DEVELOPMENT, FINANCING AND CONSTRUCTION

OF

CROSSROADS ARENA PROJECT

RECORD OF PROCEEDINGS

Dated: As of May 10, 1995

Closing: June 2, 1995

CLOSING MEMORANDUM
FINANCING
OF
CROSSROADS ARENA PROJECT
BY
CITY OF BUFFALO
AND
CITY OF BUFFALO URBAN RENEWAL AGENCY

Dated: As of May 10, 1995

Closing: June 2, 1995

The closing took place on June 2, 1995 at the offices of Phillips, Lytle, Hitchcock, Blaine & Huber if Buffalo, New York. The following parties and their counsel were present:

City of Buffalo	Edward D. Peace, Esq. Corporation Counsel
Kavinoky & Cook, LLP (Counsel for City of Buffalo)	Arnold B. Gardner, Esq. Laurence K. Rubin, Esq. David LoTempio, Esq.
Marine Midland Bank ("Marine")	Eilert F. Bartels, Senior Vice President William H. Graser, Vice President
Key Bank of New York ("Key")	James L. Rykowski, Vice President
Phillips, Lytle, Hitchcock, Blaine & Huber (Counsel for Marine and for Marine and Key, as Construction Lenders)	James H. Watz, Esq. Raymond H. Seitz, Esq. Sharon L. Wick, Esq. Joseph M. Marris, Esq. Monica J. Piga, Esq. Kelly K. McCormack, Legal Assistant
Crossroads Arena LLC ("CALLC") By its member Niagara Frontier Hockey, L.P. By its managing general partner Niagara Frontier Hockey Management Corporation	Daniel J. DiPofi, Vice President Finance Chief Financial Officer Carolyn Hoyt, Project Manager

Lippes, Silverstein, Mathias & Wexler (counsel for CALLC)	William E. Mathias, Esq. Alan S. Wexler, Esq. Janet N. Gabel, Esq.
Niagara Frontier Hockey, L.P. ("NFHLP") By its managing general partner Niagara Frontier Hockey Management Corporation	Daniel J. DiPofi, Vice President Finance Chief Financial Officer
Cohen, Swados, Wright, Hanifan, Bradford & Brett (Counsel for NFHLP)	Jane F. Clemens, Esq. Gregory T. Ivancic, Esq. Jocelyn Filey, Legal Assistant
Goulston & Storrs, P.C. (By telephone, counsel for Shawmut Bank, N.A. & Fleet Bank)	Jordan P. Krasnow, Esq. Deborah Horowitz, Esq.
New York Sportservice, Inc. Sportservice Corporation (Collectively, "Sportservice")	Janice R. Trybus, Esq.
Albrecht, Maguire, Heffern & Gregg, P.C. (Counsel for Sportservice)	Philip J. Szabla, Esq. Laura A. Monte, Esq.
Urban Development Corporation	Susan O'Connor, Senior Vice President Steven J. Matlin, Esq. (By telephone)
County of Erie	Nancy A. Naples, County Comptroller Joseph Passafiume, Director of Investment and Cash Management Richard Tobe, Commissioner of Environment and Planning Richard Schechter, Asst. County Attorney Matthew Van Vessem, Law Clerk
Nixon, Hargrave, Devans & Doyle (Counsel for County of Erie)	Charles P. Jacobs, Esq.
Hurwitz & Fine, P.C. (Counsel for Erie County Industrial Development Agency)	Christopher J. Hurley, Esq. Timothy J. Quinlivan, Esq.

Ticor Title Insurance Company — David Smith
Regan P. Ihde

All documentation documents were recorded on Monday, June 5, 1995, title insurance was effective as of June 2, 1995.

KAVINOKY & COOK, LLP

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PARTICIPANTS

City of Buffalo	("City")
County of Erie	("County")
Erie County Industrial Development Agency	("ECIDA")
New York State Urban Development Corporation	("UDC")
Niagara Frontier Hockey LP	("NFHLP" or "Sabres")
Niagara Frontier Hockey Management Corp.	("NFHMC")
Crossroads Arena LLC	("CALLC")
Buffalo Sabres Concessions LLC	("BSCLLC")
Marine Midland Bank	("Marine")
Key Bank of New York	("Key")
Fleet Bank	("Fleet")
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COORDINATING AGREEMENT
CROSSROADS ARENA

Agreement dated as of May 10, 1995 by and among the **New York State Urban Development Corporation**, a corporate governmental agency of the State of New York constituting a political subdivision and public benefit corporation, having offices at 1515 Broadway, New York, New York 10036 ("UDC"), the **County of Erie**, a municipal corporation of the State of New York, having offices at 95 Franklin Street, Buffalo, New York 14202 ("County"), and the **City of Buffalo**, a municipal corporation of the State of New York, having offices at City Hall, Buffalo, New York 14202 ("City").

Whereas, in accordance with the New York State Sports Facility Assistance Program, the New York State Legislature has appropriated to UDC the sum of $25 million dollars for the development of a sports and entertainment complex to be constructed in the City of Buffalo and to be operated, in part, as the home arena for the Buffalo Sabres National Hockey League franchise (the "Project"); and

Whereas, the County Legislature has authorized the expenditure of $20 million dollars to be applied to costs related to the construction of the Project; and

Whereas, the City has expended or shall expend $10 million dollars in furtherance of the Project and has, acting through the Buffalo Urban Renewal Agency ("BURA"), acquired title to a portion of the Project site; and

Whereas, the Project will be constructed pursuant to a Development and Construction Agreement, dated of even date herewith, by and among Crossroads Arena LLC ("CALLC"), UDC, County, City, BURA and the Erie County Industrial Development Agency ("ECIDA"); and

Whereas, UDC, the City, the County, BURA, ECIDA and CALLC have entered into an Operating Agreement, dated of even date herewith, with respect to certain rights and obligations of the parties relating to the operations of the Project.

NOW, THEREFORE, based on the foregoing premises and the covenants and agreements hereinafter set forth, the parties hereby agree as follows:

1. Definitions

All capitalized terms in this Agreement, unless otherwise defined herein, shall have the meaning set forth in Exhibit A to the Development and Construction Agreement.

2. Project Financing

The parties hereto have agreed to a total Project budget of approximately $127 million dollars and each of the parties agrees to fund their portion of Project costs as follows:

(a) The City, pursuant to the Interim Development Agreement and the Development and Construction Agreement has funded or shall fund, or reimburse CALLC for, $10 million dollars of Project costs. In addition, BURA, acting on its own behalf and for the City has acquired and conveyed to CALLC, through various leasing arrangements, a portion of the Crossroads Site which BURA owned prior to the commencement of the Project. The parties have agreed to attribute a value of $2 million dollars to such property for purposes of calculating the City's contribution to the Project and the City's respective share of the Operating Fee.

(b) The County has agreed to make available $20 million dollars for the funding of County Eligible Costs. The County funds will be provided to CALLC in accordance with the funding schedule and requirements set forth in the Financing Participants Agreement.

(c) UDC has agreed to make available $25 million dollars for the funding of Project costs. UDC funds will be provided to CALLC in accordance with the funding schedule and requirements set forth in the Financing Participants Agreement.

3. The Operating Fee, Etc.

In accordance with the Operating Agreement, the City, the County and UDC (acting on its own behalf and as trustee for future waterfront development projects) shall on a continuous basis, for the term of the Operating Agreement, share the Operating Fee, Excess Proceeds, Refinancing Proceeds and Renewal and Replacement Reserve Funds based on the following formula:

(i) 21% shall be paid to the City;

(ii) 44% shall be paid to UDC; and

(iii) 35% shall be paid to UDC as trustee for future waterfront development projects in Erie County (the "Trust Funds") until there are no Tax-Exempt Obligations outstanding, at which time said portion of such amounts shall be paid to the County in accordance with Section 7.07A(b) of the Operating Agreement. Notwithstanding the foregoing, to the extent there are any

distributions, at any time, of Excess Proceeds or Refinancing Proceeds under this sub-paragraph (iii), such distribution shall be made directly to the County.

In its capacity as trustee, UDC shall hold the Trust Funds in a segregated account and, from time to time, shall apply the same, together with any interest earned thereon, in its sole discretion, to Horizon Projects. In the event UDC determines that there are no appropriate Horizon Projects for expenditure of the Trust Funds, it shall apply such funds, in its sole discretion, only for the benefit of other waterfront projects located in Erie County.

4. UDC's Role During Construction

As set forth in the Development and Construction Agreement, UDC shall monitor construction of the Project on behalf of the parties hereto and provide certain consents and approvals when required. UDC shall be primarily responsible for review and approval of the Plans and Specifications prepared by the Architect and the Parking Structures Architect, review and approval of the Project Budget, approval of construction contracts and requisitions for payment for work performed under such construction contracts, approval of change orders and for general oversight of the construction process. UDC shall make available to the City and County, upon request, copies of requisitions for payment, change orders and reports that it receives that are related to construction progress, including reports prepared by the Construction Manager, CALLC, the Architect or the Parking Structures Architect. UDC shall also share with the County and City any internally prepared reports or audits that it may elect to prepare. Upon reasonable notice by the City or County, UDC shall make its design and construction staff available to the City and County for oral reports on the status of construction of the Project, any foreseeable problems relating to the Project and any other information that the County or City may reasonably request. Notwithstanding the foregoing, each of the parties hereto reserves its rights to exercise any and all remedies that it might have in enforcing its rights as set forth in the Development and Construction Agreement and the Operating Agreement.

5. Financing Participants Agreement - Public Sector Agent

(a) During Construction of the Project, UDC shall perform the services of public sector agent in accordance with the terms of the Financing Participants Agreement (the "FPA Public Sector Agent"). As FPA Public Sector Agent, UDC shall approve all Requests for Advances (as defined in the Financing Participants Agreement) submitted by CALLC and shall promptly notify the City and County of its approval or disapproval of each Request for Advance. To the extent provided for in the Financing Participants Agreement and

based on the schedule and requirements set forth therein, the County shall advance funds for County Eligible Costs based on UDC's approval of a Request for Advance.

(b) In the event of a Major Change, UDC shall not approve any Request for Advance for work related to the Major Change, unless the City and County have each approved such Major Change in accordance with the terms of the Development and Construction Agreement.

6. Operating Agreement - Public Sector Agent

In accordance with the terms of the Operating Agreement, UDC (or in the alternative the City or the County), acting on behalf of all Principal Public Participants (the "Operating Agreement Public Sector Agent") has certain rights and obligations with respect to the approval of certain restorations or improvements to the Crossroads. The Operating Agreement Public Sector Agent agrees to cooperate fully with the other Principal Public Sector Participants, to provide all reports and audits that it receives or prepares in connection with its activities as the Operating Agreement Public Sector Agent to the other parties hereto and to generally make itself available to the other parties. In the event UDC is the Operating Agreement Public Sector Agent, it shall have the right to assign its rights and obligations as agent to the County or City as set forth in the Operating Agreement. Notwithstanding the foregoing, each of the parties hereto reserves its rights to exercise any and all remedies that it might have in enforcing its rights as set forth in the Operating Agreement.

7. Affirmative Action

The parties hereto have agreed to an Affirmative Action - Equal Opportunity Hiring Plan (the "Affirmative Action Plan") for the Project, a copy of which is annexed to the Development and Construction Agreement and incorporated herein by reference. During the construction phase of the Project, UDC agrees that it shall be primarily responsible for the monitoring of CALLC's requirements under the Plan with respect to the employment of minority and women-owned business enterprises and for monitoring CALLC's compliance with respect to minority and women workforce participation goals as set forth in the Affirmative Action Plan. During the operating phase of the Project, the City shall be primarily responsible for monitoring CALLC's compliance with the Affirmative Action Plan. UDC and the City agree to share with each other and with the County any reports or audits that each chooses to prepare with respect to the Affirmative Action Plan and to generally coordinate their activities and cooperate with respect to all elements of the Affirmative Action Plan. Notwithstanding the foregoing, each of the parties hereto reserves its rights to

exercise any and all remedies that it might have in enforcing the Affirmative Action Plan as set forth in the Development and Construction Agreement, the Operating Agreement and the Affirmative Action Plan.

8. Exculpation

(a) The City and County each agree that UDC shall not be liable to any party hereunder for any losses, liabilities, claims, damages or expenses incurred by any party hereto arising out of or by reason of the performance of UDC's obligations under this Agreement unless any such loss, liability, claim, damage or expense resulted from the gross negligence or willful misconduct of UDC, its directors, officers or employees.

(b) UDC and the County each agree that the City shall not be liable to any party hereunder for any losses, liabilities, claims, damages or expenses incurred by any party hereto arising out of or by reason of the performance of the City's obligations under Section 7 of this Agreement unless any such loss, liability, claim, damage or expense resulted from the gross negligence or willful misconduct of the City, its officials or employees.

