

CRDA

Casino Reinvestment Development Authority



Chris Christie
Governor

Robert E. Mulcahy, III
Chair

Ford M. Scudder
State Treasurer

Christopher S. Porrino
Attorney General

Charles A. Richman
DCA Commissioner

Matthew B. Levinson
Casino Control Commission

Mayor Don Guardian
City of Atlantic City

Debra P. DiLorenzo

Edward H. Gant

Mark Giannantonio

Michael I. Hanley

Gary L. Hill

Howard J. Kyle

William T. Mullen

Kevin C. Ortzman

Frank G. Spencer

Richard E. Tolson

Christopher Howard
Executive Director

October 10, 2017

BY OVERNIGHT MAIL AND EMAIL: mrivers@brixusa.com

IMG Worldwide, LLC
c/o Mark Rivers
124 S. Lasky Drive, Suite 100
Beverly Hills, CA 90212

Re: Public-Private Partnership Agreement for Entertainment Events
Atlantic City, New Jersey

Dear Mr. Rivers:

This letter agreement (the "Agreement") sets forth the terms and conditions upon which the Casino Reinvestment Development Authority (the "Authority") agrees to engage IMG Worldwide, LLC (the "Company"), and the Company agrees to be engaged, on a non-exclusive basis, to provide booking, marketing, placement/organizational and promotional services to increase the number and caliber of events (singly an "Event," collectively the "Events") performing at and within Boardwalk Hall, located at 2301 Boardwalk, Atlantic City, New Jersey 08401 ("Boardwalk Hall"), the Atlantic City Convention Center, located at One Convention Boulevard, Atlantic City, New Jersey 08401 ("ACCC"), and such other mutually agreed-to venues throughout the Atlantic City Tourism District (collectively all such locations are referred to as the "Venues").

The Company, one of the world's leading entertainment, sports and media enterprises, with an unparalleled portfolio of artist, content creators and collaborative relationships with sports, event media and fashion enterprises, has proposed a public-private partnership with the Authority through a series of Events, as more fully described in the Company's narrative set forth in Exhibit "A" attached hereto and made a part (the "Events Plan").

The Authority owns and operates Boardwalk Hall and ACCC as successor-in-interest to the New Jersey Sports and Exposition Authority and the Atlantic City Convention and Visitors Authority, and, since 2014, has engaged Global Spectrum, L.P., d/b/a Spectra Venue Management (the "Facilities Manager") to oversee the daily management of these two facilities. In addition to attracting visitors to Atlantic City by presenting world class



IMG Worldwide, LLC
Mark Rivers
October 10, 2017
Page 2

entertainment events and conventions at the Venues, the Authority is also responsible for facilitating economic and community development in Atlantic City and overseeing land use planning, and clean and safe initiatives in the Tourism District.

In accordance with their mutual promises and representations, the Authority and the Company agree as follows:

1. Term and Termination. The term of the Agreement will commence as of the date of this Agreement (“Effective Date”) and continue until December 31, 2018 (the “Initial Term”); provided, however, that the Initial Term may be extended at the mutual discretion of the Authority and the Company for any period of time (an “Extension” and, together with the Initial Term, collectively the “Term”) in order to sponsor Events to the extent that any Event approved by the Authority during the Initial Term is scheduled to occur after expiration of the Initial Term. If the Authority and the Company exercises their rights to extend the Initial Term, the Company acknowledges and agrees that the Authority shall not be obligated, unless separately approved by resolution of the Authority, to commit any funds to the Company in excess of the Aggregate Sponsorship Amount (as hereinafter defined).

2. Event Count Objective. In accordance with the Events Plan and as approved by the Authority (as required hereunder), the Company will use commercially reasonable efforts to book, present, place/organize, promote and market at least eight (8) Events at the Venues during the Term (the “Anticipated Events”). The Anticipated Events shall (subject to the provisions set forth below) consist of at least the following:

- i. Major UFC Event;
 - ii. Pro Bull Riders Built Ford Tough Series Event;
 - iii. Bear Grylls International Adventure Series;
 - iv. Country Music Festival;
 - v. National-caliber men’s Division I NCAA College Basketball Event; plus
 - vi. Any three (3) Events identified in the Events Plan
- or as otherwise approved by the Authority.



IMG Worldwide, LLC
Mark Rivers
October 10, 2017
Page 3

The term “Event Count Objective” shall mean a total of 8 or more Events that actually perform or occur at any of the Venues during the Term.

