AGENDA

Finance Committee
Regular Meeting
Village Hall
1900 Hassell Road, Hoffman Estates, IL 60169

December 15, 2025	Council Chambers	Immediately Following Public Health & Safety Committee

1. **CALL TO ORDER/ROLL CALL**

2. **APPROVAL OF MINUTES**

   A. Finance Committee 11-24-2025

3. **PUBLIC COMMENT**

4. **OLD BUSINESS**

5. **NEW BUSINESS**

   A. Approval of an ordinance establishing hire back rates for Police and Fire personnel for the period January 1, 2026 through December 31, 2026.

   B. Approval of a Resolution Authorizing the Second Amended and Restated Management Agreement between the Village of Hoffman Estates and Global Spectrum, L.P. d/b/a Oak View Group for management and commercial sales services of the NOW Arena.

   C. Approval of a Resolution authorizing an intergovernmental agreement with Suburban Liability Insurance Pool and Alliant/Mesior Insurance Service for property and causality insurance coverage for 2026.

6. **REPORTS**

   A. Finance Department Monthly Report - Deferred

   B. Information Technology Department Monthly Report

   C. NOW Arena Monthly Report

7. **PRESIDENT'S REPORT**

8. **ITEMS IN REVIEW**

9. **OTHER**

10. **ADJOURNMENT**

Further details and information can be found in the agenda packet attached hereto and incorporated herein and can also be viewed online at www.hoffmanestates.org and/or in person in the Village Clerk's office. The Village of Hoffman Estates complies with the Americans with Disabilities Act (ADA). For accessibility assistance, call the

ADA Coordinator at 847/882-9100.

Village of Hoffman Estates

FINANCE COMMITTEE MEETING MINUTES **November 24, 2025**

I. Roll call

Members in Attendance:

Gary Pilafas, Chair
Anna Newell, Vice Chairperson
Karen Mills, Trustee
Gary Stanton, Trustee
Karen Arnet, Trustee
Patrick Kinnane, Trustee
William McLeod, Mayor

Management Team Members in Attendance:

Eric Palm, Village Manager
Art Janura, Corporation Counsel
Jon Pape, Assistant Village Manager
Kasia Cawley, Chief of Police
Alan Wax, Fire Chief
Rachel Musiala, Finance Director
Al Wenderski, Director of Transportation
Kevin Kramer, Economic Dev. Director
Joe Nebel, Public Works Director
Audra Marks, Assistant HHS Director
Justin Roach, IT Infrastructure Manager
Ric Signorella, Multimedia Production Manager

The Finance Committee meeting was called to order at 7:00 p.m.

2. APPROVAL OF MINUTES

A. Finance Committee 10-27-2025
B. Finance Committee 11/06-2025 Special

Motion by Trustee Stanton, seconded by Trustee Arnet, to approve the Finance Committee Meeting Minutes from October 27, 2025. Voice vote taken. All ayes. Motion carried.

Motion by Trustee Kinnane, seconded by Trustee Arnet, to approve the Special Finance Committee Meeting Minutes from November 6, 2025. Voice vote taken. All ayes. One abstention: Mills. Motion carried.

3. PUBLIC COMMENT

4. REPORTS

A. Finance Department Monthly Report

Trustee Stanton inquired on when the Village would receive money from Cook County. Ms. Musiala indicated the Village should receive by the end of the year.

The Finance Department Monthly Report was received and filed.

B. Information Technology Department Monthly Report

The Information Technology Monthly Report was received and filed.

C. NOW Arena Monthly Report

The NOW Arena Monthly Report was received and filed.

5. PRESIDENT'S REPORT

Mayor McLeod provided an update on his activities from November 17th through November 24th. Highlights included Wine Wednesday at Moretti's on November 19th, Sch. Township Food Pantry Drive with SEWA , and the Village' Senior Luncheon attended by 144 seniors. Mayor complimented Public Works on an excellent Friendship Tree Lighting celebration on November 21st.

6. ITEMS IN REVIEW
7. OTHER
8. ADJOURNMENT

Motion by Trustee Arnet, seconded by Trustee Kinnane, to adjourn the meeting at 7:04 p.m. Voice vote taken. All ayes. Motion carried.

Minutes submitted by:

___________________________________ ___________________________________

Jennifer Djordjevic, Director of Operations/ Outreach, Office of the Mayor and Board

Date

AGENDA ITEM REPORT
Finance Committee
December 15, 2025
ITEM 5A

REQUEST: Approval of an ordinance establishing hire back rates for Police and Fire personnel for the period January 1, 2026 through December 31, 2026.

FROM: Rachel Musiala, Finance Director

ITEM TYPE: Ordinance - Committee

REQUEST SUMMARY

Each year, the Village Board passes an ordinance establishing hire back rates for police and fire personnel. These rates are used when private or public entities need to have police or fire personnel on site for events.

The hire back rates for January 1, 2026 through December 31, 2026 are as follows:

Position	FY2026
Patrol Officer	$122.42
Police Sergeant	$138.81
Police Commander	$158.12
Firefighter Non-Paramedic	$122.02
Firefighter/Paramedic	$127.57
Fire Lieutenant/Paramedic	$141.84
Fire Captain/Paramedic	$148.29

The hire back rates for organizations having 501(c)(3) status are:

Position	FY2026
Patrol Officer	$90.95
Police Sergeant	$103.31
Police Commander	$122.19
Firefighter Non-Paramedic	$86.95

Firefighter/Paramedic	$91.50
FireLieutenant/Paramedic	$103.19
Fire Captain/Paramedic	$108.47

FINANCIAL IMPACT
Since these amounts are reimbursed to the Village, there is no financial impact.

RECOMMENDATION
Request approval of an ordinance establishing hire back rates for Police and Fire personnel for the period January 1, 2026 through December 31, 2026.

ATTACHMENTS
1. Hire Back Police Fire Ordinance 2026

ORDINANCE NO. __________ - 2025

VILLAGE OF HOFFMAN ESTATES

AN ORDINANCE ESTABLISHING HIRE BACK RATES FOR POLICE AND FIRE PERSONNEL FOR THE PERIOD JANUARY 1, 2026 THROUGH DECEMBER 31, 2026

WHEREAS, members of the Hoffman Estates Police and Fire Departments are hired back by private and/or public employers; and

WHEREAS, costs of salary, fringe and administrative costs have been calculated.

NOW, THEREFORE, BE IT ORDAINED by the President and Board of Trustees of the Village of Hoffman Estates, Cook County, Illinois, as follows:

Section 1: That the Hoffman Estates Police Department is hereby authorized to charge fees for services under hire back arrangements for the period January 1, 2026 through December 31, 2026 as follows:

Police Officer	-- $122.42
Police Sergeant	-- $138.81
Police Commander	-- $158.12

However, upon a proof of a grant of 501(c)(3) status by the Internal Revenue Service, the fees for services under hire back arrangements for the period from January 1, 2026 through December 31, 2026 are as follows:

Police Officer	-- $ 90.95
Police Sergeant	-- $103.31
Police Commander	-- $122.19

Section 2: That the Hoffman Estates Fire Department is hereby authorized to charge fees for services under hire back arrangements for the period January 1, 2026 through December 31, 2026 as follows:

Firefighter Non-Paramedic	-- $122.02
Firefighter/Paramedic	-- $127.57
Lieutenant/Paramedic	-- $141.84
Captain/Paramedic	-- $148.29

However, upon a proof of a grant of 501(c)(3) status by the Internal Revenue Service, the fees for services under hire back arrangements for the period from January 1, 2026 through December 31, 2026 are as follows:

Firefighter Non-Paramedic	-- $ 86.95
Firefighter/Paramedic	-- $ 91.50
Lieutenant/Paramedic	-- $103.19
Captain/Paramedic	-- $108.47

Section 3: The Village Clerk is hereby authorized to publish this Ordinance in pamphlet form.

Section 4: This Ordinance shall be in full force and effect immediately from and after its passage and approval.

PASSED THIS ________ day of _________________, 2025

VOTE	AYE	NAY	ABSENT	ABSTAIN
Trustee Karen V. Mills	_____	_____	_____	_____
Trustee Anna Newell	_____	_____	_____	_____
Trustee Gary J. Pilafas	_____	_____	_____	_____
Trustee Gary G. Stanton	_____	_____	_____	_____
Trustee Karen Arnet	_____	_____	_____	_____
Trustee Patrick Kinnane	_____	_____	_____	_____
Mayor William D. McLeod	_____	_____	_____	_____

APPROVED THIS ______ DAY OF _______________, 2025

____
Village President

ATTEST:

____
Village Clerk

Published in pamphlet form this _______ day of ____________________, 2025.

AGENDA ITEM REPORT
Finance Committee
December 15, 2025
ITEM 5B

REQUEST: Approval of a Resolution Authorizing the Second Amended and Restated Management Agreement between the Village of Hoffman Estates and Global Spectrum, L.P. d/b/a Oak View Group for management and commercial sales services of the NOW Arena.

FROM: Dan O'Malley, Deputy Village Manager

ITEM TYPE: Agreement - Committee

REQUEST SUMMARY

In 2010, the Village assumed ownership of the then Sears Centre Arena (currently the NOW Arena) and entered into contracts for management services of the arena and sale of commercial rights. These agreements have been amended over the years to extend the terms and modify certain provisions of those agreements. The last amendment to the management agreement was in 2019 and the last amendment to the sale of commercial rights agreement was in 2020.

With the end of the term of the management agreement nearing, OVG approached the Village earlier this year to extend that agreement and consolidate the separate sale of commercial rights agreement into one agreement. OVG was willing to provide a capital investment to the Village in exchange for extending the management agreement longer than the three (3) year option available to the Village in 2026. The major highlights of the proposed amendment include the following:

- New Term – Four year term beginning Jan 1, 2026 with two, three year extensions.
- Base Management Fee increase to $180K
- Restructured Variable Fee
- Incorporate the Sale of Commercial Rights into Mgmt. Agreement
- $1M Capital Contribution to Village

The proposed new term of this agreement provides an initial four year term, Jan 1, 2026 through Dec 31, 2029 and includes two, three-year extensions at the Village's option to extend the agreement to Dec 31, 2032 and Dec 31, 2035. The base management fee is currently $170,100 and would be near $175,400 in 2026 depending on CPI. The amendment provides a new base fee of $180,000 in 2026, about a 2.6% increase. The variable fee structure is currently based on three tiers with the highest threshold at $650K. The new structure proposes two tiers with $400K as the highest threshold and increased percentages for each tier. The variable fee is an incentive based on arena performance and the new structure requires improved performance before the incentive applies. However, it provides increased percentages of the tiers if achieved. The existing sale of commercial rights provisions would be incorporated into the management services agreement to align terms and provide ease of administration. Finally, OVG will provide a capital contribution to the Village in the amount of $1M towards agreed capital improvements or equipment at the arena.

Legal has reviewed this proposed amendment and their revisions updating various legal provisions are incorporated into the new document. OVG and their attorneys have reviewed the proposed amendment, are in concurrence with these change, and have signed the document. The proposed agreement is attached for your review.

FINANCIAL IMPACT
The Village will receive a $1M capital contribution from the proposed amended agreement. The proposed agreement includes changes to the base fee and variable fee structure.

RECOMMENDATION
Approval of a Resolution Authorizing the Second Amended and Restated Management Agreement between the Village of Hoffman Estates and Global Spectrum, L.P. d/b/a Oak View Group for management and commercial sales services of the NOW Arena.

ATTACHMENTS
1. OVGResolution2025
2. SecondAmendedRestated OVGAgreement2025

RESOLUTION NO. 2025-______________

RESOLUTION AUTHORIZING THE APPROVAL OF THE SECOND AMENDED AND RESTATED MANAGEMENT AGREEMENT BETWEEN THE VILLAGE OF HOFFMAN ESATES AND GLOBAL SPECTRUM, L.P. D/B/A OAK VIEW GROUP FOR MAMAGEMENT AND COMMERCIAL SALES SERVICES OF THE NOW ARENA

WHEREAS, the Village of Hoffman Estates ("the Village") is a home-rule municipality located in Cook County, Illinois;

WHEREAS, the Village owns a multi-purpose sports and entertainment arena;

WHEREAS, the Village desires to engage Global Spectrum, L.P. to manage, operate and provide commercial sales of the facility;

WHEREAS, the Village has identified Global Spectrum, L.P. as the most responsible vendor and able to best meet the needs of the Village;

WHEREAS, the Corporate Authorities have determined that it is in the public interest for the Village to approve an agreement with Global Spectrum L.P. to contract for management and commercial sales services of the arena;

NOW, THEREFORE, BE IT RESOLVED, by the President and Board of Trustees of the Village of Hoffman Estates, as follows:

Section 1 RECITALS, The facts and statements contained in the preamble of this Resolution are found to be true and correct and are hereby adopted as part of this Resolution.

Section 2 APPROVAL OF AGREEMENT, The President and Board of Trustees hereby approve the selection of Global Spectrum, L.P. to provide management and commercial sales service of the NOW Arena.

Section 3 AUTHORIZATION TO EXECUTE AGREEMENT. The President or Village Manager is hereby authorized to execute the Agreement attached hereto as Exhibit A, incorporated herein and made part hereof by reference, and to execute any other documents in furtherance of this Resolution in accordance with the Village Code and state and federal law.

Section 4 EFFECTIVE DATE. This Resolution will be in full force and effect from and after its passage and approval as provided by law.

RESOLVED THIS _______ day of __________________, 2025

VOTE	AYE	NAY	ABSENT	ABSTAIN
Trustee Karen V. Mills	_____	_____	_____	_____
Trustee Anna Newell	_____	_____	_____	_____

Trustee Gary J. Pilafas	______	______	______	______
Trustee Gary G. Stanton	______	______	______	______
Trustee Karen Arnet	______	______	______	______
Trustee Patrick Kinnane	______	______	______	______
President William D. McLeod	______	______	______	______

APPROVED THIS ______ DAY OF ________________, 2025

____
Village President

ATTEST:

____
Village Clerk

Published in pamphlet form this _______ day of ____________________, 2025.

SECOND AMENDED AND RESTATED MANAGEMENT AGREEMENT

between

VILLAGE OF HOFFMAN ESTATES

and

GLOBAL SPECTRUM, L.P.
d/b/a Oak View Group

Effective as of January 1, 2026

EXHIBITS

EXHIBIT A - INTENTIONALLY OMITTED

EXHIBIT B - Facility Aerial, Site Plan, Building Plans, Legal Description

EXHIBIT C - Manager Duties

EXHIBIT D - Cash Flow Forecasts

EXHIBIT E - Purchasing Policy

EXHIBIT F - Manager Beer Garden Duties

EXHIBIT G - Insurance

SECOND AMENDED AND RESTATED MANAGEMENT AGREEMENT

This Second Amended and Restated Management Agreement ("**Agreement**") is entered into on December 15, 2025, and made effective as of January 1, 2026 ("**Effective Date**"), by and between Village of Hoffman Estates, an Illinois Home Rule municipal corporation ("**Owner**"), and Global Spectrum, L.P., a Delaware limited partnership doing business as Oak View Group (f/k/a Spectra Venue Management) ("**Manager**").

RECITALS

WHEREAS, Owner owns a multi-purpose sports and entertainment arena, consisting of approximately 11,800 seats, located in Village of Hoffman Estates, Illinois, currently known as NOW Arena (f/k/a Sears Centre Arena) (the "**Facility**"); and

WHEREAS, the Owner desires to engage Manager to manage and operate the Facility on behalf and for the benefit of the Owner, and Manager desires to accept such engagement, pursuant to the terms and conditions contained herein; and

WHEREAS, the parties entered into that certain Amended and Restated Management Agreement dated May 6, 2019 and made effective as-of January 1, 2019 (the "**Amended Agreement**") which amended and restated in its entirety that certain that certain Management Agreement dated June 7, 2010 and made effective as of January 1, 2010, as amended pursuant an Amendment dated on or about September 24, 2012 and a Second Amendment dated January 1, 2015; and

WHEREAS, Owner and Front Row Marketing Services, L.P., an Affiliate of Manager, are parties to that certain Third Amended and Restated Commercial Rights Marketing Agreement made effective as of May 15, 2019 (the "**Front Row Marketing Agreement**"), pursuant to which Front Row provides certain direct sales and marketing services related to the Commercial Rights at the Facility; and

WHEREAS, Owner desires to continue to engage Manager to manage and operate the Facility, on behalf of and for the benefit of Owner, and further desires to continue to engage Manager and/or its approved Affiliate to provide Commercial Rights marketing services for the Facility; and

WHEREAS, the parties desire to extend the term of the Amended Agreement, incorporate the Commercial Rights marketing services herein, provide for an investment by Manager, and make certain other changes, and in doing so, (i) restate and amend the Amended Agreement in its entirety, and (ii) have this Agreement govern all aspects of the sale of Commercial Rights at the Facility, in each case effective as of the Effective Date.

NOW THEREFORE, for and in consideration of the foregoing, the mutual covenants and promises hereinafter set forth and such other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties, intending to be legally bound, hereby agree as follows:

ARTICLE 1
DEFINITIONS

Section 1.1. Definitions. For purposes of this Agreement, the following terms have the meanings referred to in this Section:

Advance Ticket Proceeds: shall have the meaning given to such term in Section 8.1 hereof.

Affiliate: A person or company that directly or indirectly, through one or more intermediaries, controls or is controlled by, or is under common control with, a specified person or company.

Agreement: The "Agreement" shall mean this Agreement, together with all exhibits attached hereto (each of which are incorporated herein as an integral part of this Agreement).

Beer Garden: shall have the meaning given to such term in Section 13.1 hereof.

Capital Expenditures: All expenditures for building additions, alterations, repairs or improvements and for purchases of additional or replacement furniture, machinery, or equipment, where the cost of such expenditure is greater than $25,000 and the depreciable life of the applicable item is, according to generally accepted accounting principles, is a minimum of three (3) years. All Capital Expenditures will be subject to Owner approval and funding and undertaken in accordance with Owner's procurement and construction policies and procedures.

Centralized Services: Services provided for the benefit of the Facility by Manager's corporate office to the extent such services are charged to the Facility as an Operating Expense. The parties acknowledge such services may include insurance and computer network and information technology services. Any such services shall be furnished and charged to the Facility on a comparable basis to similar services furnished to other facilities in the Manager's system of facilities it operates. The Manager must demonstrate (i) the cost and the methodologies for allocating these Centralized Services pursuant to above, and (ii) that these services can be performed more efficiently and economically for the Owner as compared to comparable services available to Owner from other sources, or that such service is from a sole source, except that this clause (ii) shall not apply to Manager's preventative maintenance system, payroll system and financial reporting system. Additionally, the Manager and its Affiliates shall make no profit from the Facility with respect to Centralized Services. Any costs and expenses incurred in providing Centralized Services if charged as an Operating Expense shall be allocated by Manager to the Facility on a fair and consistent basis.

Commercial Rights: Naming rights, interior and exterior sub-naming rights, pouring rights, advertising signage (including any outdoor marquee subject to Illinois Department of Transportation [IDOT] regulations or other outdoor signage on the Facility property), sponsorships, event sponsorships, the branding of food and beverage products for resale, premium seating (including suites, club seats, loge boxes, lounges, and party suites) and memorial gifts at or with respect to the Facility and owned or controlled by the Owner.

Commercial Rights Fee: shall have the meaning given to such term in Section 3.4 of this Agreement.

Commercial Rights Revenue: shall mean (1) gross revenue from cash Commercial Rights sales (prior to any deduction for fulfillment costs, signage requirements, ticket costs, or agreed upon amounts owed to the Owner or Manager); and (2) seventy-five percent (75%) of the fair market value of any pre-approved by Owner in-kind contributions that reduce indirect or event expenses (*i.e.* trade) received in exchange for rights granted by the Facility; provided, however, Commercial Rights Revenue shall expressly exclude Naming Rights Revenue.

Comparable Facilities: Angel of the Winds Arena, Everett, WA; CURE Insurance Arena, Trenton, NJ; and BLUE Arena, Larimer County, CO. In the event that any of the arenas above-referenced shall be closed or cease to be maintained or operated in accordance with the standards of service and quality generally accepted within the arena industry for first class arenas, or otherwise are renovated or acquire newer technology than that possessed by the Facility, then (a) such arena or arenas shall be deleted from the list set forth in the foregoing sentence, and (b) the Owner and the Manager shall negotiate in good faith to agree upon the substitution of another arena or arenas to replace the deleted arena or arenas, with appropriate adjustments to reflect newer buildings and technology than that possessed by the Facility.

Consumer Price Index: The "Consumer Price Index" (CPI-U) for Chicago-Kenosha-Gary-All Items, as published by the United States Department of Labor, Bureau of Labor Statistics or such other successor or similar index. The Consumer Price Index for any particular year is capped at three and one-half percent (3.5%)

Effective Date: "Effective Date" shall have the meaning ascribed to such term in the opening paragraph of this Agreement.

Emergency Repair: The repair of a condition which, if not performed immediately, either (a) creates an imminent danger to persons or property and/or an unsafe condition at the Facility threatening persons or property or (b) creates a substantial disruption or effect on the day-to-day operation of the Facility, as determined by Manager in its reasonable discretion.

Event: Shall mean an entertainment or theatrical production, leisure, cultural, community or educational activity, concert, motion picture, sporting event, family show, trade show, banquet, conference, permanent or temporary exhibit, or other similar activity held or occurring at the Facility.

