

DISTRICT SIGN AGREEMENT

This District Sign Agreement (“**Agreement**”) dated for reference purposes as of September 27, 2022 is effective as of the Effective Date of the FMA (each, as defined) and entered in between the **CITY OF ANAHEIM**, a municipal corporation and charter city under the laws of the State of California (“**Owner**”) and **ANAHEIM ARENA MANAGEMENT, LLC**, a California limited liability company (“**Manager**”), with reference to the following facts. Owner and Manager are individually referred to as a “**Party**” and, collectively, as the “**Parties**” in this Agreement. Capitalized terms not otherwise defined in this Agreement have the meaning set forth in the Amended and Restated Facility Management Agreement (for the Honda Center) between Owner and Manager and dated as of July 1, 2022 (the “**FMA**”).

RECITALS

- A. Pursuant to the FMA, District Sign Revenues are considered Gross Revenues and applied pursuant to Sections 5.2 and 9.4 of the FMA.
- B. The Parties desire to provide for a revision to the application of the Gross Revenues at a time and under other terms and conditions as set forth in this Agreement.

NOW, THEREFORE, the Parties agree as follows:

AGREEMENT

1. Definitions.

- 1.1 “**Manager Affiliate**” shall have the meaning set forth in Section 2.
- 1.2 “**Shared Sign Revenues**” means the actual District Sign Revenues during each Operating Year following the Threshold Year minus the District Sign Revenues during the Threshold Year.
- 1.3 “**Sign Revenue Shares**” shall have the meaning set forth in Section 2.
- 1.4 “**Threshold Year**” means the full Operating Year following the Operating Year during which the tenth (10th) annual anniversary of the Effective Date occurs provided, however, that if the tenth (10th) anniversary occurs on the first day of an Operating Year, the Threshold Year shall be the Operating Year commencing on that date. By way of example, if the tenth (10th) anniversary of the Effective Date is July 1, 2032, the Threshold Year shall be the Operating Year commencing on July 1, 2031 and ending on June 30, 2032.

- 2. Allocation of Shared Sign Revenues. Commencing with respect to the initial Revenue Sharing Year, which shall occur not later than the first full Operating Year after Threshold Year and not later than eleven years after construction of the first Arena Special Sign District digital advertising sign and continuing with

respect to each subsequent Revenue Sharing Year during the initial thirty-year Term of the FMA, the Shared Sign Revenues payable annually to the Owner shall be one million one hundred forty thousand nine hundred sixty-six dollars (\$1,140,966) per Operating Year with the remainder of Shared Sign Revenues payable to the Manager and thereafter, during any Extended Term of the FMA, Shared Sign Revenues shall be split equally between the Owner and an Affiliate of Manager (the “**Manager Affiliate**”) as determined annually by Manager and shall be payable as set forth in Section 3 (the “**Sign Revenue Shares**”). Owner and Manager agree that Owner’s portion of the Shared Sign Revenues each year during the Extended Term shall be a minimum of one million one hundred forty thousand nine hundred sixty-six dollars (\$1,140,966) per Operating Year.

3. **Payment of Sign Revenue Shares.** Manager shall pay to Owner and Manager Affiliate their respective Sign Revenue Shares on each Distribution Date as defined in the FMA (which shall be not later than ten days following the Accounting Date for each Operating Year beginning with the first Revenue Sharing Year). (or at Manager’s election on any date after the Accounting Date as defined in Section 6.3 of the FMA and before the Distribution Date).
4. **Records and Reports.** Manager shall maintain records and reports with respect to the calculation of the Shared Sign Revenues and Sign Revenues as otherwise set forth in Section 6 of the FMA.
5. **Notices.** Any notice required or permitted to be given under this Agreement shall be done so in the manner set forth in Section 21.2 of the FMA.
6. **Entire Agreement.** This Agreement constitutes the entire agreement between Owner and Manager with respect to the subject matter of this Agreement. Any prior agreements, promises, negotiations, or representations pertaining to the matters set forth herein but not expressly set forth in this Agreement are of no force and effect. Any amendment to this Agreement shall be of no force and effect unless it is in writing and signed by the Parties.
7. **Attorneys’ Fees.** If a Party institutes legal action against the other Party to interpret or enforce this Agreement or to obtain damages for any alleged breach, the prevailing Party shall be entitled to an award of reasonable attorneys’ fees.
8. **Counterparts.** This Agreement may be executed in counterparts, all of which, collectively, shall constitute an original.

[Signatures appear on following page.]

Executed as of the date first written above.

“OWNER”:

CITY OF ANAHEIM, a municipal corporation
and charter city

Dated: _____

By: _____

Print Name: _____

Title: Mayor Pro Tem

Attest:

Theresa Bass, City Clerk

Approved as to Form:

Robert Fabela, Esq., City Attorney

“MANAGER”:

ANAHEIM ARENA MANAGEMENT LLC, a
California limited liability company

Dated: _____

By: _____

Print Name: William Foltz

Title: Chief Executive Officer

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