In the event that certain market and/or other factors not within the control of Company (including talent availability, production capability of a Venue, Venue availability and/or scheduling) prevent Company from booking and promoting any Event identified in clauses (i)-(v) of this paragraph 2, Company shall as soon as practicable send a written notification thereof to the Authority detailing the reasons for Company’s inability to book such Event and, thereafter, use its best efforts to substitute an Event of the same caliber and stature to replace the Event which was previously anticipated.

3. Procedure for Booking Events; Event Proposals. The booking of any and all Events, the payment of a Sponsorship Fee (as defined in paragraph 4 hereof) associated with such Event, and any other terms thereof shall be subject to the prior sole and exclusive written approval of the Executive Director of the Authority, in consultation with the Chairman of the Authority and/or the Authority’s Convention Center and Marketing Committee. Within thirty (30) days of the execution of this Agreement, the Company shall deliver a written proposal, signed by the Company, identifying the first four Events planned for the Term, including the information set forth in this paragraph 3 (the “Events Proposal”). Within another sixty (60) days thereafter, the Company shall deliver a written proposal, signed by the Company, identifying additional Events planned for the Term. The Company may amend the Events Proposal to add Events, provided the proposed amendment is delivered to the Authority at least ninety (90) days prior to the proposed added Event, contains all of the information set forth in this paragraph 3, and is subject to the Authority’s written approval as set forth above. If an Event is cancelled for reasons beyond the Company’s control, the Events Proposal may be amended to remove the cancelled Event, and the Company shall use its best efforts to add another Event, subject to the Authority’s approval as provided herein. The Events Proposal (as amended from time to time) shall include the following detail:

- i. the time, dates, location and description of each Event;



IMG Worldwide, LLC
Mark Rivers
October 10, 2017
Page 4

- ii. base attendance projection (including projected attendance, average ticket pricing and gate revenue);
- iii. macro-economic benefits to Atlantic City (including destination impact, visitation/hotel room nights, super-regional marketing and market visibility);
- iv. a detailed financial proposal for each Event that shows:
 - a. the Sponsorship Fee,
 - b. the Company's commitment to such Event, including, but not limited to, support of the market, economic investment, promotional risk and other related opportunities) (the "Company's Contribution"), which shall be equal to or greater than the Sponsorship Fee for each Event,
 - c. base economics to the Venue and the Authority including anticipated revenues and expenses generated from the Event (including, without limitation, all Venue-related operating expenses, event organizer expenses Venue base rent and fees, ticket sales, food and beverage sales, merchandise sales and parking revenue),
 - d. the identification of the order of payments to and categories of revenues and expense reimbursement that the Authority shall be entitled to,
 - e. base economics to Event organizers, and
 - f. any additional economic participation by the Authority including revenue sharing;
- v. responsibilities of the Company with respect to each Event, including marketing and promotion obligations; and
- iv. hotel room nights and other needs of in-kind support from the Authority for each Event.

Within ten (10) days of receipt of the Events Proposal, the Authority shall notify the Company as to whether the terms of the Events Proposal have been approved by the Authority, as provided above. If the Events Proposal



IMG Worldwide, LLC
Mark Rivers
October 10, 2017
Page 5

has been approved, the Authority shall provide written approval of the Events Proposal to the Company during such ten (10) day period and the Company shall proceed to finalize the booking of the Events on the terms set forth therein. If the Events Proposal has not been approved, in whole or part, by the Authority in its sole and absolute discretion, the Authority shall (a) notify the Company in writing that it is rejecting the Events Proposal, in whole or in part, or (b) provide a written counter proposal to the Company setting forth alternative terms and conditions relating to the proposed Event or Events (the "Counter Proposal"). If the Authority rejects the Events Proposal, or any part thereof, as provided above or the parties hereto are unable to agree to the terms of the Counter Proposal for an Event within ten (10) days after the Company's receipt of the Counter Proposal, then the Event shall be deemed rejected by the Authority, and the Authority shall not have any obligation to the Company for payment of a Sponsorship Fee associated with the proposed Event.

The Authority acknowledges and agrees that all such information provided by the Company in fulfillment of the terms of this paragraph 3 shall be, to the fullest extent permitted by applicable law, deemed confidential and proprietary trade secrets and not subject to disclosure.

4. Sponsorship Fee. The Authority agrees to pay the Company a sponsorship fee (the "Sponsorship Fee") for each Event approved in writing by the Authority as provided in paragraph 3 above. The amount of the Sponsorship Fee for each Event shall be as set forth in the Events Proposal or Counter Proposal, as applicable, to the extent such proposal has been approved and agreed to by the Authority and the Company. The Sponsorship Fee for each Event will not be deemed to have accrued until the conclusion of the Event, and shall be payable by the Authority within sixty (60) days of the conclusion of such Event. In no event shall the aggregate of all Sponsorship Fees paid during the Term exceed FOUR MILLION DOLLARS (\$4,000,000) (the "Aggregate Sponsorship Amount"). The Authority shall not have any obligation to fund or pay any or all of a Sponsorship Fee to Company for an Event that is not accepted by the Authority, in its sole and absolute direction. Moreover, Company shall have no obligation to hold an Event for which the Authority has not agreed to pay mutually approved Sponsorship Fees.



IMG Worldwide, LLC
Mark Rivers
October 10, 2017
Page 6

If, at any time after the Authority approves an Events Proposal or Counter Proposal, as applicable, any of the performers identified in the approved Events Proposal are unable to perform or substitutions for such performers are made by the Company, then, under such circumstances, the Authority reserves the right to amend, reduce or cancel the Sponsorship Fee for such Event. Should the Authority cancel or reduce the Sponsorship Fee, the Company shall have the right to cancel the Event.

5. Financial Recap Report. Within fourteen (14) days following the conclusion of an Event, the Company shall provide the Authority with a statement of revenues and reconciliation of financial fees and payments to the Authority, as generated by the Event, including a copy of the marketing and advertising plan proposed by the Company in connection with the Event and evidence that such plan was implemented. The Authority shall have the right to request and examine documentation to verify, to its reasonable satisfaction, the Company's statement of revenues generated by the Event.

6. Event License Agreements. It is understood and agreed that Events may be subject to additional terms and conditions of a corresponding event license agreement, as mutually agreed upon in writing by the Company (or its affiliates) and the Facilities Manager or the Company (or its affiliates) and the Authority, as applicable.

7. No Restriction of Company's Rights. Nothing contained in this Agreement shall be deemed in any way or manner to prohibit or restrict the Company from conducting any other business or activity, including, without limitation, the booking of other live entertainment events or venues, notwithstanding the fact that such business may be considered competitive with Events to be booked at the Venues pursuant to this Agreement.

8. Representations and Warranties. Each party hereto represents and warrants that it has the full power and authority to enter into this Agreement, to engage in the transaction contemplated hereby and that this Agreement is a valid obligation of and is binding upon it.



IMG Worldwide, LLC
Mark Rivers
October 10, 2017
Page 7

9. Relationship of the Parties. The parties hereto are acting herein as independent contractors. Nothing herein contained will create or be construed as creating a partnership, joint venture or agency relationship between the parties and neither party will have authority to bind any the other party in any respect. Each party hereto shall be solely responsible for all wages, income taxes, worker's compensation requirements and any other obligations for all personnel it engages to fulfill its responsibilities under this Agreement.

10. Invalidity. If any term, provision, covenant or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of this Agreement will remain in full force and effect and will not, in any way be affected, impaired or invalidated.

11. Notices. All notices given hereunder shall be in writing and shall be deemed to have been duly given if delivered personally with receipt acknowledge or within three (3) business days of deposit in US mail if sent by registered or certified mail or equivalent, if available, return receipt requested, or upon confirmed delivery if sent by nationally-recognized courier, addressed to the parties at the addresses set forth below:

if to the Company:

Mark J. Rivers
IMG Places
124 S. Lasky Drive, Suite 100
Beverly Hills, CA 90212

with a copy to:

General Counsel
IMG Worldwide, LLC
11 Madison Avenue
New York, NY 10010

if to the Authority:

15 South Pennsylvania Avenue
Atlantic City, New Jersey 08401
Attn: Executive Director
Tel.: (609) 347-0500



IMG Worldwide, LLC
Mark Rivers
October 10, 2017
Page 8

Fax: (609) 340-8016

With copy to:

15 South Pennsylvania Avenue
Atlantic City, New Jersey 08401
Attn: General Counsel
Tel.: (609) 347-0500
Fax: (609) 340-8016

12. Confidentiality. The parties hereto agree that this Agreement includes proprietary and confidential business and financial information. The parties hereto further agree that they will not release this Agreement, except: (a) as required by law; or (b) to its governing boards, employees or affiliates, as required to directly administer or close out this Agreement.

13. Entire Agreement and Modification. This Agreement contains the entire agreement between the parties hereto relating to the subject matter hereof and all prior agreements relative hereto which are not contained herein are terminated. This Agreement may not be amended, revised or terminated except by a written instrument executed by the party against which enforcement of the amendment, revision or termination is asserted.

14. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New Jersey, without regard to its conflicts of laws principles.