Event Expenses: The incremental increase in variable costs (whether a direct building or house related cost, shared co-promotion expense, reimbursed, or non-reimbursed as the case may be) in operating the Facility that are directly related to the advancement, production or occurrence of a specific Event and which would not otherwise have been incurred but for the occurrence of the particular Event, which include expenses related to cleaning, security, utilities, Facility staffing, ushers, advertising, advancements to promoters, music and entertainment services, set up and take down, parking, traffic and public safety services, and expenses expressly designated as Event Expenses in this Agreement. Event Expenses shall include the cost of labor and materials incurred in set up or changing the Facility from its prior use to use for that Event, including placing and installing any furnishings or equipment required for the event, as well as costs for take down or conversion following an event. Routine Maintenance not directly associated with an Event and overhead of the Owner and similar non-variable expenses shall not be considered to be Event Expenses, nor shall any prorated portion of such costs be allocated as Event Expenses.

Event of Force Majeure: An act of God, fire, earthquake, hurricane, flood, riot, civil commotion, blockades, terrorist act, terrorist threat, storm, washout, wind, lightning, landslide, explosion, epidemic, any law, ordinance, rule, regulation, or order of any public or military authority stemming from the existence of economic or energy controls, hostilities or war, breakage of major equipment or machinery, threats of bombs or similar interruptions, confiscation or seizure by a governmental authority, contamination, or a labor dispute which results in a strike or work stoppage affecting the Facility or services described in this Agreement.

Event Income: Income from ticket sales and Facility rental or license fees.

Event License Agreement: Shall be in the form mutually agreed to by Manager and Owner.

Facility: The "Facility" shall have the meaning ascribed to such term in the Recitals to this Agreement, and shall be deemed to include the entire arena complex, including but not limited to the arena, premium seating areas, locker rooms, meeting rooms, box office, common areas, lobby areas, executive and other offices, storage and utility facilities, and entrances, and the ground, sidewalks and parking areas (approximately 3,180 spots) immediately surrounding the Facility and adjacent thereto as depicted in Exhibit B.

First Class Condition: The condition satisfying each of the following: (a) being in compliance with applicable Law, (b) being in good condition and repair, and (c) meeting the Quality Operating Standard. For purposes of determining the Manager's obligations under this Agreement with respect to operation, management and Maintenance, the Facility shall be deemed to be in a First Class Condition as of the Effective Date. The Manager will utilize the maintenance component of its annual Operating Budget, and the Capital Expenditure budget as funded by Owner per Article 11, for the purpose of continuously maintaining the facility in First Class Condition and will notify the Owner immediately in writing if such condition is at risk or jeopardized. Such notification will detail the situation and contain Manager's recommendations for remedy.

Fixed Management Fee: The fixed monthly fee the Owner shall pay to Manager under this Agreement as more fully described in Section 3.1 below.

FF&E: Fixed and loose furniture, fixtures and equipment existing for use at the Facility. A list of FF&E will be annually updated and reconciled pursuant to Exhibit C.

Front Row Marketing Agreement: Shall have the meaning given to such term in the Recitals.

General Manager: The employee of Manager acting as the full-time on-site general manager of the Facility as set forth in Section 6.3.

Laws: Federal, state, county, local and municipal laws, statutes, rules, regulations and ordinances.

Maintenance: All work (including all labor, supplies, materials, and equipment) at the Facility which is of a routine, regular, and predictable nature and reasonably necessary for the cleaning and routine upkeep of the Facility, including any property, structures, surfaces, FF&E (including, but not limited to, media plug-ins and cable and all wiring attendant thereto) furnishings, or any other component of the Facility in order to properly preserve such items in the condition they were in as of the Effective Date, subject to reasonable wear and tear. Maintenance shall include, but not be limited to, the following: (i) preventative or routine Maintenance that is stipulated in the operating manuals for the components as regular, periodic Maintenance procedures; (ii) periodic testing of building systems, such as mechanical, card-key security, fire alarm, fire suppression system, lighting, and sound systems; (iii) ongoing trash removal; (iv) regular maintenance procedures for HVAC, plumbing, and electrical and structural systems such as periodic cleaning, lubrication, and changing air filters; (v) scheduled regular painting and touch up painting; (vi) cleaning prior to, during, and following all Events; (vii) changing of standard, isolated light bulbs, fuses, and circuit breakers, as they burn out; (viii) any repairs not constituting or requiring a Capital Expenditure necessary to keep the Facility in a First Class Condition, and (ix) any repairs constituting or requiring a Capital Expenditure necessary to keep the Facility in a First Class Condition, provided that such repairs are funded by the Owner from a source other than the Operating Budget and are mutually agreed to by the Owner and Manager in advance. None of the furnishings or equipment at the Facility shall be discarded or eliminated without the Owner's prior written consent, other than in replacing FF&E, which are damaged, outdated or obsolete. In performance of its Maintenance duties, Manager shall make such replacements, repairs and renovations (other than those constituting or requiring a Capital Expenditure) of the Facility and its equipment such that the Facility (including inside the Facility, the parking areas, and the landscaped areas outside the Facility) shall be in at least the same condition and repair as of the Effective Date (subject to reasonable wear and tear), in compliance with the Quality Operating Standard and applicable Law. The parties shall annually agree on the performance responsibilities of scheduled Maintenance. Such scheduled Maintenance shall include, but is not limited to, the fall protection system and rigging certification.

Management-Level Employees: The General Manager, Assistant General Manager, Finance Director, Director of Operations, Director of Marketing and Director of Ticketing (referred to herein as the "Tier 1" management-level employees or employees with different titles performing similar functions), and any other department head employed by Manager to perform services at the Facility (including employees performing the functions of the Director of Security and Event Manager).

Manager: The term "Manager" shall mean Global Spectrum, L.P.

Minor Repairs: A repair or replacement of any item in the Facility, or a repair or improvement of any area of the Facility, the cost of which is below $25,000. Such repairs will be performed by Manager subject to Owner's procurement policies and funded within the current Operating Budget.

Net Operating Loss: shall mean Operating Revenue less Operating Expenses, to the extent the resulting figure is a negative number.

Net Operating Profit: shall mean Operating Revenue less Operating Expenses, to the extent the resulting figure is a positive number.

NOW Naming Rights Agreement: shall mean that certain Naming Rights Agreement, dated as of June 22, 2020, by and between Owner and Now Health Group, Inc., which by its terms expires on August 31, 2035.

Naming Rights Revenue: shall mean all revenue received pursuant to the NOW Naming Rights Agreement or any subsequent naming rights agreement (*i.e.*, a commercial rights agreement where the sponsor is granted the right to include its name or logo in the name of the Facility, or otherwise dictate the name of the Facility) secured by Manager during the Term.

Operating Account: A separate interest-bearing account in the name of the Owner and under the Owner's Federal ID number in a local qualified public depository, to be designated by the Owner, where Operating Revenue is deposited and from which Operating Expenses are paid.

Operating Budget: A line item budget for the Facility approved by Owner that includes a projection of Operating Revenues and Operating Expenses, presented on a monthly and annual basis.

Operating Expenses: All expenses, including but not limited to Event Expenses, incurred by Manager or Owner in connection with the operation, promotion, Maintenance and management of the Facility and Beer Garden, including but not limited to the following: (i) employee compensation (including salary, commissions, other income or ancillary salaries, and severance), payroll costs and related expenses, employee benefits (as contained in Manager's employee manual, which may be modified by Manager from time to time), relocation costs and temporary living expenses, and other related Owner pre-approved costs pursuant to Manager's relocation policy (a copy of which has been provided to Owner prior to the Effective Date), (ii) cost of operating supplies, including general office supplies, (iii) advertising, marketing, group sales, and public relations costs, (iv) cleaning expenses, (v) data processing costs, Master Card, VISA, and other credit and debit facilities and telecheck fees and expenses, (vi) dues, subscriptions and membership costs, (vii) the Fixed Management Fee, (viii) printing and stationary costs, (ix) postage and freight costs, (x) equipment rental costs, (xi) minor repairs, maintenance, and equipment servicing, not including expenses relating to performing capital improvements or repairs, (xii) security expenses, (xiii) telephone and communication charges, (xiv) travel and entertainment expenses of Manager employees, (xv) cost of employee uniforms and identification, (xvi) exterminator, snow and trash removal costs, if applicable (xvii) computer, software, hardware and training costs, (xviii) parking lot expenses, including Maintenance, (xix) utility expenses, (xx) office expenses, (xxi) audit, professional services, and accounting fees, (xxii) legal fees incurred subsequent to the execution of the Amended Agreement, related to the operation of the Facility, (xxiii) all bond and insurance costs, including but not limited to personal property, dram shop, liability, and worker's compensation insurance, (xxiv) draws, commissions and all other fees payable to third parties, (xxiv) cost of governmental fees, (xxv) costs to settle or defend any claims arising out of the operation of the Facility to the extent not covered by insurance proceeds actually received, (xxvi) costs incurred under Service Contracts and other agreements relating to Facility operations, (xxvii) Taxes exclusive of income taxes, and (xxviii) costs incurred in connection with the marketing and sale of Commercial Rights.

The term "Operating Expenses" does not include (a) any debt service (principal or interest), (b) any "buyout" or repayment of funds invested, advanced or otherwise loaned by any party with respect to the Facility or its operations (such as, for example, any monies repaid to a food and beverage concessionaire upon termination of its contract), (c) property taxes, (d) any expenses related to Manager personnel based in Manager's corporate headquarters in Denver, Colorado or its regional field locations (other than the reasonable costs of travel by such corporate or regional personnel in connection with Manager's management of the Facility), (e) any employee compensation relating to personnel of Affiliates (including salary, commissions, other income or ancillary salaries, and severance), (f) property insurance, and (g) Capital Expenditures, all of which shall be borne solely by Owner and not as an Operating Expense. Notwithstanding anything to the contrary in this Agreement, Operating Expenses does not include Manager's expenses incurred in defending claims or responding to governmental compliance actions arising out of Manager's actions (except for compliance audits not precipitated by a wrongful act of Manager), or a violation by Manager of Illinois Attorney General public access determinations or the Illinois Freedom of Information Act.

Operating Revenue: Operating Revenue includes all gross or net revenues generated by Manager's management and operation of the Facility and Beer Garden, as depicted in the Manager's summary income statement within its Facility financial statements, including without limitation: (1) all rental income, including equipment rental income; (2) all Event Income, including ticket income, suite ticket income, facility fee income, ticket convenience fee income, ticket order income and ticket fulfillment fee income, and all other box office income; (3) Commercial Rights Revenue (which, for the avoidance of doubt, excludes Naming Rights Revenue); (4) interest income from funds held; (5) net parking income; (6) net concessions, catering, merchandise and novelties income; (7) income from receipt of Event Expenses; and (8) miscellaneous operating income. For the sake of clarity, the parties acknowledge that revenues from the sale of tickets for events at the Facility, to the extent they are held in trust for a promoter and/or performer and are required to be paid to such promoter and/or performer, are not Operating Revenues, but are instead revenues of such promoter and/or performer. To the extent that Manager collects such ticket sale revenue on behalf of such promoter and/or performer, such ticket sale revenue shall be a source of funds from which Manager collects the rental charges and other event reimbursements due by such promoter and/or performer for use of the Facility, which such charges and reimbursements are Operating Revenues hereunder.

Operating Year: Each twelve (12) month period during the Term commencing on January 1 and ending on December 31.

Operations Manual: Document developed by Manager which contains terms regarding the Manager's management and operation of the Facility, including detailed policies and procedures implemented in operating the Facility, as agreed upon by both the Owner and the Manager.

Owner: The term "Owner" shall be the Village of Hoffman Estates.

Owner's Representative: Person or entity designated by Owner to oversee contract provisions. Owner's Representative may be compensated from the Operating Budget as a "below-the-line" expense, will serve at the pleasure of Owner's corporate authorities, and will be an Owner employee in all respects.

Profit Transactions: A Profit Transaction shall mean any transaction entered into or implemented by Manager or its Affiliate involving the purchase, sale, lease or other procurement or provision of goods or services for or to the Facility from another third party, which is structured for Manager or its Affiliate to receive a direct or indirect economic benefit (including receipt of an equity interest) as a result of such transaction, other than through the Fixed Management Fee or Variable Fee, that is in excess of the cost to Manager or its Affiliates of such transaction, other than (i) as expressly contemplated under any other agreement between the Owner and such party, or (ii) a volume rebate resulting from Manager's purchase of such goods or services for the Facility and other facilities within the system of facilities it manages, provided that the cost to the Facility for such goods or services is at or below market-rate, and provided further that Manager must disclose to the Owner any such volume rebates.

Quality Operating Standard: The standard of quality or performance with respect to the ongoing maintenance, operation and management provided in the Comparable Facilities (regardless of responsibility for the costs of such operations in Comparable Facilities and, in any event, in a manner to provide a first class user, patron, fan and commercial rights holder experience for all events at the venue).

As long as Owner funds the Facility at least to the amount budgeted in the 2026 Operating Budget or as agreed upon by the parties, Manager's Quality Operating Standards shall include (i) sufficient parking cashiers and attendants to assure reasonable ingress and egress, (ii) sufficient on-site, uniformed security to assure a safe, secure environment for all events, (iii) a trained ushering staff that provides cordial ushering services as necessary to accommodate efficient patron seating and other ushering services, (iv) high standards of cleanliness in all arena facilities and grounds open to patrons, (v) management and administration of the third-party food and beverage agreement to ensure a clean, efficient and well staffed concessions operations appropriate to provide first class and efficient services to patrons and otherwise meeting the requirements of such third-party food and beverage agreement, and (vi) provide adequately trained janitorial, maintenance and support staff to perform Manager's maintenance obligations.

The parties will work together on defining ways to annually measure service performance as part of the budget and variable fee/reward processes. Generally the parties agree that service levels provided shall be of the highest quality so as to promote and enhance the reputation of the Facility and maintain at a level of quality and consistency to the above standard as the current year's Operating Budget allows. Actual event staffing will be based on Manager's attendance projections and determination of staffing necessary to (a) create a standard of quality that is first class and substantially consistent with that of the Comparable Facilities; and (b) ensure safe and first-class presentation of all events, including reasonable flow of people entering and exiting the Facility and parking areas and reasonable service time for servicing the club and all premium seating areas and, subject to the terms of the third-party food and beverage agreement, for concession sales. Further, the Manager shall establish reasonable grooming, dressing and cleanliness standards for its staff and subcontractors and other part-time employees of Manager who have contact with ticket holders, patrons and guests during all events. If at any time the Owner notifies the Manager that management of the Facility does not meet the quality standards as contained herein, the Manager will promptly meet with the Owner to discuss and exercise good faith efforts to correct any deficiencies in management and/or Facility operations or maintenance.

Revenue Agreements: Vendor, concessions and merchandising agreements, user/rental agreements, booking commitments, licenses, and all other contracts or agreements generating revenue for the Facility and entered into in the ordinary course of operating the Facility.

Service Contracts: Agreements for services to be provided in connection with the operation of the Facility, including without limitation agreements for ticketing, web development and maintenance, computer support services, engineering services, general Maintenance, HVAC maintenance, telephone, staffing personnel including guards, ushers and ticket-takers, extermination, elevators, stage equipment, fire control panel and other safety equipment, landscaping, parking, cleaning, security, snow removal, and other services which are deemed by Manager to be either necessary or useful in operating the Facility.

Shared Parking Spaces: Those parking spaces on adjacent and nearby properties for which a shared parking agreement was executed by the previous owner of the Facility and assigned to the Owner.

Taxes: Any and all governmental assessments, franchise fees, excises, license and permit fees, levies, charges and taxes, of every kind and nature whatsoever, which at any time during the Term may be assessed, levied, or imposed on, or become due and payable out of or in respect of, (i) activities conducted by Manager on behalf of the Owner at the Facility, including without limitation the sale of concessions, the sale of tickets, and the performance of events (such as any applicable sales and/or entertainment taxes, use taxes, excise taxes, occupancy taxes, employment taxes, and withholding taxes), or (ii) any payments received from any holders of a leasehold interest or license in or to the Facility, from any guests, or from any others using or occupying all or any part of the Facility. Notwithstanding the foregoing, Taxes shall not include any of Manager's income taxes.

Term: "Term" shall have the meaning ascribed in Section 4.1 of this Agreement.

Variable Fee: The contingent fee the Owner shall pay to Manager under this Agreement, if earned, as more fully described in Section 3.2 below.

ARTICLE 2
SCOPE OF SERVICES

Section 2.1 Engagement.

(a) Owner's Objectives. Manager acknowledges that Owner's objectives with respect to the Facility include: (i) improve net profitability through increased events, new sports tenants and improved third party, ancillary revenues, (ii) maximize Facility's ability to compete for touring shows while limiting "show buy" risk/exposure (i.e., the financial risk associated with an in-house or co-promoted event) and improve Facility's regional and national awareness with promoters, (iii) demonstrate efficient and cost effective budget management and operational cost accountability so as to maximize the profitability of events, (iv) implementation of clear and comprehensive financial reporting procedures and strict accounting controls, (v) to fund ongoing operations and future capital expenses with as little impact as reasonably possible to Owner's annual municipal budget, and (vi) to enhance the quality of life for Hoffman Estates residents, businesses and visitors to the area by providing quality family-oriented live entertainment, sports, culture and community gatherings, (together "**Owner's Objectives**"). Additionally, Manager shall use best efforts to aggressively reduce the annual Owner subsidy for the Facility. Without limiting the express obligations of Manager and Owner under this Agreement, Manager and Owner agree to make reasonable, good faith efforts in the performance of their duties under and pursuant to this Agreement to measure and achieve such objectives to the maximum practicable extent, provided that the provisions of this subsection shall not form the basis of any separate claim of breach or default by Manager or Owner or create any additional liability of either party to the other. Additionally, Manager acknowledges that maximizing the number of quality events available to current and potential purchasers of corporate rights holders is critical to the overarching financial success of the Facility.

(b) Management Services. Owner hereby engages Manager during the Term to act as the exclusive manager of the Facility, subject to and as more fully described in this Agreement, and, in connection therewith, to perform the services described in Exhibit C attached hereto consistent with Owner's Objectives as described herein and guidelines, which will be communicated from time to time, by the Village Board or Owner's Representative (provided such guidelines are not inconsistent with the terms of this Agreement and current Operating Budget) and Manager's policies and procedures manuals and the operating of Manager's other similar facilities. In providing services under this Agreement, and subject to Owner making the necessary funding available to Manager, Manager shall maintain the Facility in a First Class Condition and demonstrate a Quality Operating Standard of care, diligence, and professional competency as is customary in the industry. Manager shall contractually require all of its consultants or contractors to provide services at the same standard of care, skill, diligence, and professional competence required of Manager. Manager shall exercise all reasonable and customary precaution to prevent any harm or loss to all persons or property related to this Agreement.

(c) Commercial Rights Sales. In addition to Manager's other rights and duties hereunder, Manager shall act as the sole and exclusive third-party representative for marketing of the Commercial Rights. Manager will keep Owner apprised of its sales prospects and the status of any potential sales of Commercial Rights, which shall be subject to Owner's prior approval in each instance. Owner hereby acknowledges and agrees that Manager is not guaranteeing any level of purchase of, or the receipt of payment for, any Commercial Rights marketed by Manager pursuant to this Agreement. Any contracts for the purchase and sale of Commercial Rights shall be entered into by the purchaser of such Commercial Rights and Owner, or by Manager acting as agent on behalf of Owner in accordance with Section 12.1 of this Agreement. Manager will oversee all sales pursuits and contact with potential purchasers, including pre-existing clients, and will pursue sales opportunities, complete the execution of each such contract or renewal, and will fulfill of each contractual relationship, including the NOW Naming Rights Agreement.

(d) Manager hereby accepts such engagement, and shall perform the services described herein either through itself or through its approved Affiliate, OVG Global Partnerships, LLC, subject to the limitations expressly set forth in this Agreement and in the Operations Manual.

(d) Manager shall book all of the Events at the Facility and shall oversee all aspects of the Facility for such Events.

Section 2.2 Limitations on Manager's Duties. Manager's obligations under this Agreement are contingent upon and subject to the Owner making available, in a timely fashion, the funds budgeted for and/or reasonably required by Manager to carry out such obligations during the Term. The Manager shall not be considered to be in breach or default of this Agreement, and shall have no liability to the Owner or any other party, in the event Manager does not perform any of its obligations hereunder, including not performing up to the Quality Operating Standard or maintaining the Facility in a First Class Condition, due to failure by the Owner to timely provide such funds. Notwithstanding the foregoing, Manager's obligation to perform up to the Quality Operating Standard and to maintain the Facility in a First Class Conditions in any Operating Year shall not be relieved if Owner provides in such Operating Year at least the amount of funds budgeted (as opposed to actually funded) for the 2026 Operating Year or as agreed upon by the parties, as adjusted by the CPI-U. If any lien is placed against the Facility (other than as permitted by Owner), Manager shall promptly take all reasonable steps to have such lien removed.

ARTICLE 3
COMPENSATION

Section 3.1 Fixed Management Fee.

