "**Redemption Expenses**"). The Operator will pay all Redemption Expenses not later than the first to occur of (i) thirty (30) days following the Authority's request for payment of such Redemption Expenses accompanied by reasonably detailed invoices relating to such Redemption Expenses, and (ii) the date of defeasance or redemption of the 2010 Bonds, such Redemption Expenses being deemed to be additional Rent due under this Lease.

Notwithstanding the foregoing, the Operator shall have the right, in its sole and absolute discretion, to revoke any election to prepay Supplemental Base Rent hereunder, without any liability to the Authority except for the payment of the Redemption Expenses in accordance with the immediately preceding sentence, by giving notice thereof to the Authority, which notice shall be confirmed in writing, at any time prior to the earliest of the following:

- (i) if the 2010 Bonds are to be redeemed in connection with the prepayment of Supplemental Base Rent, the date that notice of redemption is sent to the holders of the 2010 Bonds in accordance with the requirements of the Indenture (without regard to any provision of the Indenture permitting conditional notices of redemption);
- (ii) if the Authority agrees to provide financing for such prepayment, the date on which the Authority enters into a binding contract to provide the financing which will provide the funds required to defease or redeem the 2010 Bonds; and
- (iii) if the Operator is providing funds to prepay the Supplemental Base Rent without the participation of the Authority, the proposed prepayment date specified in the notice from the Operator to the Authority.

5. Lease Term. Notwithstanding anything in the Lease to the contrary, if, on the Expiration Date, any Rent remains unpaid by the Operator, the Operator shall immediately remit such unpaid Rent to the Authority together with any interest that may be due thereon at the Default Rate pursuant to the Lease. In the event that any Rent remains unpaid on and after the Expiration Date notwithstanding the preceding sentence, the Operator shall remain liable for such payment thereafter and the Authority shall be authorized to pursue any remedies available under Article 14 of the Lease to recover such overdue Rent and interest that may be due thereon at the Default Rate in accordance with the provisions of the Lease.

6. Payments Due Under the Lease. Payments of Rent and all other amounts due under this Lease shall be paid by the Operator to the Trustee (unless a request for payment from the Authority specifies that payments be made directly to the Authority or another person) at the following addresses until such time as updated payment information is provided to the Operator:

Wire Transfer:

The Bank of New York Mellon Trust Company, N.A.
ABA: 021-000018
For credit to GLA: 211065
FPC:
2007 Bonds: Account # 139080 EDT
2010 Bonds: Account # 901150 EDT
Account Attention: Eric Mitzel

Mail:

The Bank of New York Mellon Trust Company, N.A.
Attention: Eric Mitzel
525 William Penn Place, 38th Floor
Pittsburgh, PA 15259
Reference on Check:
2007 Bonds: EDT Account # 139080
2010 Bonds: EDT Account # 901150

7. Ratification of Lease. Except as specifically modified by this Second Amendment and as previously modified by the First Amendment and Section 6 of that certain First Amendment to New Arena Development Agreement dated as of November 14, 2008 (the "**Development Agreement Amendment**"), the Lease remains in full force and effect. All terms, covenants and conditions of the Lease shall continue to be valid, effective and in force, and are hereby ratified and affirmed.

8. Entire Agreement. The Lease, as amended hereby and by Section 6 of the Development Agreement Amendment, is the entire agreement of the parties with respect to the subject matter thereof; there are no verbal representations, warranties and understandings, stipulations, agreements or promises pertaining to the Lease not incorporated in writing therein or in this Second Amendment or the Development Agreement Amendment except to the extent that this Second Amendment specifically so states.

9. No Oral Modification. The Lease, as amended by this Second Amendment may not be altered, waived, amended, terminated or extended except by an instrument in writing signed by the Authority and the Operator.

10. Successors and Assigns. All rights, remedies, liabilities, covenants, conditions and agreements herein imposed upon either of the parties or imposed upon either of the parties pursuant to the provisions of the Lease shall inure to and be binding upon the successors and assigns of the Authority and the Operator.

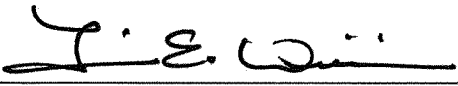
11. Counterparts. This Second Amendment may be executed in counterparts, both of which shall constitute one and the same instrument.

[Remainder of page intentionally left blank]


[Signature page to Second Amendment to Sublease Agreement]

EXECUTED AND DELIVERED, intending to be legally bound hereby, as of the date set forth above.

ATTEST/WITNESS:



ATTEST/WITNESS:


ATTEST: 

Mark R. Hornak
Assistant Secretary

OPERATOR:

PITTSBURGH ARENA OPERATING LP, a Pennsylvania limited partnership

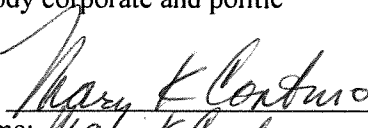
By: **Pittsburgh Arena Operating LLC**, its general partner

By: 

Name: **Kenneth G. Sawyer**
Title: **Chief Executive Officer**

AUTHORITY:

SPORTS & EXHIBITION AUTHORITY OF PITTSBURGH AND ALLEGHENY COUNTY, a body corporate and politic

By: 

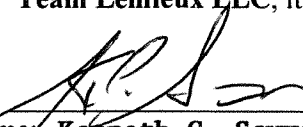
Name: **Mary K. Conturo**
Title: **Executive Director**

JOINDER OF LEMIEUX GROUP:

Lemieux Group LP joins into this Second Amendment to Sublease Agreement for the purposes of confirming that, notwithstanding the assignment of its rights and interest in the Lease to the Operator, it remains liable for the performance of the Operator's obligations thereunder (including without limitation, the Operator's payment of the Supplemental Base Rent).

LEMIEUX GROUP LP

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

By: 

Name: **Kenneth G. Sawyer**
Title: **Chief Executive Officer**