



Kyle

# Lexington Center Corporation

November 7, 2000

Larry Ivy  
Director of Athletics  
University of Kentucky  
Memorial Coliseum  
Lexington, KY 40506

**Re: Installation of Video Boards in Rupp Arena**

Dear Larry:

As you know, we are in the process of completing arrangements with Action Sports Media, Inc. for the purchase and installation of video boards and other equipment in Rupp Arena. The purpose of this letter is to confirm the terms of our agreement with respect to this matter and the sale and division of revenue associated with signage rights in the arena. Specifically, we will agree to modify our existing lease agreement dated May 21, 1998 (the "Lease") as follows:

1. Effective commencing with the 2000-2001 season UKAA shall assign all Arena Signage contracts and the revenue derived thereunder to Lessor or its designee, and Section IV, G of the Lease shall be amended to read, in its entirety, as follows:

Lessor shall retain control of the sale, marketing and display of all signage in or on the leased premises, including, without limitation, existing signage in the arena viewing area and any additional signage that becomes available through installation of new equipment, improvements made to existing equipment or facilities, or otherwise. Lessor shall pay (or cause to be paid) to Lessee, annually, a royalty equal to the greater of (a) 25% (or 33% if revenue producing signage on courtside tables is available during UKAA events) of gross revenues generated from the sale of Arena Signage (as hereinafter defined), or (b) \$250,000 per year. "Arena Signage" shall mean permanent existing signage available in the arena bowl seating area, plus additional signage made available in the arena bowl seating area through installation of new equipment, or improvements made to existing equipment or facilities including advertising spots sold on video screens during UKAA events; provided, however, "Arena Signage" shall not include (i) any right to temporary signage granted to Kentucky Hockey Associates, Inc., its

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predecessors or successors, ("KHC") under Lessor's current Lease Agreement with KHC, as amended, or any similar signage rights subsequently granted by Lessor in connection with professional hockey games to be held in the arena, (ii) temporary event signage during the Kentucky High School Boy's State Basketball Tournament, (iii) temporary event signage granted to other lessees of the arena, and (iv) any non-commercial and/or non-revenue producing permanent signage. Lessee grants Lessor an irrevocable license during the Term to exclusively market and sell (i) video screen advertising during UKAA Events and (ii) Arena Signage, except for temporary signage associated with sideline drink rights. Lessee will respect any exclusive advertising agreements for Arena Signage.

2. The parties hereto agree that any royalty payments due to UKAA pursuant to Section IV, G of the Lease (as amended by paragraph 1 above) shall be reduced by the amount, if any, of gross revenues received by UKAA pursuant to agreements for sale of Arena Signage in or on the leased premises, during the 2000-2001 season or thereafter, entered into by UKAA prior to the execution of this Agreement. UKAA agrees that it shall not renew or extend (or allow or permit the renewal or extension of) any existing contract or agreement for the sale of signage in or on the leased premises to which UKAA is a party. UKAA shall, however, cooperate with LCC and/or its representatives in entering into new agreements with respect to the sale of Arena Signage.

3. During UKAA events, UKAA shall have the right to review and approve, in its reasonable discretion, Arena Signage in order to eliminate offensive or inappropriate content given the nature of the Arena and intercollegiate activities conducted therein.

Please confirm your agreement with these changes by signing and returning a copy of this letter to me at the above address before November 15, 2000. If you have any questions regarding these matters, please give me a call.

Very truly yours,



William B. Owen, President

Agreed to:

University of Kentucky Athletic Association

By:

  
Larry Ivy, Director of Athletics

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