The Fixed Management Fee for the 2026 Operating Year shall be One Hundred Eighty Thousand Dollars ($180,000). The Fixed Management Fee for each subsequent Operating Year shall be equal to the Fixed Management Fee in the prior Operating Year plus an additional amount equal to the percentage increase in the Consumer Price Index over the previous twelve (12) month period (i.e. the difference, expressed as a percentage, between the value of the Consumer Price Index published most recently prior to the commencement of the preceding Operating Year and the value of the Consumer Price Index published most recently prior to the commencement of the Operation Year for which the Consumer Price Index adjustment will apply). In the event the Consumer Price Index decreases in any year, the Fixed Management Fee for such year shall remain unchanged. The Fixed Management Fee shall be payable to Manager monthly in advance, beginning on the Effective Date, and payable on the first (1st) day of each month thereafter (prorated as necessary for any partial months). Manager shall be entitled to pay itself such amount from the Operating Account.

Section 3.2 Variable Fee.

(a) With respect to each Operating Year, the Variable Fee shall equal a percentage of improvement in Net Operating Loss over a Net Operating Loss benchmark, as identified hereafter, as follows:

(i) Thirty-seven percent (37%) of improvement in Net Operating Loss over a Net Operating Loss benchmark of $400,000, up to a Net Operating Loss of $200,000; plus

(ii) Forty-five percent (45%) of the improvement in Net Operating Loss over a Net Operating Loss benchmark of $200,000, up to a Net Operating Loss of $0 (breakeven); plus

(iii) Fifty-five percent (55%) of any and all Net Operating Profits.

For the sake of clarity, no Variable Fee shall be due in any Operating Year if Net Operating Loss exceeds $400,000. The Variable Fee that Manager is eligible to earn under Section 3.2(a) above shall not be capped. Notwithstanding anything else to the contrary contained herein, the parties agree that for purposes of calculating Net Operating Profits or Net Operating Losses hereunder, expenditures for building additions, alterations, repairs or improvements and for purchases of furniture, machinery or equipment costing over $5,000 will not be deemed to be Operating Expenses and thus will not factor into the calculation of Net Operating Profit or Net Operating Loss.

(b) The Variable Fee, to the extent earned by Manager, shall be paid to Manager no later than thirty (30) days following receipt by Owner of the annual audited financial statements for the Facility for the preceding Operating Year (as further described in Section 10.4 hereof) and a written computation of the Variable Fee due pursuant to this Agreement prepared by the Manager in a form reasonably satisfactory to Owner.

Section 3.3 Annual Rebate. If in any Operating Year there is an improvement in Net Operating Loss over a Net Operating Loss benchmark of $400,000, Manager will remit as a "rebate" to Owner five percent (5%) of such improvement. For illustrative purposes, if there is a Net Operating Loss of $300,000 in an Operating Year, resulting in an improvement in Net Operating Loss of $100,000, the rebate for such year would be five percent (5%) of $100,000 or $5,000. Such rebate shall be paid to Owner within thirty (30) days after the Variable Fee earned by Manager in such Operating Year is paid to Manager. Owner may use the rebate for any purpose related to the Facility. For the avoidance of doubt, the maximum annual rebate would apply if there is a $400,000 improvement in the Net Operating Loss compared to the Net Operating Loss benchmark of $400,000, resulting in a $20,000 rebate. No rebate will be payable in the event of a Net Operating Profit.

Section 3.4 Commercial and Naming Rights Fees. In consideration for Manager's marketing of the Commercial Rights as described in Section 2.1(c), Manager shall receive (i) 20% of all Commercial Rights Revenue (the "**Commercial Rights Fee**"); (ii) the Naming Rights Fee (defined below); and (iii) a non-refundable performance fee of US $6,000 each month ($72,000 each Operating Year), which shall be paid from the Operating Account on the first (1st) day of each month (the "**Performance Fee**") and credited against the Commercial Rights Fee in accordance with Section 3.4(a) below.

(a) The Commercial Rights Fee shall be paid to Manager for all years of each Commercial Rights agreement secured by Manager, including any years that extend beyond the end of the Term of this Agreement; provided, however, in no event shall Commercial Rights Fees accrue to Manager longer than five (5) years following the Term or earlier termination of this Agreement. The Commercial Rights Fee due to Manager following the conclusion of the Term is referred to herein as the "**Trailing Commercial Rights Commissions**". During the Term, the Commercial Rights Fee shall be paid to Manager on an annual basis, on or about the last day of December each calendar year, and Manager shall be entitled to pay itself such amount from the Operating Account upon providing documentation of such Commercial Rights Fee to Owner; provided, however, Manager shall deduct the Performance Fee from the Commercial Rights Fee before such payment is made. The parties shall also hold a settlement at the conclusion of the Term, at which time Owner shall pay to Manager any portion of the Commercial Rights Fee due to Manager but not yet paid to Manager as of such date (other than Training Commercial Rights Commissions). Following the conclusion of the Term, Trailing Commercial Rights Commissions shall be paid to Manager on an annual basis, on or about the last day of December each calendar year.

(b) Manager shall be entitled to a percentage of the Naming Rights Revenue received by Owner as set forth in this Section 3.4(b), which shall be the "**Naming Rights Fee**". Owner shall invoice and collect all Naming Rights Revenue in accordance with the payment schedule in the Naming Rights Agreement and, on or about the last day of December each calendar year during the Term, and if applicable following the Term, Owner shall pay to Manager the Naming Rights Fee. The Naming Rights Fee shall be calculated and payable as follows:

(i) Manager shall be entitled to 10% of all Naming Rights Revenue received under the NOW Naming Rights Agreement for all years the NOW Naming Rights Agreement remains in effect during the Term of this Agreement. For the avoidance of doubt, in no event shall the Naming Rights Fee described in this Section 3.4(b)(i) accrue to Manager following the Term or earlier termination of this Agreement.

(ii) Notwithstanding the foregoing, if, during the Term, NOW Health Group, Inc. either (A) extends the NOW Naming Rights Agreement beyond August 31, 2035 or (B) enters into a subsequent naming rights agreement with Owner, then Manager shall be entitled to 20% of the Naming Rights Revenue received under the extended term, in the case of (A), or under the new and subsequent NOW Health Group naming rights agreement, in the case of (B). The Naming Rights Fee described in this Section 3.4(b)(ii) shall be paid for all years of such extension or new agreement, including any years that extend beyond the Term; provided, however, in no event shall Naming Rights Fee accrue to Manager longer than five (5) years following the Term or earlier termination of this Agreement.

(iii) If, during the Term, Owner and a new sponsor enter into a subsequent naming rights agreement, then Manager shall be entitled to 20% of Naming Rights Revenue under such new naming rights agreement. The Naming Rights Fee described in this Section 3.4(b)(iii) shall be paid for all years of such new naming rights agreement, including any years that extend beyond the Term; provided, however, in no event shall Naming Rights Fee accrue to Manager longer than five (5) years following the Term or earlier termination of this Agreement.

(c) In connection with all fees described in this Section 3.4, Owner agrees (i) to maintain books and records in accordance with generally accepted accounting practices, and (ii) to permit Manager to audit and inspect such books and records during normal business hours and on reasonable advance notice, to confirm amounts due hereunder, including, following the conclusion of the Term (as it relates to Trailing Commercial Rights Commissions and Naming Rights Fees). To the extent any such audit reveals an underpayment Owner shall promptly pay Manager the amount of the underpayment.

The terms in this Section 3.4 shall, as of the Effective Date, apply to the Commercial Rights secured under the Front Row Marketing Agreement and survive termination or expiration of this Agreement.

Section 3.5 Payment of New Extension Fee. The parties acknowledge that Manager paid to Owner a "**New Extension Fee**" of Ninety Thousand Dollars ($90,000) on or about October 11, 2018. Owner acknowledges receipt in full of the New Extension Fee. Such New Extension Fee shall amortize on a straight-line basis from August 1, 2018 to July 31, 2028. The New Extension Fee was paid under the expectation that Manager shall remain the manager and operator of the Facility under this Agreement for the full amortization period.

Section 3.6 Additional Contribution. Manager shall make an additional capital contribution of One Million Dollars ($1,000,000) (the "**Additional Investment**") within 30 days of the Effective Date. The Additional Investment shall be made for various leasehold improvements and/or capital equipment dedicated to the Facility (collectively, the "**Improvements and Equipment**"). Owner and Manager shall mutually agree upon the specific Improvements and Equipment to be purchased or made with the Additional Investment, as well as the location for such improvements or installation of such equipment. Once identified, the specific Improvements and Equipment to be purchased with the Additional Investment shall be set forth in a writing to be signed by the parties and updated by the parties from time to time as necessary to reflect any replacements or substitutions thereof. For the sake of clarity, nothing in this paragraph shall be construed as requiring Manager to replace any equipment or other personal property at its own cost. The Additional Investment shall amortize on a straight-line basis over a 10-year period, commencing on the Effective Date (*i.e.*, January 1, 2026 to December 31, 2035). The Manager is making the Additional Investment under the expectation that Manager shall remain the manager and operator of the Facility under this Agreement for the full amortization period.

Section 3.7 Buyout Amount. Within 30 days of the expiration or early termination of this Agreement (for any reason whatsoever, including without limitation, if either party issues notice of non-renewal pursuant to Section 4.1, or if due to a breach, default, or bankruptcy event by or affecting Manager), Owner shall immediately pay to Manager, as applicable, the unamortized amount of the New Extension Fee and the unamortized amount of the Additional Investment, calculated as of the date of termination of the Agreement (collectively, the "**Buyout**

Amount"). In the event that Owner fails to pay Manager the Buyout Amount when due, the Buyout Amount shall accrue interest at the rate of 1.5% per month, or the highest rate permitted by law, whichever is less.

ARTICLE 4
TERM; TERMINATION

Section 4.1 Term. The initial term of this Agreement shall begin on the Effective Date, and unless sooner terminated pursuant to the provisions of Section 4.2 below, shall expire on December 31, 2029 (the "**Initial Term**"), provided that Owner shall have the unilateral right, but not the obligation, to renew this Agreement for two (2) additional three (3) year terms (each, a "**Renewal Term**"). Owner may exercise the first Renewal Term, effective as of January 1, 2030 and expiring on December 31, 2032, by providing written notice of renewal to Manager no later than September 1, 2029. Owner may exercise the second Renewal Term, effective as of January 1, 2033 and expiring on December 31, 2035, by providing written notice of renewal to Manager no later than September 1, 2032. The Initial Term, plus any such Renewal Term(s), is referred to herein as the "**Term**".

Section 4.2 Termination. This Agreement may be terminated:

(a) subject to Section 4.4(a) below, by Owner upon ninety (90) days written notice to Manager in the event of a permanent closure of the Facility, the fact of which is certified by the Owner in writing to Manager; or

(b) by either party upon thirty (30) days written notice, if the other party fails to perform or comply with any of the material terms, covenants, agreements or conditions hereof, and such failure is not cured during such thirty (30) day notification period; or

(c) by either party immediately by written notice upon the other party being judged bankrupt or insolvent, or if any receiver or trustee of all or any part of the business property of the other party shall be appointed, or if either party shall make an assignment of its property for the benefit of creditors or shall file a voluntary petition in bankruptcy or insolvency, or shall apply for bankruptcy under the bankruptcy or insolvency Laws now in force or hereinafter enacted, Federal, State or otherwise, or if such petition is filed against either party and is not dismissed within one hundred twenty (120) days after such filing; or

(d) by the Owner upon commission of any criminal act by the management of Manager related to its management of the Facility.

Section 4.3 Failure to Appropriate Funds. Notwithstanding any provisions of this Agreement to the contrary, all financial obligations of Owner hereunder beyond the then current Operating Year are subject to annual budget approvals and annual appropriations and all obligations of the Owner hereunder are controlled by the Illinois Municipal Code and Illinois Constitution. In the event sufficient funds for any Operating Years of this Agreement are not budgeted and appropriated in order for Owner to meet its financial obligations hereunder, Owner may terminate this Agreement upon no less than ninety (90) days written notice to Manager, provided that in such case Owner shall be prohibited from engaging any third party (other than

Manager) to manage, operate, promote, maintain and/or market the Facility prior to what would have been the natural expiration date (had this Agreement not been terminated early) of the then-current Term. Owner shall indemnify, defend and hold Manager and its employees and agents harmless from any third party claims and Losses related to such third party claims arising out of Owner's failure to appropriate funds pursuant to this Section 4.3.

Section 4.4 Actions to be Taken Upon Termination or Expiration. Upon a termination or expiration of this Agreement, the following shall be applicable:

(a) Payment of Fees. Within sixty (60) days of termination or expiration of this Agreement, Owner shall pay Manager all fees and other amounts due to Manager through the date of termination or expiration, including without limitation the Variable Fee for the Operating Year in which this Agreement terminates or expires, pro-rated based on the number of days elapsed in such year. Notwithstanding, the payment and amount of Variable Fee applicable must be as set forth in this Agreement.

(b) Final Accounting. Manager shall, within thirty (30) days after termination or expiration, deliver to Owner a final annual unaudited financial statement for the year (or partial year) ending on the date of termination or expiration. Manager shall make its employees available to Owner within such 30 day period and the 30 day period following its provision of such financial statement to answer questions Owner (or its auditors) may have concerning such financial statement.

(c) Transfer of Funds. Manager shall on the day of termination or expiration of this Agreement, immediately release and transfer to Owner or as Owner may direct, any of Owner's funds which are held or controlled by Manager with respect to the Facility.

(d) Books and Records. Manager shall assign, transfer and deliver to Owner, or as Owner may direct, a copy of all financial, computer data, electronic files, documents, reports, estimates, summaries, and other such information and materials in Manager's possession for the then current Operating Year, and all books and records accumulated or in Manager's possession with respect to the Facility within thirty (30) days of termination.

(e) Transfer of Permits; Assignment of Agreements. Manager shall (to the extent permitted by law) assign to Owner or as Owner may direct, all permits for the Facility which have been issued in Manager's name (including liquor and restaurant licenses, if any); provided that if Manager has expended any of its own funds in the acquisition of any of such licenses or permits, Owner shall reimburse Manager therefore if it has not done so already. To the extent any such agreements are in Manager's name, provided they have been entered into by Manager in accordance with the terms hereof, Manager shall assign such agreements to Owner (or at Owner's request, to the successor manager of the Facility) and Owner shall, or shall cause such successor Facility manager, to accept such assignment and assume performance under such agreements.

(f) Software. The parties recognize that Manager may utilize software at the Facility in connection with its operations thereat (including without limitation accounting software), and that such software may be licensed to Manager and not to Owner. Upon termination of this Agreement, Manager shall cooperate with Owner to minimize any operational disruption caused by the removal of its software, and shall facilitate the orderly transfer of Owner's records and data and information contained in the software. Owner shall, upon termination of this Agreement, have the ability to independently purchase or license third party software programs and Manager will waive any objection to such transaction. Further, if requested by Owner, Manager shall assist Owner, at Owner's sole expense, in obtaining Owner's own software license from the licensor of such software programs.

(g) Cooperation. In addition to the actions set forth in this Agreement which are to be taken by Manager and Owner upon expiration or termination, Owner and Manager shall cooperate with each other and act in a commercially reasonable manner to effect an orderly transition of management functions from Manager to Owner, any transferee of Owner or to any managing agent designated by Owner or any transferee of Owner for a period of up to sixty (60) days from the date of notice of termination or expiration, provided that following the date of expiration or termination, Manager shall not be obligated to travel to the Facility or to retain any employees on-site at the Facility, and its assistance shall be limited to reasonable assistance Manager is able to provide from its corporate or other offices. Manager shall be reimbursed for all reasonable, actual and direct costs (which shall be reasonably detailed in writing to Owner) associated with providing such assistance after the effective date of termination or expiration.

(h) Receivables and Bookings. All receivables of the Facility outstanding as of the effective date of termination or expiration shall continue to be the property of Owner. Manager shall cooperate with Owner in all reasonable respects, but at Owner's sole cost and expense, in the collection of any receivables, and will transfer to or at the direction of Owner any receivables collected directly by Manager after the effective date of termination or expiration which relate to business conducted during the Term of this Agreement. Manager shall, on the effective date of termination or expiration or as soon thereafter as reasonably practicable, provide Owner with a complete list of (1) all pending bookings, holds or inquiries which may have been accepted, recorded or entered into by Manager on or at any time prior to termination or expiration, (2) the terms applicable thereto, and (3) the amount of advance deposits (if any) received with respect to each such booking. Manager agrees that it shall continue to book Events through the expiration or termination of this Agreement in accordance with the terms of this Agreement, or otherwise with Owner's consent.

(i) Peaceable Surrender. Manager shall peacefully vacate and surrender the Facility to the Owner and cooperate with Owner and/or successor operator.

(j) Survival. The provisions of this Article 4 shall survive and continue in full force and effect subsequent to and notwithstanding termination or expiration of this Agreement.

ARTICLE 5
OWNERSHIP; USE OF THE FACILITY

Section 5.1 Ownership of Facility, Data, Equipment and Materials. The Owner will at all times retain ownership of the Facility, including but not limited to real estate, technical equipment, furniture, displays, fixtures and similar property, including improvements made during the Term, at the Facility. Any data, equipment or materials furnished by the Owner to Manager or acquired by Manager as an Operating Expense shall remain the property of the Owner, and shall be returned to the Owner upon termination or expiration of this Agreement. Furthermore, the

Manager recognizes that any Operations Manual developed and used by Manager hereunder is proprietary to and owned by Manager, but Manager hereby grants to Owner, effective at the end of the Term, a perpetual, royalty-free, non-transferrable license to utilize such Operations Manual solely in connection with the operation of the Facility.

Section 5.2 Right of Use by Manager. The Manager is allowed use of the Facility, and Manager accepts such right of use, for the purpose of performing the services herein specified, including the operation and Maintenance of all physical and mechanical facilities necessary for, and related to, the operation, Maintenance and management of the Facility. The Owner shall provide Manager with a sufficient amount of suitable office space in the Facility and with such office equipment as is reasonably necessary to enable Manager to perform its obligations under this Agreement. In addition, the Owner shall make available to Manager, at no cost, parking spaces adjacent to the Facility or in Shared Parking Spaces for all of Manager's full-time employees and for the Facility's event staff.

Section 5.3 Observance of Agreements. The Owner shall observe and perform all payments, terms, covenants, conditions and obligations under any leases, bonds, debentures, loans and other financing and security agreements to which the Owner is bound in connection with its ownership of the Facility.

Section 5.4 Use by the Owner. Subject to availability, and notwithstanding any other provision hereof to the contrary, Owner shall have the right to use the Facility or any part thereof rent-fee for meetings, seminars, training classes or other Village uses (as opposed to uses by third party promoters or licensees), provided that the Owner shall promptly reimburse Manager, for deposit into the Operating Account, for any direct out-of-pocket expenses incurred by Manager (such as, by way of example and not limitation, the cost of ushers, ticket-takers, set-up and take-down personnel, and security expenses) in connection with such use and not otherwise reimbursed by any other party. Such Village use of the Facility by the Owner shall (i) not compete with or conflict with the dates previously booked by Manager for paying events, (ii) not consist of normally touring attractions (such as concerts and family shows), and (iii) be booked in advance upon reasonable notice to Manager pursuant to the Facility's approved booking policies. Upon request of the Owner, Manager shall provide to the Owner a list of non-available dates for Owner use of the Facility. To the extent that Manager has an opportunity to book a revenue-producing event on a date which has previously been reserved for use by Owner, Owner shall use best efforts to reschedule its event to allow Manager to book the revenue-producing event. If despite such best efforts, Owner's event cannot be rescheduled and as a result Manager has to forego a revenue-producing event for Owner's event, then for purposes of calculating the Variable Fee, Manager shall receive a "paper" credit for an amount equal to the difference between the published Facility rate and the rate (if any) charged to the Owner.

In addition to the other rights of the Owner in this Agreement, the Owner shall have the right to use one loge box or premium suite in the Arena for economic development, tourism, hospitality, and government purposes, without license charge, but only to the extent such loge box or premium suite is available for use. Owner shall not be required to pay for tickets in such loge box or suite to the applicable Event, except to the extent such tickets are on the ticket manifest for such event (i.e., to the extent there is a charge for such tickets), in which case Owner shall be required to purchase the tickets at the applicable charge. Nothing herein shall be construed as requiring the Manager to make such loge box or premium suite available to the Owner if the Manager has the opportunity to license said loge box or premium suite to a paying customer, or if it is otherwise required to be reserved under the terms of the applicable Event license; provided, however, if said loge box or premium suite is not made available to the Owner for such reasons, the Owner shall be entitled to share on a 50/50 basis use of any suites reserved for the Manager's use (subject to Owner purchasing its tickets if there is a charge for such tickets).

Section 5.5 Right of Access by Owner. Representatives of the Owner shall have the right to enter all portions of the Facility at any time and for any proper purpose whatsoever, including but not limited to inspect same, to observe the performance of Manager of its obligations under this Agreement, to install, remove, adjust, repair, replace, or otherwise handle any equipment, utility lines, or other matters in, on, or about the premises, or to do any act or thing which the Owner may be obligated or have the right to do under this Agreement or otherwise. In connection with the exercise of such rights, the Owner will endeavor to provide (but is not obligated to provide) advance notice to Manager for security purposes and for purposes of coordinating with Manager so as to minimize any interference with or disruption of Manager's work under this Agreement. Nothing contained in this Section: (i) is intended or shall be construed to limit any other right of the Owner under this Agreement, nor (ii) shall impose or be construed to impose upon the Owner any independent obligation to construct or maintain or make repairs, replacements, alterations, additions, or improvements or create any independent liability for any failure to do so.