(c) Each of the parties hereto agree that the Operating Agreement Public Sector Agent shall not be liable to any party hereunder for any losses, liabilities, claims, damages or expenses incurred by any party hereto arising out of or by reason of the performance of the Operating Agreement Public Sector Agent's obligations under this Agreement unless any such loss, liability, claim, damage or expense resulted from the gross negligence or willful misconduct of the Operating Agreement Public Sector Agent or its officials, officers, directors or employees.

(d) The obligations under this Section 8 shall survive expiration of the term of this Agreement.

9. The NFHLP Guaranty

NFHLP has agreed to provide to the parties hereto a limited guaranty in the event the Project is not completed in accordance with the Development and Construction Agreement. The County, City and UDC each agree that in the event any proceeds are realized from NFHLP by any of the parties hereto, such proceeds shall be shared by the parties, pari passu, based on the percentage of each parties cash disbursements for Project costs relative to the sum total of all cash disbursements for Project costs by the parties. In the event any party hereto is paid pursuant to the terms of the guaranty, it shall (i) hold such payment in trust for all of the parties hereto and (ii) shall account for and disburse such payments in accordance with the provisions of this Section 9.

10. Civic Events

Under the terms of the Operating Agreement, the parties hereto may hold, in the aggregate, up to 5 Civic Events a year at the Crossroads. The County and the City shall each be entitled to hold 2 Civic Events at the Crossroads and UDC shall be entitled to hold 1 Civic Event. Each party proposing to hold a Civic Event shall notify the other parties of its intention at the same time it proposes the holding of a Civic Event to CALLC. If any party desires to hold more than its allocated share of Civic Events in any given year, as set forth herein, it shall request from either of the other parties permission to hold a Civic Event otherwise allocated to the party to whom the request is being made and said party shall approve such request unless it reasonably expects to utilize its remaining allocation of Civic Events during the remaining term of the year.

11. CALLC Default

In the event CALLC defaults in its obligations under the Development and Construction Agreement or Operating Agreement and either agreement is terminated as a result of such default, the parties hereto agree to consult, in good faith, with each other and, without any obligation to provide funding, seek to mitigate any damages resulting from CALLC's default. Irrespective of each party's fee, leasehold or contract interest in the Crossroads Site or the Crossroads, in the event of a restructuring of the Prior Leases, the Operating Agreement or the CALLC Agreements, subsequent to a default by CALLC, the Principal Public Participants shall share in the Operating Fee (or any similar or replacement fee or revenue that is paid by CALLC or any other private sector entity that succeeds CALLC) in accordance with the formula set forth in Section 3 hereof, except that to the extent any Principal Public Participant provides post-default financing to continue operations at the Crossroads, such Principal Public Participant shall be reimbursed for such expense prior to the distribution of any portion of the Operating Fee (or any similar or replacement fee or revenue). Notwithstanding the foregoing, the Principal Public Participants acknowledge that payment of the Ground Rent, Transmission Fee and .25% portion of the Ticket Surcharge shall have priority over any payment of the Operating Fee (or any similar or replacement fee or revenue) in any restructuring of the Operating Agreement, CALLC Agreements or Prior Leases subsequent to a default by CALLC.

12. Term of Agreement

The term of this Agreement shall commence on the date hereof and continue until the expiration or early termination of the Operating Agreement, as the same may be extended. Section 11 herein shall survive the early termination of this Agreement.

13. Notice of Default; Limitation on Remedies

(a) If any party fails to perform or observe any of the terms, conditions, covenants or agreements to be observed or performed by it hereunder, such party, upon written notice from another party, (i) shall remedy or cure such failure within sixty (60) days after receipt of such notice, or (ii) if such failure is of such nature that it cannot be reasonably cured within such sixty (60) day period, shall commence to cure the same in such period and shall diligently proceed to cure the same. In case such failure shall not be remedied or cured within such period, or with respect to a failure described in (ii) above, the cure is not commenced within such period and accomplished within a reasonable time, the party receiving such notice shall be deemed in default hereunder and the aggrieved party may institute such proceeding as in its opinion may be necessary or desirable to (x) cure or remedy such default, or (y) obtain damages therefor, or (z) obtain such other legal or equitable relief as it may be entitled, all as limited by Section 9 herein.

14. Conflict of Interest.

No member, director, official or employee of the City, County or UDC has or shall have any personal interest, direct or indirect, in the Project, nor shall any such member, director, official or employee participate in any decision relating to any of the foregoing which affects his or her personal interest or the interest of any corporation, partnership or association in which he or she is directly or indirectly interested.

15. Third Party Beneficiary.

This Agreement shall not be deemed to grant any rights to any person, firm or corporation except the City, County and UDC and each of their respective successors and permitted assigns and the terms hereof shall be enforceable only by the City, County and UDC or their respective successors and permitted assigns.

16. Notices.

Any notice or communication to be given hereunder or to be served upon any of the parties hereto shall be given or served by mailing the same by certified mail, postage prepaid, return receipt requested, as follows:

(a) if to UDC, addressed to:

New York State Urban Development Corporation
1515 Broadway
New York, New York 10036
Attention: General Counsel - Legal

(b) if to the City, addressed to:

City of Buffalo
City Hall
Buffalo, New York 14202
Attention: Mayor

with a copy to:

Corporation Counsel
City Hall
Buffalo, New York 14202

(c) if to the County, addressed to:

County of Erie
95 Franklin Street
Buffalo, New York 14202
Attention: County Executive

with a copy to:

County Attorney
69 Delaware Ave - Suite 300
Buffalo, New York 14202

or to such other addresses as any party may from time to time designate by notice to the others given as provided in this Section.

17. Change or Termination of Agreement.

This Agreement cannot be changed, modified or terminated orally, but only by a written instrument of change, modification or termination executed by each of the parties hereto.

18. Assignment.

The parties to this Agreement shall not assign their rights or obligations hereunder without the consent of each of the parties hereto, except that UDC can assign its rights and obligations to a public benefit corporation or corporate governmental agency of the State of New York, which succeeds to all or substantially all of the assets of UDC, upon notice to the County and City.

19. Captions.

The captions of this Agreement are for convenience of reference only, and in no way define, limit, modify or describe the scope or intent of this Agreement or otherwise affect this Agreement.

20. Successors and Permitted Assigns.

This Agreement shall be binding upon, and shall inure to the benefit of, the parties hereto and their respective successors and permitted assigns.

21. New York Law.

This Agreement shall be governed by, and construed in accordance with, the law of the State of New York.

22. Counterparts

This Agreement may be executed in counterparts.

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

Approved as to Form

Edward D. Peace
Corporation Counsel

THE CITY OF BUFFALO

By: Anthony M. Masiello
Mayor

NEW YORK STATE URBAN DEVELOPMENT CORPORATION

By: _____

Approved as to Form

_____
County Attorney

THE COUNTY OF ERIE

By: _____
Dennis T. Gorski
County Executive

Approved as to Content

_____
Commissioner of Department
of Environment & Planning

&abres.co3

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

THE CITY OF BUFFALO

By:_____
Anthony M. Masiello
Mayor

NEW YORK STATE URBAN DEVELOPMENT CORPORATION

By:_____

Approved as to Form

_____
County Attorney

THE COUNTY OF ERIE

By:_____
Dennis T. Gorski
County Executive

Approved as to Content

_____
Commissioner of Department
of Environment & Planning

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THE CITY OF BUFFALO

By: _____
Anthony M. Masiello
Mayor

NEW YORK STATE URBAN DEVELOPMENT CORPORATION

By: _____

Approved as to Form

THE COUNTY OF ERIE

_____
County Attorney

By: _____
Dennis T. Gorski
County Executive

Approved as to Content

_____
Commissioner of Department of Environment & Planning

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STATE OF NEW YORK)
) ss.:
COUNTY OF Erie)

On the 23rd day of May 1995, before me personally came Anthony M. Masiello, to me known, who, being by me duly sworn, did depose and say, that he is the Mayor of the City of Buffalo, the City named in the above instrument and that he signed his name thereto by order of the Common Council of said municipality.

Notary Public

EDWARD D. PEACE
Notary Public, State of New York
Qualified in Erie County
My Commission Expires May 4, 19 97

STATE OF NEW YORK)
) ss.:
COUNTY OF Erie)

On the 22nd day of May 1995, before me personally came Dennis T. Gorski, to me known, who, being by me duly sworn, did depose and say, that he is the County Executive of Erie County, the County named in the above instrument and that he signed his name thereto by order of Erie County Legislature.

Whitney K. Reed
Notary Public

WHITNEY K. REED
Notary Public, State of New York
No. 01RE5002610
Qualified in Monroe County
Certificate Filed in Ontario County
Commission Expires Oct. 5, 1996

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the 23rd day of May, 1995, before me personally came Peter V. Wholt, to me known, who, being by me duly sworn, did depose and say that he is the Vice President of NEW YORK STATE URBAN DEVELOPMENT CORPORATION, the corporation described in and which executed the foregoing instrument; and that he signed his name thereto, by order of the board of directors of said corporation.

Mary Ann Tumiel
Notary Public

MARY ANN TUMIEL
Notary Public, State of New York
Qualified in Erie County
My Commission Expires Feb. 3, 19 96

INTER-MUNICIPAL AGREEMENT

THIS AGREEMENT is entered into as of the 10th day of May, 1995, by and between the **County of Erie**, a municipal corporation of the State of New York (the "County"), and the **City of Buffalo**, a municipal corporation of the State of New York (the "City").

RECITALS:

A. Pursuant to Section 119-o, Article 5-G of the General Municipal Law of the State of New York ("Article 5-G"), in addition to any other general or special powers vested in municipal corporations and districts for the performance of their respective functions, powers or duties on an individual, cooperative, joint or contract basis, municipal corporations and districts shall have the power to enter into, amend, cancel and terminate agreements for the performance among themselves or one for the other of their respective functions, powers and duties on a cooperative or contract basis or for the provision of a joint service.

B. The parties to this Agreement, together with CALLC, UDC, BURA, ECIDA, NFHLP, BSC, New York Sportservice, Inc. and the Private Financing Participants, as appropriate with respect to particular documents and particular parties, have entered into the Prior Leases, the Sabres Lease, the Public Sector Financing Documents, the Land Disposition Agreement, the Private Arena Debt Agreements, the Concessionaire Lease Agreement, the Financing Participants Agreement, the Non-Disturbance Agreement, the Lenders Co-operation Agreement and the Related Transaction Documents (together and collectively, the "Transaction Documents") with respect to the acquisition and furnishing of the Crossroads Site and with respect to the financing, acquisition, construction, equipping, maintenance, repair, operation, insuring and occupation, use and marketing of the Crossroads and appurtenant parking facilities.

C. The County has leased the Crossroads Site from BURA pursuant to a ground lease (the "Ground Lease"), dated of even date herewith, the County has leased the Crossroads Site to the City pursuant to a ground lease (the "County Sublease"), dated of even date herewith, and, in turn, the City has leased the Crossroads Site to the County pursuant to a ground lease dated of even date herewith (the "City Sublease").

1. Definitions

All definitions as used herein shall have, unless otherwise defined herein, the same meaning contained in the text of or stated in Exhibit A to that certain Development and Construction Agreement, dated as of even date herewith, between the City, the County, CALLC, UDC, BURA and ECIDA.

2. Provision of Joint Service

The parties hereto agree, as permitted by and pursuant to Article 5-G, that they will provide a joint service, to wit: the City will provide the Crossroads Site pursuant to the City Sublease, and the County will provide and own the Arena Shell (which together with the Crossroads Improvements constitutes the Crossroads). The providing by the City and the County of the Crossroads Site, and the Arena Shell (which together with the Crossroads Improvements constitutes the Crossroads) will constitute, as a joint service, a multi-purpose sports and entertainment complex, which will be financed, acquired, constructed, equipped, maintained, repaired, operated, insured, occupied and marketed all as provided in the Transaction Documents; and each of the parties hereto agrees to be bound by the terms and conditions of each of the Transaction Documents to which it, respectively, is a party.

3. Investment by the City and County

(a) The City has borrowed, pursuant to the Local Finance Law of the State of New York, $10,000,000, and the City and/or BURA has contributed or will contribute such funds to the Project in accordance with the terms of Section 5.01 of the Development and Construction Agreement. Except for the City Non-Cash Contribution, the City (or BURA) does not and has not agreed to contribute or invest any sums of money beyond that contemplated by said Section 5.01 of the Development and Construction Agreement or by the Transaction Documents. Specifically, the City (or BURA) has not agreed to provide funds for any cost over-runs to complete the Crossroads or for any other purpose, and the City's and/or BURA's sole obligation is to provide the funds or perform such other obligations specifically contemplated by Section 5.01 of the Development and Construction Agreement and the applicable Transaction Documents, and no other whatsoever.

(b) The County, for the purposes of providing a portion of the funds necessary to pay the Development and Construction Costs and Expenses, will issue notes and/or bonds and borrow an amount not to exceed $24,500,000 pursuant to the New York State Local Finance Law and a bond resolution duly adopted by the Legislature of the County on February 2, 1995; and from such borrowing and the proceeds of such notes and/or bonds, the County shall invest $20,000,000, in accordance with the applicable Transaction Documents, together with $25,000,000 to be invested by the UDC pursuant to the Transaction Documents, in a Class A Building (as defined in the Local Finance Law), and being the Arena Shell, with a period of probable usefulness, as defined in the Local Finance Law, of 30 years, and which Class A Building (the Arena Shell), together with further improvements to be acquired and constructed with funds provided by CALLC and NFHLP in accordance with Section 5.01 of the Development and Construction Agreement and funds provided by the Concession Lender constitutes the Crossroads. The Arena Shell will be owned by the County subject to the terms of all of the Transaction Documents. Although no depreciation may be taken for tax purposes by any person with respect to the Arena Shell acquired, constructed and equipped with the investments of the County and the UDC, nothing herein or in the appropriate

Transaction Documents, including this Agreement, shall prohibit or prevent any person, including CALLC, from taking depreciation for tax purposes on its capital leases or with respect to leasehold improvements acquired, constructed or furnished by it. The County does not and has not agreed to contribute or invest any sums of money beyond that contemplated by Section 5.01 of the Development and Construction Agreement or specifically required or contemplated by the Transaction Documents. Specifically, the County has not agreed to provide funds for any cost over-runs to complete the Crossroads or for any other purpose, and the County's sole obligation is to provide the funds specifically contemplated by Section 5.01 of the Development and Construction Agreement and the applicable Transaction Documents and no others whatsoever.

4. Debt Service of the City and County

Neither the City (nor BURA) nor the County shall be obligated, liable or otherwise responsible for any payment whatsoever of the debt service of the other with respect to notes and/or bonds issued by the other for the Project, and the payment of any such debt service, principal, sinking fund payments, interest, premiums, if any, or redemption price shall be the sole responsibility of the issuer of the respective obligations.

5. Nature of the City's and County's Obligations With Respect to the Crossroads and the Crossroads Site

(a) The parties hereto agree to be bound by their respective obligations pursuant to the Ground Lease, the County Sublease and the City Sublease (and this entire Section 5 shall be read in light of this sentence), and including, particularly, their obligations with respect to shared responsibility pursuant to Section 6.01 of each of, respectively, the Ground Lease, the County Sublease and the City Sublease; and during the term of this Agreement, the City and the County agree that "sharing of responsibility" pursuant to each such Section 6.01 in each of such leases includes co-operation between the City and the County in good faith to arrive at mutual decisions, from time to time, with respect to the exercise of rights pursuant to the Prime Building Lease in regard to the enforcement of the Prior Lease Promises (as defined in such leases) undertaken by CALLC or its successors in interest, including the exercise of any remedy, including, without limitation, eviction of CALLC or its successors, dispossession of CALLC or assignment of CALLC's rights of possession or those of its successors.

(b) Notwithstanding any rights or obligations which the City or the County may have under the Transaction Documents (which are not modified or affected hereby and remain in full force and effect, including without limitation the applicable terms, if any, of the Intercreditor/Non-Disturbance/Attornment Agreements), neither the City nor the County agrees, whether by reason of this Agreement or by reason of the providing by the City of the Crossroads Site pursuant to the City Sublease or the ownership and providing of the Arena Shell by the County and the providing of the joint service pursuant to this Agreement and the Transaction Documents or otherwise, to undertake, either jointly or severally, any obligation

or obligations of persons or entities not a party to this Agreement pursuant to the terms and conditions of the Transaction Documents, whether or not those obligations are, from time to time, in existence or are terminated, foreclosed or expired, and notwithstanding that some of said Transaction Documents no longer exist or are no longer in force and effect or are valid or that there are successors or no successors to the interests of any party or parties thereto by reason of foreclosure, exercise of creditors' remedies, bankruptcy or reorganization, transfer or assignment by operation of law or otherwise or by reason of abandonment of the Project, the Crossroads or the Crossroads Site or for any other reason whatever. In that regard, neither the City nor the County (a) obligates itself to complete the Crossroads, to repair or rebuild the Crossroads, to maintain the Crossroads, to equip the Crossroads, to operate, insure, market, secure or protect the Crossroads, to demolish the Crossroads if abandoned, or to maintain insurance of any kind, including without limitation casualty or liability insurance, with respect to (or pay premiums with respect thereto) the Crossroads or the Crossroads Site or to comply or cause compliance with any law, statute, rule, regulation, code, administrative or judicial order or permit or to pay any tax or charge however denominated indirectly or directly related to the Crossroads or the Crossroads Site or to do any other thing whatsoever similar or dissimilar to the foregoing directly or indirectly related to the Crossroads or the Crossroads Site; or (b) has agreed or obligated itself, jointly with the other or severally, to appropriate any moneys or issue debt or pay any expense for any purpose, directly or indirectly related to the Crossroads or the Crossroads Site except as specifically provided for in the Transaction Documents. Neither the City nor the County obligates itself or accepts any liability with respect to any casualty to or destruction of the Crossroads or arising out of any claim by or liability to any person for injury or death or damage to or destruction of property of others directly or indirectly related to the Crossroads or the Crossroads Site, including, without limitation, in connection with the procurement, financing, acquisition, construction, operation, maintenance, repair, rebuilding, condition or abandonment thereof.

(c) Pursuant to the Transaction Documents, all of the obligations of the kind set forth in Subparagraph (b) above have been delegated to or assumed by CALLC and the Crossroads is being acquired, constructed and equipped by CALLC as agent of ECIDA.

6. Effectiveness and Term of the Agreement

The term of this Agreement shall commence upon the later to occur of (a) the execution and delivery hereof or (b) the execution and delivery of the Transaction Documents and the satisfaction of all conditions precedent to the effectiveness of the Transaction Documents and shall continue until the earlier to occur of (a) the scheduled original final maturity of the County's thirty (30) year Bonds (notwithstanding any refinancing or refunding thereof from time to time) issued or to be issued to finance its investment in the Crossroads or (b) the final payment of the principal and interest on the County's Bonds (including any final refinancing or refunding thereof from time to time) prior to the original scheduled original final thirty (30) year maturity thereof, provided that the City consents in writing to the expiration of this Agreement on such earlier date. At the expiration of this Agreement,

as between the City and the County, the fee title, subject to whatever claims and encumbrances which then exist and those, if any, created by or as a result of the Transaction Documents and which were not created by the County (except pursuant to the Transaction Documents), shall vest in the City, and, thereafter, the County shall have no interest whatever in or responsibility for the Crossroads or the Crossroads Site, and the City shall have sole rights to and responsibility therefor (except only as otherwise provided, pursuant to the terms of the then existing Transaction Documents which places responsibility therefor upon other persons or entities not a party to this Agreement). If the City shall so request, the County, as grantor, will execute and deliver a quit claim deed with a covenant against grantor's acts to the City, as grantee, or such other documentation as the City and the County may agree is appropriate under the circumstances, all in such form as counsel to the respective parties hereto shall approve.

7. No Other Terms as Permitted by Section 119-o

The parties agree that because of the nature of this Agreement, and the providing of the joint service contemplated herein, and the transactions contemplated hereby coupled with the obligations undertaken by other parties to the Transaction Documents, there is no need to provide for any terms or obligations herein with respect to personnel, budgets, insurance or obligations of expense, maintenance, repair, operation or any method for the raising of funds, currently or otherwise, in that those or similar requirements are embodied in, or undertaken within the obligations of others pursuant to, the Transaction Documents.

8. Amendments

The City and the County may, by further written agreement duly authorized, executed and delivered by both parties, amend or modify any of the terms and conditions hereof so long as such amendment does not terminate the joint service herein provided while the County's Bonds are outstanding.

9. Bed Tax Settlement

Attached hereto as Schedule I and made a part hereof is the First Amendment to the March 10, 1994 City-County Bed Tax Litigation Settlement (to be held in escrow).

10. Governing Law

This Agreement is governed by the laws of the State of New York.

11. Notices

All notices, certificates and communications hereunder shall be in writing and shall be either delivered personally or sent by certified mail, postage prepaid, return receipt

requested, addressed as follows or to such other address as any party may specify in writing to the other:

To the City, BURA or the County at their respective addresses set forth in Exhibit Q to each of the Operating Agreement and the Development and Construction Agreement.

Such notice shall be deemed to have been given upon receipt or upon refusal of the party being notified to receive delivery of such notice.

12. Execution of Counterparts

This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same agreement.

13. Paragraph Headings

The headings of the several paragraphs of this Agreement have been prepared for convenience of reference only and shall not control or affect the meaning of or be taken as an interpretation of any provision of this Agreement.

14. Entire Agreement

This Agreement, in conjunction with the Transaction Documents to which the parties hereto are parties, constitute the entire agreement of the parties hereto concerning the subject hereof and supersedes any prior or contemporaneous understandings of the parties hereto concerning the subject hereof, written or oral.

15. Assignment

This Agreement may not be assigned, transferred or otherwise disposed of by either party without the prior written consent of the other.

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

Approved as to form

Corporation Counsel

CITY OF BUFFALO

By:
Anthony M. Masiello
Mayor

Approved as to form

County Attorney

COUNTY OF ERIE

By:
Dennis T. Gorski
Executive Director

Approved as to Content

Commissioner Department of Environment and Planning

The Buffalo Urban Renewal Agency approves the foregoing agreement and agrees to be bound thereby.

BUFFALO URBAN RENEWAL AGENCY

By:
Anthony M. Masiello
Chairman

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

Approved as to form

Corporation Counsel

CITY OF BUFFALO

By: Anthony M. Masiello
Mayor

Approved as to form

County Attorney

COUNTY OF ERIE

By: Dennis T. Gorski
Executive Director

Approved as to Content

Commissioner Department of Environment and Planning

The Buffalo Urban Renewal Agency approves the foregoing agreement and agrees to be bound thereby.

BUFFALO URBAN RENEWAL AGENCY

By: Anthony M. Masiello
Chairman

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

On the _____ day of May, 1995, before me personally came Anthony M. Masiello to me known, who being by me duly sworn, did depose and say that he is the Mayor of the City of Buffalo, the municipal corporation described in and which executed the above instrument; and that he signed his name thereto by the authority of the municipal corporation.

_____
Notary Public

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

On the 22 day of May, 1995, before me personally came Dennis T. Gorski, to me known, who being by me duly sworn, did depose and say that he is the County Executive of the County of Erie, the municipal corporation described in and which executed the above instrument; and that he signed his name thereto by authority of the Legislature and the County Executive of such municipal corporation in accordance with the County Charter.

Whitney K. Reed
Notary Public

WHITNEY K. REED
Notary Public, State of New York
No. 01RE5002610
Qualified in Monroe County
Certificate Filed in Ontario County
Commission Expires Oct. 5, 1996

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

On the 22 day of May, 1995, before me personally came Anthony M. Masiello to me known, who being by me duly sworn, did depose and say that he is the Mayor of the City of Buffalo, the municipal corporation described in and which executed the above instrument; and that he signed his name thereto by the authority of the municipal corporation.

Joanne Cavalieri
Notary Public
JOANNE CAVALIERI
Notary Public, State of New York
Qualified in Erie County
My Commission Expires Jan. 31, 1997

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

On the ____ day of May, 1995, before me personally came Dennis T. Gorski, to me known, who being by me duly sworn, did depose and say that he is the County Executive of the County of Erie, the municipal corporation described in and which executed the above instrument; and that he signed his name thereto by authority of the Legislature and the County Executive of such municipal corporation in accordance with the County Charter.

_____
Notary Public

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

On the 22 day of May, 1995, before me personally came Anthony M. Masiello to me known, who being by me duly sworn, did depose and say that he is the Chairman of the Buffalo Urban Renewal Agency, the corporation described in and which executed the foregoing instrument; that he signed his name thereto by order of the members of said corporation.

