

METROPOLITAN SPORTS FACILITIES COMMISSION

Resolution No. 2002-01

RESOLUTION MEMORIALIZING WAIVER OF RENT AND PROVISION OF ADVERTISING OPPORTUNITIES TO THE MINNESOTA VIKINGS

Memorializing amendments to the Football Use Agreement, dated August 8, 1979, as amended (the "Football Use Agreement") between the Minnesota Vikings Football Club, L.L.C., (the "Team") and the Metropolitan Sports Facilities Commission.

Whereas, the Commission owns, operates and maintains the Hubert H. Humphrey Metrodome ("Metrodome" or "Stadium") in which the Team plays its home games.

Whereas, the Team has represented to the Commission that it is the successor by merger to Minnesota Vikings Football Club, Inc., the original signatory to the Football Use Agreement, and that the Team is bound by all obligations of such corporation under the Football Use Agreement and has all rights of such corporation under the Football Use Agreement.

Whereas, the Team has frequently indicated its desire to enhance revenues to the Team in order to remain competitive with the major league, professional football industry.

Whereas, pursuant to the Football Use Agreement, the Team contracted for certain advantaged rights for the use of the Stadium through the 2011 football season and in return, agreed to play all of its home games in the Metrodome. Pursuant to the Football Use Agreement, the Commission has retained all rights with respect to the Stadium except as granted therein to the Team.

Whereas, pursuant to Commission action at its meeting of July 15, 1998, the Commission unanimously approved the return to the Minnesota Vikings, the Minnesota Twins and the University of Minnesota Gopher football program, directly or indirectly, an amount equal to the admissions tax collected on tickets sold to their home games, effective for the 1999 season.

Whereas the Team has requested that instead of receiving a Facilities Cost Credit as was negotiated with and agreed to by the Minnesota Twins and University of Minnesota, that the Commission waive the annual payment of rent by the Team.

Whereas, the Commission has proposed a plan for the addition of certain temporary advertising spaces for use by the Team within the playing and spectator portion of the Stadium, located below the suites in both end zones and on the westside of the Stadium, as depicted and described on Exhibit A hereto (the "Ad Locations").

Whereas, the Commission has made repeated requests to the Team to execute the Commission's drafted amendment to the Football Use Agreement or negotiate one reflecting these actions, but the Commission's requests have been ignored by the Team since 1999 despite the Team's acknowledgment and implementation of the waiver of rent provision and the increased advertising opportunities for and by the Team; then, most recently, the Team unilaterally redrafted the Commission's proposed amendment in its entirety and without discussions.

Whereas, the Commission believes it would be fruitless to further pursue the Team to satisfactorily document the parties' agreement in light of this history and the present, announced position of the Team with respect to the Football Use Agreement.

Whereas, the Commission desires to restate its pledge to host the Team's home games on the most favorable terms which can feasibly be made by the Commission and reinforce its commitment to retain the playing of the Team's home games in the Stadium throughout the term of the Football Use Agreement and so the Commission does hereby further enhance revenues to the Team by the wavier of rent and by expanding the Team's advertising opportunities, which will result in an increase of the Stadium's value to the Team and the enhancement of the Stadium experience for its patrons.

Therefore, be it resolved by the Metropolitan Sports Facilities Commission:

1. The Commission waives the payment of rent required under Sections 4.1 and 4.2 of the Football Use Agreement, effective for the 1999 football season and for each subsequent football season during the term of the Football Use Agreement. The Commission does not waive Section 4.3.

2. The Commission agrees to a revision of Section 5.5 of the Football Use Agreement as set forth in Exhibit B for the 1999 football season and for each subsequent football season during the term of the Football Use Agreement.

3. The Commission hereby grants the waiver of rent and the provision of additional advertising opportunities without additional consideration from the Team, solely in reliance upon the Team's Metrodome 30 year playing commitment.

4. The provisions of this memorializing resolution are made by the Commission as if they were covenants in a mutual agreement signed by the Team and the Commission and are subject to enforcement by the Team or the Commission pursuant to the terms of the Use Agreement and the laws relating to such agreements.

