

STATE OF NORTH CAROLINA
COUNTY OF DURHAM

THIRD AMENDMENT to the Management Agreement
by and among the City of Durham, the County of Durham and Global Spectrum, L.P.

This Third Amendment ("Third Amendment") is dated and entered into as of the _____ day of _____, 2014, between the City of Durham and County of Durham, (collectively, "Owners"), and Global Spectrum, L.P. ("Manager"). The Owners and Manager entered into a contract titled, "Management Agreement by and among the City of Durham, the County of Durham and Global Spectrum, L.P.", effective July 1, 2011, which contract was amended on November 2, 2011 and March 25, 2013. That contract, as amended, is referred to as the "Original Agreement". The Agreement is now further amended as follows:

1. The Owners have mutually agreed to extend the term of the Agreement. In Article 4.1, entitled, "Term", the first paragraph is deleted and replaced with the following:

"The Original Term began on July 1, 2011 and was to run until June 30, 2014 with a two year renewal after that date should the City give notice by March 31, 2014. Instead, the parties have agreed to extend the Term as follows: This Agreement, unless sooner terminated pursuant to the provisions of Section 4.2 below or by the Owners as described in this subsection, shall expire on June 30, 2019. The Owners possess sole discretion to terminate the Agreement earlier, effective as of June 30, 2017, which termination shall not require cause. To exercise this right of early termination, written notice signed by both the City Manager and County Manager, or their authorized designees, shall be delivered to the Manager no later than March 31, 2017. If such right of early termination is not exercised, the Agreement shall continue for another two years, ending June 30, 2019."

2. In Section 1.1, "Definitions," the term "Event Account" is changed to delete the words, "advance ticket sale revenue", so the revised term reads as follows:

"Event Account: A separate interest-bearing account in the name of the Owners and under the City of Durham's Federal ID number in a local qualified public depository, to be designated by the Owners, where certain event deposits, as applicable, are deposited by Manager as further defined in Section 8.2."

3. Section 8.2, "Event Account," is deleted, and the following is substituted:

"The Event Account shall be in the name of the Owners and under the City's Federal ID number in a local qualified public depository, to be designated by the Owners. Advance deposits and such monies will be held in escrow for the protection of future events, the Owners and Manager, and to provide a source of funds as required for direct incidental expenses in connection with the presentation of events that must be paid prior to or contemporaneously with such events. At settlement of the corresponding event, Manager shall transfer the revenue in the Event Account to the Operating Account so

that funds are available in the Operating Account to make payments, as may be required in connection with such event.”

4. Section 8.3, Operating Account is deleted, and the following is substituted:

“Except as provided in Section 8.2, all Revenue derived from operation of the Facility shall be deposited by Manager into the Operating Account as soon as practicable upon receipt. The Operating Account shall be in the name of the Owners and under the City’s Federal ID number in a local qualified public depository, to be designated by the Owners. Manager is hereby granted a revocable license to manage the Operating Account and shall have authority to sign checks and make withdrawals from such account to pay approved Operating Expenses without needing to obtain the co-signature of an Owners’ employee or representative, provided however that such license shall be immediately revocable by Owners upon the occurrence or continuance of an event of default by Manager, and Manager’s authority to sign checks shall be subject to the other limitations contained in this Agreement. “

5. Section 9.1, Source of Funding is deleted, and the following is substituted:

“Manager shall pay all Operating Expenses from the funds in the Operating Account, which Manager may access periodically for this purpose in accordance with the Operating Budget or as otherwise allowed under this Agreement. 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 Operating Payment from Owners pursuant to a schedule that is approved by Owners as part of the Operating Plan. Manager shall not be in breach of this Agreement, and shall have no liability to the Owners 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.”

6. Exhibit B, Manager Duties, subsection (a) is deleted and the following is substituted:

“(a) Manage all aspects of the Facility in accordance with the terms of this Agreement, including but not limited to managing food and beverage services, purchasing, payroll, fire prevention, security, crowd control, routine repairs, preventive maintenance, janitorial services, promotions, advertising, energy conservation, security, box office, admission procedures, parking (if applicable), and general user services. Beginning July 1, 2015, Manager shall be responsible for the maintenance and repair of the Convention Center Plaza, including routine maintenance of steps and fountain and snow/ice removal. Janitorial services following any function on the Convention Center Plaza shall be provided by Manager in the same manner as other areas of the Facility.

In connection with such duties, Manager shall perform food and beverage services in an in-house basis, but nothing shall restrict or prevent Manager from utilizing (or permitting

a licensee from utilizing) outside caterers when determined by Manager or Owners (subject to Manager's reasonable approval) to be in the best interest of the Facility.”

7. Exhibit B, Manager Duties, subsection (w) is deleted and the following is substituted:

“(w) Manager shall adhere to addressing preventive maintenance through reconciled task sheets and recommendations from the Facility Maintenance Plan (FMP). The FMP shall be implemented by the Manager with a two year phase-in, beginning July 1, 2014. During this two year period, the City shall provide monthly review of the procedures used to maintain the facility and report to Manager upon the progress toward fulfilling the FMP. From July 1, 2016 forward, Manager shall be fully responsible for implementation of the FMP.”

8. Section 10.1, Monthly Financial Reports, first sentence, “Balance Sheet” is deleted.

9. Section 10.4, Audit, is deleted and the following is substituted:

“Manager shall allow for the Owners to audit the financial records maintained by the manager each year. Such audit shall be arranged by and paid for by the Owners and shall include a review of the calculations of any applicable Incentive Fees. Such audit shall be completed within 90 days of the end of each Operating Year unless otherwise agreed by the Owners and the Manager and no Incentive Fees shall be paid until said Audit is complete.”

10. Except for the changes made herein, the Original Agreement as previously amended shall remain in full force and effect to the extent not inconsistent with this Third Amendment. In the event that there is a conflict between the Original Agreement and this Third Amendment or any earlier amendment, this Third Amendment shall control.

[signature page follows]

NORTH CAROLINA
COUNTY of DURHAM

ACKNOWLEDGMENT OF COUNTY OF DURHAM

I, a Notary Public in and for the aforesaid County and State certify that _____ personally appeared before me this day, and acknowledged that he or she is the Clerk to the Board of Commissioners for the County of Durham, a political subdivision of the state of North Carolina, and that by the Owner duly given and as the act of the County, the foregoing Amendment was signed in its corporate name by the County Manager, sealed with its corporate seal, and attested by its said Clerk. This the _____ day of _____, 20_____.

Notary Public

My commission expires:

State of _____
County of _____

ACKNOWLEDGMENT BY CORPORATION

I, a notary public in and for the aforesaid county and state, certify that Brian Rothenberg personally appeared before me this day and stated that he is Assistant Secretary of Global Spectrum, Inc., a corporation and the general partner of Global Spectrum, L.P, and that by authority duly given and as the act of the corporation, the foregoing Amendment with the City and County of Durham was signed in the corporation's name by its President, whose name is Philip Weinberg, and attested by him as its Assistant Secretary. This the _____ day of _____, 2014.

Notary Public

My commission expires:
