

SUBLEASE AGREEMENT

This Agreement entered into this 19 day of MAY, 1999, by and between COUNTY OF MACOMB, hereinafter referred to as "SUBLESSOR" and HILLSIDE PRODUCTIONS, INC., a Michigan corporation, hereinafter referred to as "SUBLESSEE".

WITNESSED:

WHEREAS, SUBLESSOR, under the authority and guidance of the Parks and Recreation Commission, follows the County Recreation and Open Space Plan to provide parks and recreation services at Freedom Hill County Park (hereinafter referred to as "the Park"), at 15000 Metropolitan Parkway, Sterling Heights, Michigan, and

WHEREAS, SUBLESSOR, desires to have SUBLESSEE manage and operate an entertainment facility for the benefit and welfare of the general public, hereinafter referred to as "HILL" on that portion of the Park with the following legal description:

See Exhibit "A"

Commonly designated as the "Hill Amphitheater", and hereinafter referred to as the "PREMISES"; and

WHEREAS, SUBLESSEE desires to manage and operate an entertainment facility on the PREMISES;

NOW, THEREFORE, in consideration of the mutual promises herein contained, the parties hereto agree as follows:

1. SUBLESSEE will operate and manage said HILL and shall have exclusive, 24 hour access to the PREMISES. SUBLESSEE, its agents, employees, customers, and invitees shall have joint access with the SUBLESSOR to the entire Park, and to the parking lot for use thereof.
2. The terms of this AGREEMENT shall begin on January 1, 1999, and shall continue through 2008. The terms and conditions of this AGREEMENT may be extended by mutual consent of the parties, however SUBLESSEE shall have first right of refusal for any future agreement offered by the SUBLESSOR.

3. SUBLESSEE will pay the SUBLESSOR an annual fee of One Thousand Five Hundred (\$1,500.00) Dollars to operate at the PREMISES, for and in consideration thereof, SUBLESSOR will allow SUBLESSEE the unrestricted use of any and all buildings, equipment, fixtures, furniture and contents located at the PREMISES and the entire Park, including the parking lot. The SUBLESSEE shall pay its first annual fee on or before July 1, 1998. The annual fee for the remaining term of this AGREEMENT shall be made on May 1st for each following year. SUBLESSEE shall carefully use said buildings, equipment, fixtures, furniture and contents and deliver them back to SUBLESSOR at the conclusion of this AGREEMENT in the same condition received, normal wear and tear excepted. In addition:

a. SUBLESSOR shall determine, collect and retain all parking fees for all events scheduled by SUBLESSEE and agrees **NOT TO INCREASE** the going parking fee specifically for any of SUBLESSEE'S scheduled events or functions.

b. SUBLESSEE will guarantee SUBLESSOR a minimum of Five Thousand (\$5,000.00) Dollars in annual parking revenues from all events scheduled by SUBLESSEE. This \$5,000.00 minimum shall be increased by \$1000.00 in each subsequent year, commencing January 2000.

c. SUBLESSEE shall provide SUBLESSOR with notice of all scheduled events at the PREMISES.

4. SUBLESSEE shall receive all profits from entertainment events, food sales and advertisement sales on the PREMISES. In addition, SUBLESSEE shall receive the following revenues:

a. 50% of all revenues from Metroparkway spectacular sign advertising.

b. 50% of all other advertising revenues generated outside the premises through April 30, 2008.

c. SUBLESSEE shall receive all profits from program ads and sales, and shall be responsible for all production costs associated therewith. SUBLESSEE shall supply the SUBLESSOR with season programs for each season through 2008. If SUBLESSEE does not produce the season program by May 1 of each year, the cost of printing programs should be paid by SUBLESSEE.

5. SUBLESSEE shall be solely responsible for the following costs and expenses:

a. Employment of all SUBLESSEE'S personnel.

b. All day-to-day incidental costs and expenses of operating at the PREMISES.

6. SUBLESSEE shall not make any alterations, changes, modifications or removal to the building, equipment, furniture, fixtures, contents, parking lot or any other personal property or real property items on the PREMISES without approval of the SUBLESSOR.

a. SUBLESSEE shall provide all materials and the SUBLESSOR shall provide all labor for the installation of paver blocks in the PREMISES. The parties shall agree to a mutually convenient time for installation and maintenance of pavers other than entrances, existing as of effective date of this agreement.

b. SUBLESSEE shall be responsible for all improvements and maintenance of the stage facility only, after approval by the SUBLESSOR.

c. SUBLESSEE agrees to pay for all other aboveground improvements to the PREMISES, except for labor costs mentioned above.

d. SUBLESSOR agrees to pay for all underground improvements and developmental costs to the PREMISES, including, but not limited to underground drainage, sewage, infrastructure, etc..

7. SUBLESSOR agrees that SUBLESSEE shall be the exclusive sales agent for all advertising at the Park, and all advertising contracts must be in writing and approved by SUBLESSOR or its representative.

8. SUBLESSOR represents and warrants that any previous contracts, leases or agreements for event promotions, advertising, or the management and operation of entertainment, food and beverage concessions at the Premises have expired or otherwise been terminated, and that SUBLESSOR has full authority to enter into and perform this Sublease Agreement without causing the breach or default of any obligation to any third party.