15. Counterparts; Facsimile Signatures. This Agreement may be executed by facsimile and PDF (and other similar electronic format) and in any number of counterparts, and each of such counterparts shall be deemed an original.

[Signature Pages to Follow]



IMG Worldwide, LLC
Mark Rivers
October 10, 2017
Page 9

When executed by all parties, this Agreement is intended to be binding as to all terms and conditions contained herein. Please indicate your acceptance of and agreement with this Agreement by countersigning below and returning a copy to the Authority.

Sincerely,

Casino Reinvestment Development Authority

By:  _____
Christopher M. Howard
Executive Director

ACCEPTED AND AGREED:

IMG Worldwide, LLC

By: _____

Name: _____

Title: _____

CRDA

Casino Reinvestment Development Authority



When executed by all parties, this Agreement is intended to be binding as to all terms and conditions contained herein. Please indicate your acceptance of and agreement with this Agreement by countersigning below and returning a copy to the Authority.

Sincerely,

Casino Reinvestment Development Authority

By: _____

Christopher M. Howard

Executive Director

ACCEPTED AND AGREED:

IMG Worldwide, LLC

By: MS

Name: Mark Shapiro

Title: Co-President



IMG Worldwide, LLC
Mark Rivers
October 10, 2017
Page 10

EXHIBIT A

IMG PLACES DESTINATION EVENT MARKETING INITIATIVE WITH CASINO REINVESTMENT DEVELOPMENT AUTHORITY (CRDA)

Working Relationship:

The Casino Reinvestment Development Authority (CRDA) and IMG PLACES, an affiliate of WME/IMG, have begun a cooperative alliance to provide a series of elevated events and experiences in Atlantic City, with the objective of sparking a new wave of economic activity and consumer interest in Boardwalk Hall, the Convention Center and throughout the community. WME/IMG is poised to leverage its vast portfolio of owned and/or operated properties, significant global resources and infrastructure and network of affiliates, partners and marketers in support of this effort.

Upon execution of the Agreement, the initial relationship will begin upon submission by WME/IMG of an event proposal and subsequent execution/acceptance of the terms by CRDA. The term of the Agreement will continue in its initial phase through December 31, 2018.

Tactical Goals:

- Focus on “Destination Events” – super-regional, best-in-class, “off season” (September thru June) and sustainable over multiple years.
- Prioritize events that occur over multiple days, driving multiple night visitor stay in AC hotels and casinos
- Centered on Boardwalk Hall and Convention Center facilities; two-way, participatory economics for CRDA
- Leverage the WME/IMG network of proprietary properties and global relationships
- Longer-term view: build/grow a multi-year relationship, annual planning and support for big picture marketing, development and business development/growth

Targeted Events, Activities:



IMG Worldwide, LLC
Mark Rivers
October 10, 2017
Page 11

Among the events and activities identified by IMG PLACES for prospective activation in Atlantic City at Boardwalk Hall and the Convention Center under this agreement:

- Ultimate Fighting Championship (UFC)
- Pro Bull Riding (PBR)
- College Basketball
- College or Professional Hockey
- Music Events (Country festival and others)
- Tennis Tournament
- Bear Grylls Adventure Series
- Women's Leadership Conference
- Youth Sports Tournament(s)
- Culinary Festival(s)
- Lifestyle Festival(s)
- Motorsports Event(s)
- Action Sports Event(s)
- ESports Event(s)
- Other

About WME/IMG:

Formed in 1898, William Morris Agency is the longest-running talent agency. In 2009, WMA merged with Endeavor to become one of the leading entertainment and media companies with an unparalleled list of artists and content creators. In 2014, WME acquired IMG, the global leader in sports, events, media and fashion, forming WME | IMG. In 2017, WME/IMG is named one of the World's Most Innovative Companies in both entertainment and live events by Fast Company magazine.

Founded in 1960 with a single deal that would prove the advent of modern-day sports marketing, IMG is now a global leader in sports, events, media and fashion, operating in more than 30 countries. The company represents and manages some of the world's greatest sports figures and fashion icons; stages hundreds of live events and branded entertainment experiences annually; and is one of the largest independent producers and distributors of sports media. IMG also specializes in sports training; league development; and marketing, media and licensing for brands, sports organizations and

CRDA

Casino Reinvestment Development Authority



IMG Worldwide, LLC

Mark Rivers

October 10, 2017

Page 12

collegiate institutions. Among IMG's partnerships or relationships: Wimbledon, The Open (British), NFL, FIFA, MLS, Premier League, NASCAR and WTA. IMG's College Division represents 200 U.S. colleges and universities in marketing, licensing and/or broadcasting.