

## SECOND AMENDMENT TO MANAGEMENT AGREEMENT

THIS SECOND AMENDMENT TO MANAGEMENT AGREEMENT (this "Second Amendment") is made as of December 5, 2017 ("Effective Date") between AEG MANAGEMENT LOUISVILLE, LLC ("Manager") and LOUISVILLE ARENA AUTHORITY, INC. ("Authority") and amends that certain Management Agreement dated July 1, 2012 ("Original Agreement"), as amended by the First Amendment to Management Agreement dated November 17, 2015 (the "First Amendment," together with the Original Agreement and Second Amendment, the "Agreement"). Capitalized terms used herein but not otherwise defined shall have the meanings ascribed to them in the Agreement.

### RECITALS

WHEREAS, Manager and Authority desire to amend certain terms of the Agreement, in accordance with the terms and provisions of this Amendment;

### AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth in this Amendment, Manager and Authority hereby agree as follows:

- 1) Section 3.5 of the Agreement is hereby deleted in its entirety and replaced as follows:

"3.5 Performance Expectations. It is the expectation of the Authority and the Manager based on past results, that the Arena will generate annual Net Operating Profit of at least \$1,500,000 for each full 365-day Operating Year ("**Yearly Threshold**"). Manager and the Authority agree that to the extent the Arena does not meet or exceed the Yearly Threshold during each of any two (2) consecutive, full 365-day Operating Years after the Effective Date hereof during the Term ("**NOP Shortfall**") then: (i) following written notice of the NOP Shortfall from Authority to Manager, delivered no later than thirty (30) days following the receipt by Authority of the annual reports set forth in Section 3.3.2 of the Agreement, Manager may, but shall be under no contractual obligation to, cure such NOP Shortfall with sixty (60) days from the receipt of such notice from Authority; provided however, if Manager has provided written notice that Manager has determined to cure such NOP Shortfall but such NOP Shortfall cannot reasonably be cured during such sixty (60) day cure period, then a longer period of time shall be afforded to cure such breach (up to a total of ninety (90) days); (ii) in the event that Manager declines or fails to cure the NOP Shortfall during the foregoing cure period (or otherwise notifies Authority that it does not intend to cure the NOP Shortfall), then Authority and Manager shall meet in good faith to negotiate a mutually-agreeable reduction to the Fixed Fee for the Operating Year following the NOP Shortfall; and (ii) if, despite the parties' good faith efforts, they are unable to reach agreement on a mutually-acceptable reduction to the Fixed Fee, Authority may terminate this Agreement, upon thirty (30) days' written notice to Manager, provided such notice is delivered no later than one hundred and eighty (180) days following the receipt by Authority of the annual reports set forth in Section 3.3.2 of the Agreement. In the event that the Authority exercises the foregoing termination right, Manager shall be entitled to retain those amounts set forth in Section 10.2.1 and Authority shall also pay Manager the unamortized portion of any signing bonus amounts paid to Authority under Section 3.6 of the Agreement (as memorialized in Section 5 of the First Amendment) (based on a straight-line amortization period)."

- 2) Section 13 of the Agreement is amended to include the following Section 13.16:

“13.16 No Inconsistent Tax Position. In compliance with Section 5.06 Revenue Procedure 2017-13 of the Internal Revenue Service (the “Revenue Procedure”), the Manager hereby agrees that the Manager is not entitled to and shall not take any tax position that is inconsistent with being a “service provider” (as defined in the Revenue Procedure) with respect to the Arena.”

3) Other Terms and Provisions of the Agreement. Except as otherwise set forth herein, all terms, provisions, conditions, representations, warranties and covenants of the Agreement are hereby agreed, confirmed, ratified, and remain unmodified and in full force and effect as of the date hereof. The Authority and the Manager acknowledge and agree that the Agreement, as modified by this Amendment, (i) is an “Operating Agreement” as defined in the Loan Agreement, and, without limiting the Manager’s termination rights under Section 10.1 (i), (ii) or (iii) of the Agreement, the parties hereto may *not*, by their mutual agreement, further amend or terminate the Agreement without the prior written consent of the Bond Insurer (as defined in that certain Loan Agreement, dated as of December 1, 2017, by and between Authority and the Kentucky Economic Development Finance Authority; and (ii) is deemed assigned as additional security for the Bond Insurer pursuant to that certain Assignment of Operating Agreements, dated as of December \_\_, by and between the Authority and Regions Bank, an Alabama banking corporation.

4) Captions. The captions or headings in this Amendment are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections hereof.


5) Counterparts. This Amendment may be executed in counterparts, each of which together shall constitute one and the same agreement.

*[Signatures on following page]*

IN WITNESS WHEREOF, the undersigned have duly executed this First Amendment to Management Agreement as of the day and year first above written.

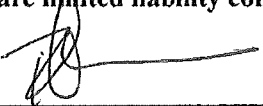
“AUTHORITY”

**LOUISVILLE ARENA AUTHORITY, INC.,**  
**a Kentucky non-profit, non-stock corporation**

By:   
Name: J. H. Cox  
Title: Chairman LAA

“MANAGER”

**AEG MANAGEMENT LOUISVILLE, LLC**  
**a Delaware limited liability company**

By:   
Name: Robert Newman  
Title: President

ACKNOWLEDGED AND AGREED TO BY BOND INSURER:

**ASSURED GUARANTY CORP., a Maryland-domiciled insurance company**

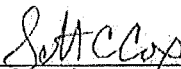
By: \_\_\_\_\_  
Name:  
Title:

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IN WITNESS WHEREOF, the undersigned have duly executed this First Amendment to Management Agreement as of the day and year first above written.


"AUTHORITY"

**LOUISVILLE ARENA AUTHORITY, INC.,**  
a Kentucky non-profit, non-stock corporation

By:   
Name: Seth C Cox  
Title: CHAIRMAN LAA

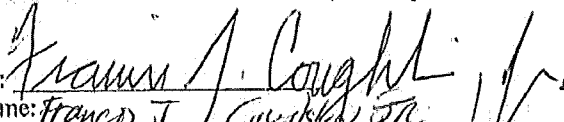
"MANAGER"

**AEG MANAGEMENT LOUISVILLE, LLC**  
a Delaware limited liability company

By:   
Name: Robert Newman  
Title: CEO

ACKNOWLEDGED AND AGREED TO BY BOND INSURER:

**ASSURED GUARANTY CORP.,** a Maryland-domiciled insurance company

By:   
Name: Francis J. Coughlin Jr  
Title: Deputy Chief Financial Officer  
Public Finance

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