Section 5.6 Agreement Not a Lease. It is expressly understood and agreed by Owner and Manager that this Agreement is not a lease. This is an agreement pursuant to which Manager has been engaged to provide management services to Owner as provided herein and does not constitute a lease of real property and the rights provided to Manager hereunder do not grant any real property rights to Manager.

Section 5.7 Continuous Use Operation, Marketing and Promotion. Manager shall continuously and diligently use, operate, market and promote the Facility as provided in this Agreement. During the entire Term, the Manager shall use all commercially reasonable efforts to cause the Facility to be occupied and used for sporting events, family shows, exhibitions, concerts, special attractions and other Events to the maximum feasible extent and so as to maximize the public use of the Arena. Subject to the further terms and provisions of this Agreement and to the relevant terms, if any, of the existing agreements, the Manager shall have complete discretion, responsibility and control over the booking of sporting events, concerts, shows and other events at the Facility and the negotiation of economic terms in connection therewith, provided however, that the Owner may from time to time recommend to the Manager various events and other uses of the Facility which maximize the economic or community benefit to the Owner, and the Manager will duly consider such recommendations, including but not limited to, reasonably working with the Owner to accommodate the use of the Facility in connection with events to be held at the Facility or any part thereof. The Manager shall coordinate the booking of the events at the Facility in a manner to maximize the Facility's Operating Revenues. In connection with such coordination, the General Manager shall meet with the Owner's Representative on a regular basis, to review planned bookings or booking opportunities for the coming months, taking into account the type of events involved, expected attendance levels, existing scheduling commitments, and other factors deemed important by the Parties, to determine how the Facility should best accommodate such events.

Section 5.8 Use of Signage. Owner shall have the right to utilize a mutually-agreed percentage of the Facility's electronic or fixed advertising inventory for non-commercial purposes upon advance notice to the Manager. Use of fixed advertising inventory shall be subject to availability and contractual commitments to third parties.

ARTICLE 6
PERSONNEL

Section 6.1 Generally. All staff and other personnel engaged by Manager to perform hereunder shall be employees, agents or independent contractors of Manager, and not of the Owner. Manager shall select, in its discretion but subject to Owner's right to approve the organizational chart and employee compensation in the Operating Budget, the number, function, qualifications, and compensation, including salary and benefits, of its on-site employees and shall control the terms and conditions of employment (including without limitation termination thereof) relating to such employees. Manager agrees to use reasonable and prudent judgment in the selection and supervision of such personnel. The Owner specifically agrees that Manager shall be entitled to pay its employees, as an Operating Expense, benefits in accordance with Manager's then current employee manual (which may be modified by Manager from time to time), but only as approved in the Operating Budget. A copy of Manager's current employee manual shall be provided to the Owner upon request.

Section 6.2 Personnel. At commencement of the Term, and as applicable during the Term, Manager shall select, train, and employ at the Facility such number of employees as Manager deems necessary or appropriate to satisfy its responsibilities hereunder, subject to the limitations of the Operating Budget, and Manager shall have authority to hire, terminate, and discipline any and all Manager personnel working at the Facility. Manager agrees to use its best efforts to recruit employees who will be proficient, productive, and courteous to patrons, and to use its reasonable and prudent judgment in the supervision of such personnel. Notwithstanding the foregoing, in the event the Owner notifies Manager that it desires the removal from the Facility of any Manager employee (other than the General Manager, which is addressed separately below) and sets forth in such notice the specific reasons for such request, Manager agrees to meet with representatives of the Owner to discuss the matter. Any decision to remove the individual shall be made by Manager, but in making such decision Manager agrees to act reasonably and take into account the views expressed by the Owner.

Section 6.3 General Manager. Manager shall assign to the Facility a competent General Manager and prior to Manager selection of such General Manager, Manager shall consult with the Owner with respect to the qualifications of the General Manager proposed by Manager. Owner hereby approves the current General Manager; hiring of any successor General Manager by Manager shall require the prior approval of the Owner.

In the event the Owner is dissatisfied with the General Manager for any reason, the Owner will notify Manager that it desires the removal of the General Manager and set forth in such notice the specific reasons for such request, which shall be consistent with applicable law. Manager will meet with representatives of the Owner as soon as possible to discuss such matter, and thereafter Manager shall take those steps discussed by the parties and agreed to by the Owner to address the Owner's concerns with the General Manager, provided, that if such concerns are not remedied within thirty (30) days to the reasonable satisfaction of the Owner, Manager shall, subject to applicable law, take legally appropriate and prudent steps to remove the General Manager from the Facility and commence the process for selecting and hiring a new General Manger, who will be subject to the approval of the Owner. Owner shall indemnify, defend and hold harmless Manager and its employees and agents from and against any Losses sustained by such parties in connection with the removal of the General Manager at the Owner's request as contemplated herein.

In the event that Manager desires to remove the General Manager for any reason, Manager shall first notify and discuss with the Owner the reasons for the desired action and the steps Manager will take to find and recruit a qualified successor General Manager. Further, in the event Manager requests that the General Manager provide assistance to its business pursuits elsewhere, requiring the General Manager to travel offsite, Manager will reimburse the Owner for the daily salary and benefit rate of the General Manager, provided that such travel is more than three (3) full days per month or materially interferes with the General Manager's duties at the Facility. Additionally, if such offsite activities have a material negative affect on Facility operations, as determined by the Owner in its sole discretion, Manager acknowledges that upon notice by Owner, the General Manager shall terminate such assistance. The General Manager shall update the Owner with respect to any assistance that he is providing to non-Facility projects.

Section 6.4 Employees of Manager. Manager's employees at the Facility shall not for any purpose be considered to be employees of Owner, and Manager shall be solely responsible for their supervision and daily direction and control and for setting, and paying as an Operating Expense as contained in the Operating Budget, their compensation (including federal, state and local income tax withholding) and any employee benefits. Any full time person(s) retained by Manager, or part-time employees upon request by Owner, shall be subject to a background check, the cost of which shall be an Operating Expense. The current Operating Budget may be revised accordingly for this purpose.

Section 6.5 Non-Solicitation/Non-Hiring. During the period commencing on the date hereof and ending one (1) year after the expiration or termination of this Agreement, except with Manager's prior written consent, Owner shall not hire or solicit for employment the Management-Level Employees. In addition to any other remedies which each party may have, specific performance in the form of injunctive relief shall be available for the enforcement of this provision. Notwithstanding the foregoing, any individual who was engaged at the Facility prior to Manager's assumption of operations and who transitions to become a Manager employee will be exempt from the restrictions contained in this paragraph. Additionally, following termination of this Agreement, the Owner shall not be restricted from soliciting or hiring any of Manager's Management-Level Employees who Manager elects not to engage in connection with other Manager employment opportunities.

ARTICLE 7
OPERATING BUDGET

Section 7.1 Establishment of Operating Budget. Manager agrees that at least seventy-five (75) days (by October 15) prior to the commencement of each Operating Year, including for the first Operating Year, it will prepare and submit to the Owner Manager's proposed Operating Budget for such year with the input of the Owner. Each proposed annual Operating Budget shall include Manager's good faith projection of Operating Revenues and Operating Expenses, presented on a monthly and annual basis, for the upcoming Operating Year. The Owner agrees to provide Manager with all relevant information in its possession necessary to enable Manager to prepare each Operating Budget. The Owner acknowledges that notwithstanding the Manager's experience and expertise in relation to the operation of facilities similar to the Facility, the projections contained in each proposed Operating Budget are subject to and may be affected by changes in financial, economic and other conditions and circumstances beyond the Manager's control.

Section 7.2 Approval and Modifications of Operating Budget. Each annual proposed Operating Budget shall be subject to the review, amendment, and approval of the Owner (which approval shall not be unreasonably withheld or delayed). In order for the Owner to fully evaluate and analyze such budgets or any other request by Manager relating to income and expenses, Manager agrees to provide to the Owner financial information relating to the Facility as may be requested by the Owner from time to time. If extraordinary events occur during any Operating Year that could not reasonably be contemplated at the time the corresponding Operating Budget was prepared, Manager shall notify Owner in writing, and if necessary, may submit an amendment to such proposed budget for review and approval by the Owner (which approval shall not be unreasonably withheld or delayed). If the Owner fails to approve any annual or modified Operating Budget (or any proposed amendment thereto), the Owner shall promptly provide Manager the specific reasons therefore and its suggested modifications to Manager's proposed Operating Budget or amendment in order to make it acceptable. The parties shall then engage in good faith discussions and use reasonable commercial efforts to attempt to resolve the matter to the mutual satisfaction of the parties.

Section 7.3 Adherence to Operating Budget. Pursuant to this Section, Manager shall manage and operate the Facility in accordance with the expense totals in the Operating Budget. Without the prior consent of the Owner, Manager shall not exceed, commit or contract to expend any sums in excess of the aggregate expense amounts allowed in the Operating Budget or otherwise approved by Owner, except for (i) additional expenditures necessary to perform an Emergency Repair, in which event Manager shall notify Owner prior to making such repair; (ii) increased costs resulting from the scheduling by Manager of additional revenue producing events or activities at the Facility not contemplated by the Operating Budget in effect for such Operating Year, provided that Manager had a reasonable expectation at the time of booking such events that they would generate a net profit for the Facility; (iii) expenses for services or utilities provided to the Facility by unaffiliated third parties, the cost of which is not within the reasonable control of Manager, such as the costs of utilities and insurance; and (iv) increased costs resulting from events scheduled pursuant to Section 5.4. Subject to the foregoing, Manager has the latitude to exceed individual line items in the Operating Budget without limitation provided that the actual aggregate expense for any department (such as Executive, Finance, Marketing, Operations, Overhead, Box Office, Event Production, Technical Services, Group Sales, Corporate Sales, Food and Beverage and any others identified in the approved Operating Budget) does not exceed the budgeted amount for such department by more than 10% provided that the total Facility Operating Budget is not exceeded. Manager agrees to notify the Owner as soon as possible of any increase of 10% or greater in any aggregate department expense total in the Operating Budget, and any increase in total Facility expenses, as provided for in the Operating Budget. Further, Manager will advise Owner and obtain its consent for the expenditure of funds where the expense was not contained within the Operating Budget when approved by Owner or is otherwise not authorized under this Section 7.3. Notwithstanding the foregoing, if Owner provides any goods or services to, or for the benefit of, the Facility, during any Operating Year which are contemplated in the Operating Budget, or otherwise that are requested by Manager, then the corresponding items in the Operating Budget for such Operating Year may be debited for the fair cost of such goods or services. The Operating Account can be used to reimburse the Village Corporate Fund for work performed at the Facility by the Village Staff to the extent such costs were contemplated in the Operating Budget.

Section 7.4 Substantial Adverse Budget Conditions. In the event that, if any year, there appears to be adverse departure from budget and/or Owner reasonably believes it will not receive sufficient funding from other sources to cover any budget deficit, then, in such event, Owner shall request from Manager a plan for reduction of expenditures to a level consistent with and within the funding resources available of the Owner.

ARTICLE 8
PROCEDURE FOR HANDLING INCOME

Section 8.1 Advance Ticket Proceeds. Manager shall cause the deposit, in the Operating Account, of all proceeds received from ticket sales and similar Event related revenues which Manager receives in contemplation of, or arising from, an Event (collectively, the "**Advance Ticket Proceeds**"). Owner hereby authorizes Manager to comingle the Advance Ticket Proceeds with the other Operating Revenue in the Operating Account and to use the Advance Ticket Proceeds to pay general Operating Expenses of the Facility. Owner agrees that if any refund of the Advance Ticket Proceeds is ever required, for any reason, and an amount equal to the Advance Ticket Proceeds required to facilitate such refund are not available in the Operating Account, then Owner shall be responsible for depositing additional funds within one (1) business day of notice from Manager, into the Operating Account so that Manager may make the refunds within the required timeframe. Manager shall have no liability to Owner or any third party in the event Manager is unable to make the refunds described in this Section 8.1 due to the fact that sufficient funds are not made available to Manager to pay such refunds in a timely manner and Owner shall indemnify Manager in connection therewith as set forth in Section 15.2(e).

Section 8.2 Operating Account. The Owner will open an Operating Account in a mutually selected bank. All Operating Revenue derived from operation of the Facility shall be deposited by Manager into the Operating Account as soon as practicable upon receipt (but not less often than once each business day). The specific procedures (and authorized individuals) for making deposits to and withdrawals from such account shall be agreed to by the parties and set forth in the Operations Manual, but the parties specifically agree that Manager shall have authority to sign checks and make withdrawals from such account, subject to the limitations contained in this Agreement, including the need to obtain the co-signature of an Owner employee or representative on certain payments as set forth on Exhibit E.

Section 8.3 Revenues Held in Trust by Manager. All revenues collected by Manager arising from the operation of the Facility, including revenues from box office sales, facility or equipment rentals, rental agreements, leases, use licenses, food and beverage concession, catering and parking revenues, sponsorship and premium seat licenses or any other source, are the sole property of the Owner. Any funds held by Manager are held in trust for the Owner for application as provided herein. Manager, as provided in Article 4 hereof, shall promptly pay any such funds to Owner upon termination of this Agreement for any reason.

ARTICLE 9
FUNDING

Section 9.1 Source of Funding. Manager shall pay all items of expense for the operation, Maintenance, supervision and management of the Facility from the funds in the Operating Account, which Manager may access as needed and as provided in this Agreement. The parties will agree on a rolling twelve (12) month cash flow budget for each Operating Year and the Operating Account shall be funded with amounts generated by operation of the Facility (as described in Article 8 above), or otherwise made available by the Owner. To ensure sufficient funds are available in the Operating Account, Owner will deposit (or allow to remain) in the Operating Account, on or before the Effective Date, the budgeted or otherwise approved expenses for the quarter beginning on the Effective Date. The Owner shall thereafter, on or before the 1st day of each succeeding month following the Effective Date, deposit (or allow to remain) in the Operating Account the budgeted or otherwise approved expenses for each such month, at all times maintaining sufficient funds in the Operating Account to pay the anticipated expenses for the then-upcoming month plus the immediately following two (2) months. Manager shall have no liability to Owner or any third party in the event Manager is unable to perform its obligations hereunder, or under any third party contract entered into pursuant to the terms hereof, due to the fact that sufficient funds are not made available to Manager to pay such expenses in a timely manner. The Manager will provide the Owner with a rolling twelve (12) month cash flow forecast (as defined in Exhibit D) no less than ten (10) days prior to the end of each quarter, to be used to reconcile and as necessary by the Owner, replenish the Operating Account. Manager will make reasonable efforts each quarter to reduce the amount of working capital needed by the Facility. Manager shall utilize all funds so advanced for working capital pursuant to cash management policies established by the parties.

Section 9.2 Advancement of Funds by Manager. The Manager shall not be required to, and shall not, pay for or advance any of its own funds to pay for any Operating Expenses, except the Manager may in its discretion advance its own funds for the payment of any approved and budgeted Operating Expense (such as approved and budgeted Centralized Services expenses or marketing expenses or media buys related to the Facility). In such case, Manager shall be promptly reimbursed for such advances.

Section 9.3 Non-Funding. Subject to Section 2.2, the Owner shall have no obligation to provide funds for the payment of Operating Expenses incurred or committed for in excess of the aggregate expenses that have been annually budgeted and appropriated for such purpose for the Facility, except as otherwise provided in Section 7.3, which expenses Owner shall be obligated to fund.

ARTICLE 10
FISCAL RESPONSIBILITY; REPORTING

Section 10.1 Records. Manager agrees to keep and maintain during the Term of this Agreement at its office in the Facility (and shall provide to Owner upon termination or expiration of this Agreement), separate and independent records, in accordance with generally accepted accounting principles, devoted exclusively to its operations in connection with its management of the Facility. Such records (including books, ledgers, journals, and accounts) shall contain all entries reflecting the business operations of Manager under this Agreement. The Owner or its authorized agent shall have the right to audit and inspect such records from time to time during the Term, upon reasonable notice to Manager and during Manager's ordinary business hours.

Section 10.2 Monthly Financial Reports. Manager agrees to provide to the Owner, within thirty (30) days after the end of each month during the Term, financial reports for the Facility including a balance sheet, aging report on accounts receivable, and statement of Operating Revenue and Operating Expenses (budget to actual) for such month and year to date in accordance with generally accepted accounting principles. In addition, Manager agrees to provide to the Owner a summary of bookings for each such month, and separate cash receipts and disbursements reports for each Event held at the Facility during such month. Additionally, Manager shall submit to the Owner, or shall cause the applicable public depository utilized by Manager to submit to the Owner, on a monthly basis, copies of all bank statements concerning the Operating Account. The form of such reports has been provided to Owner by Manager and is approved by Owner, however, the Owner reserves the right, acting reasonably, to require additional information to be included with such reports. Additionally, Manager shall maintain at the Facility all event flash reports from events at the Facility during the Term.

Section 10.3 Annual Report. As soon as practicable, but no later than 60 days after the audit, the Manager shall provide annually, for public distribution, an Annual Report, consisting of a summary of highlights of financial results, a section on accomplishments and challenges, and other annual highlights of facility's operations. A draft will be submitted to the Owner for its review and input prior to release of the report.

Section 10.4 Audit. Owner will arrange for a certified financial audit report (and, if Owner desires, an audit of internal financial controls) to be obtained on the accounts and records as kept by Manager for the Facility with respect to each Operating Year. Costs associated with obtaining such certified audit report(s) shall be an Operating Expense of the Facility. Such audit shall be performed by an external auditor approved by the Owner, and shall be conducted in accordance with generally accepted auditing standards. Owner and Manager shall use reasonable commercial efforts to cooperate with the auditors to have such audit for the Facility completed within one hundred twenty (120) days of the end of each Operating Year. Owner acknowledges that payment of the Variable Fee is dependent upon Owner's timely delivery of such audit, and, without limiting the foregoing, Owner shall use commercial best efforts to ensure that any ongoing audit of properties surrounding the Facility does not unreasonably delay the delivery of the audit of the Facility within the timing required hereunder. Additionally, Owner reserves the right to hire its previous consultants or retain professional services from other individuals or firms (but not including facility management competitors of Manager or any employees associated with a competitor of Manager) to conduct other reviews of annual operating and financial matters, as well as Manager's performance with this Agreement at any time during the term of this Agreement.

ARTICLE 11
CAPITAL IMPROVEMENTS

Section 11.1 Capital Expenditures. Manager will prepare and annually update (a) an eight (8) year Capital Expenditure budget, and (b) the FF&E reconciliation per Exhibit C, to coincide with its annual Operating Budget submittal.

Section 11.2 Responsibility for Minor Repairs and Capital Expenditures.

(a) In each Operating Year, the Manager shall be responsible to make all Minor Repairs and shall perform all Minor Repairs necessary with reasonable diligence and in timely manner to maintain the Facility in a First Class Condition. The cost of all Minor Repairs shall be an Operating Expense. Manager shall promptly notify the Owner in the event of any repair situation or deficiency which would cause the Facility to not be in First-Class Condition. Any Minor Repair replacement or improvement item shall be of a quality and functionality consistent with the item being replaced.

(b) The parties will confer annually on the depth and priority of Capital Expenditures proposed or deemed necessary by Manager in the upcoming Operating Year. Owner shall be solely responsible for all Capital Expenditures at the Facility; provided, however, the Owner shall be under no obligation to make any Capital Expenditures proposed by Manager, and provided further that Manager shall have no liability for any claims, costs or damages arising out of a failure by the Owner to make any Capital Expenditures. Notwithstanding the foregoing, Manager shall have the right (but not the obligation), upon notice to the Owner, to make any Capital Expenditures at the Facility for Emergency Repairs from the Operating Account, subject to Exhibit E, in which case Owner shall reimburse the Operating Account for such amounts.

ARTICLE 12
FACILITY CONTRACTS; RIGHT TO ENGAGE CERTAIN AFFILIATES

Section 12.1 Contracts. Except as set out in this Agreement, the Manager shall have no authority, without the prior written consent of Owner, to enter into any Facility contracts other than as provided in Exhibit E or as otherwise set forth in this Agreement. Notwithstanding the foregoing, Manager, without prior approval from Owner, may enter into, as agent for Owner (i) standard rental and co-promotional contracts with third parties for Events (including Event License Agreements), provided such co-promotional agreements do not take any undue economic risk (defined as risking Facility rent and expenses, as opposed to just rent) on behalf of the Owner, and (ii) contracts for goods and services constituting Event Expenses. The Manager shall abide by the Purchasing Policy attached hereto as Exhibit E. All contracts entered into by Manager hereunder shall be entered into in the name of Owner, to be signed by Manager acting as agent on behalf of Owner.

In executing Event License Agreements and co-promotional agreements, Manager acknowledges Owner's over-arching event profitability goal of having net Event revenues equal to or exceeding its Event Expenses, yet both parties are mindful of the nature of the entertainment industry and associated risks. Manager may schedule not only those Events that generate substantial direct Event revenue to the Facility, but also those Events that produce less direct revenue, but in Manager's good faith judgment generate enough of a positive economic, cultural, or other benefit to the Owner, or otherwise serve the public interest, to make the Event worthwhile; provided that no use of the Facility shall be permitted, without Owner's approval, that is either a self (i.e. Manager) promoted Event, or an in-house (i.e. Facility) promoted Event where rent and expenses (as opposed to just rent) are at risk.

Section 12.2 Right to Engage Certain Affiliates.

