

**LEGENDS ENTERTAINMENT DISTRICT
MARKETING PARTNERSHIP AGREEMENT**

This Legends Entertainment District Marketing Partnership Agreement ("Agreement") is entered into as of April 15, 2014, by and between the City of Flagstaff ("Partner") and Jefferson Street Signage District, LLC, *dba* Legends Entertainment District ("Legends").

RECITALS:

- A. Legends serves as the entity which has the authority to develop, manage, sell, and maintain certain signage assets within a specific area of downtown Phoenix, Arizona known as the Legends Entertainment District ("District"), as shown on Exhibit A.
- B. Partner desires to promote its business within the District.

AGREEMENT:

1. Term. The term of this Agreement will begin as of July 1, 2014, and shall end on June 30, 2015, unless sooner terminated as provided in this Agreement ("Term").

2. Advertising and Promotion. Subject to the terms and conditions hereof, Partner will receive static signage located in the "cool zone" area of the Jefferson Street Garage as shown on Exhibit A to this Agreement.

3. Payments.

(A) Amount and Billing. Partner will pay Legends a sponsorship fee in the amount of \$65,000.00, net of any agency fees and taxes and charges as set forth in Section 3(B) below ("Sponsorship Fee"). Each Sponsorship Year, the Sponsorship Fee shall be paid to Legends in twelve (12) equal installments beginning on July 1, 2014 and ending on June 1, 2015. Legends will invoice Partner thirty (30) days prior to all Due Dates. At Legends' option, any invoices remaining unpaid thirty (30) days after the invoice date will accrue interest at the rate of 1.5% per month.

(B) Taxes. Any and all taxes and other charges levied, assessed or otherwise due (other than income taxes of Legends) in connection with the advertising, promotions, signage or other arrangements described herein by any federal, state, or local governmental authority will be paid by Partner. Any such taxes will be charged to Partner annually or on the invoices to be submitted to Partner.

4. Entire Agreement. This Agreement, including its Recitals, the Terms & Conditions, and any Exhibits attached hereto (all of which are incorporated herein by this reference), contains the entire agreement and understanding of the parties as to the matters contained in this Agreement, and it may not be amended except by a writing signed by all parties. There are no oral or written representations, agreements, understandings or circumstances which modify any of the provisions hereof. In the event of a conflict between this Agreement and any other agreement between the parties including, without limitation, Legends'

issued invoices, affidavits, and/or any other documents arising from the advertising elements described herein, this Agreement shall control.

5. Duplicates; Counterparts. This Agreement shall be executed in duplicate, each of which may be executed in any number of counterparts, all of which, when taken together as a whole, shall constitute a single, binding instrument. Facsimile and electronic copies of a fully executed Agreement shall be deemed an original.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have hereunto set their hands as of the date first above written.

Partner: CITY OF FLAGSTAFF

By: _____
Kevin Burke
City Manager

Legends: JEFFERSON STREET SIGNAGE DISTRICT, LLC

By: _____
Name: _____
General Manager

LEGENDS ENTERTAINMENT DISTRICT MARKETING PARTNERSHIP AGREEMENT

TERMS & CONDITIONS

1. General Advertising and Promotion Provisions.

(A) Legends Approval, Advertising Guidelines and Approval Procedure. The content of all advertising and promotions provided for herein is subject to Legends' approval. Legends reserves the right to refuse to display all or a portion of any advertising if Legends reasonably determines that the advertising fails to conform substantially with standards of quality advertising, conflicts with other advertising or agreements of Legends, is in bad taste, or is otherwise reasonably objectionable. Partner must submit all proposed advertising that it intends to use at least ten (10) calendar days before intended use. Notwithstanding the foregoing, the final design and placement of all signage contemplated herein will be subject to normal governmental approval, including but not limited to, approval by the City of Phoenix.

(B) Cost of Signage; Changes in Signage. The first production and installation cost of the signage will be paid by Legends. Partner may change the content of the signage at its own expense (which work shall be done by Legends and billed to Partner at actual cost), subject to Legends' prior approval as described in Section 1(A) of these Terms & Conditions. Legends reserves the right to replace, upgrade or alter any signage contained in this Agreement; however, regardless of any upgrade or change, Partner will continue to receive the equivalent advertising exposure provided for in this Agreement.