Joanne Cavalieri
Notary Public

JOANNE CAVALIERI
Notary Public, State of New York
Qualified in Erie County
My Commission Expires Jan. 31, 1997

SCHEDULE I

First Amendment to the March 10, 1994 City-County Bed Tax Litigation Settlement

AMENDMENT TO THE MAY 28 1975 AGREEMENT FOR THE FINANCING, CONSTRUCTION, LEASING AND OPERATION OF A CONVENTION CENTER BETWEEN THE COUNTY OF ERIE AND THE CITY OF BUFFALO

THIS AMENDMENT, dated this _____ day of _____, 1995, by and between the CITY OF BUFFALO, a municipal corporation of the State of New York, with principal offices located at 65 Niagara Square, City of Buffalo, New York 14202 (hereinafter referred to as the "CITY") and the COUNTY OF ERIE, a municipal corporation of the State of New York, with principal offices located at 95 Franklin Street, Buffalo, New York 14202 (hereinafter referred to as the "COUNTY"),

W I T N E S S E T H:

WHEREAS, on May 28, 1975 the CITY and COUNTY executed an Agreement, as amended, relating to the financing, construction, leasing and operation of the Convention Center (hereinafter referred to as the "Convention Center Agreement"); and

WHEREAS, on March 5, 1991 the CITY commenced a lawsuit against the County of Erie, the Legislature of the County of Erie and Dennis T. Gorski, as County Executive of the County of Erie, as amended on March 25, 1993 (hereinafter referred to as the "Bed Tax Lawsuit"), relating to, among other things, allocation of hotel bed occupancy tax proceeds which arise from the Convention Center Agreement; and

WHEREAS, pursuant to Article VIII of the Convention Center Agreement, the CITY currently has responsibility for the management, operation and ordinary repairs of the Convention Center. Article VIII also allows the CITY to sub-contract with a not-for-profit corporation for management of the Convention Center; and

WHEREAS, the Convention Center Agreement provides that the Board of Directors of a not-for-profit corporation with which the CITY will contract will consist of nine members. The Convention Center Agreement further provides that five of the members shall be appointed by the Mayor of the City of Buffalo, two of the members will be appointed by the County Executive, and the Common Council of the City of Buffalo and the Erie County Legislature shall each appoint one member; and

WHEREAS, pursuant to the Convention Center Agreement, on April 28, 1978, the CITY entered into a management contract with the Convention Center Management Corporation (hereinafter referred to as the "CCMC") to operate and manage the Convention Center;

WHEREAS, both the CITY and COUNTY desire to amend the existing Convention Center Agreement and require the COUNTY to be responsible for management and operation of the Convention Center.

In consideration of the mutual covenants, terms and conditions hereinafter set forth, the parties agree as follows:

A. The Convention Center Agreement is hereby amended by deleting all previous terms and conditions and the following provisions are substituted:

1. Effective July 1, 1995 the COUNTY will be responsible for the management, operation and control of the Convention Center. The COUNTY shall manage the Convention Center in its sole discretion. The COUNTY shall, however, seek the advice of the CITY with respect to material matters which affect the Convention Center.

2. Effective July 1, 1995 the COUNTY will assume all financial obligations relating to the Convention Center including, but not limited to, subsidizing Convention Center operations.

3. The COUNTY will remain obligated to pay debt service on the Convention Center Bonds.

4. No later than June 30, 1995 the CITY will notify CCMC, in writing, that the Agreement between the CITY and CCMC dated April 28, 1977, as amended (hereinafter referred to as the "Management Contract") will be terminated effective September 30, 1995. On June 30, 1995 the CITY shall assign to the COUNTY, and the COUNTY shall assume, all of the CITY's rights and obligations pursuant to the Management Contract. The CITY will defend, indemnify and hold the COUNTY harmless for any action brought by CCMC based on the CITY's September 30, 1995 termination of the Management Contract. The CITY reserves the

exclusive right to control and perform any such litigation. If the COUNTY chooses to perform, or causes to be performed, any defense of such litigation, other than by the CITY, the cost of such defense shall be borne solely by the COUNTY and the COUNTY waives its right to be indemnified and held harmless by the CITY. Should the COUNTY decide to accelerate or extend the September 30, 1995 termination date of the Management Contract, the COUNTY will defend, indemnify and hold the CITY harmless for any action brought by CCMC based on the COUNTY's acceleration or extension of the September 30, 1995 termination date. The COUNTY reserves the exclusive right to control and perform any such litigation. If the CITY chooses to perform, or causes to be performed, any defense of such litigation, other than by the COUNTY, the cost of such defense shall be borne solely by the CITY and the CITY waives its right to be indemnified and held harmless by the COUNTY.

5. At the COUNTY's option, the COUNTY may enter into a three month agreement, or an agreement of a longer duration if the COUNTY so desires, with the CCMC in order to allow the COUNTY sufficient time to issue a Request For Proposal to responsible management firms, including the CCMC, relating to management of the Convention Center.

6. At the COUNTY's option, the COUNTY may form, or cause to be formed, to the extent permitted by State law, a not-for-profit corporation to manage the Convention Center. If a

new not-for-profit corporation is formed through the COUNTY's efforts, the COUNTY agrees to provide the CITY representation on the Board of Directors of the newly formed not-for-profit corporation, similar to representation which is currently enjoyed by the COUNTY with respect to the CCMC Board of Directors.

7. If the COUNTY elects to issue a Request For Proposal as stated in paragraph 5 of this Agreement, the COUNTY will offer the CITY an opportunity to participate and make recommendations to the County Executive and to the Erie County Legislature as a member on the Request For Proposal Selection Committee.

8. The CITY shall not to use Memorial Auditorium for any event which could be held at the Convention Center or would compete with the Convention Center in such a way that would diminish revenue-making opportunities at the Convention Center. The CITY also agrees not to sell, transfer or otherwise assign any interest in or to Memorial Auditorium unless such transferee or purchaser agrees in writing prior to such sale, transfer or assignment to be bound by the terms and conditions of this paragraph. In addition, so long as the COUNTY actively uses and markets the Convention Center as a convention center, the CITY shall not use or allow the use of, existing CITY-owned or controlled facilities, other than Kleinhans Music Hall, in a manner which is materially different from the way those facilities are currently being used and which would materially

diminish revenue-making opportunities at the Convention Center without the consent of the COUNTY, which consent will not be unreasonably withheld.

9. Convention Center operating expenses including, but not limited to, vendor payments, utility payments and payments to the CCMC which now exist or are attributable to expenses incurred by the CITY prior to July 1, 1995, will be paid by the CITY no later than December 31, 1995. The City Commissioner of Administration and Finance and the County Director of the Division of Budget, Management and Finance will agree on the exact dollar amount owed by the CITY.

10. The parties shall use their best efforts to obtain an amendment to the CITY-CCMC Contract so as to allow the terms of this Amendment to be fully implemented without any additional financial responsibility being imposed on the CITY or the COUNTY. In the event the CCMC does not voluntarily agree to amend its contract with the CITY and, as a result, financial liability is incurred by the CITY or COUNTY, the CITY shall defend, indemnify and hold the COUNTY harmless from liabilities that may be incurred as a result of the CITY terminating, modifying or assigning to the COUNTY its rights pursuant to its contract with the CCMC.

11. On or before _____, 1995, the City and County Commissioners of the Departments of Public Works will jointly perform, or cause to be performed, an inspection of

the Convention Center and will thereafter provide to the CITY and to the COUNTY a mutually agreed upon Inspection Report. The CITY agrees to be financially responsible for the items listed on the Inspection Report until those items are repaired or replaced to the COUNTY's satisfaction, which approval will not be unreasonably withheld. The CITY shall provide written notice to the COUNTY when a repair or replacement is completed. The COUNTY shall, within thirty days, notify the CITY whether or not such repair or replacement is satisfactory and if the COUNTY fails to provide such notice, the repair or replacement shall be deemed to be satisfactory.

12. With respect to causes of action, in contract or tort, which arose prior to July 1, 1995, the CITY agrees to defend, indemnify and hold the COUNTY harmless from and against all liability arising out of defects or negligence caused or created by the CITY, its agents or the CCMC including, but not limited to, latent environmental conditions. With respect to causes of action, in contract or tort, which arise after June 30, 1995, the CITY agrees to defend, indemnify and hold the COUNTY harmless from and against all liability arising out of defects or negligence caused or created by the CITY, its agents, or the CCMC relating to items contained on the Inspection Report referenced in paragraph 11 above. Once an item listed in the Inspection Report is repaired or replaced to the COUNTY's reasonable satisfaction, the CITY will be relieved of its of its obligation

to indemnify and hold the COUNTY harmless with respect to causes of action that arise after that particular item or items are repaired or replaced to the COUNTY's reasonable satisfaction.

13. Except as provided in paragraph 12, with respect to causes of action, in contract or tort, which arise after June 30, 1995, the COUNTY agrees to defend, indemnify and hold the CITY harmless from and against all liability arising out of negligence caused or created by the COUNTY or its agents in the ownership or operation of the Convention Center.

14. The CITY shall defend, indemnify and hold the COUNTY harmless from and against all liability arising out of a dispute with the Buffalo Sewer Authority relating to Buffalo Sewer Authority charges incurred prior to July 1, 1995. The Corporation Counsel of the City of Buffalo will issue a legal opinion relating to the application of Public Authorities Law Section 1180 to the Convention Center.

15. The parties shall use their best efforts to secure all required legislative approvals to carry out the terms of this Amendment including, if necessary, obtaining passage of State enabling or authorizing legislation.

16. All notices, requests and other communications hereunder shall be in writing and shall be delivered personally or deposited in the United States mail, postage pre-paid, to the following people listed below:

If to the City:	Mayor 201 City Hall Buffalo, New York 14202
with copy to:	Corporation Counsel 1101 City Hall Buffalo, New York 14202
If to the County:	Erie County Executive 95 Franklin Street Buffalo, New York 14202
with copy to:	County Attorney 69 Delaware Avenue, Suite 300 Buffalo, New York 14202

17. Neither party shall assign any of its rights or obligations under this Agreement without the prior written consent of the other party, except with respect to assignment of the CCMC contract by the CITY to the COUNTY.

18. Should any disputes arise as to the terms of this Agreement, such dispute shall be referred for settlement to the Corporation Counsel of the City of Buffalo and the County Attorney for the County of Erie. In the event the respective COUNTY and CITY officials are not able to resolve the dispute, it shall be referred to the Mayor of the City of Buffalo and the County Executive of the County of Erie for settlement.

19. This Agreement shall be governed by the laws of the State of New York. All claims, disputes and other matters arising out of, or relating to this Agreement or any breach thereof, if are not resolved by the procedures set forth herein,

shall be decided by the courts and the laws of the State of New York.

20. This Agreement may be amended only by written instrument executed by the legal authorities of the CITY and COUNTY.

21. This Agreement is the entire agreement between the parties hereto and supersedes all prior negotiations, representations or agreements, either written or oral including, but not limited to, the May 18, 1975 Agreement for the Financing, Construction, Leasing Operation of the Convention Center between the County of Erie and the City of Buffalo, as amended.

22. Should either of the parties hereto breach this Agreement, such breach will not be deemed to effect a recision of the entire Agreement. Rather, the party against whose interest such breach occurred will be allowed to seek a remedy as provided by the laws of the State of New York.

23. In the event any covenant, condition or provision herein contained is held to be invalid, unconstitutional or illegal by a court of competent jurisdiction, the invalidity of any such covenant, condition or provision shall in no way affect any other covenant, condition or provision herein contained.

24. The parties agree to abide by all applicable federal, sate and local laws and regulations.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the day and year first written above.

CITY OF BUFFALO

Anthony M. Masiello
Mayor

APPROVED AS TO FORM

Edward D. Peace
Corporation Counsel

COUNTY OF ERIE

Dennis T. Gorski
County Executive

APPROVED AS TO CONTENT

Richard M. Tobe, Commissioner
Dept. Environment and Planning

APPROVED AS TO FORM

Richard J. Schechter
Assistant County Attorney
Doc. No._____

STATE OF NEW YORK)
COUNTY OF ERIE) SS:
CITY OF BUFFALO)

On the 22 day of May, 1995 before me personally appeared ANTHONY M. MASIELLO, to me known, who being by me duly sworn, did depose and say that he resides at 111 Parkhurst Pk Buffalo N.Y. 14222, that he is the Mayor of the City of Buffalo, the corporation described herein which executed the foregoing instrument; and that he signed his name thereto by the power vested in him as Mayor.

Joanne Cavalieri
Notary Public

JOANNE CAVALIERI
Notary Public, State of New York
Qualified in Erie County
My Commission Expires Jan. 31, 1997

STATE OF NEW YORK)
COUNTY OF ERIE) SS:
CITY OF BUFFALO)

On the ___ day of May, 1995 before me personally appeared DENNIS T. GORSKI, to me known, who being by me duly sworn, did depose and say that he resides at _____, that he is the County Executive of the County of Erie, the corporation described herein which executed the foregoing instrument; and that he signed his name thereto by the power vested in him as County Executor.

_____
Notary Public

CHAPTER 652 AGREEMENT

THIS AGREEMENT is entered into as of the 10th day of May, 1995, by and between the **County of Erie**, a municipal corporation of the State of New York (the "County"), the **City of Buffalo**, a municipal corporation of the State of New York (the "City"), the **New York State Urban Development Corporation**, a public benefit corporation of the State of New York ("UDC"), the **Erie County Industrial Development Agency**, a public benefit corporation of the State of New York ("ECIDA"), and the **City of Buffalo Urban Renewal Agency**, a public benefit corporation of the State of New York ("BURA"). The County, the City, UDC, ECIDA and BURA are collectively the "Participating Development Entities".

All definitions as used herein shall have, unless otherwise defined herein, the same meaning contained in the text of or stated in Exhibit A to that certain Development and Construction Agreement, dated as of even date herewith, between the City, the County, CALLC, UDC, BURA and ECIDA.