5. Neither the waiver of rent nor the additional advertising opportunities contained herein curtail any of the Commission's remedies for enforcement of the Football Use Agreement. The rights and benefits owing to the Commission and the public from the original terms of the Football Use Agreement may be provided only by the Team's performance, in full, of the playing commitment contained therein. The Commission has not waived, nor does it hereby waive any term, condition, right or obligation as set forth in the Football Use Agreement nor does it hereby waive or excuse any breach of the terms of the Football Use Agreement by the Team or any misrepresentation by the Team upon which the Commission has relied whether arising prior to or hereafter. Except as the terms and conditions of this memorializing resolution may specifically enlarge the mutual rights and obligations of the Team and Commission, the Football Use Agreement is not amended hereby and each of its terms and conditions remains in full force and effect.

ADOPTED this 20th day of February 2002, by the Metropolitan Sports Facilities Commission.

Peggy Lucas, Secretary

Moved by: Towers

William J. Lester
Deputy Secretary/Executive
Director

Seconded by: Pacheco

Ayes
Roberts
Johnson
Thrane
Towers
Pacheco
Lucas

Nays

Abstentions

EXHIBIT A

Ad Locations

- | | | |
|----|--|--------------|
| 1. | Inside the Arena:
Facing of Private Suites | 34 Locations |
| 2. | Inside the Arena
Facing of the football press box | 2 Locations |
| 3. | Exterior of Stadium
Above Entrance Gates | 8 Locations |

EXHIBIT B

Section 5.5 of the Football Use Agreement is deleted and replaced in its entirety by the following:

5.5. The Commission reserves all rights to sell or lease advertising in any part of the Stadium except: a) Team products sold pursuant to section 13.3; b) in the Team's exclusive year around spaces; and c) as set forth in this section 5.5.

Ad Locations. The Commission grants to the Team certain temporary advertising rights on Ad Locations, subject to the terms and conditions of this section 5.5.

- (1) Use of Ad Locations for Team Home Games Only. Advertising on the Team Ad Locations may be displayed only on the day of a Team home game played at the Stadium during the period commencing two (2) hours before the opening of the Stadium spectator gates and ending one (1) hour after the conclusion of any Team home game ("Home Game Hours"). Promptly following Home Game Hours, advertising on the Team Ad Locations shall be removed by the Team and the surface of the area to which the advertising was affixed restored to its previous condition.
- (2) Rights Granted; Revenues and Costs. The Team may display advertising promoting the Team or sell the right to display advertising to others on the Team Ad Locations during Home Game Hours, subject to the terms and conditions of this Amendment. All revenues derived from advertising on the Team Ad Locations shall be payable to and accrue to the Team and the Team shall pay each and every cost and expense arising from or related to the preparation, installation and maintenance of all advertising displays constructed or otherwise placed upon the Team Ad Locations and the removal thereof and the restoration of the original surfaces to the condition existing on the date hereof, ordinary wear and tear excepted.
- (3) No Violation of Commission Advertising Agreements. The Team acknowledges receipt of copies of all existing agreements entered into by the Commission and third parties granting rights to display advertising within the Stadium and on or about the exterior of the Stadium including advertising locations on property owned or leased by the Commission. Except as specifically limited by the rights granted to the Team herein, the Commission may hereafter amend or enter into new agreements with respect to advertising within, or on or about the exterior of the Stadium including advertising on the Team Ad Locations (except during Home Game Hours) as the Commission may determine in the exercise of its sole, non-reviewable discretion. (The existing Commission advertising agreements, amendments thereto and Commission advertising agreements entered into after the date hereof are hereinafter referred to as "Commission Advertising Agreements".) Promptly following any amendment to any existing Commission Advertising Agreements or hereafter entering into any Commission Advertising Agreement, a copy thereof shall be given to the Team. The Team shall not install any advertising and the Team shall not permit any third person to install any advertising on the Team Ad Locations which would cause the Commission to be in breach of any covenant or representation of the Commission in any Commission Advertising Agreement. The Team shall not solicit an advertising agreement or enter into any advertising agreement with respect to the Team Ad Locations with any third person who or which is a party to a Commission Advertising Agreement.