2. Indemnification.

(A) Partner. Partner at its own expense will defend, indemnify and hold Legends (and its owners, partners, members, managers, officials, officers, employees and agents) harmless from all third-party claims, demands, suits, actions, proceedings, losses, fines, expenses, costs, and damages of every kind and description, including reasonable attorneys' fees and litigation expenses (collectively, "Claims"), which may be brought or made against or incurred by Legends, arising out of: (i) the use of any trademark, copyright or other intellectual property right arising out of, or connected with the signage, advertising or promotional materials; or (ii) the accuracy, character, form and subject matter of any signage, advertising

or promotional materials, provided such signage, advertising or promotional materials is in a form exactly as provided in writing by Partner.

(B) Mutual. The parties will each indemnify, defend and save harmless each other (and their respective partners, members, managers, officials, officers, employees and agents) from all Claims made against or suffered by the other party because of or based upon the indemnifying party's (or its officers', managers', members', employees', agents', independent contractors' or promoters') misrepresentations, negligence, unlawful act or omission, or failure to perform any obligation under this Agreement.

(C) Party Obligations. Each party will give the other party prompt written notice of any claim or suit coming within the scope of these indemnities. Upon the written request of an indemnitee, the indemnitor will assume the defense of any claim, demand or action against the indemnitee and will permit the indemnitee, at the indemnitee's expense, to participate in the defense of the claim. Settlement by the indemnitee without the indemnitor's prior written consent, which will not be unreasonably withheld, will release the indemnitor from the indemnity as to the claim, demand or action so settled. Termination of this Agreement will not affect the continuing obligations of the parties as indemnitors under this Agreement.

3. Governing Law and Arbitration. This Agreement shall be governed and controlled by the substantive laws of the State of Arizona. Any and all disputes (except for a default by Partner for failure to timely make payments, which may, at Legends' option, be resolved by a court of competent jurisdiction) arising under this Agreement (including issues regarding the interpretation of any provision of this Agreement and determinations of whether any issue arising from or related to this Agreement is subject to arbitration) shall be resolved by arbitration in accordance with the Commercial Rules of the American Arbitration Association. Arbitration proceedings shall occur before a single arbitrator and take place in Phoenix, Arizona. The outcome of such arbitration proceedings shall be binding on the parties. If a party wishes to seek interim relief, whether affirmative or prohibitive, in the form of a

temporary restraining order, preliminary injunction or other interim equitable relief concerning the dispute, including, without limitation, provisional remedies, special action relief or stay proceedings in connection with special action relief, either before commencing or at any point in the arbitration proceedings concerning such dispute, such party may initiate the appropriate litigation to obtain such relief, which may be subject to and controlled by the ultimate decision in the arbitration proceedings. The prevailing party in any court or arbitration proceeding shall be entitled to recovery of reasonable attorney's fees and costs.

4. Default and Remedies.

(A) Default. If: (i) any party fails to pay any fees or other sums when due under this Agreement; (ii) any party fails to comply with or perform any of the provisions of this Agreement; (iii) Partner becomes insolvent; or (iv) a petition is filed by or against Partner under any foreign, federal or state statute (including, without limitation, Title 11 of the United States Code) for the benefit of creditors such as debt adjustment, liquidation, winding up, dissolution, reorganization or bankruptcy, or a custodian (as defined in 11 U.S.C. § 101), receiver or liquidator takes charge of any of Partner's property, whether by judicial appointment, agreement or operation of law; then such party will be in default of this Agreement. However, if the non-defaulting party is not precluded by law from issuing notice of the default, the defaulting party will have ten (10) days after written notice is given within which to cure the default.

(B) Legends' Remedies. If, under Section 4(A) of these Terms & Conditions, a notice of default is not required or if notice is given and a default by Partner is not cured within the time provided, then (i) Legends will be excused from further performance under this Agreement; (ii) Legends may treat this Agreement as having been terminated as of the time of default; (iii) without further notice and with or without terminating this Agreement, Legends may remarket Partner's signage and other rights or otherwise mitigate damages; (iv) Legends may, without further notice or demand, declare any earned portion of the entire amount set forth in this Agreement that is unpaid (irrespective of the payment due date) immediately due and payable in either trade value or cash (at Legends' election); and (v) Legends may recover from Partner all losses and damages it suffers by reason of a default, including any costs of finding a substitute Partner. In the alternative, at its option, Legends may continue this Agreement and

recover all damages resulting from the default. Partner acknowledges that Legends has other available advertising and promotional inventory that Legends sells to other advertisers. Partner understands that, in the event of a default by Partner, Legends may continue to sell other available inventory, and shall have no obligation to sell Partner's inventory first.