The Participating Development Entities together with CALLC, NFHLP, BSC, New York Sportservice, Inc. and the Private Financing Participants, as appropriate with respect to particular documents and particular parties, have entered into the Prior Leases, the Sabres Lease, the Public Sector Financing Documents, the Land Disposition Agreement, the Private Arena Debt Agreements, the Intermunicipal Agreement, the Concessionaire Lease Agreement, the Financing Participants Agreement, the Non-Disturbance Agreement, the Lenders Co-operation Agreement, and the Related Transaction Documents (together and collectively, the "Transaction Documents") with respect to the acquisition and furnishing of the Crossroads Site and with respect to the financing, acquisition, construction, maintenance, repair, insuring and occupation, use and marketing of the Crossroads and appurtenant parking facilities.

The parties hereto agree that, pursuant to the terms of Chapter 652 of the Laws of 1993 of the State of New York (the "Chapter") the Transaction Documents, collectively, constitute the Development and Operation Plan as required by the Chapter, and each of this Agreement and each of the Transaction Documents to which any of the Participating Development Entities is a party are ancillary development agreements as defined in the Chapter.

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

Approved as to Form:

Corporation Counsel

CITY OF BUFFALO

By: _____
Anthony M. Masiello
Its Mayor

COUNTY OF ERIE

Approved as to Form:

By: _____
Dennis T. Gorski
Its County Executive

County Attorney

Approved as to Content:

Commissioner of Department of Environment and Planning

NEW YORK STATE URBAN DEVELOPMENT CORPORATION

By: _____
Its: _____

ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

By: _____
Ronald W. Coan
Its Executive Director

CITY OF BUFFALO URBAN RENEWAL AGENCY

By: _____
Anthony M. Masiello
Its Chairman

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

CITY OF BUFFALO

Approved as to Form:

By:_____
Anthony M. Masiello
Its Mayor

_____
Corporation Counsel

COUNTY OF ERIE

Approved as to Form:

By:_____
Dennis T. Gorski
Its County Executive

_____
County Attorney

Approved as to Content:

_____
Commissioner of Department of
Environment and Planning

NEW YORK STATE URBAN
DEVELOPMENT CORPORATION

By:_____
Its:_____

ERIE COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

By:_____
Ronald W. Coan
Its Executive Director

CITY OF BUFFALO URBAN
RENEWAL AGENCY

By:_____
Anthony M. Masiello
Its Chairman

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

CITY OF BUFFALO

Approved as to Form:

By:_____
Anthony M. Masiello
Its Mayor

_____
Corporation Counsel

COUNTY OF ERIE

Approved as to Form:

By:_____
Dennis T. Gorski
Its County Executive

_____
County Attorney

Approved as to Content:

_____
Commissioner of Department of
Environment and Planning

NEW YORK STATE URBAN
DEVELOPMENT CORPORATION

By:_____
Its: Vice President

ERIE COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

By:_____
Ronald W. Coan
Its Executive Director

CITY OF BUFFALO URBAN
RENEWAL AGENCY

By:_____
Anthony M. Masiello
Its Chairman

FIRST AMENDMENT TO THE MARCH 10, 1994 CITY-COUNTY BED TAX LITIGATION SETTLEMENT AGREEMENT

THIS FIRST AMENDMENT, dated as of this 10th day of May, 1995, by and between the CITY OF BUFFALO, a municipal corporation of the State of New York, with principal offices located at City Hall, 65 Niagara Square, Buffalo, New York 14202 (hereinafter referred to as the "CITY") and the COUNTY OF ERIE, a municipal corporation of the State of New York, with principal offices located at 95 Franklin Street, Buffalo, New York 14202 (hereinafter referred to as the "COUNTY").

W I T N E S S E T H :

WHEREAS, on March 5, 1991, the City of Buffalo commenced a lawsuit against the County of Erie, the Legislature of the County of Erie and Dennis T. Gorski, as County Executive of the County of Erie, as amended on March 25, 1993 (hereinafter referred to as the "Bed Tax Lawsuit"), relating to allocation of hotel bed occupancy tax proceeds which arise from the May 28, 1975 Agreement for the Financing, Construction, Leasing and Operation of the Convention Center, as amended (hereinafter referred to as the "Convention Center Contract"); and

WHEREAS, on March 10, 1994, the CITY and COUNTY executed a City-County Bed Tax Litigation Settlement Agreement (hereinafter referred to as "Settlement Agreement") which is attached hereto and incorporated herein as Exhibit "A"; and

WHEREAS, as required by the Settlement Agreement, the COUNTY paid to the CITY $700,000.00 on or about July 1, 1994 as full settlement, with prejudice, of the Bed Tax Lawsuit for claims pertaining to all time periods prior to January 1, 1993. A Stipulation of Discontinuance/General Release was filed in the Erie County Clerk's Office on July 1, 1994 and is attached hereto and incorporated herein as Exhibit "B"; and

WHEREAS, in an effort to consolidate government services, the COUNTY may assume responsibility from the CITY for operation of the Convention Center.

In consideration of the mutual covenants, terms and conditions hereinafter set forth, the parties agree that when this First Amendment becomes effective:

1. All claims with respect to the Bed Tax Lawsuit are extinguished and that the Bed Tax Lawsuit is settled with prejudice with respect to such claims.

2. The CITY consents to the January 1, 1993 five-year Agreement between the COUNTY and the Convention and Visitors Bureau.

3. Any rights the CITY or COUNTY may have had against the other with respect to future claims to, or use of, bed tax proceeds shall lapse and the CITY and COUNTY forever waive any and all such claims that one may have had against the other. The CITY and COUNTY will promptly provide each to the

other a Mutual Stipulation of Discontinuance/General Release with respect to such claim.

This First Amendment will only become effective when the COUNTY executes and delivers to the CITY the Amendment to the May 28, 1975 Agreement for the Financing, Construction, Leasing and Operation of a Convention Center between the County of Erie and the City of Buffalo (hereinafter referred to as the "Convention Center Amendment") which was executed and delivered by the CITY concurrently with the execution of the First Amendment. Should the COUNTY not execute and deliver said Convention Center Amendment prior to July 1, 1995, the terms of this First Amendment shall be null, void and of no effect.

CITY OF BUFFALO

By:_____
EDWARD D. PEACE
Corporation Counsel

COUNTY OF ERIE

By:_____
KENNETH A. SCHOETZ
Erie County Attorney

CITY OF BUFFALO

By:_____
EDWARD D. PEACE
Corporation Counsel

COUNTY OF ERIE

By:_____
KENNETH A. SCHOETZ
Erie County Attorney

EXHIBIT A

City-County Bed Tax Litigation Settlement Agreement

CITY-COUNTY BEDTAX
LITIGATION SETTLEMENT AGREEMENT

The City of Buffalo and the County of Erie mutually desire to settle a lawsuit now pending between them, to participate in the development of the Crossroads Arena Project and to plan for the future of the Buffalo Convention Center. Therefore, for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the City and County hereby agree as follows:

1. The City and County will settle the lawsuit (City of Buffalo v. County of Erie, et al.) now pending regarding the allocation of the bed tax proceeds that arises from the May 28, 1975 Agreement for the Financing, Construction, Leasing and Operation of the Convention Center, as amended, (Convention Center Contract) and the parties will exchange releases and dismiss the lawsuit and counter claims, without costs to either side, with prejudice, as specified in Section 11.

2. The County will pay to the City $700,000 on or about July 1, 1994, at the reasonable direction of the Commissioner of Administration and Finance of the City of Buffalo. The County has these funds available in the Bed Tax Escrow Account.

3. Attached to this agreement is a spreadsheet entitled "Sources and Uses of the County of Erie Bed Tax", that generally displays how the parties anticipate bed tax proceeds will be used, and how the "Excess Bed Tax" will be calculated pursuant to the terms of this agreement. The performance of these funds and the availability of "Excess Bed Tax" will depend on the actual growth of the bed tax, the interest rate obtained by ECIDA for the ECDC bonds and other factors related to the ECIDA/ECDC financing. In the event there is any discrepancy between the spreadsheet and this agreement, this agreement shall control.

4. ECIDA will, subject to the review and approval of the Erie County Comptroller, structure a financing plan on behalf of the Erie County Development Corporation (ECDC) which is sized based upon the following factors:

i) provide for $20 million to the Crossroads Arena Corporation construction fund;

ii) provide for 2 years of capitalized interest;

iii) provide for the establishment of the ECIDA Debt Service Reserve Fund, in an amount and at a time sufficient to obtain and maintain a credit rating on the ECIDA/ECDC bonds from a

nationally recognized municipal credit rating agency that will provide for the most cost effective issuance of such bonds; and

iv) provide for all costs of issuance.

All funds that remain in the Bed Tax Escrow Account after the payment to the City of Buffalo described in Section 2 above will be used to fund costs outlined in this Section.

5. In addition to the ECIDA Debt Service Reserve Fund, ECDC will establish a reserve fund (ECDC Reserve Fund), in the amount and at the time sufficient to obtain and maintain a credit rating on the ECIDA/ECDC bonds from a nationally recognized municipal credit rating agency that will provide for the most cost effective issuance of such bonds.

All bed tax proceeds not needed to make the payments to the Convention and Visitors Bureau, to pay the County's administrative fee, to pay the annual debt service due on County Convention Center bonds and for the ECDC contract payments, shall be made available for the ECDC Reserve Fund.

On or about February 15, 1997, the time the first debt service payment is required on the ECIDA/ECDC bonds, the ECDC Reserve Fund will equal and during the life of the ECIDA/ECDC bonds shall be maintained at a level that is not less than the highest single year payment due on the ECIDA/ECDC bonds (Required Amount).

It is expected that it will be necessary for the ECDC Reserve Fund to exceed the amount of the highest years debt service in certain years so as to ensure that the ECDC Reserve Fund does not fall below the Required Amount in the years in which the bed tax revenue is insufficient to meet all obligations. This is displayed in columns 16 and 17 of the attached spreadsheet. The County will only provide to ECDC, for the ECDC Reserve Fund, such funds as it reasonably expects will actually be needed to establish the ECDC Reserve Fund at the Required Amount and to maintain it. The County will not increase the ECDC Reserve Fund in such a way as to unnecessarily reduce the amount of funds that would otherwise be available for distribution as Excess Bed Tax Revenue. The County shall advise the City if it intends to make a contribution to the ECDC Reserve Fund in excess of the Required Amount. Should the City disagree with the need to make any such contribution, it shall notify the County. If after consultation, the City and the County do not agree on the need to make such excess contribution, the City and the County shall consider using alternative dispute resolution to settle the dispute so long as such alternative dispute resolution will not adversely affect the County's ability to

obtain and maintain a credit rating on the ECIDA/ECDC bonds from a nationally recognized municipal credit rating agency that will provide for the most cost effective issuance of such bonds.

Should it be found prudent to reduce the ECDC Reserve Fund, the value of any reduction in the reserve fund shall cause an increase in Column 13 as shown on the attached spreadsheet.

6. The County and City will amend the Convention Center Contract to provide that, so long as said contract remains in effect, the City and County will divide between themselves, on a 65-35 basis, (with the City receiving 65% and the County receiving 35%) any "Excess Bed Tax" funds that may be available to the County at the end of any County fiscal year. The County shall make semi-annual distributions to the City of its 65% share in June and December of each year. Any adjustments which are found to be necessary shall be made by adjusting the next regularly scheduled distribution(s).

The County imposed a Hotel Bed Occupancy Tax of three percent on all hotel rooms within the County. The County increased the Hotel Bed Occupancy tax by two percent to five percent on those hotels with more than thirty rental rooms. The County has heretofore agreed to appropriate twenty-five percent of the gross proceeds of the initial three percent of the Hotel Bed Occupancy Tax to the County's Tourist Promotion Agency for the purpose of carrying on a Convention and Tourism Promotional Program. The County has also allocated the amount of tax derived from the additional two percent of the Hotel Bed Occupancy Tax on those hotels with more than thirty rental rooms to the County's Tourist Promotion Agency.

"Excess Bed Tax" is defined as the amount by which, if any, in any County fiscal year, seventy-five percent of the gross proceeds of the initial three percent of the Hotel Bed Occupancy Tax proceeds exceed the aggregate of the payments due that year on the County's Convention Center Bonds on the ECIDA/ECDC payment contract for the Crossroads Arena Project and the amount needed to establish and maintain the ECDC Reserve Fund as described in Section 5. Excess Bed Tax does not include any revenue derived from the twenty-five percent of the initial three percent of the Hotel Occupancy Bed Tax, from the additional two percent of the Hotel Occupancy Tax, or from any increase in the Hotel Occupancy Tax above the current rate of five percent.

7. The City and County will commence negotiations promptly on the future of the Buffalo Convention Center. The City and County will consult with the Convention Center Management Corporation and the Convention and Visitors Bureau during the course of such negotiations.