9. SUBLESSEE shall abide by the laws and ordinances of the County of Macomb and City of Sterling Heights in regard to sound limits, insurance requirements and indemnification.

#### **INDEMNIFICATION:**

All liability to third parties, loss or damages, demands, costs or judgments arising out of activities or in any way related to the performance of Hillside Productions, Inc. (SUBLESSEE) under the terms of this AGREEMENT, or any services actually rendered by SUBLESSEE, shall be the responsibility of SUBLESSEE if the liability, loss or damage is caused by, or arises out of the actions

or failure to act on the part of SUBLESSEE, any subcontractor, or anyone directly or indirectly employed by SUBLESSEE.

All liability to third parties, loss or damages, demands, costs or judgments arising out of activities or in any way related to the performance of Macomb County (Sublessor) under the terms of this Agreement, or any services actually rendered by Sublessor shall be the responsibility of Sublessor if the liability, loss or damage is caused by, or arises out of the actions or failure to act on the part of Sublessor, provided nothing herein shall be construed as a waiver of any governmental immunity of Sublessor, its agencies or employees, as provided by statute or court decisions.

#### **SUBLESSEE LIABILITY INSURANCE:**

SUBLESSEE shall obtain and maintain in full force and effect the following insurance covering all insurable risks associated with its obligations under the Agreement:

- a. Workers' Compensation Insurance which meets Michigan statutory requirements.
- b. Comprehensive Commercial General Liability Insurance with limits of liability no less than (\$2) Million per occurrence and/or aggregate combined single limit, personal injury bodily injury and property damage.
- c. Motor Vehicle Liability (including hired and non-owned vehicles) with Michigan no-fault coverage, with minimum limits of liability of (\$1) Million per occurrence combined single limit, personal injury bodily injury and property damage.

Insurance must be effected under valid and enforceable policies, issued by insurers licensed and admitted to do business in Michigan, and which are well rated by national rating organizations.

Insurance policies must name SUBLESSEE as the insured, along with the SUBLESSOR as additional insured, and shall not be canceled, non-renewed, reduced or materially changed without at least (30) days prior notice to the SUBLESSOR, Attention: Risk Management Department, One South Main, Mt. Clemens, Michigan 48043.

SUBLESSEE must submit a certificate evidencing the insurance to the County Risk Management Department at the time SUBLESSEE executes this AGREEMENT.

10. SUBLESSOR shall be responsible for all maintenance, including but not limited to landscaping, lawn and weed mowing, garbage removal, lighting, snow plowing and site clean-up after all events, including but not limited to those events scheduled by the SUBLESSEE.

11. All SUBLESSEE'S concession booth rentals shall be paid by SUBLESSEE to the SUBLESSOR and arranged through the SUBLESSOR.

12. All "port-a-johns" must be rented by SUBLESSEE and approved by the SUBLESSOR.

13. SUBLESSOR agrees to join and/or cooperate with SUBLESSEE in obtaining any permits and/or licenses which SUBLESSEE may attempt to obtain during the term of this Sublease Agreement or any extensions or renewals thereof.

14. SUBLESSOR shall be responsible for and pay all utility charges, and taxes, including, but not limited to electric, gas, water, sewerage, real and personal property taxes, etc.

15. SUBLESSEE shall be responsible for hiring and providing all security inside the PREMISES and SUBLESSOR shall be responsible for hiring and providing all security outside the PREMISES for all events scheduled by the SUBLESSEE.

16. This AGREEMENT shall inure to the benefit of each party hereto, their heirs and assigns and the signatories represent and acknowledge that they each of them are authorized to execute this AGREEMENT.

17. This AGREEMENT may not be terminated during the ten (10) year term by either party, except for breach of any terms or conditions imposed upon them.

18. SUBLESSOR and SUBLESSEE agree that termination for cause shall be deemed effected upon the violation of any of the above terms or obligations of this AGREEMENT.

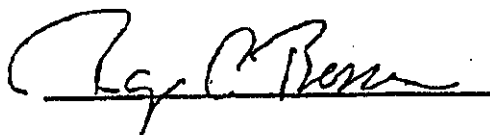
19. ASSIGNMENT. This AGREEMENT may be assigned by SUBLESSEE at any time, provided, however, SUBLESSEE shall first obtain the written consent of SUBLESSOR, which consent, shall not be unreasonably withheld.

20. In the event any one or more of the provisions of this AGREEMENT or any application thereof shall be invalid, illegal or unenforceable in any respect due to applicable law, rule or regulation, the remaining provisions contained herein and any other application thereof shall not in any way be affected or impaired thereby.

21. This AGREEMENT is executed in Michigan, and is to be construed according to the laws of Michigan.

IN WITNESS WHEREOF, the parties have executed this AGREEMENT as of the day and year first above written.

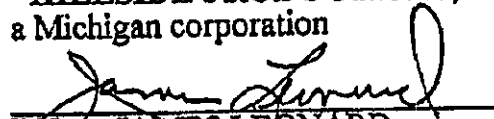
WITNESSES:




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"HILLSIDE PRODUCTIONS, INC.",  
a Michigan corporation

  
BY: JAMES LEONARD  
ITS: President

"COUNTY OF MACOMB"

  
RICHARD SABAUGH, Parks and  
Recreation Department President  
and Authorized Agent