(a) The parties agree that, subject to Owner's prior written approval, Manager may perform its services hereunder through an Affiliate. Manager shall have the right to perform the Commercial Rights services through its Affiliate, OVG Global Partnerships, LLC. The parties agree that, as of the Effective Date, OVG Global Partnerships, LLC is the only Affiliate of OVG approved to perform services hereunder.

(b) Manager shall not enter into any contract with its Affiliates for goods or services at the Facility without the Owner's prior written approval. To the extent that Owner does permit Manager to contract with companies that are its Affiliates, with Owner's prior written approval, to provide goods and/or services to the Facility, such contract or arrangement, including all amendments or modifications thereto, shall be submitted to Owner in advance so that Owner can confirm it will not violate Revenue Procedure 97-13 or otherwise result in private business use of any portion of the Facility for purposes of Section 141 of the Code.

(c) Owner acknowledges and agrees that, with respect to any purchases of goods or services from an Affiliate, the Manager shall obtain the best commercially available prices and/or terms.

(d) Profit Transaction. Manager shall not enter into any Profit Transaction without the written permission of the Owner. The Manager shall notify the Owner if it intends on entering into an Agreement either for itself or on behalf of the Owner of any Profit Transaction along with any itemized report of any profit and/or gain.

ARTICLE 13
BEER GARDEN

Section 13.1 Generally. Owner owns a property across from the Facility known as the Hideaway Brew Beer Garden, consisting of a small concession building, seating area for approximately 300 people, plus a general seating area for 500 people, and a 20 foot stage (collectively, the "**Beer Garden**"). The Beer Garden will also include a future concession building. Owner hereby engages Manager during the Term to act as the manager of the Beer Garden in a limited capacity and, subject to and as more fully described in this Agreement, and, in connection therewith, to perform the services for the Beer Garden described in Exhibit F attached hereto as an agent for the Owner in a manner as an agent for the Owner; provided, that Manager shall have no obligation to perform the Beer Garden Services for Excluded Events (as defined in Exhibit F). Manager's sole responsibility with respect to the Beer Garden shall be as set forth on Exhibit F. All other responsibilities and obligations shall remain with not be responsible for any maintenance or repair of the facilities at the Beer Garden (excepting minor and routine maintenance as set forth in Exhibit F), nor shall Manager be responsible for any food or beverage sales at the Beer Garden, the parties acknowledging that Owner shall contract with Levy or any other food service provider at the election of Owner to provide such services. Manager shall not be required to hold any alcohol licenses at the Beer Garden, and shall have no liability for any alcohol-related claims.

Section 13.2 Revenues and Expenses from Beer Garden. All revenue from Manager's operations at the Beer Garden (including without limitation revenue paid by Levy or any other party providing food and beverage and/or merchandise services at the Beer Garden to or on behalf of the Owner) shall be deemed to be Operating Revenue, subject to the provisions of this Agreement relating to Operating Revenue. Without limiting the foregoing, the parties agree that such revenue shall be included on the Facility's financial statements, shall be counted towards the calculation of the Variable Fee, and the Annual Rebate (as provided for in Section 3.3) and shall be deposited by Manager into the Operating Account. All expenses incurred by Manager in connection with the provision of its services at the Beer Garden (including without limitation insurance, labor and the costs of securing live entertainment) shall be Operating Expenses, subject to the provisions of this Agreement relating to Operating Expenses. Without limiting the foregoing, the parties agree that such expenses shall be funded by the Village, included on the Facility's financial statements and payable by Manager with funds from the Operating Account.

ARTICLE 14
AGREEMENT MONITORING AND GENERAL MANAGER

Section 14.1 Contract Compliance. Each party shall designate a representative. Village shall designate an Owner's Representative who shall monitor such party's compliance with the terms of this Agreement. Manager's representative shall be its General Manager at the Facility, unless Manager notifies Owner of a substitute representative in writing. Owner shall notify Manager of the name of its Owner's Representative or designee within thirty (30) days of execution hereof. Any and all references in this Agreement requiring Manager or Owner participation or approval shall mean the participation or approval of such party's representative. The Owner's Representative may be paid from Operating Budget.

ARTICLE 15
INDEMNIFICATION

Section 15.1 Indemnification by Manager. Manager agrees to defend, indemnify and hold harmless the Owner and its officials, directors, officers, employees, and agents against any claims, causes of action, costs, expenses (including reasonable attorneys' fees), liabilities, penalties, or damages (collectively, "Losses") suffered by such parties, arising out of or in connection with any (a) negligent act or omission, or intentional misconduct, on the part of Manager or any of its employees or agents in the performance of its obligations under this Agreement to the extent not covered by Owner's insurance, or (b) material breach by Manager of any of its representations, covenants or agreements made herein.

Section 15.2 Indemnification by the Owner. Owner agrees to defend, indemnify and hold harmless Manager and its Affiliate, and each of their respective directors, officers, employees, and agents against any Losses suffered by such parties, arising out of or in connection with (a) any negligent act or omission, or intentional misconduct, on the part of Owner or any of its employees or agents in the performance of its obligations under this Agreement to the extent allowed by law and not covered by Manager's insurance, (b) a material breach by Owner of any of its representations, covenants or agreements made herein, (c) failure by Owner to fulfill obligations either during or after the term due under any Facility contracts, licenses or agreements executed by the Manager as agent for the Owner, (d) any claim asserted by any third party claiming rights in the Facility or to operate at the Facility (including without limitation Levy Premium Foodservice Limited Partnership and Ticketmaster), that Manager or any of the other indemnitees set forth above have violated such rights by negotiating for the rights set forth in this Agreement, entering into this Agreement or performing services at the Facility, and (e) the practice of utilizing Advance Ticket Proceeds to pay general Operating Expenses of the Facility, including any claims asserted by ticket buyers for refunds.

Section 15.3 Conditions to Indemnification. With respect to each separate matter brought by any third party against which a party hereto ("Indemnitee") is indemnified by the other party ("Indemnitor") under this Article 15, the Indemnitor shall be responsible, at its sole cost and expense, for controlling, litigating, defending and/or otherwise attempting to resolve any proceeding, claim, or cause of action underlying such matter, except that (a) the Indemnitee may, at its option, participate in such defense or resolution at its expense and through counsel of its choice; (b) the Indemnitee may, at its option, assume control of such defense or resolution if the Indemnitor does not promptly and diligently pursue such defense or resolution, provided that the Indemnitor shall continue to be obligated to indemnify the Indemnitee hereunder in connection therewith; and (c) neither Indemnitor nor Indemnitee shall agree to any settlement without the other's prior written consent (which shall not be unreasonably withheld or delayed). In any event, Indemnitor and Indemnitee shall in good faith cooperate with each other and their respective counsel with respect to all such actions or proceedings, at the Indemnitor's expense. With respect to each and every matter with respect to which any indemnification may be sought hereunder, upon receiving notice pertaining to such matter, Indemnitee shall promptly (and in no event more than twenty (20) days after any third party has served Indemnitee with written notice of any third party litigation asserting such claim) give reasonably detailed written notice to the Indemnitor of the nature of such matter and the amount demanded or claimed in connection therewith.

Section 15.4 Survival. The obligations of the parties contained in this Article 15 shall survive the termination or expiration of this Agreement for a period of six years.

ARTICLE 16
INSURANCE

Section 16.1 Types and Amount of Coverage. Manager agrees to obtain insurance coverage in the manner and amounts as set forth in Exhibit G, attached hereto as approved in advance by the Owner, and shall provide to the Owner promptly following the Effective Date a redacted policy of insurance with endorsements evidencing such coverage. Manager shall maintain such referenced insurance coverage at all times during the Term, and will not make any material modification or change from these specifications without the prior written approval of the Owner. Manager shall provide the Owner at least thirty (30) days written notice of cancellation or material change in the terms and provisions of the applicable policy. The cost of all such insurance shall be an Operating Expense. Owner may, at its option and its expense, obtain liability insurance and property insurance on the Facility and Beer Garden, in which case the expense of such insurance shall not be an Operating Expense, or otherwise may be a "below-the-line" Operating Expense provided that the Operating Budget is amended to include such expense.

Section 16.2 Rating; Named Insureds; Additional Insureds. All insurance policies shall be issued by insurance companies rated no less than A VIII in the most recent "A.M. Best" insurance guide, and licensed in the State of Illinois or as otherwise agreed by the parties. All such policies shall be in such form and contain such provisions as are generally considered standard for the type of insurance involved. Owner shall be a named insured on the Manager's commercial general liability policy. Owner shall be listed as an additional insured on the automobile liability insurance policy, dram shop, and umbrella or excess liability policies to be obtained by Manager. The parties agree that the certificate evidencing the commercial general liability insurance shall include the following statement: "The Village of Hoffman Estates as owner of NOW Arena is added as a named insured by Global Spectrum, L.P. with respect to liability arising out of or related to the contract for management and operation of the NOW Arena. Coverage shall be primary and non-contributory to any coverage of The Village of Hoffman Estates, and include a waiver of subrogation."

Section 16.3 Third Party Users. Manager shall require that all third party licensees of the Facility provide certificates of insurance evidencing insurance appropriate for the types of activities in which such user is engaged and naming Owner and Manager as additional insureds, provide that coverage is primary and non-contributory to any coverage of Owner or Manager, and include a waiver against subrogation. Manager shall require that all third-party subcontractors of the Facility, including without limitation ushers, parking, security personnel and concessionaires, provide certificates of insurance and policy endorsements evidencing insurance appropriate for the types of activities in which such subcontractor is engaged and naming Owner and Manager as additional insureds, provide that coverage is primary and non-contributory to any coverage of Owner or Manager, and include a waiver against subrogation.

If Manager subcontracts any of its obligations under this Agreement, Manager shall require each subcontractor to secure insurance that will protect against applicable hazards or risks of loss as and in the amounts appropriate for the work contemplated, and name Manager and the Owner as additional insureds. Manager shall use best efforts to obtain from such subcontractors either binding certificates of insurance (as opposed to informational) or policy endorsements evidencing insurance appropriate for the types of activities, but at a minimum Manager shall obtain informational certificates of insurance.

ARTICLE 17
REPRESENTATIONS, WARRANTIES AND COVENANTS

Section 17.1 Manager Representations and Warranties. Manager hereby represents, warrants and covenants to Owner as follows:

(a) that it has the full legal right, power and authority to enter into this Agreement and to grant the rights and perform the obligations of Manager herein, and that no third party consent or approval is required to grant such rights or perform such obligations hereunder;

(b) that this Agreement has been duly executed and delivered by Manager and constitutes a valid and binding obligation of Manager, enforceable in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization or similar Laws affecting creditors' rights generally or by general equitable principles; and

(c) that Manager will comply with all applicable Laws in the course of its performance of the services described herein.

Section 17.2 Owner Representations, Warranties and Covenants. Owner represents, warrants and covenants to Manager as follows:

(a) that it has the full legal right, power and authority to enter into this Agreement and to grant the rights and perform the obligations of Owner herein, and that no other third party consent or approval is required to grant such rights or perform such obligations hereunder.

(b) that this Agreement has been duly executed and delivered by Owner and constitutes a valid and binding obligation of Owner, enforceable in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally or by general equitable principles.

(c) that the Facility is, as of the Effective Date, in compliance in all respects with all applicable Laws relating to the construction, use and operation of the Facility (including, without limitation, Title III of the American with Disabilities Act).

ARTICLE 18
MISCELLANEOUS

Section 18.1 Parties' Obligations with respect to Confidential Information. The Parties agree that issues governing the use and disclosure of "Confidential Information", as defined below, made available to Owner by Manager will be governed by the following provisions:

(a) Definition of Confidential Information. As used in this Agreement, the term "Confidential Information" means all information of any nature and in any form, regardless of when given, that (i) contains confidential business, financial, or marketing information and is disclosed or provided by or through Manager to Owner pursuant to performance of this Agreement; and (ii) has been clearly marked or indicated in writing as being confidential by Manager. Information falling within this definition shall be treated by Owner as the confidential financial or proprietary information of Manager pursuant to the provisions of the Illinois Freedom of Information Act ("Illinois FOIA").

(b) Use of Confidential Information. Except as expressly provided in this Agreement or as otherwise mandated by the Illinois FOIA or other applicable law, Owner will not disclose Confidential Information to anyone without the prior written consent of Manager. Owner will not use, or permit others to use, Confidential Information for any purpose other than actions incidental to the performance and enforcement of this Agreement between Owner and Manager. Owner will take all reasonable measures to avoid disclosure, dissemination, or unauthorized use of Confidential Information, including, at a minimum, those measures that it takes to protect its own Confidential Information of a similar nature.

(c) Open Records Requests. In the event that Owner is served with a Freedom of Information Act (FOIA) request, discovery request in litigation, or subpoena from any third party requesting all or part of any Confidential Information as defined herein, Owner shall give timely notice to Manager of such request or subpoena as soon as possible and within the time parameters required for response pursuant to the Illinois FOIA or any applicable law. In the event the Manager receives an Illinois FOIA request, Manager shall immediately contact Owner and provide such request to the Owner forthwith.

Section 18.2 No Discrimination. Manager agrees that it will not discriminate against any employee or applicant for employment for work under this Agreement because of race, religion, color, sex, disability, national origin, ancestry, physical handicap, or age, and will take affirmative steps to ensure that applicants are employed, and employees are treated during employment, without regard to race, religion, color, sex, disability, national origin, ancestry, physical handicap, or age.

Section 18.3 Use of Facility Names and Logos. Manager shall have the right to use throughout the Term (and permit others to use in furtherance of Manager's obligations hereunder), for no charge, the name and all logos of the Facility, on Manager's stationary, in its advertising of the Facility, and whenever conducting business of the Facility; provided, that Manager shall take all prudent and appropriate measures to protect the intellectual property rights of the Owner or owner of the intellectual property relating to such logos. All intellectual property rights in any Facility logos developed by the Manager or the Owner shall be and at all times remain the sole and exclusive property of the Owner or its designee. Manager agrees to execute any documentation requested by the Owner from time to time to establish, protect or convey any such intellectual property rights. Manager will at all times comply with the terms and conditions of the NOW Naming Rights Agreement.

Section 18.4 Litigation.

(a) Manager shall not settle any claim, action, counterclaim or employment claim (provided such claim, action, counterclaim or employment claim would constitute an Operating Expense, an obligation of the Owner, or be payable from any funds or accounts established under this Agreement) without Owner's consent.

(b) Manager shall provide Owner on a quarterly basis or at such time as Owner may reasonably request a litigation report summarizing the status of all pending litigation with respect to the Facility.

Section 18.5 Force Majeure; Casualty Loss.

(a) Neither party shall be liable or responsible to the other party for any delay, loss, damage, failure or inability to perform under this Agreement due to an Event of Force Majeure, provided that the party claiming failure or inability to perform provides written notice to the other party within thirty (30) days of the date on which such party gains actual knowledge of such Event of Force Majeure. Notwithstanding the foregoing, in no event shall a party's failure to make payments due hereunder be excusable due to an Event of Force Majeure.

(b) In the event of damage or destruction to a material portion of the Facility by reason of fire, storm or other casualty loss that renders the Facility (or a material portion thereof) untenantable, the Owner shall use reasonable efforts to remedy such situation. If notwithstanding such efforts, such damage or destruction is expected to render the Facility (or a material portion thereof) untenantable for a period estimated by an architect selected by the Owner at Manager's request, of at least one hundred eighty (180) days from the date of such fire, storm or other casualty loss, either party may terminate this Agreement upon written notice to the other, provided that the Owner shall pay to Manager its costs of withdrawing from services hereunder, as described in Section 4.4(a) above.

Section 18.6 Assignment. Neither party may assign this Agreement without the prior written consent of the other, which consent shall not be unreasonably withheld or delayed; however, Manager or Owner may, without the prior written consent of the other, assign this Agreement and/or its rights and obligations hereunder (i) to any person or entity of equivalent or greater economic strength, capability, and experience who succeeds (whether by merger, consolidation or sale of assets or equity or the like) to all or substantially all of the business and properties of such party, or (ii) in connection with a corporate restructuring, to any person who is an owner, parent, subsidiary or affiliate of such party, and who carries on the business of such party in substantially the same manner. Any assignee of Manager or Owner pursuant to the preceding sentence must agree in writing to assume the assignor's obligations hereunder, in whole or in part (as applicable), in order for such assignment to become effective. This Agreement shall be binding on the parties' successors and permitted assigns.

Section 18.7 Notices. All notices required or permitted to be given pursuant to this Agreement shall be in writing and delivered personally or sent by registered or certified mail, return receipt requested, or by generally recognized, prepaid, overnight air courier services, to the address and individual set forth below. All such notices to either party shall be deemed to have been provided when delivered, if delivered personally, three (3) days after mailed, if sent by registered or certified mail, or the next business day, if sent by generally recognized, prepaid, overnight air courier services.

If to the Owner:

William D. McLeod
Village President
Village of Hoffman Estates
1900 Hassell Road
Hoffman Estates, IL 60169

With copies to:

Village Manager
Village of Hoffman Estates

If to Manager:

Oak View Group
5050 S. Syracuse St., Suite 800
Denver, CO 80237
Attn: CEO

With a copy to:

Oak View Group
5050 S. Syracuse St., Suite 800
Denver, CO 80237

1900 Hassell Road
Hoffman Estates, IL 60169

Attn: OVG360 Legal Department
OVG360Legal@oakviewgroup.com

Corporation Counsel
Village of Hoffman Estates
1900 Hassell Road
Hoffman Estates, IL 60169

The designation of the individuals to be so notified and the addresses of such parties set forth above may be changed from time to time by written notice to the other party in the manner set forth above.

Section 18.8 Severability. If a court of competent jurisdiction or an arbitrator determines that any term of this Agreement is invalid or unenforceable to any extent under applicable law, the remainder of this Agreement (and the application of this Agreement to other circumstances) shall not be affected thereby, and each remaining term shall be valid and enforceable to the fullest extent permitted by law.

Section 18.9 Entire Agreement. This Agreement (including the schedule and exhibits attached hereto) contains the entire agreement between the parties with respect to the subject matter hereof, and supersedes and replaces all prior negotiations, correspondence, conversations, agreements, and understandings concerning the subject matter hereof, including the Original Agreement (which is deemed terminated upon execution and delivery of this Amended and Restated Agreement). Accordingly, the parties agree that no deviation from the terms hereof shall be predicated upon any prior representations, agreements or understandings, whether oral or written.

Section 18.10 Governing Law. The Agreement is entered into under and pursuant to, and is to be construed and enforceable in accordance with, the laws of the State of Illinois, without regard to its conflict of laws principles.

Section 18.11 Amendments. Neither this Agreement nor any of its terms may be changed or modified, waived, or terminated (unless as otherwise provided hereunder) except by an instrument in writing signed by an authorized representative of the party against whom the enforcement of the change, waiver, or termination is sought.

Section 18.12 Waiver; Remedies. No failure or delay by a party hereto to insist on the strict performance of any term of this Agreement, or to exercise any right or remedy consequent to a breach thereof, shall constitute a waiver of any breach or any subsequent breach of such term. No waiver of any breach hereunder shall affect or alter the remaining terms of this Agreement, but each and every term of this Agreement shall continue in full force and effect with respect to any other then existing or subsequent breach thereof. The remedies provided in this Agreement are cumulative and not exclusive of the remedies provided by law or in equity.

Section 18.13 Relationship of Parties. Manager and Owner acknowledge and agree that they are not joint venturers, partners, or joint owners with respect to the Facility, and nothing contained in this Agreement shall be construed as creating a partnership, joint venture or similar relationship between Owner and Manager. In operating the Facility, entering into contracts, accepting reservations for use of the Facility, and conducting financial transactions for the Facility, Manager acts on behalf of and as agent for Owner (but subject to the limitations on Manager's authority as set out in this Agreement), with the fiduciary duties required by law of a party acting in such capacity.

Section 18.14 Counterparts; Facsimile Signatures. This Agreement may be executed in counterparts, each of which shall constitute an original, and all of which together shall constitute one and the same document. This Agreement may be executed by the parties and transmitted by facsimile or electronic mail, and if so executed and transmitted, shall be effective as if the parties had delivered an executed original of this Agreement.

Section 18.15 No Third Party Beneficiaries. Nothing in this Agreement is intended nor will be deemed to confer rights or remedies upon any person or legal entity not a party to this Agreement, except for the indemnitees described in Section 15.1 and 15.2 above, who shall be third party beneficiaries of the terms of Article 15.