8. The City of Buffalo will commence negotiations

with the Horizons Waterfront Commission, concerning the development of Memorial Auditorium.

9. ECDC will receive the .25% ticket surcharge. ECDC will be free to use these revenues as it sees fit.

10. ECDC will receive a $100,000 contribution from the Buffalo Sabres through the CrossRoads Arena Corporation (CAC) under terms and conditions specified in the Memorandum of Understanding. ECDC will be free to use these funds, or to return some or all of these funds to the CAC or the Sabres as the County, ECDC and the Sabres may agree.

11. In the event that the ECIDA/ECDC bonds are not sold, the terms of the settlement of the lawsuit between the City and County will be modified as follows:

a. On or about July 1, 1994 the County will pay to the City $700,000 as full settlement of the lawsuit described in Section one above for all claims pertaining to any period prior to January 1, 1993.

b. The County and City agree that the split of Excess Bed Tax proceeds as described in Section 6 will be subject to negotiation.

c. The parties acknowledge that the $700,000 payment to the City extinguishes all claims arising prior to January 1, 1993 and that the lawsuit is settled with prejudice with respect to such claims.

d. The parties also agree that claims arising after December 31, 1992 may be revived if a settlement cannot be reached with respect to the division of Excess Bed Tax Proceeds.

e. The Parties agree that if the lawsuit is revived, or a new lawsuit is commenced, neither party may use the $700,000 payment and this settlement as evidence of any wrongdoing or as an admission or as a measure of future damages. In addition, in the event the City or the County reinstates or revives the lawsuit or otherwise initiates any action pertaining to the subject matter of the lawsuit with respect to claims for a period subsequent to December 31, 1992, the City and County each hereby waive any defense in the nature of applicable statutes of limitation and/or issue preclusion because of the passage of time, staleness, laches or similar theory.

12. The County shall distribute to the City an amount equal to 65% of the amount in the ECDC Reserve Fund at the termination of the County's 2007 fiscal year.

Except as otherwise provided in this Section, the County shall make such distribution in the year 2024. Should there be sufficient growth in the bed tax collection after the termination of the Convention Center Contract, the County shall, in its sole discretion, consider making an earlier distribution.

This agreement is entered into as of the 10th day of March, 1994.

CITY OF BUFFALO

By_____
Edward D. Peace
Corporation Counsel

COUNTY OF ERIE

By_____
Richard J. Schechter
Assistant County Attorney

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SOURCES OF FUNDS

BOND PROCEEDS	$23,[illegible],000
199_ CUMULATIVE BALANCE CONTRIBUTION	1,[illegible],021
TOTAL	$24,[illegible],021

USES OF FUNDS

DEPOSIT TO CONSTRUCTION FUND	$20,[illegible],000
UNDERWRITERS DISCOUNT	[illegible],[illegible]
COST OF ISSUANCE	[illegible],000
CAPITALIZED INTEREST	[illegible],768
DEBT SERVICE FUND	[illegible],253
TOTAL	$24,[illegible],021

SOURCES AND USES OF THE COUNTY OF ERIE BED TAX

COL.	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
YEAR	5% BED TAX	ESTIMATED 2.5% CVB CONTRACT	COUNTY ADMIN. FEE	ESTIMATED NET CVB CONTRACT	ESTIMATED 2.5% COUNTY BED TAX	ESTIMATED COUNTY ARENA PAYMENTS	OTHER COUNTY CONTRIBUTIONS	BUFFALO PAYMENT	EXISTING CONVENTION CENTER DEBT SERVICE	ESTIMATED BALANCE	ESTIMATED INTEREST 0% BALANCE 1.01%	ESTIMATED INTEREST 0% RESERVE 3.01%	ESTIMATED CUMULATIVE BALANCE	ESTIMATED AMOUNT TO COUNTY(..25)	ESTIMATED AMOUNT TO CSEA(1.25)	ESTIMATED AMOUNT TO RESERVE	ESTIMATED CUMULATIVE DEBT SERVICE RESERVE
TAX EXEMPT ISSUE 1.0%	8/22/94																
N.I.C. = 5.9%	ISSUE DATE 1/1/95					$23,695,000			SERVICE								2.0%+,23+
1993	3,901,433	2,146,536	78,721	2,066,817	1,757,895	0	1,200,000		1,036,458	1,555,237	27,991	0	1,857,228	0		0	0
1994	3,945,457	2,170,003	81,757	2,088,246	1,775,479	1,283,021		700,000	1,153,515	521,7++	5,263	0	533,819	0		533,819	533,819
1995	3,954,952	2,191,724	83,895	2,107,829	1,791,229	0			1,095,803	697,482	10,496	15,962	723,833	0		723,833	1,257,652
1996	4,024,202	2,213,841	86,140	2,127,501	1,811,181	0			1,027,165	783,696	11,799	37,750	833,225	0		833,225	2,091,007
1997	4,065,050	2,235,779	88,497	2,147,281	1,826,178	642,642			955,665	831,+++	4,991	25,015	890,784	60,550	115,550	835,784	2,926,791
1998	4,105,701	2,258,137	90,972	2,167,164	1,842,589	1,283,287			767,840	(300,+++	0	25,+3+	(135,5++)	0		(135,5++)	2,791,255
1999	4,146,758	2,280,719	93,571	2,187,148	1,856,+++	1,283,287			707,965	(157,+++	0	25,522	(91,++9)	0		(91,++9)	2,700,+++
2000	4,188,226	2,302,526	96,296	2,207,229	1,876,+++	1,283,287			653,119	(63,+++)	0	23,763	(932)	0		(932)	2,699,+++
2001	4,230,108	2,324,559	99,165	2,227,394	1,903,5++	1,283,287			632,640	(15,+++	0	23,734	47,+++	16,+++	30,+++	33	2,724,+++
2002	4,272,409	2,346,825	102,173	2,247,652	1,922,+++	1,283,287			573,913	2+1,+++	2,932	23,735	328,+++	11+,+++	215,+++	0	2,+++,+++
2003	4,315,133	2,370,323	105,323	2,267,991	1,943,+++	1,283,287			555,750	297,+++	4,+++	23,735	354,+++	127,+++	227,+++	0	2,+++,+++
2004	4,358,284	2,394,056	108,648	2,288,407	1,961,+++	1,283,287				402,+++	5,113	23,735	477,+++	227,+++	4+0,+++	0	2,+++,+++
2005	4,401,867	2,417,997	112,131	2,308,866	1,980,+++	1,283,+++				535,+++	8,006	23,735	654,+++	225,+++	423,+++	0	2,+++,+++
2006	4,445,886	2,442,237	115,788	2,329,449	2,000,+++	1,7++,+25				654,+++	2,561	23,735	30+,+++	10+,+++	15+,+++	0	2,+++,+++
2007	4,490,345	2,467,870	119,627	2,350,+++	2,020,+++	1,72+,+13				840,+++	3,+++	23,735	31+,+++	107,+++	199,+++	0	2,+++,+++
2008	4,535,248	2,494,+++	123,658	2,370,723	2,040,+++	1,7++,+++				849,+++	3,+++	23,735	309,+++	309,+++	0	0	2,+++,+++
2009	4,580,+++	2,519,+++	127,+++	2,391,+++	2,061,+++	1,+++,+++				847,+++	3,727	23,735	314,+++	314,+++	0	0	2,+++,+++
2010	4,626,+++	2,544,+++	131,+++	2,412,+++	2,081,+++	1,+++,+++				853,+++	3,754	23,735	319,+++	319,+++	0	0	2,+++,+++
2011	4,672,+++	2,569,+++	135,+++	2,433,+++	2,102,+++	1,+++,+++				856,+++	3,+++	23,735	323,+++	323,+++	0	0	2,+++,+++
2012	4,719,+++	2,595,+++	141,+++	2,453,+++	2,122,+++	1,+++,+++				856,+++	3,+++	23,735	324,+++	324,+++	0	0	2,+++,+++
2013	4,766,+++	2,621,+++	147,+++	2,474,+++	2,144,+++	1,+++,+++				855,+++	3,+++	23,735	324,+++	324,+++	0	0	2,+++,+++
2014	4,814,257	2,647,841	152,450	2,495,391	2,166,415	1,904,858				851,+++	3,+++	23,735	323,+++	323,+++	0	0	2,+++,+++
2015	4,862,400	2,674,320	158,123	2,516,197	2,188,+++	1,919,777				846,+++	3,+++	23,735	320,+++	320,+++	0	0	2,+++,+++
2016	4,911,024	2,701,063	164,077	2,536,984	2,209,981	1,939,935				840,+++	3,+++	23,735	317,+++	317,+++	0	0	2,+++,+++
2017	4,960,134	2,728,074	170,333	2,557,741	2,232,+++	1,+++,+++				833,+++	3,+++	23,735	313,+++	313,+++	0	0	2,+++,+++
2018	5,009,735	2,755,354	176,900	2,578,454	2,254,331	1,974,782				825,+++	3,+++	23,735	309,+++	309,+++	0	0	2,+++,+++
2019	5,059,832	2,782,908	183,795	2,599,113	2,276,+++	1,993,727				816,+++	3,+++	23,735	305,+++	305,+++	0	0	2,+++,+++
2020	5,110,430	2,810,737	191,035	2,619,702	2,298,+++	2,011,573				806,+++	3,+++	23,735	301,+++	301,+++	0	0	2,+++,+++
2021	5,161,534	2,838,844	198,637	2,640,207	2,321,+++	2,029,+++				796,+++	3,+++	23,735	297,+++	297,+++	0	0	2,+++,+++
2022	5,213,149	2,867,232	206,619	2,660,613	2,345,+++	2,047,+++				785,+++	2,+++	23,735	293,+++	293,+++	0	0	2,+++,+++
2023	5,265,280	2,895,904	215,006	2,680,+++	2,369,+++	2,065,+++				774,+++	2,+++	23,735	289,+++	289,+++	0	0	2,+++,+++
2024	5,317,932	2,924,863	223,806	2,701,+++	2,393,+++	2,084,+++				763,+++	2,+++	23,735	285,+++	285,+++	0	0	2,+++,+++
	144,+++,+++	80,+++,+++	4,+++,+++	74,+++,+++	65,+++,+++	45,+++,+++	1,200,+++	700,+++	8,+++,+++		1++,+++	1,+++,+++		4,+++,+++	1,+++,+++	3,+++,+++	

EXHIBIT B

Stipulation of Discontinuance/General Release

STATE OF NEW YORK
SUPREME COURT : COUNTY OF ERIE

FILED
1995 JUL -1 AM 11:22
ERIE COUNTY CLERK'S OFFICE

CITY OF BUFFALO

Plaintiff

v.

COUNTY OF ERIE, et al.

Defendants

STIPULATION OF DISCONTINUANCE AND MUTUAL RELEASE

Index No. 2148-92

It is hereby stipulated and agreed by and between the parties to the above-noted lawsuit that all claims and counterclaims relating to the allocation of bed tax proceeds pertaining to any period prior to January 1, 1993 shall be dismissed with prejudice. The parties further agree and stipulate that all claims and counterclaims relating to the allocation of bed tax proceeds pertaining to any period on or after January 1, 1993 shall be dismissed without prejudice. This action is discontinued without costs to either party as against the other.

In consideration of the sum of Seven Hundred Thousand ($700,000.00) Dollars paid by the County of Erie to the City of Buffalo, the City of Buffalo does hereby release and forever discharge the County of Erie, et al. and the County of Erie, et al. does hereby release and forever discharge the City of Buffalo, for all claims, debts, demands or liability whatsoever which the City of Buffalo and/or the County of Erie has or ever had against each other relating to the allocation of bed tax proceeds pertaining to any period prior to January 1, 1993.

COUNTY OF ERIE — DEPARTMENT OF LAW

219.384

1

This Stipulation of Discontinuance and Mutual Release shall incorporate by reference the "City-County Bed Tax Litigation Settlement Agreement" signed March 10, 1994. That Settlement Agreement is annexed hereto and made a part hereof as Exhibit "I".

CITY OF BUFFALO

BY: _____
EDWARD D. PEACE
Corporation Counsel

COUNTY OF ERIE

BY: _____
KENNETH A. SCHOETZ
Erie County Attorney

COUNTY OF ERIE - DEPARTMENT OF LAW

ACKNOWLEDGMENT

STATE OF NEW YORK)
COUNTY OF ERIE) ss.
CITY OF BUFFALO)

On the 22nd day of June, 1994, before me personally appeared EDWARD D. PEACE, Corporation Counsel for the City of Buffalo, who, by me being duly sworn, did depose and say: that he is the Corporation Counsel for the City of Buffalo, the municipal corporation described in and which executed the above instrument; and that he signed his name thereto on behalf of the City of Buffalo pursuant to resolution of the Common Council of the City of Buffalo.