(C) Partner Remedies. If, under Section 4(A) of these Terms & Conditions, a notice of default is not required or if notice is given and a Legends default is not cured within the time provided, Partner may: (i) treat the Agreement as having been terminated as of the time of default and may be excused from further performance under this Agreement; or (ii) continue this Agreement and recover all damages resulting from the default. In no event shall Legends be liable or responsible for any lost income, profits or consequential damages of Partner or any person or entity.

5. Miscellaneous.

(A) Force Majeure. In the event Legends is unable to perform its obligations under this Agreement because of fire, the elements, mob, riot, national or local emergency, strikes, lockouts, failure of negotiations between broadcast parties, calamity, epidemic, war, terrorism, or for any other reason outside the control of Legends, at its option Legends may provide additional advertising, sponsorship, or promotional rights, provide Partner with a refund or rebate, or extend the Term to compensate Partner for lost rights. In no event will any such event constitute an event of default by Legends which would permit Partner to terminate this Agreement pursuant to Section 4(A) of these Terms & Conditions or otherwise.

(B) Independent Contractors. The parties are independent contractors and are solely responsible for the conduct of their respective employees and agents in connection with the performance of their obligations under this Agreement.

(C) Assignment. Partner will not assign or transfer any of its rights or obligations under this Agreement without the prior written consent of Legends. This Agreement inures to the benefit of, and is binding upon, the parties and their respective permitted successors and assigns. Legends may make a collateral assignment of its rights under this Agreement to a financial institution ("Lender"), and Partner consents to the grant by Legends to Lender of a first priority security interest in the interest of

Legends under this Agreement. Upon foreclosure by Lender on Legends' interest in this Agreement, Partner consents to the transfer of Legends' right, title and interest in this Agreement (and related rights and interest) to Lender (or other party designated by Lender).

(D) Waiver. The delay or failure of a party to assert or exercise any right, remedy or privilege under this Agreement or to insist on strict and prompt performance of the covenants and agreements herein, does not constitute a waiver of any right, remedy, or failure to perform, nor will it be construed as a waiver or relinquishment of the party's right to later enforce the same according to its rights under this Agreement if there is a continuous or later default. No waiver is effective unless in writing, and then only in the specific instance for which it was given.

(E) Notice. Any notices, consents or approval required or permitted under this Agreement will be properly given if in writing, whether personally delivered, delivered by facsimile machine or forwarded by mail or overnight courier, postage prepaid, addressed to the following addresses (or such other addresses as may from time to time be designated in writing by each party):

To Legends:
Jefferson Street Signage District, LLC
Attn: Jason Rowley
201 East Jefferson Street
Phoenix, Arizona 85004
Facsimile No. (602) 379-2462

and:
Jefferson Street Signage District, LLC
Attn: Blake Edwards
401 East Jefferson Street
Phoenix, Arizona 85004
Facsimile No. (602) 462-6309

With a copy to:
Jefferson Street Signage District, LLC
Attention: Cullen Maxey
401 E. Jefferson Street
Phoenix, Arizona 85004
Attn: Nona Lee
401 East Jefferson Street
Phoenix, Arizona 85004
Facsimile No. (602) 462-6588

Facsimile No. (602) 462-6599
and:
Jefferson Street Signage District, LLC
Attn: General Counsel
201 East Jefferson Street
Phoenix, Arizona 85004
Facsimile No. (602) 379-2462

To Partner:
City of Flagstaff
Attn: Kevin Burke

Facsimile No. _____

(F) Time. Time is of the essence in this Agreement.

(G) Reservation of Rights. Legends reserves all rights hereunder which are not expressly granted to Partner.

(H) Authority. Each individual executing this Agreement on behalf of, or as representative for, a person, partnership, corporation or other entity represents that he or she is duly authorized to execute and deliver this Agreement on behalf of such person or entity and that this Agreement is binding upon such person or entity in accordance with its terms.

(I) Interpretation. The parties acknowledge and confirm that each of their respective attorneys has participated jointly in the review and revision of this Agreement and that it has not been written solely by counsel for one party. The parties hereto therefore stipulate and agree that the rule of construction to the effect that any ambiguities are to be or may be resolved against the drafting party shall not be employed in the interpretation of this Agreement to favor any party against another.

(J) Severability. If any provision of this Agreement is determined to be illegal or unenforceable by an arbitrator, court or government agency of competent jurisdiction, this Agreement shall remain valid as though such provision had not been contained herein.

Exhibit A

(Location of Advertising and Promotion Elements)