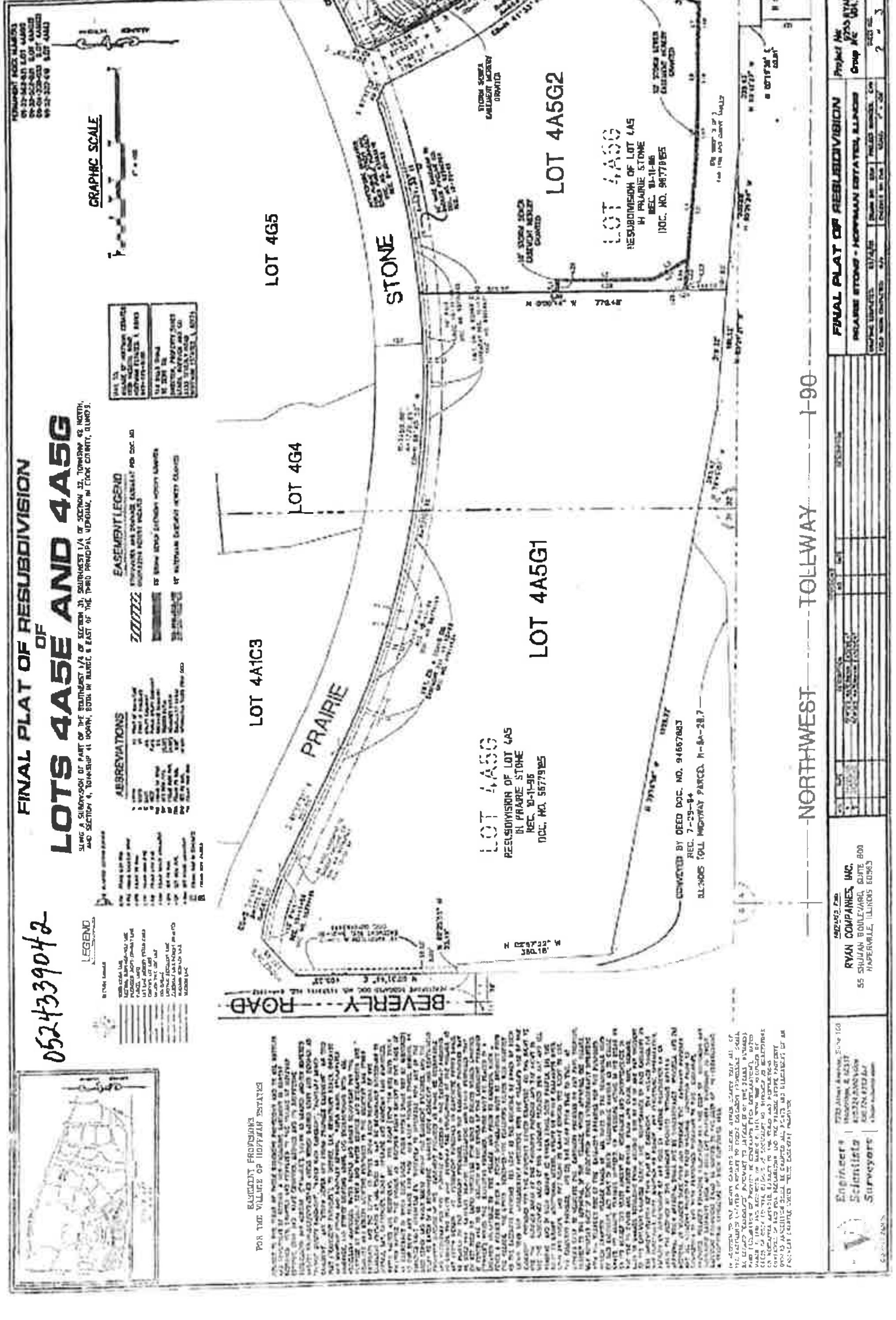
IN WITNESS WHEREOF, each party hereto has caused this Agreement to be executed on behalf of such party by an authorized representative as of the date first set forth above.

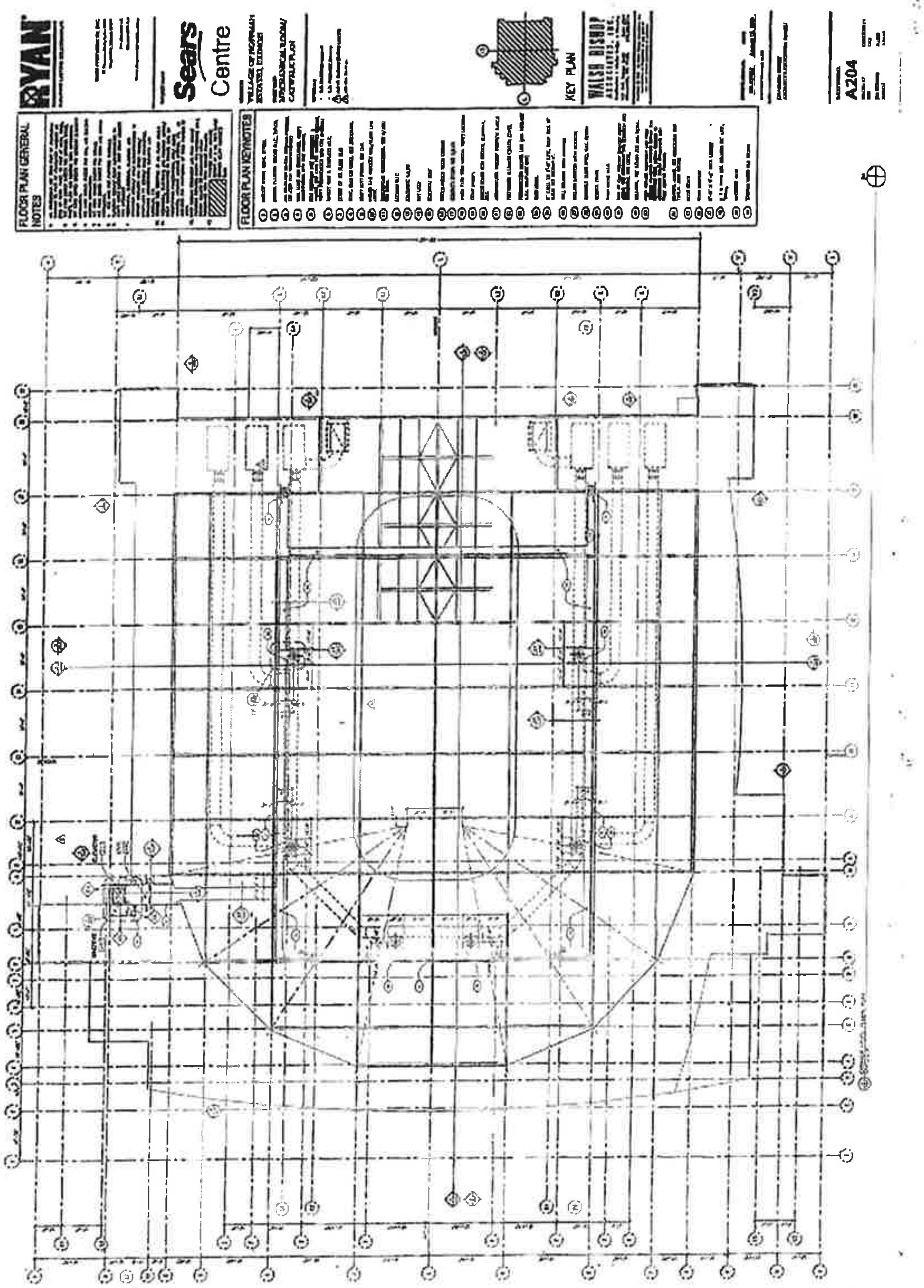
VILLAGE OF HOFFMAN ESTATES	GLOBAL SPECTRUM, L.P. d/b/a Oak View Group By: Global Spectrum, LLC, its general partner
By: ______________________	By: Brian Rothenberg (Dec 11, 2025 15:39:06 EST)
Name: ______________________	Name: Brian Rothenberg
Title: ______________________	Title: President
Date: ______________________	Date: 12/11/25

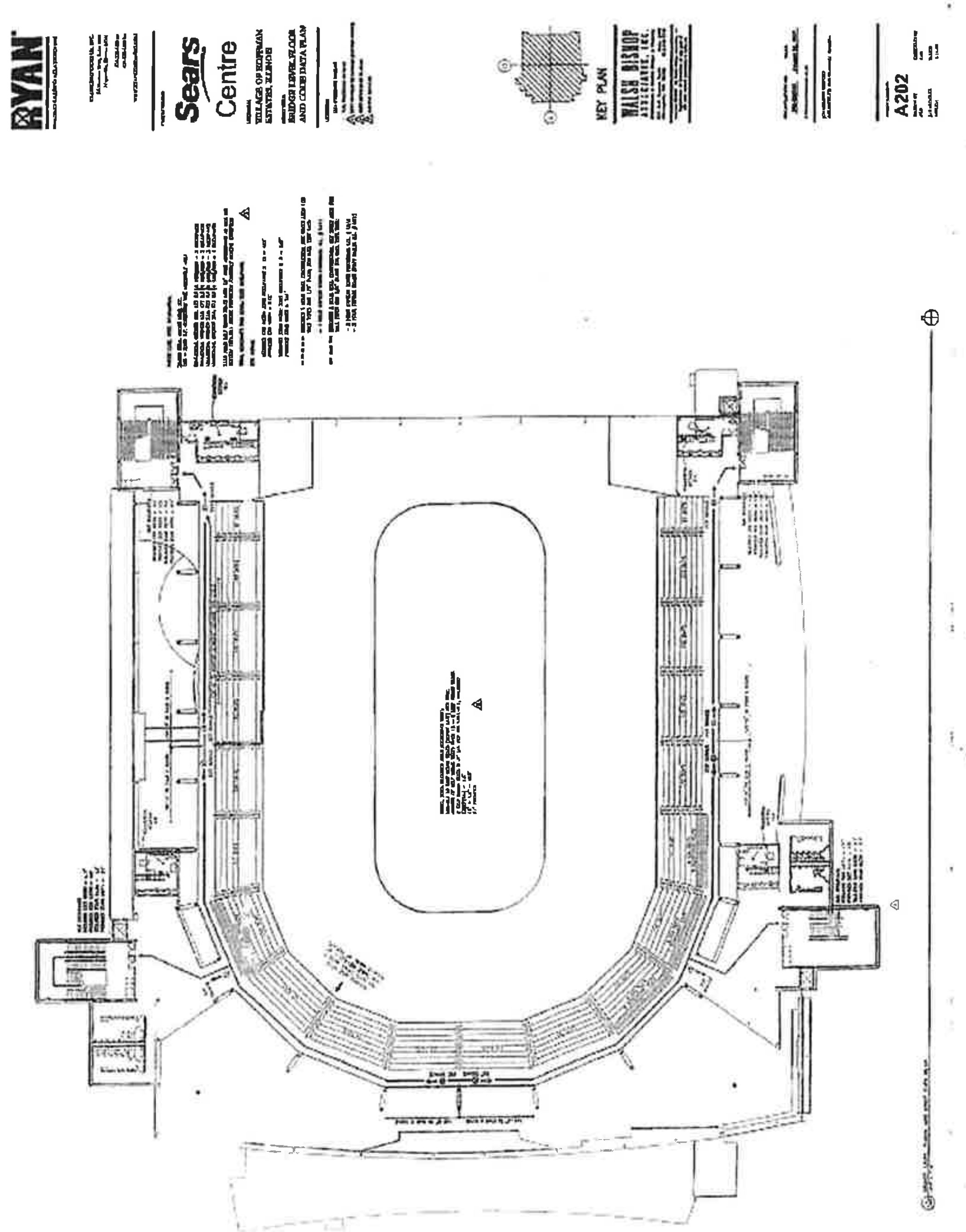
EXHIBIT A

INTENTIONALLY OMITTED

EXHIBIT B
FACILITY AERIAL, SITE PLAN, BUILDING PLANS, LEGAL DESCRIPTION


FINAL PLAT OF RESUBDIVISION
OF
LOTS 4A5E AND 4A5G
LEGEND
ABBREVIATIONS
EASEMENT LEGEND
GRAPHIC SCALE
LOT 4G5
LOT 4G4
LOT 4A1C3
LOT 4A5G1
LOT 4A5G2
PRAIRIE
STONE
BEVERLY ROAD
NORTHWEST TOLLWAY I-90
RYAN COMPANIES, INC.
55 SHUMAN BOULEVARD, SUITE 800
NAPERVILLE, ILLINOIS 60563
FINAL PLAT OF RESUBDIVISION


RYAN
Sears Centre
FLOOR PLAN GENERAL NOTES
FLOOR PLAN KEYNOTES
KEY PLAN
WALSH BISHOP
A204


RYAN
Sears Centre
KEY PLAN
WALSH BISHOP
A202

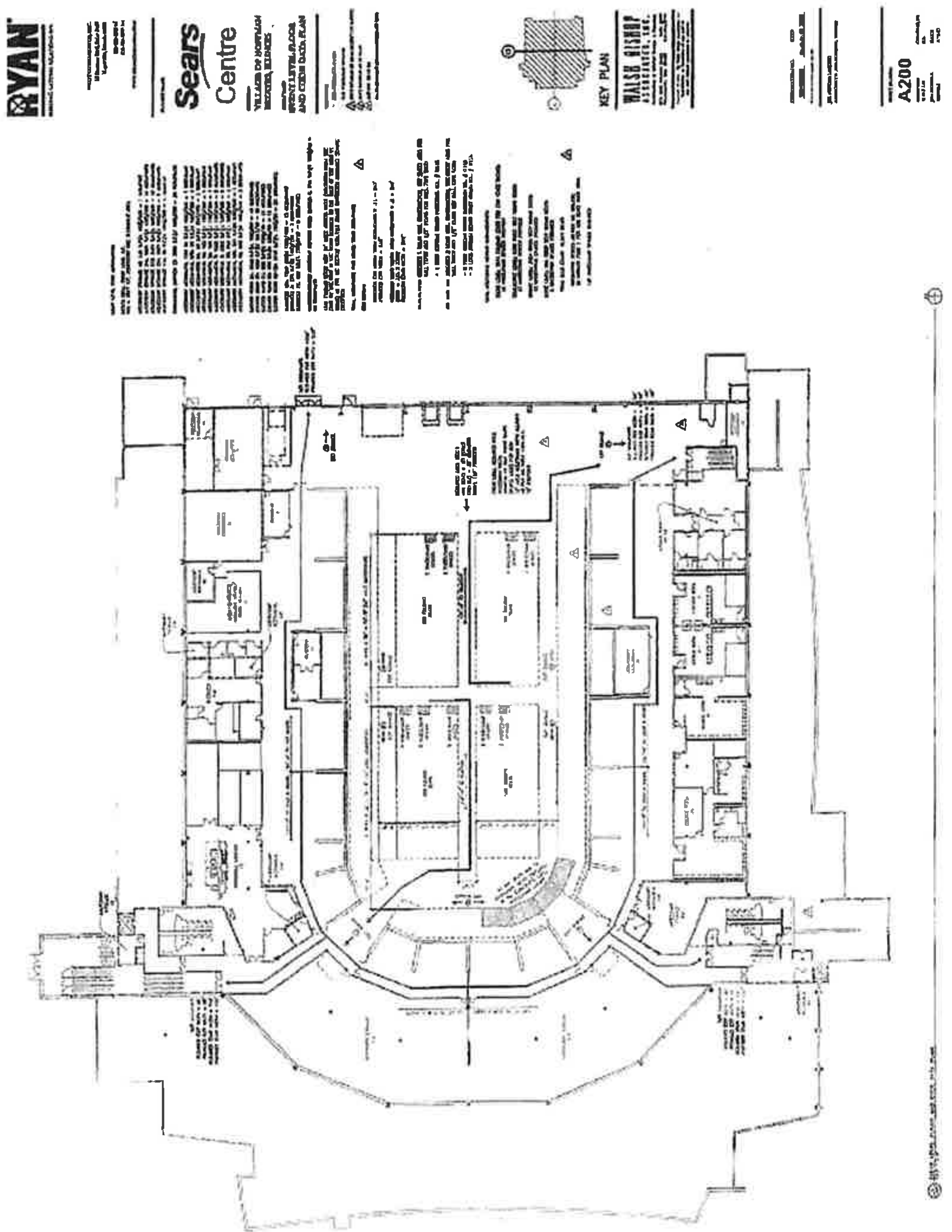

RYAN
Sears
Centre
KEY PLAN
A200

EXHIBIT C
MANAGER DUTIES

Manager's obligations under the Agreement shall consist of the following obligations, all of which are subject to the terms of this Agreement and the controls and restrictions in the Operations Manual:

(a) Manage all aspects of the Facility in accordance with the Operations Manual (which Operations Manual shall be subject to the approval of Owner, not to be unreasonably withheld) and the terms of this Agreement, including but not limited to managing purchasing, payroll, fire prevention, security, crowd control, routine repairs, Maintenance, janitorial services, promotions, advertising, energy conservation, security, box office, admission procedures, parking (with respect to approximately 3,180 spots adjacent to the Facility), snow and ice removal services, landscaping, food and beverage services (such services to be performed by Levy or the Facility's subsequent food and beverage provider engaged by Owner), ticketing services and general user and admission services. Such services shall either be performed by Manager itself, or though third party contractors engaged by Manager hereunder on behalf of the Facility, or as mutually agreed upon, by the Owner.

(b) Establish and adjust prices, rates and rate schedules for user, license, concessions, occupancy, and advertising agreements, and booking commitments. Manager may deviate from the established rate schedule when entering into any such agreements if determined by Manager, using its reasonable business judgment, to be necessary or appropriate with respect to the specific situation.

(c) Procure, negotiate, execute, administer and assure compliance with Service Contracts, Concession Agreements, and other contracts related to the operation of the Facility.

(d) Require that all material vendors and licensees of the Facility execute vendor/license agreements containing standard indemnification and insurance obligations on the part of each such vendor/licensee.

(e) Provide standard form advertising and sponsorship contracts and user/rental/license agreements for use at or with respect to the Facility. Manager has submitted such form agreements to the Owner for review and comment, and the parties shall work together to finalize such forms. Once finalized, Manager shall use such forms in furtherance of its duties hereunder, and shall not materially deviate from the terms contained in such forms without obtaining the prior approval of the Owner (which shall not be unreasonably withheld). Manager's sole responsibility with regard to providing legal advice or assistance hereunder shall be to provide such standard form contracts.

(f) Operate and maintain the Facility, including the equipment utilized in connection with its operation and any improvements made during the term of this Agreement, in the condition received, normal wear and tear excepted.

(g) Arrange for and otherwise book events at the Facility in accordance with a booking schedule to be developed by Manager and approved by Owner.

(h) Hire or otherwise engage, pay, supervise, and direct all personnel Manager deems necessary for the operation of the Facility in accordance with the approved Operating Budget, and conduct staff planning, retention and training programs as determined to be necessary by Manager.

(i) Maintain detailed, accurate and complete financial and other records of all its activities under this Agreement in accordance with generally accepted accounting principles, which records shall be made available to the Owner upon request, in accordance with Section 10.1 of the Agreement.

(j) Submit to the Owner in a timely manner financial and other reports detailing Manager's activities in connection with the Facility, as set forth in Sections 10.2 and 10.3 of the Agreement.

(k) Prepare a proposed annual Operating Budget and submit such proposed budget to the Owner.

(l) Pay all Operating Expenses in a timely manner and other expenses incurred in connection with the operation, Maintenance, supervision and management of the Facility from the Operating Account or with funds otherwise made available by the Owner.

(m) Secure, or assist the Owner (or any other third party, as applicable) to secure, all licenses and permits necessary for the operation and use of the Facility for the specific events to be held therein, and for the general occupancy of the Facility, including without limitation assisting the Facility's food and beverage provider secure all necessary food and liquor licenses, and renewals thereof. The Owner shall cooperate in this process to the extent reasonably required. All costs associated with this process shall be Operating Expenses.

(n) Collect and deposit in the Operating Account any ticket sale proceeds which it receives in the contemplation of or arising from an event, as more fully described in Section 8.1 of the Agreement.

(o) Collect in a timely manner and deposit in the Operating Account all Operating Revenue, as more fully described in Section 8.2 of the Agreement.

(p) Subject to the Owner making available sufficient funds in a timely manner, pay all Taxes related to the management and operation of the Facility.

(q) Plan, prepare, implement, coordinate and supervise all public relations and other promotional programs for the Facility.

(r) Manage and oversee the sale of Commercial Rights at or in connection with the Facility. Owner agrees to provide reasonable assistance to Manager in connection with their efforts to market and sell the Commercial Rights. Such reasonable assistance of Owner shall include Owner providing leads and arranging for meetings and introductions with businesses in and its surrounding areas.

(t) On an annual basis, update the written inventory to be taken of all FF&E, supplies, tools and vehicles at the Facility, and deliver a written report of the foregoing to Owner. Manager shall document all major damage to, or loss in, such inventory during the Term as soon as such damage or loss is discovered by Manager, and Manager shall promptly notify Owner of any such damage or loss.

(u) Purchase, on behalf of the Owner, with Owner funds (subject to the Operating Budget), and maintain during the Term, all materials, tools, machinery, equipment and supplies necessary for the operation of the Facility.

(v) In coordination with the Owner, manage risk management and Facility insurance needs, as more fully described in Article 16 of the Agreement.

(w) Make or cause to be made all routine and minor repairs, Maintenance, and equipment servicing. Subject to the limitations of the Operating Budgets, Manager shall ensure that all repairs, replacements, and Maintenance shall be of a quality and class at least equal to that of the item being repaired, replaced or maintained.

(x) Cause such other acts and things to be done with respect to the Facility, as determined by Manager in its reasonable discretion to be necessary for the management and operation of the Facility following the Effective Date.