Notary Public

MICHAEL B. RISMAN
Notary Public, State of New York
Qualified in Erie County
My Commission Expires March 30, 19 96

ACKNOWLEDGMENT

STATE OF NEW YORK)
COUNTY OF ERIE) ss.
CITY OF BUFFALO)

On the 22 day of June, 1994, before me personally appeared KENNETH A. SCHOETZ, Erie County Attorney, who, by me being sworn, did depose and say: that he is the Attorney for the County of Erie, the municipal corporation described in and which executed the above instrument; and that he signed his name thereto on behalf of the County of Erie pursuant to resolution of the Erie County Legislature.

Notary Public

LOUISE P. HARTMAN
Notary Public, State of New York
Qualified in Erie County
My Commission Expires May 4, 19 95

New York State Office of Parks, Recreation and Historic Preservation
Historic Preservation Field Services Bureau
Peebles Island, PO Box 189, Waterford, New York 12188-0189 518-237-8643

~~Joan K. Davidson~~
~~Commissioner~~
Bernadette Castro
Acting Commissioner

LETTER OF RESOLUTION
BETWEEN THE
NEW YORK STATE URBAN DEVELOPMENT CORPORATION
THE
NEW YORK STATE OFFICE OF PARKS, RECREATION AND HISTORIC PRESERVATION
AND THE
CROSSROADS ARENA, ~~LIMITED LIABILITY CORPORATION~~ LLC
REGARDING THE CROSSROADS ARENA PROJECT IN BUFFALO, ERIE COUNTY

WHEREAS the New York State Urban Development Corporation (UDC) has been advised that the construction of the Crossroads Arena (Project) will have an Adverse Impact on the Oldman Boiler Works, located at 32-42 Illinois Street, which is eligible for inclusion on the State and National Registers of Historic Places and that it has the potential to impact archeological resources located within the Project area, through its consultation with the New York State Office of Parks, Recreation, and Historic Preservation (OPRHP) in accordance with Section 14.09 of the New York State Parks, Recreation and Historic Preservation Law (NYSPRHP Law); and

WHEREAS the Phoenix Die Cast Company Building, located at 110-226 South Park Avenue, which is eligible for the State and National Registers of Historic Places and other buildings will be retained and preserved within the locally designated Cobblestone Historic District; and

WHEREAS UDC and OPRHP have consented to the preliminary design and footprint for the arena component of the Project and have consented to the location of the proposed five-story parking structure that shall adjoin the arena; and

WHEREAS the City of Buffalo, lead agency for the Waterfront Urban Renewal Plan Amendment (Crossroads Arena Project) Environmental Impact Statement (EIS), has participated in the consultation, and has been invited to concur in this Letter of Resolution (LOR); and

WHEREAS the Crossroads Arena, ~~Limited~~ ~~Liability~~ ~~Corporation~~ LLC (CALLC) has participated in the consultation, and has agreed to the terms and stipulations stated in this Letter of Resolution; and

NOW, THEREFORE, UDC, CALLC, the City of Buffalo, and OPRHP agree that the undertaking shall be implemented in accordance with the following stipulations in order to take into account the impact of the Project on historic properties.

Stipulations

The UDC has or will ensure that the following stipulations are implemented by CALLC with respect to the development and construction of the Project:

1. The UDC shall ensure that the Stage 3 Data Recovery Plan (Research Design) entitled,

- The Crossroads Arena Project, County of Erie, New York, Research Design for Stage 3 Mitigation of the Martin Phillips Site. Corner of South Park and Illinois Street, City of Buffalo, New York, September 28, 1994.

is implemented by CALLC.

2. The UDC shall ensure that all final archeological reports resulting from actions pursuant to this agreement will be provided to the OPRHP for review. UDC shall ensure that all such reports prepared by CALLC are responsive to contemporary professional standards, and to the Department of Interior's Format Standards for Final Reports of Data Recovery Program (42 FR 5377-79). Precise locational data may be provided only in a separate appendix if it appears that its release could jeopardize archeological sites.

3. The UDC shall ensure that CALLC will have all materials and records resulting from the data recovery excavations are curated in accordance with 36 CFR Part 79.

4. Prior to the demolition of any portions of the Oldman Boiler Works Building or the removal of its contents, UDC has ensured that the following documentation and recordation has been provided by CALLC to OPRHP:

- a full set of large format prints;
  minimum size 4"X5" with negatives

- index/explanation for set of photographs

- draft of key to photographs and specific locations from where taken

- draft of physical description of building

The documentation described has been completed by CALLC and has been done to HABS/HAER standards and has been accepted by OPRHP prior to the demolition of any portion of the Oldman Boiler Works Building and prior to the removal of its contents. CALLC has provided copies of the final report to appropriate local archives designated by the OPRHP.

5. The design and specifications for the parking structure component of the project which have not yet been completed, shall be submitted by CALLC to UDC for its approval.

6. UDC shall ensure that CALLC's project design for new construction of the Project is reasonably compatible with the historic and architectural

qualities of the Phoenix Die Cast Company Building and the locally designated Cobblestone Historic District and is responsive to the recommended approaches to new construction set forth in the Secretary of the Interior's Standards for the Treatment of Historic Properties (U.S. Department of the Interior, National Park Service, 1992); and that the design and specifications (materials, surface treatments, solid/void ratios and massing distributions) for the Project, specifically the east side of the parking ramp as it faces the National Register Eligible Phoenix Die Cast Company Building and the locally designated Cobblestone Historic District, are developed by CALLC in consultation with the UDC and OPRHP and submitted to the OPRHP for review and approval. No work shall be done on this portion of the Project until all design review has been completed. Once design approval is given by OPRHP, further design reviews will not be necessary unless there are changes to the Project design.

OBJECTIONS AMONG CONSULTING PARTIES

Should any of the consulting parties (UDC, OPRHP, CALLC) disagree at any point in this process, UDC shall be the final arbiter and after consultation with the objecting party shall grant or withhold its approval as it deems appropriate. If UDC should fail to take the recommendations of OPRHP, UDC shall submit in writing a justification for this decision.

Nothing herein shall limit the City's right to review and approve the design of the parking structure as set forth in the Development and Construction Agreement.

Any recommendation or comment provided by UDC will be understood to pertain only to the subject of the dispute; UDC's responsibility to carry out all actions under this agreement that are not subjects of the dispute will remain unchanged.

Execution of this Letter of Resolution and implementation of its terms will serve as evidence that UDC has satisfied its 14.09 responsibilities for all individual undertakings of the program and is authorized to proceed with the demolition of the Oldman Boiler Works Building and the construction of the Project.

New York State Urban Development Corporation

By: _____ Date: 20 March 1995

The New York State Office of Parks, Recreation, and Historic Preservation

By: _____ Date: 9 March '95

Crossroads Arena ~~Limited Liability Corporation~~ LLC

By: _____ Date: 5/31/95

Concur:

The City of Buffalo

By: _____ Date: 3/31/95

DEVELOPMENT AND CONSTRUCTION AGREEMENT

By and Among

CROSSROADS ARENA LLC

CITY OF BUFFALO,

COUNTY OF ERIE,

NEW YORK STATE URBAN DEVELOPMENT CORPORATION,

BUFFALO URBAN RENEWAL AGENCY

and

ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

Dated: As of May 10, 1995

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DEVELOPMENT AND CONSTRUCTION AGREEMENT

This Agreement dated as of May 10, 1995 by and among Crossroads Arena LLC, a New York limited liability company ("CALLC"), the City of Buffalo, a municipal corporation of the State of New York (the "City"), the County of Erie, a municipal corporation of the State of New York (the "County"), the New York State Urban Development Corporation, a corporate governmental agency of the State of New York constituting a political subdivision and public benefit corporation ("UDC"), the Buffalo Urban Renewal Agency, a public benefit corporation created pursuant to Article 15-B of the General Municipal Law ("BURA"), and the Erie County Industrial Development Agency, a public benefit corporation created pursuant to Article 18-A of the General Municipal Law ("ECIDA"), recites as a preamble the following:

A. The City, County, UDC, BURA, ECIDA and Crossroads Arena Corporation (now known as Arena, Inc.) are parties to a Memorandum of Understanding dated March 28, 1994 ("MOU") with respect to the design, development, construction and operation of a sports and entertainment complex to be built in the City and operated by CALLC as described in the MOU ("The Crossroads"). Arena, Inc. has assigned its rights and interest under the MOU to CALLC pursuant to an Assignment and Assumption Agreement by and between Arena, Inc. and CALLC dated November 18, 1994;

B. In accordance with the MOU, the City, BURA and CALLC entered into an Interim Development Agreement dated as of March 11, 1994 (the "Interim Development Agreement") and pursuant thereto BURA acquired the portion of The Crossroads Site identified on Exhibit B-1, and CALLC contracted for demolition, utility relocation and other services related to development of The Crossroads which have been or are to be funded by the City and/or BURA pursuant to the Interim Development Agreement (the "Interim Development Activities"), and the City and/or BURA have reimbursed CALLC for the cost of certain Interim Development Activities incurred by CALLC prior to the execution of the Interim Development Agreement;

C. In contemplation of the construction and operation of The Crossroads, CALLC and its agents have undertaken certain activities with respect to the design and development of The Crossroads in addition to the Interim Development Activities (the "Pre-Closing Design and Development Activities");

D. In accordance with the MOU, the parties to this Agreement and certain other parties have on the date of this Agreement entered into the Prior Leases, the Public Sector Financing

Documents, the Private Arena Debt Agreements, the Intercreditor/Non-Disturbance/Attornment Agreements, the Non-Relocation Agreement and the Related Transaction Documents, as hereinafter defined;

E. Pursuant to the Prime Building Lease, under which the ECIDA has leased The Crossroads Site and The Crossroads to CALLC, CALLC is authorized to act as the agent of ECIDA in improving and developing The Crossroads Site; and

F. The City has committed to fund $10 million of the total Development and Construction Costs and Expenses, which funds have been and shall be provided either directly or indirectly to BURA for the acquisition of and preparation of the land on which the Arena will be constructed and other eligible Development and Construction Costs and Expenses; and

G. The County has committed to fund $20 million of the total Development and Construction Costs and Expenses, which funds shall partially finance the cost of construction of the Arena; and

H. The City and County have entered into an Inter-Municipal Agreement dated as of the date hereof pursuant to Section 119-o, Article 5-G, of the General Municipal Law of the State of New York; and

I. The County shall own a functional Class A building as provided for in Section 11.00 of the Local Finance Law of the State of New York; and

J. The UDC has committed to fund $25 million of the total Development and Construction Costs and Expenses.

K. The Public Sector Participants, as set forth in the Coordinating Agreement dated the date hereof, have appointed UDC as their agent for providing certain approvals or consents contemplated herein; and

L. The parties hereto desire to set forth their agreements regarding their participation in the Project on the terms and conditions herein described which together with the Operating Agreement, the Coordinating Agreement, the Prior Leases, and the Financing Participants Agreement, and all exhibits or attachments to any of the foregoing, constitutes a development and operation plan pursuant to the State Authorizing Legislation.

NOW, THEREFORE, based on the foregoing premises and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties to this Agreement agree as follows:

Article I - Definitions

All capitalized terms used herein which are not otherwise defined in the text shall have the meaning stated on Exhibit A attached hereto.

Article II - The Development and Construction Project

2.01 The Project.

The parties hereto agree to cause to be designed and constructed on The Crossroads Site a state-of-the-art community sports and entertainment center, including approximately 80 private suites and approximately 2,500 premium seats, a premium seat club, sports bar restaurant, concession facilities which will be sufficient to accommodate National Hockey League hockey, basketball, indoor soccer, indoor lacrosse, concerts, family shows and other events and seat approximately 19,400 for hockey and up to 21,500 for concerts and including between 1,900 and 2,500 parking spaces (a portion of which will be contained in parking structures with the remainder on surface lots), all constructed and equipped in accordance with the Plans and Specifications. Concurrently with this Agreement, the parties hereto are entering into an Operating Agreement regarding the management and operation of The Crossroads upon its completion.

2.02 Pre-Closing Project Activities.

To carry out the Project, the parties to this Agreement have undertaken the following activities and taken the following actions prior to the date of this Agreement:

(a) CALLC has retained the Project Architects to prepare construction documents for completion of the Arena, specifically the Arena Plans and Specifications and Parking Structure Construction Manager to prepare the Parking Structures Plans and Specifications;

(b) BURA has acquired, by negotiated purchases and through the exercise of its condemnation powers, title to the portion of The Crossroads Site identified on Exhibit B-1;

(c) CALLC has engaged contractors and agents to perform, and BURA, with the approval of UDC, has funded, certain of the Interim Development Activities.

The Principal Public Participants and CALLC acknowledge, accept and approve the foregoing actions taken by them with respect to the Project.

2.03 Leasing of The Crossroads to CALLC.

Contemporaneously with the execution of this Agreement the parties have entered the Prior Leases.

2.04 Development and Construction Schedule.

Attached hereto as Exhibit D is a Development and Construction Schedule approved by the Principal Public Participants, which CALLC undertakes to accomplish, provided that CALLC may modify or amend such Development and Construction Schedule in accordance with Articles III and IV hereof.