- (4) Team Advertising Contract Requirements and Approvals. Each contract entered into by the Team for the use of the Team Ad Locations shall be subject to Commission approval and shall contain the following provision and no other provision in conflict therewith:

[Advertiser] acknowledges that the advertising rights described herein are granted by the Team to [Advertiser] subject to the terms and conditions of that certain Agreement by and between the Team and the Metropolitan Sports Facilities Commission ("Commission") bearing date of August 8, 1979 as amended by agreement or resolution of the Commission (the "Football Use Agreement"). Upon the expiration of the Football Use Agreement, or in the event of any breach by the Team of the Football Use Agreement, the Commission shall have the right to terminate this Agreement and [Advertiser's] sole right of recourse shall be against the Team.

No contract for advertising on the Team Ad Locations shall include any assurance of advertiser exclusivity within or about the Stadium which may unreasonably impair the ability of the Commission to sell advertising or promotional rights within or about the Stadium. Each contract which the Team proposes entering into for the use of the Team Ad Locations shall be submitted to the Commission not less than thirty (30) business days prior to its execution. The Commission may, within said thirty (30) business day period, reject the proposed contract but only if in the Commission's judgment, in accordance with a standard of reasonableness, the proposed contract does not comply with the terms and provisions of this Amendment. Failure of the Commission to approve or reject the proposed contract within said thirty (30) business day period shall be deemed and constitute approval by the Commission.

- (5) Advertising Displays and Approvals. The proposed size, design, location, method of installation and removal and the number of "advertising units" to be displayed on the Team Ad Locations shall be submitted to the Commission and shall be subject to the Commission's approval, which shall not be unreasonably withheld; provided, however, no advertising shall be displayed which:

- (a) is contrary to law or promotes any unlawful activity or purpose;
- (b) does not meet national network television broadcasting standards;
- (c) may be offensive to the public;
- (d) contrary to the prevailing standards of the Commission as applied to the approval of Commission Advertising Agreements;
- (e) would constitute "new and additional advertising space" as defined in paragraph 8.b of the Commission Advertising Agreement with SuperAmerica Group, Inc., last executed by the Commission on June 2, 1992;
- (f) which is not readily removable from the Team Ad Locations during periods other than Home Game Hours;
- (g) obstructs the view (by television or attending fans) of any other advertising within the Stadium; or

- (h) contains advertising related to tobacco products or liquor.

The information required by this section 5.5.A(5) shall be submitted to the Commission not less than ten (10) business days prior to the installation of the advertising. The Commission, within said ten (10) business day period, may reject the proposed display but only, if in accordance with a standard of reasonableness, the Commission determines that it does not comply with this Amendment, including but not by way of limitation, the provisions of this section 5.5; or, the Commission may require the modification of the display, so that it does so comply. Failure of the Commission to act within said ten (10) business day period shall be deemed and constitute approval. The Commission shall have the right to inspect, monitor and supervise the installation, maintenance and removal of all advertising displays on the Team Ad Locations to assure compliance with this Amendment and to assure the application of safe and workmanlike standards in the installation, maintenance and removal of such displays.

- (6) Indemnification. The parties shall each enjoy and may enforce, with respect to the subject matter of this section 5.5, the rights of defense and indemnification provided for in this Agreement, except as specifically modified in this section 5.5. The Team shall, in addition, defend, indemnify, and hold harmless the Commission, its members, employees and agents from any claims or demands (a) alleging violation of copyright, trademark or other intangible property rights or otherwise based upon, arising from or related to contents of any advertising displayed on the Team Ad Locations or (b) of any third person party to a Commission Advertising Agreement alleging breach of a Commission covenant or warranty based upon, arising from or related to any action or omission of the Team or party contracting with the Team with respect to the display of advertising on the Team Ad Locations. Provided, however, if any claim or demand is made under clause (b) of this paragraph, the Team shall have thirty (30) days from the date of the claim or demand to resolve the claim or demand on terms satisfactory to the third party advertiser and the Commission (which shall have no obligation to expend or waive any revenues to cause or contribute to the resolution); failing resolution, the Team shall remove or modify the advertising which is the subject of the claim or demand and the Teams' obligation to defend, indemnify and hold harmless, as described above, shall, in any case, remain in force and be applicable to all of the Commission's damages, losses, costs and expenses, whether arising before, during or after the aforementioned thirty (30) day period.