EXHIBIT D
CASH FLOW FORECASTS

1. Fiscal Quarter

a. At the same time that Manager is required to submit the Annual Operating Budget to Owner, Manager shall deliver Manager's reasonable forecast of the Facility's cash position as of the close of each operating quarter in the forthcoming operating year (the "Cash Flow Forecast") to Owner. In preparing the Cash Flow Forecast, Manager shall take into account any and all relevant factors including, but not limited to, (i) the Annual Operating Budget for the forthcoming Operating Year, (ii) the Facility's current and past cash positions, (iii) seasonality of demand at the Facility, (iv) arena industry and general economic cycles and trends, whether of local, regional or national character, and (v) the particular cash needs of the Facility's operations. No later than 10 days prior to the end of each operational quarter in the first (1^{st}), second (2^{nd}) and third (3^{rd}) quarters of each Operating Year, Manager shall prepare and deliver a revised Cash Flow Forecast to Owner that states the Facility's actual cash position as of the close of preceding period in the Operating Year and provides Manager's reasonable forecast of the Facility's cash position as of the close of the remaining quarterly accounting periods in the Operating Year, taking into account any and all relevant factors including, but not limited to, the aforesaid factors and the Facility's actual financial performance year-to-date, any advances by Owner of additional working capital funds hereunder year-to-date.

b. Within twenty (20) days after the close of the final quarter in each Operating Year, Manager shall remit to Owner any surplus for the final quarter; provided, however, that Manager shall not be obligated to remit such funds: to the extent making such advance would, based upon Manager's reasonable projections, result in there being, on any day during the current quarter, insufficient cash on hand to pay all liabilities then currently due and payable (a "Negative Cash Position"), in which case Manager shall remit the maximum amount of funds that would not have such a result or to the extent making such an advance would, based upon Manager's reasonable projections, result in a Negative Cash Position for the facility on any day in the immediately succeeding quarter.

c. If a Negative Cash Position occurs at the facility during a particular quarter, Owner shall advance funds to the amount by which the liabilities then currently due and payable exceeded the cash on hand within five (5) business days of Manager's request therefore.

d. Manager and Owner shall work together in good faith to resolve any disagreement over the reasonableness of any of the Cash Flow Forecasts or any of the projections of Manager under this Section.

2. Accruals. Commencing as of the Effective Date of this Agreement, Manager shall use a cash accounting method, as opposed to an accrual accounting method, for purposes of calculating the Cash Flow Forecasts relative to its forecast of revenues and expenses.

EXHIBIT E
PURCHASING POLICY

The following constitutes policy for the Manager to follow in its administration of the Management Agreement. Consistent with Section 12.1 of the Management Agreement, as agent of Owner, the Manager has the right to execute certain contracts and agreements. Note that Event licenses and tenant leases are not covered within these polices.

A. General Policy for Non-Event Purchases Not Exceeding $18,000

Arena employees are responsible for obtaining quotes for goods and service purchases in the instances outlined below. Requisitions submitted and purchase orders must be processed with the required quotes or a satisfactory explanation of the pricing accepted and approval circumstances (ie. sole source, emergency, standardized vendors, vendors with prior and/or qualified experience/proven service levels, etc.) for the Facility General Manager's approval and payment process. The General Manager has authority to sign contracts on behalf of the Owner for a term less than one (1) year involving appropriated and budgeted funds in accordance with this paragraph. These procedures also apply to purchases by General Manager out of the "Levy Capital Reserve Fund".

Up to $2,000	Competitive quotes not required if General Manager deems single source pricing reasonable
$2,000 - $6,000	Two quote minimum, three quotes preferred.
$6,001 - $18,000	Three written quotes.

General Manager shall be authorized to negotiate and arrange a "Rate Card" for services by a Vendor that occur on multiple days.

B. General Policy for Non-Event Purchases above $18,000

The Facility General Manager shall prepare an estimate of value of service or goods, the purpose of the purchase, statement as to whether the funds have been appropriated and budgeted, provide a minimum of three written quotes and a recommendation of approval. This information shall be forwarded to the Village Manager for processing and approval.

Items purchased more than once during a fiscal year (e.g. forms, copier supplies, etc.) do not need quotes every time a purchase is made. However, competitive quotes for these items shall be sought at least once each year or at least three months prior to expiration to ensure that vendors are competitive.

C. General Policy for Event Expenses

Village Board approval is required for all event-related service contracts involving ticketing, parking, food and beverage, cleaning and event security. The Facility General Manager may, as agent for Owner, contract for all other Event Expenses that are necessary to host events and the costs are paid from show proceeds or third parties. When entering into contracts for Event Expenses, the General Manager shall use reasonable efforts to comply with the following "sole source" purchasing procedures which procurements may arise from, but are not limited to, the following circumstances:

1. Specialized equipment or supplies, such as dirt for motor shows, for which there is no comparable competitive product or is available only from one qualified supplier.

2. A component or replacement part for which there is no commercially available substitute and which can be obtained only from the manufacturer.

3. An item where compatibility is the overriding consideration, such as computer software.

4. Media buys, such as newspaper, trade journal and/or radio advertising.

Event Expenses are specialized services and subject to the review guidelines in Section 12.1. Cash disbursements of any amount to promoters of events are processed by way of check with payee endorsing the check to the Facility for cash. Multi copy purchase orders should be used to allow one copy to be held in the department, a copy to be forwarded to accounting, and a copy to be provided to the Owner at the time of payment.

D. Emergency Purchases Policy

Emergencies are defined as events that could not have been foreseen where immediate action is necessary to safeguard the public's health and safety and prevent delays in work, contracts, and/or transportation. In the event of an emergency, upon verbal approval by the Owner's Representative, the General Manager may authorize a vendor to perform work necessary to resolve such emergency without formal bid solicitation. Documentation of the emergency and the need for immediate action shall be presented to the Village Board in a reasonable period of time following resolution of the crisis. If despite a good faith attempt by Manager, the Owner's Representative cannot be reached, Manager may without the Owner's Representative authorize a vendor to perform the work so as to resolve such emergency. A requisition with a delivery ticket or packing slip should be attached and sent to the Village's Finance Director within five days after the emergency, so that the proper paperwork is initiated and approved retro-actively.

An emergency purchase order can be issued authorizing a vendor to perform any and all work necessary. If the emergency and the need for immediate action exceed $20,000, documentation shall be presented to the Owner's Representative prior to such authorization.

E. General Purchase Procedures

1. Purchase orders and proper documentation are required for all Operating Expenses.

2. All invoices are to be received by the Facility Finance Department. Upon receipt, Accounting Department's copy of the purchase order is attached to invoice, sent to

department head for review and approval, and promptly returned to the Accounting Department.

3. A copy of the purchase order original invoice and supporting documentation should be copied and signed off by General Manager prior to check being issued for payment. A copy of all documentation related to every purchase shall be provided to the Director of Finance, Village of Hoffman Estates at the time a check is presented to the Owner for co-signature.

4. All invoices are to be entered into the Facility's accounting system as soon as possible with checks generated mid-month and at the end of each month, or more frequently as the need may arise.

All Facility cash disbursements will be made by checks written through the Manager's accounts payable system, by manual check, through Manager's procedures to access the Facility petty cash fund, by wire transfer, or by approved debit card transaction, all pursuant to this Exhibit E. At the time the invoice is being processed for entry into the Manager's accounts payable system, and prior to submitting a check for Owner's counter-signature, Manager shall verify (i) a copy of the approval to purchase, if applicable, (ii) receipt of goods or services, if applicable, (iii) accuracy of charges, and (iv) booking of the expenditure. Only original invoices are acceptable. Accounts payable checks are drawn on the Facility Operating Account. Check requests may be used only in certain circumstances and never in lieu of an available invoice. The check request must have the business purpose of the expense, why an invoice is not available, the proper approvals and all pertinent documentation for Manager's approval and Owner's counter-signature.

F. Check Signing/Wire Transfers/Transfers Between Accounts

1. All checks require two signatures, one by General Manager or Finance Director of the Facility and a counter signature by the Village's Director of Finance or, in his or her absence, the Village's Assistant Director of Finance of the Village of Hoffman Estates.

2. All wire transfers will be initiated by Manager using on-line bank access and must be authorized and released by the Village's Director of Finance or, in his or her absence, the Village's Assistant Director of Finance of the Village.

3. Transfers between the Ticketing and Operating Account will be initiated by Manager using on-line bank access and must be authorized and released by the Village's Director of Finance or, in his or her absence, the Village's Assistant Director of Finance of the Village.

The foregoing requirements in F(1), (2) and (3) shall not apply with respect to payroll and other approved regularly occurring payments of Operating Expenses included within the approved Operating Budget. Whenever approval, authorization, or signature of the Owner's Representative or Director of Finance (or Assistant Director of Finance, as applicable), is required hereunder, such person shall provide his or her approval (or rejection) within two (2) days of the request for approval or sooner if possible.

EXHIBIT F
MANAGER BEER GARDEN DUTIES

Manager's obligations with respect to the Beer Garden under the Agreement shall consist of the following obligations, all of which are subject to the terms of this Agreement and the controls and restrictions in the Operations Manual (collectively the "**Beer Garden Services**"). Such services shall either be performed by Manager itself, or though third party contractors engaged by Manager hereunder on behalf of the Facility, or as mutually agreed upon, by the Owner.

(a) Perform routine opening and closing services for the Beer Garden during customary operating hours.

(b) Arrange for and otherwise book talent and events at the Beer Garden and assist with production (*e.g.*, sound and lighting) for the same.

(c) Manage admissions procedures, food and beverage services (such services to be performed by Levy or the Facility's subsequent food and beverage provider engaged by Owner), and general user and admission services.

(d) Hire or otherwise engage, pay, supervise, and direct all personnel Manager deems necessary for the operation of the front of house space at the Beer Garden during hours in which the Beer Garden is open (or other personnel as may be required to perform the Beer Garden Services) in accordance with the approved Operating Budget.

(e) Perform weekly inspections, routine maintenance, and minor repairs under $500 as needed (*e.g.*, repair broken tables or umbrellas).

(f) Manage and oversee cleaning during hours when the Beer Garden is open and immediately after closing.

(g) Manage and oversee the sale of Commercial Rights at or in connection with the Beer Garden.

Notwithstanding the foregoing, and unless otherwise agreed to by the parties in writing, Manager shall have no obligation to perform the Beer Garden Services at the following events (the "**Excluded Events**"):

- July 4th Festival (Northwest Fourth Fest)
- Celtic Fest (Shenanigans on the Green)
- Octoberfest (Platzkonzert Germanfest)

EXHIBIT G
INSURANCE

1. At all times during this Agreement, Manager shall, as an Operating Expense:

(a) maintain commercial general liability insurance, including products and completed operations, bodily injury and property damage liability, contractual liability, independent contractors' liability and personal and advertising injury liability against claims occurring on, in, or about the Facility, or otherwise arising under this Agreement;

(b) maintain umbrella or excess liability insurance;

(c) maintain commercial automobile liability insurance, including coverage for the operation of owned, leased, hired and non-owned vehicles;

(d) maintain appropriate workers compensation and employer's liability insurance as shall be required by and be in conformance with the laws of the State of Illinois; and

(e) maintain professional liability insurance and self-insured employment practices liability coverage;

2. At all times, with all insurances coverages the Manager obtains through the Operating Budget, the Village and Manager's Affiliates will be named as additional insureds except that the Village shall be a named insured with respect to the commercial general liability policy with the endorsement language set forth in Section 16.2.

3. The Village shall procure and maintain Property and Liability/Bodily Injury insurance and the associated premium cost will be borne by the Village (not as an Operating Expense).

4. Such insurance shall be maintained in the following minimum amounts throughout the Term:

Commercial General Liability
$1,000,000 per occurrence and aggregate

$1,000,000 personal and advertising injury

$1,000,000 products-completed operations aggregate

Automobile Liability
$1,000,000 per accident (Personal Injury and Property Damage combined single limit)

Umbrella or Excess Liability
$25,000,000 per occurrence and aggregate

Workers Compensation

Workers Compensation: Statutory
Employer's Liability: $100,000 each accident-bodily injury by accident
$500,000 policy limit-bodily injury by disease
$100,000 each employee-bodily injury by disease

Professional Liability/Errors & Omissions (Claims Made)
$1,000,000 each occurrence/aggregate

Policy shall include Entity Coverage

Crime Insurance

Coverage on all on-site Manager employees. Limit: $500,000

AGENDA ITEM REPORT
Finance Committee
December 15, 2025
ITEM 5C

REQUEST:	Approval of a Resolution authorizing an intergovernmental agreement with Suburban Liability Insurance Pool and Alliant/Mesior Insurance Service for property and causality insurance coverage for 2026.
FROM:	Ken Koop, Risk Manager Dan O'Malley, Deputy Village Manager Patrick Seger, Human Resources Management Director
ITEM TYPE:	Resolution - Committee

REQUEST SUMMARY
To request approval to renew the Village's existing property and casualty insurance program, including cyber risk, through the Suburban Liability Insurance Pool (SLIP) expiring December 31, 2025. In addition, request approval to renew the Village's worker's compensation, underground storage tank and liquor liability coverages through Alliant/Mesirow Insurance Services.

BACKGROUND: In 2018, the Village Board approved an intergovernmental pooling agreement with the Suburban Liability Insurance Pool (SLIP) to insure all insurance coverages except worker's compensation, underground storage tank and liquor liability. Arthur J. Gallagher Risk Management Services Inc. (AJG) is the administrator of the insurance pool.

For the coverages not included with the pool, the Village has utilized Alliant/Mesirow Insurance Services to market and provide quotes for worker's compensation, underground storage tank, and liquor liability excess insurance coverages.

In 2021 the Village Board approved The Illinois Public Risk Fund to provide worker's compensation insurance coverage to the Village due to the consistently unfavorable renewal terms received by standard carriers in previous years.

DISCUSSION:SLIP POOL:
The Village of Buffalo Grove, City of Highland Park, Village of Elk Grove, and the Village of Hoffman Estates are the founding members of SLIP. The pool was created to accommodate each member's individual insurance needs, while providing lower overall fixed costs and premiums.

COVERAGE STRUCTURE: The Village's SLIP coverage structure will remain similar to the existing program. The pool provides the first layer of coverage which is a protected self-insured loss fund that attaches above each individual member's self-insured retention. Each member annually contributes to the loss fund to cover losses within that layer of coverage. There is also a one million dollar stop loss insurance policy that would pay losses if the loss fund is depleted. This layer of coverage protects each member from losses in excess of the current loss fund. To the member's benefit, if the loss fund is not depleted in a given year, the member retains these unused funds. This is the case currently with the 2019 through 2025 claims experience.

The actuaries have determined that the pool's loss fund will increase by $50,000 totaling $800,000 for 2026. If the loss fund were to realize losses in excess of the amount funded, the membership would be required to fund the remainder of the unfunded loss fund to the stop loss coverage limit of $1,000,000. This is a minimal risk that could potentially be funded by rolling over a portion of the mature loss funds from prior years or by using the insurance fund reserves.

In addition, there are excess commercial insurance layers of coverage for losses that are in excess of the pool's retention layer. The final layers of coverage are three (3) commercial excess insurance policies that are in place for losses above the pool's self-insured retention.

2026 Renewal: Premium and Limit Considerations
Although the Village has increased its loss fund contribution, if the pool's losses do not reach that layer of coverage (loss fund) the Village will be able to retain all or part of the contribution once all 2026 losses are closed out.

Secondly, the increase in premium is due, in part, to an increase in the Village's property values. SLIP conducted a formal appraisal of all insured properties in 2023. As a result, there is a market increase added to the Village's property values, which were adjusted for market value again for 2026. There is a $10,082.55 or 6.13% increase in premium due to the increase in property values and insurance rates.

Lastly, there was an increase in overall premiums due to the addition of two enhanced insurance coverages. SLIP's standalone Terrorism policy increased slightly due to claim activity and increasing global effects. As a result, the Village secured two other coverage options, Crisis Protect and Nuclear, Biological, Chemical and Radiological Terrorism coverage. These two options provide more coverage to SLIP than a standalone Terrorism policy. The premium for these additional coverages is $37,539.

The Village realized an overall adjusted increase of 11.28% for this program (including cyber), which reflected in an increase in the Village's 2026 premium of $111,173.

Cyber Liability Coverage
The cyber liability insurance market has started to soften in the past year. However, the Village did experience a loss in this line of coverage in 2023. This has affected the way the incumbent carrier, Palomar Excess and Surplus Insurance Company (Cowbell), and other carriers evaluate the Village's exposure. Cowbell is an A X rated insurance company admitted in the State of Illinois. They have provided a quote that that matches expiring terms. All carrier's in the market space are now requiring considerable loss control in order to offer coverage. The Village has complied with these requirements to bind the 2026 coverage. The Village's 2026 premium for cyber coverage with Cowbell has increased from 2025, 1.03% or $1,412. The total premium for cyber coverage for

2026 is $43,694.

The total program cost, including premium and other operating costs to the pool, for the renewal of the Villages SLIP program, is $1,096,833; an adjusted increase of 11.28% from the prior year.

Please see the attached exhibits for a visual description of the specific renewal costs by coverage for the pool.

Loss fund Reimbursement
As stated above, the loss reserves the Village retains for coverage in prior years is subject to the Village recouping those funds if the claims in that policy year have been closed out and the reserves are not exhausted. Since the claims in the 2019 coverage term have all closed out, and a significant reserve remained, the pool has allocated a portion of those funds to offset the premium increase in 2026 by $27,958. This **Net Position Credit** option will be utilized in the 2026 renewal and again in future years as prior terms mature and the loss reserves become available to be reimbursed to the membership. This is a significant benefit to being in SLIP. In the standard insurance market, loss reserve funds would be lost to the insured.

NON-SLIP COVERAGES:
There are three insurance coverages that are not included in the SLIP program. Liquor liability, Underground Storage Tank and Worker's Compensation coverages are proposed to be placed with Alliant/Mesirow Insurance Services.

Liquor Liability/Underground Storage Tank
The Liquor Liability market has been tested by the broker and as a result, there were no competitive quotes from non-incumbent carriers and there is a flat renewal (no premium increase) for the liquor liability coverage. The proposed premium for 2026 is $1,525.

Underground Storage Tank
Alliant/Mesirow Services has tested the market and found that there are no other insurance quotes that are competitive to the Villages existing program with IPRF. There is a very minor increase to premium of $315 for 2026. The total proposed premium for 2026 is $4,597 for underground storage tank coverage.

Worker's Compensation/Illinois Public Risk Fund (IPRF)
Alliant/Mesirow Services has marketed this line of coverage this year and found that there are no other insurance quotes that are competitive to the Villages existing program with IPRF.

IPRF was established in 1985 due to the hard market conditions at the time. It is a municipal risk pool that provides worker's compensation coverage exclusively, to its 600+ members. It is rated AAA by Demotech who rates insurance pools. This is the highest rating available. The pool is reinsured by Safety National, which was the Village's previous carrier.

IPRF provides a litany of loss control and safety related training materials and services that are included in the premium. Third party claims administration (TPA) services are included in the premium as well.

A review of the pools' bylaws reveals that if a member decides to leave the pool, only a 90-day notice of separation is required. This would allow the Village to easily market this line of coverage and if as a result, the Village decides not to withdraw from the pool, IPRF would simply require the Village to rescind the notice of separation to continue in the pool. This provides the Village a great deal of flexibility with marketing this line of coverage. The Village is essentially not locked into the pool for any duration past the policy period, unlike most municipal risk pools.

The total premium cost for worker's compensation coverage for 2026 is $158,927, a 6% or $9,447 increase from the prior year.

IPRF has also again provided their Safety Grant in 2026 in the amount of $11,353. The Safety Grant can be used to reimburse the Village's expenses related to the safety program and in turn offset the premium expense.

Please see the attached exhibits for the actual renewal costs for each coverage.

FINANCIAL IMPACT

The SLIP renewal recommendation presented below represents an adjusted 11.28% or $ 111,173 increase in the overall cost for the package program as compared to the Village's expiring program. This is mainly due to the increase in property premiums, the loss fund reimbursement, and coverage enhancements.

The cyber premium recommendation of $43,694 reflects an increase of 1.03% or $1,412.

There is also a 6.28% or $9761 increase in premium for the purchase of the three lines of coverage outside the IPRF through Alliant/Mesirow Insurance Services.

.

The recommendations herein for these expenses will be completely funded by the approved FY26 budget.

RECOMMENDATION

A: SLIP Renewal

Approval of the renewal of the SLIP coverage package for the cost of $1,096,833, for the policy term 12/31/25 through 12/31/26.

B: Alliant/Mesirow Insurance Services Renewal

Approval of the renewal of the Liquor liability, Underground Storage Tank, and Worker's Compensation coverages for a total fixed cost of $165,049. The Liquor liability and Underground Storage Tank policy term is 1/1/26 through 1/1/27 and the worker's compensation policy term is 12/31/25 through 12/31/26.

ATTACHMENTS

1. Exhibits
2. RESOLUTION - 2026 Insurance Renewal

Draft

Village of Hoffman Estates

Pricing Comparison

12/31/2025-2026

Lines of Coverage*	12/31/2024-2025	12/31/2025-2026	$ Change	% Change
SLIP Package	$197,231.37	$216,277.95	$19,046.58	9.66%
SLIP Terrorism	$10,738.61	$13,294.78	$2,556.17	23.80%
SLIP Crisis Protect	$0.00	$34,433.00		
SLIP NCBR	$0.00	$3,106.25		
SLIP Excess Property	$164,542.45	$174,625.00	$10,082.55	6.13%
SLIP Boiler	$10,272.80	$10,516.00	$243.20	2.37%
SLIP Excess Crime	$3,871.89	$3,871.89	$0.00	0.00%
SLIP Excess Liability - 1st Layer	$209,597.99	$223,653.51	$14,055.52	6.71%
SLIP Excess Liability - 2nd Layer	$115,056.14	$121,384.29	$6,328.15	5.50%
SLIP Excess Liability - 3rd Layer	$56,947.00	$60,021.62	$3,074.62	100.00%
Cyber	$42,282.00	$43,694.00	$1,412.00	3.34%
CCMSI Claims Fee	$29,027.49	$30,317.20	$1,289.71	4.44%
AJG Broker Fee	$46,359.28	$47,748.92	$1,389.64	3.00%
Loss Fund	$155,716.08	$166,097.15	$10,381.07	6.67%
Net Postion Credit	($27,959.00)	($27,959.00)	$0.00	0.00%
SLIP Operating Costs	($28,025.00)	($24,250.00)	$3,775.00	13.47%
TOTAL	**$ 985,659**	**$ 1,096,833**	**$ 111,173**	**11.28%**

*TRIA not included in pricing

Village of Hoffman Estates - Premium Summary - 1/1/2026-2027

Excess Workers Compensation

	Expiring	Renewal - Opt 1	Renewal - Opt 2	Renewal - Opt 3
Carrier	Illinois Public Risk Fund	Illinois Public Risk Fund	Safety National	Midwest Employers - Could not compete with IPRF
SIR /Deductible	$500,000 deductible	$500,000 deductible	$750k EMT/Police/Fire - $600,000 All Other	$750,000 All Claims
Employers Liab. Limit	$ 3,000,000	$ 3,000,000	$ 2,000,000	$ 1,000,000
Payroll	$ 39,281,370	$ 41,668,463	$ 41,668,463	$ 41,668,463
Premium	$ 149,481	$ 158,927	$ 166,700	N/A
Est. TPA Costs	Included	Included	$ 30,000	$ 30,000
Safety Grant	-$12,736.00	-$11,353.00	N/A	N/A
Total Net Cost	$ 136,745	$ 147,574	$ 196,700	N/A

Liquor Liability

	Expiring	Renewal - Opt 1
Carrier	Lloyds of London	Lloyds of London
SIR /Deductible	None	None
Premium	$1,525	$1,525
Limit	$1,000,000	$1,000,000

Underground Storage Tank

	Expiring	Renewal - Opt 1
Carrier	Ironshore	Ironshore
SIR /Deductible	$ 75,000	$ 75,000
Premium	$ 4,282	$ 4,597
Limit	$ 1,000,000	$ 1,000,000
Retro Date	1/1/2013	1/1/2013

1. Other markets appraoched: Navigators and Chubb - declined as they cannot write tanks 30 years or older . As per last year Crum only offers a 20k limit.

2. The UST premiums do not include TRIA

This is a summary of terms and conditions only. The policy details will govern coverage.

RESOLUTION NO. _____-2025

VILLAGE OF HOFFMAN ESTATES

RESOLUTION AUTHORIZING AN INTERGOVERNMENTAL AGREEMENT WITH SUBURBAN LIABILITY INSURANCE POOL AND ALLIANT/MESIROW INSURANCE SERVICES FOR PROPERTY AND CASUALTY INSURANCE COVERAGE FOR 2026

WHEREAS, the Village of Hoffman Estates ("Village") has entered into an agreement with the Suburban Liability Insurance Pool and Alliant/Mesirow Insurance Services for property and casualty insurance coverage for 2026; and

WHEREAS, in compliance with the aforementioned agreement it is necessary for the Village to appropriate sufficient funds to pay its share of the cost of said improvement; and

NOW, THEREFORE, BE IT RESOLVED, by the President and Board of Trustees of the Village of Hoffman Estates, as follows:

Section 1: There is hereby appropriated the sum of One million, two-hundred and sixty-one thousand, and eight hundred and eighty-two dollars ($1,261,882) or so much thereof as may be necessary, from any money now or hereinafter allotted to the Village, to pay its share of the cost of this improvement as provided in the agreement.

Section 2: Upon award of the contract for this improvement, the Village will pay to the Suburban Liability Insurance Pool and Alliant/Mesirow Insurance Services in a lump sum from any funds allotted to the Village, an amount equal to 100% of its obligation incurred under this agreement.

Section 3: The Village agrees to pass a supplemental resolution to provide any necessary funds for its share of the cost of this improvement if the amount appropriated herein proves to be insufficient to cover said cost.

Section 4**:** This Resolution will be in full force and effect from and after its passage and approval as provided by law.

RESOLVED THIS ________ day of _________________, 2025

VOTE	AYE	NAY	ABSENT	ABSTAIN
Trustee Karen V. Mills	_____	_____	_____	_____
Trustee Anna Newell	_____	_____	_____	_____
Trustee Gary J. Pilafas	_____	_____	_____	_____
Trustee Gary G. Stanton	_____	_____	_____	_____
Trustee Karen Arnet	_____	_____	_____	_____
Trustee Patrick Kinnane	_____	_____	_____	_____
President William D. McLeod	_____	_____	_____	_____

APPROVED THIS ______ DAY OF _______________, 2025

____
Village President

ATTEST:

____
Village Clerk

Village of Hoffman Estates
Information Technology Department

2025 November MONTHLY REPORT

Contents

CentralSquare Technologies/GovQA Monthly Review 2
Training 3
Meetings 3
Technical Support, Hardware & Software Review 4
IT Training 5
IT Meetings 5
Completed Work Orders by Location 5
Completed Work Orders by Month 6
System and Data Functions 6
Email Spam Report 7

CentralSquare Technologies/GovQA Monthly Review

Project Activities

- BS&A Data Reviews
- Laserfiche Forms

CentralSquare

PLUS Applications

- Updated inspection letter
- Data extraction and train environment refresh 11/17/25 FinancePLUS and CommunityPLUS
- Ran data extraction reports for data validation
- Updated location table requests
- PIN corrections
- Crated business list for Jen Djordjevic
- Ran penalties for BL, HB, GP and RRL
- Troubleshoot stuck requisition for Bill Lynch
- Central Square password reset/security question reset
- Restored ComPlus and FinPLUS backup database for internal data validations

Community Development Applications

- Data extraction and train environment refresh 11/17/25 FinancePLUS and CommunityPLUS
- Ran data extraction reports for data validation
- Worked with Daisy for Permit data in question
- Restored ComDev backup database for internal data validations

GovQA

- Created a ticket for duplicate notifications
- Merged customer account due to duplicate issues

UKG Ready

- Created tickets to fix/configure system
    - Export file – regular hours to only appear once/FICA fix
    - Informed UKG users of downtime occurring on Nov 21 from 12:00 AM to 6:00 AM ET
    - Troubleshoot calculation errors, worked with Payroll and PW

    - Fixed/updated employee profiles
    - Created ticket to address max running balance notifications
    - Created ticket on issue with calculating max vacation balance accruals

Training

- BS&A Webinars

Meetings

- Met several times during the month with the IT Director to review project status and issues of note
- BS&A Data Reviews
- Weekly PM Check-Ins
- Bi-Weekly Project Meeting Call
- Bi-Weekly BS&A Project Status Call
- Monthly Vendor Meeting
- Laserfiche Forms Meetings

Technical Support, Hardware & Software Review

Project Activities

Project – Firewall Replacement

- IT staff installed new firewalls for the Village Hall. The firewalls located at the Village Hall are the primary edge-security devices that protect the Village from the internet.

Project – New Internet Providers

- One of the new internet providers the Village acquired provides a faster speed than the older firewalls could handle. The new firewalls were installed this month which allowed IT staff to implement this faster connection ISP

Project – Fire Station 21 (new)

- IT staff installed a temporary connection for the new Fire Station 21 to test the connection to Northwest Central Dispatch. The test was successful.

Project – Finance and Spatial Technology Office Re-model

- The IT department set up temporary offices with networking abilities for the Finance and Spatial Technology departments. Both departments have been getting their offices re-modeled and need a temporary workspace for a week.

Security and Other Updates

- New CAD version has been released by NWCD. IT staff are set to begin testing the new version before deploying all Fire and Police computers/MDTs.
- Continued Windows Updates and firmware updates on all PC's and workstations
- Worked with the Communications Manager to set up SSO for the new Village website

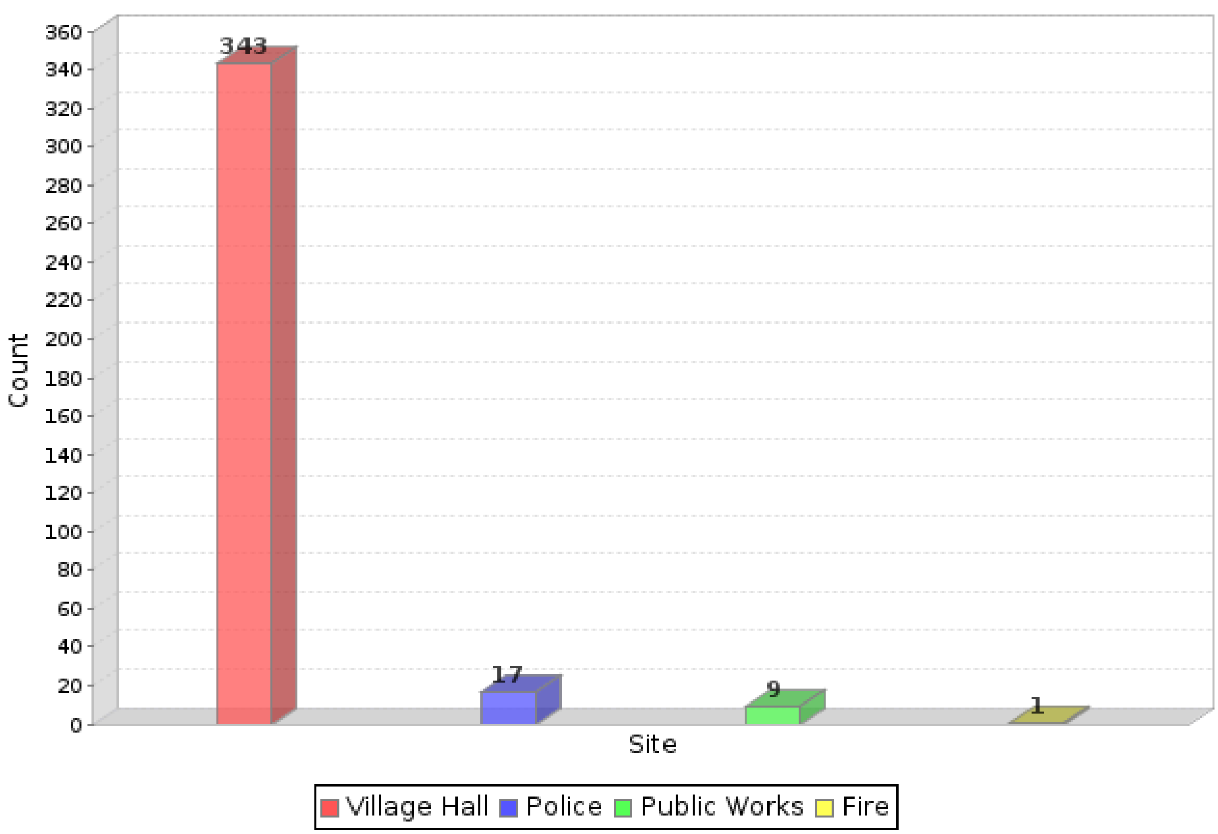
IT Training

- Completed 10 new user orientations

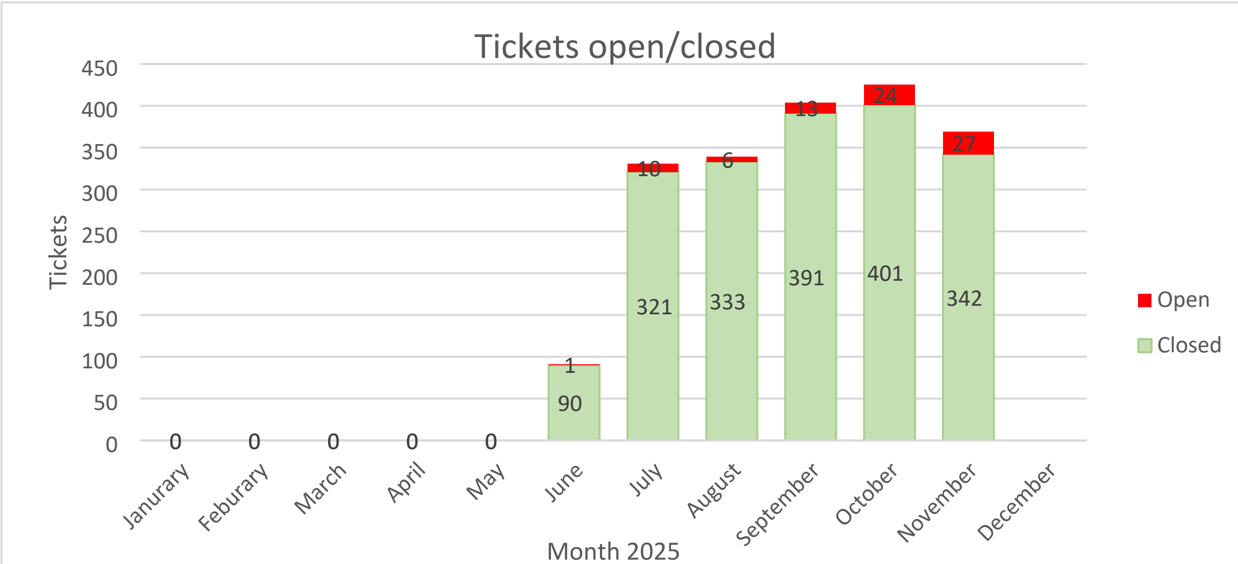
IT Meetings

- Met with the Fire Department to discuss on-going tasks for the new Fire Station 21 and 22
- IT staff met with multiple security vendors

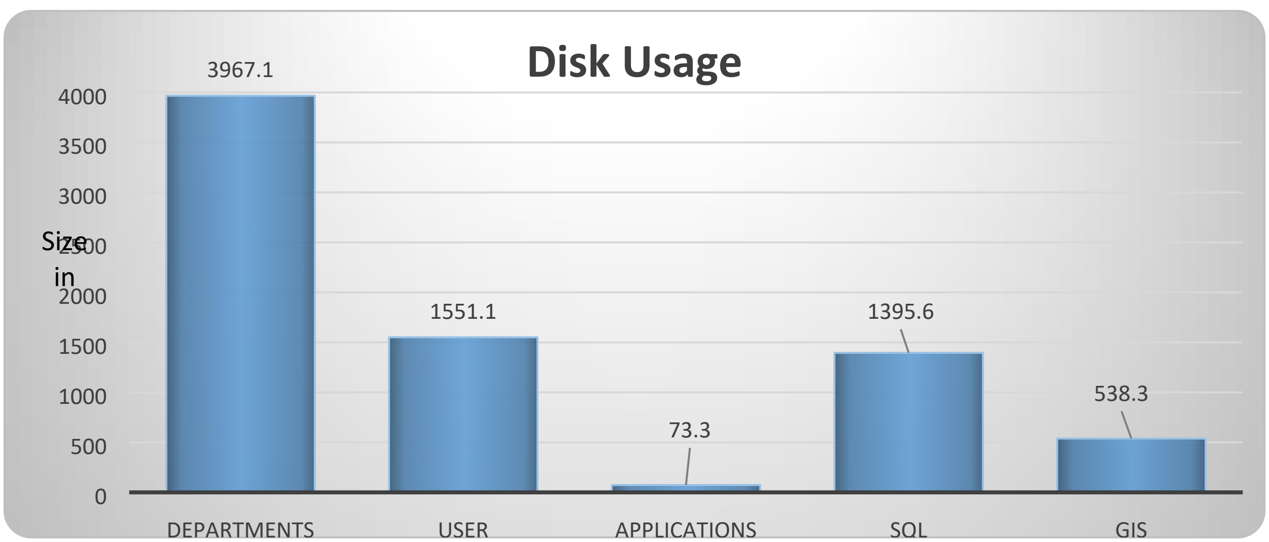
Completed Work Orders by Location



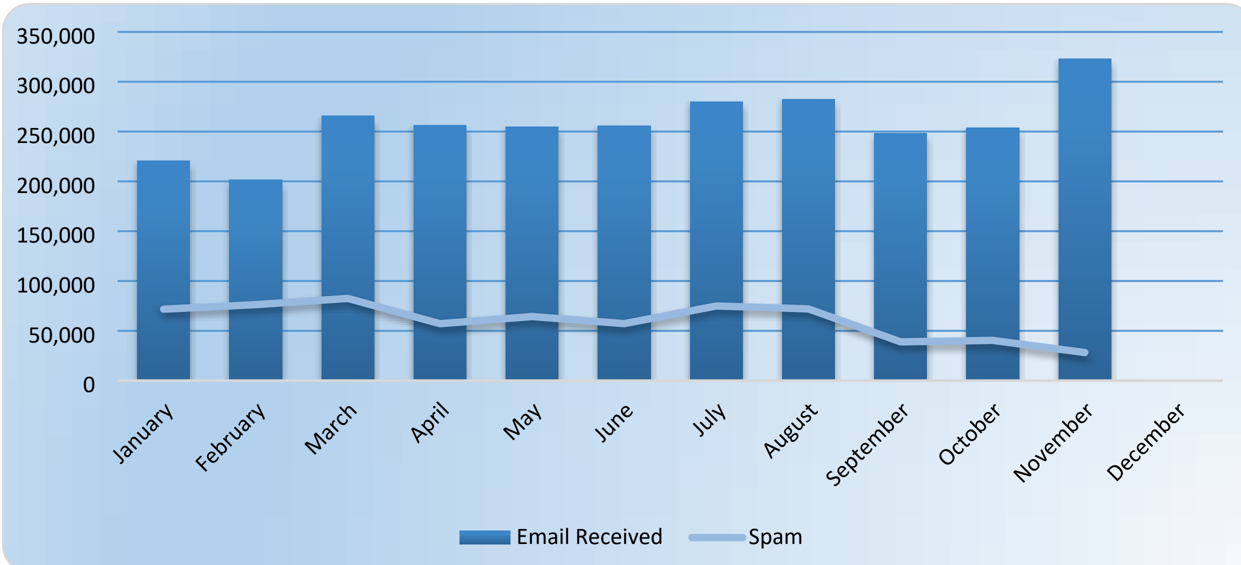
Completed Work Orders by Month



System and Data Functions



Email Spam Report



Darek Raszka, Director of Information Technology

VILLAGE OF HOFFMAN ESTATES

Memo

TO: Finance Committee

FROM: Daniel P. O'Malley, Deputy Village Manager/Owner's Rep.-NOW Arena

RE: **OWNER'S REPRESENTATIVE MONTHLY REPORT DECEMBER 2025**

DATE: December 10, 2025

1. The north elevator project work is complete. The final inspection is scheduled and it is anticipated to be complete by end of this month.

2. The retaining wall project is almost complete, backfill and grading work have been completed and the fence installation is scheduled to be completed by the end of the year weather permitting.

3. The final budgeted capital items are progressing. The fencing adjacent to the suite lot on top the dock area is to be replaced, the contractor has the materials and installation is pending depending on weather. The items for the AV equipment replacement project have been ordered and installation will occur upon arrival.

4. OVG has proposed extending the management agreement. A proposed amended agreement has been scheduled for the Dec 15 Finance Committee and Village Board for consideration.

5. The Village Green concession building project continues to progress, the foundation and underground utilities are complete. This project is currently on schedule.

6. Staff has prepared the arena capital projects for the FY26-30 CIP program. This plan has been approved by the Village Board earlier this month.

7. Conducted bi-weekly meetings with Public Works Facilities and Arena staff regarding building and maintenance items.

8. Meet regularly with Ben Gibbs, General Manager to discuss operational items and events at the arena.

9. The Hideaway Beer Garden is closed for the season, only five months to opening day. Check out the website www.hideawaybrewgarden.com for details of the events for the upcoming 2026 season.

Attachment

cc: Ben Gibbs, General Manager (OVG)

Now Arena

General Manager Update

December 2025 Update

Event Highlights	**Notes**
Dec 5: Windy City Bulls Game Dec 6: Windy City Bulls Game Dec 13: NOW Christmas Party Dec 27: AEW Pay-per-View	
Finance Department	
General	New Director of Finance is onboarding currently, and expect to have financial reports ready in the coming month.
Monthly Financial Statement	Building Event Revenue YTD: $1,454,251
	Building Sponsor/Other Revenue YTD: $95,110
	Building Expenses YTD: $1,017,035
	Building Income YTD: $532,325 vs Budget $328,356
Operations Department	
General	Prep for winter season, NOW Foods Corp Event and end of year repairs.
Positions to Fill	
Third Party Providers	N/A
Village Support	PW assisting with completing the elevator replacement and upgrade to control room.
Events Department	
General	Event Managers prepping for start of busy season including Windy City Bulls, NOW Foods X-mas Party, etc.
Positions to Fill	Senior Event Manager
Marketing Department	
General	Supporting marketing for Windy City Bulls.
Positions to Fill	N/A
Group Sales Department	
General	N/A
Box Office Department	
General	Working on several on sales including Monster Truck, Bull Riding and upcoming December/January concerts.
Food & Beverage Department	
General	Looking to hire additional culinary support.
Premium Seating Department	
General	Continue to renew annual suites, marquee signage and working on beer pouring rights.
Positions to Fill	NA
Sponsorship Department	
General	Concentrating on unsold categories including insurance and liquor.
Monthly Financial Statement	Corporate Sales: $67,948
	Suites Sales: $35,220

General	
Capital Improvements/Repairs	Working on RFP documents for highway marquee and Northside Renovation Project.