2.05 Project Budget.

(a) The Project Budget.

The Project Budget, attached hereto as Exhibit E, has been approved by CALLC and the Principal Public Participants. The Project Budget may be increased by CALLC to reflect Change Orders approved by UDC, as provided in Article III hereof, or for additional Project expenses that occur despite CALLC's best efforts to complete the Project within the Project Budget. Prior to any increase in the Project Budget, CALLC shall arrange for a Cost Overrun Loan to finance the additional Project cost, or amend the Project Budget by reducing one or more Project Budget categories in the amount necessary to offset the additional cost reflected in the increased Project Budget. Notwithstanding the foregoing, no item in the Project Budget shall be increased if it results in additional payments to, or for the benefit of, any Affiliate, nor shall any additional item be added to the Project Budget if it results in payments to or for the benefit of an Affiliate, unless such increase or additional item is approved by the Principal Public Participants.

In the event CALLC determines that the Project may be completed for less than the Project Budget, it may propose, by Change Order, additional improvements to The Crossroads, provided that the cost of the additional improvements do not cause the initial Project Budget to be exceeded. Such Change Orders shall be subject to the approval of the Principal Public Participants as provided in Section 4.03.

(b) Trade Payment Breakdown.

CALLC shall cause the General Contractor as defined in the Financing Participants Agreement to provide UDC with a trade payment breakdown for each subcontract entered into for The Crossroads, setting forth quantities and unit prices, together with the projected construction schedule and a schedule of anticipated monthly requisition amounts. The trade payment breakdown shall be subject to the prior approval of UDC, which approval shall not be unreasonably withheld. The trade payment breakdown shall be used only as a basis for requests for disbursement of funds and shall not be considered as a basis for increasing or reducing the Guaranteed Maximum Price

Contract.

Article III - Design of The Crossroads

3.01 The Crossroads Design.

Pursuant to their engagement with CALLC, the Project Architects have prepared the Arena Plans and Specifications, the development of which included review and comment by the Design Review Committee. The Design Review Committee has approved the external architectural elements of the Arena, as described in the Arena Plans and Specifications. Arena Plans and Specifications have been accepted and approved by the Principal Public Participants and the City has issued a building permit therefor.

3.02 Letter of Resolution.

The Arena Plans and Specifications have been prepared in accordance with a Letter of Resolution between UDC, CALLC, and the New York State Office of Parks, Recreation and Historic Preservation a copy of which is attached hereto as Exhibit F. CALLC agrees that the Parking Structures Plans and Specifications shall be prepared and effected in accordance with the Letter of Resolution.

3.03 Design Development.

To complete The Crossroads Design in such form and content that CALLC shall determine necessary to proceed with construction of The Crossroads pursuant to Article IV, CALLC shall:

(a) engage the Project Architects, engineers, consultants and others to provide or perform any refinement, elaboration, study, test or other activity with respect to The Crossroads Design which CALLC reasonably determines necessary or appropriate to proceed and complete construction of The Crossroads pursuant to this Agreement;

(b) take or cause to be taken such other actions as it shall reasonably determine necessary or appropriate with respect to the refinement, elaboration and completion of The Crossroads Design; and

(c) within 120 days of the date of this Agreement submit preliminary Parking Structures Plans and Specifications to each Principal Public Participant and the New York Office of Parks, Recreation and Historic Preservation for their approval prior to implementation, which approval shall not be unreasonably withheld. If the Principal Public Participants so elect, the Design Review Committee may be reconvened in order to consider The Parking Structures Plans and Specifications, provided that the process of the Design Review Committee will be coordinated with review by UDC.

The parties will use their best efforts to reach agreement on final Parking Structures Plans and Specifications within 60 days of receipt.

3.04 Amendments to Design.

CALLC shall not authorize, direct or permit any material amendment, modification, addition or deletion with respect to the Arena Plans and Specifications, or the Parking Structure Plans and Specifications after initial approval, without the prior written consent of the UDC. CALLC shall not make any Major Change unless such Major Change is approved by the Principal Public Participants.

In the event CALLC proposes a Major Change, it shall notify each Principal Public Participant in writing in accordance with Section 14.03 hereof which notice shall state: (1) the portion of The Crossroads Design affected, (2) a complete description of the proposed change to The Crossroads Design together with a cost analysis thereof, (3) the reason why such Major Change is proposed and (4) whether such proposed change is necessary in order for The Crossroads to be designed, constructed and equipped for a cost less than the Project Budget. Representatives of CALLC shall make themselves reasonably available to respond to questions presented by the Principal Public Participants, provided that if the Principal Public Participants request a meeting or meetings, all Principal Public Participants desiring to meet with CALLC shall meet as a group with CALLC.

—Within thirty (30) days after receipt of a notice of a proposed Major Change, each Principal Public Participant shall notify CALLC and each other Principal Public Participant in writing of its approval or disapproval of the proposed Major Change. Any proposed Major Change shall be deemed approved unless one of the Principal Public Participants notifies CALLC in writing within 30 days after receipt of notice of a proposed Major Change that it does not approve of the proposed Major Change. Any notice of disapproval shall set forth the basis for disapproval which must be based on a determination only that (a) the health, safety and welfare of citizens, patrons and other users of The Crossroads would be adversely affected if such Major Change were implemented, (b) a material reduction of the Operating Fee is projected as the result of such Major Change, or (c) such Major Change would result in a substantial alteration of the character or function of The Crossroads as contemplated in The Crossroads Design. CALLC may initiate dispute resolution proceedings in accordance with Article XIII hereof in order to resolve any issues associated with such proposed Major Change.

Article IV - Construction

4.01 Contractors and Suppliers.

CALLC shall be responsible for entering into contracts with appropriate contractors for completion of construction and equipping of the Project in accordance with The Crossroads Design. CALLC shall have authority to enter into all agreements, including a Guaranteed Maximum Price Contract ("GMPC"), and all other agreements with consultants, contractors, suppliers and other entities or individuals as CALLC shall deem necessary and appropriate in connection with the development, construction and equipping of the Project in accordance with the terms of this Agreement. All contracts and agreements provided for in this Section 4.01 shall be subject to the prior review and approval by UDC (which approval shall not be unreasonably withheld). CALLC's obligation to complete the Project is absolute and irrespective of the cost thereof unless a Principal Public Participant defaults on its obligations to provide funds as required under Section 5.01 hereof.

4.02 Construction Drawings and Bid Documents.

All construction drawings, plans and specifications for the Project shall be deemed to have been approved by the UDC if the UDC does not disapprove of any such drawings, plans or specifications in writing pursuant to Section 14.03 hereof as promptly as possible, but in no event later than the time period specified in the Building Loan Contract for approval by Construction Lenders.

4.03 Change Orders.

All change orders and construction change directives (collectively "Change Orders") with respect to the Project, shall be subject to the prior approval of UDC which approval shall not be unreasonably withheld and, if such Change Order constitutes a Major Change, approval by each of the Principal Public Participants in accordance with the procedures of Section 3.04. All Change Orders not constituting a Major Change received by UDC from CALLC shall be deemed to have been approved by UDC if UDC does not notify CALLC of its disapproval in writing pursuant to Section 14.03 hereof as promptly as reasonably possible, but in no event later than the time period specified in the Building Loan Contract for approval by Construction Lenders of a request for a Change Order. CALLC shall file summary reports of all Change Orders with the City Clerk for the City contemporaneously with submission to UDC.

4.04 CALLC Covenants.

(a) CALLC shall supervise, monitor and enforce all contracts which it enters into concerning the Project in such manner as it reasonably determines is appropriate and necessary to complete the Project within the Development and Construction Schedule and Project Budget.

(b) CALLC shall cause the Project Architect, the Parking Structures Architect and all

contractors, consultants and suppliers with whom CALLC enters into agreements with respect to construction of the Project to ensure that all work on the Project is done in a good and workmanlike manner and in accordance with the construction drawings prepared by the Project Architect with respect to the Arena, and in accordance with the construction drawings prepared by the Parking Structures Architect with respect to the Parking Structures, and ensure that the construction of the Arena and the Parking Structures shall comply with the building code and all other applicable codes of the City, subject to any variance obtained by CALLC. All variances, permits and licenses required for the Project shall be obtained by CALLC from the City and any other governmental authority having jurisdiction over the Project provided, the City shall use its best efforts to cooperate in every lawful way with CALLC in the issuance of all such City permits, licenses and variances as may be applied for by CALLC.

(c) CALLC shall obtain any and all temporary and permanent certificates of occupancy with regard to The Crossroads or any portion thereof from the City.

(d) If there shall exist on The Crossroads Site any Hazardous Substance requiring remediation under applicable law, CALLC shall arrange for remediation and removal of the Hazardous Substance from The Crossroads Site, the cost of which will be payable from the Project Budget, or by the general contractor to the Project, as provided in the Construction Contract between CALLC and such general contractor, subject to claims which CALLC may pursue against prior owners, other than BURA, The Buffalo Enterprise Development Corporation and the City.

(e) CALLC shall comply with all terms and conditions of the Prior Leases, Private Arena Debt Agreements, Financing Participants' Agreement, and all other agreements executed concurrently herewith by CALLC to which any Public Sector Participant is a Party.

(f) CALLC shall use the proceeds from the Principal Public Participants solely for Development and Construction Costs and Expenses, as set forth in the Project Budget.

(g) CALLC shall maintain its existence in good standing.

(h) CALLC shall cause NFHLP not to violate the provisions of Section 7.20 in the Building Loan Contract.

(i) CALLC shall comply with the provisions of Exhibit J hereto.

4.05 Insurance. (a) At all times throughout the term of this Agreement, including without limitation, during any period of construction or reconstruction of the Arena, CALLC shall maintain insurance with insurance companies licensed to do business in the State, against such risks, loss, damage and liability (including liability to third parties caused or due to the actions or inaction of any Person, including but not limited to the parties to this Agreement and contractors and subcontractors performing work on the Project) and for such amounts as are customarily insured against by other enterprises for facilities similar to The Crossroads, including, without limitation:

(i) Owners and Contractors Protective Liability Insurance coverage for the benefit of the Public Sector Participants in a minimum amount for bodily injury and property damage set forth on Exhibit G to the extent not provided by the Public (Commercial General) Liability Insurance described in subsection (iii) below;

(ii) Builders' risk insurance written on an "all risk" completed value form to the extent commercially available (otherwise, perils as closely approximate to "all risk" as feasible), during the term of construction or reconstruction of the Project. Such insurance shall be on a replacement cost basis. Such builders risk coverage shall cover buildings, structures, machinery, equipment, and other property which shall become a permanent part of the Project. The coverage shall contain a provision allowing occupancy prior to completion and shall include coverage for debris removal;

(iii) Public (Commercial General) liability insurance in accordance with customary insurance practices for similar projects. Such insurance may be provided under an owner controlled insurance program or "wrap-up" and shall be written in amounts set forth on Exhibit G which insurance (A) will also provide coverage of CALLC's obligations of indemnity under Article IX hereof with respect to perils customarily insured under such form of policy, and (B) may be achieved by overall blanket or excess coverage policies of CALLC, so as to achieve the limits of liability designated in Exhibit G;

(iv) Boiler and machinery property damage insurance from risks normally insured against under boiler and machinery policies at the time such covered property is installed and shall be written on a comprehensive form insuring against direct loss of property with a joint loss agreement with any other property insurer of CALLC, which shall include without limitation, all air conditioning and heating equipment, ice making plants, piping, miscellaneous electrical apparatus, boilers and all related equipment/machinery, pressure vessels and/or systems, high and low pressure piping, if any and shall be maintained on a replacement cost basis;

(v) Workers' compensation insurance, disability benefits insurance and such other forms of insurance which CALLC is required by law to provide, covering losses resulting from injury, sickness, disability or death of the employees of CALLC; CALLC shall require that all Project contractors and subcontractors shall maintain all forms or types of insurance with respect to their employees as required by law;

(vi) Employee dishonesty insurance with a policy limit of not less than $500,000.00 for each employee dishonesty loss;

(vii) Automobile liability insurance for all vehicles which CALLC owns, leases, hires or uses with policy limits of at least $1,000,000 combined single limit each accident bodily injury and property damage liability; and

(viii) Business interruption insurance, written on an actual loss sustained basis, and including loss of rents and extra expense insurance in connection with the builder's risk insurance.

(b) All insurance required by Section 4.05(a) above shall be procured and maintained in financially sound and generally recognized responsible insurance companies authorized to write such insurance in the State of New York. To the extent not paid by a contractor during the construction of any part of the Project, CALLC shall pay the premiums on the insurance required by Section 4.05(a) above, subject to reimbursement to the extent such premiums shall constitute a Project Budget item.

(c) Each of the policies or binders evidencing the insurance required above to be obtained shall:

(i) designate (except in the case of workers' compensation insurance, auto insurance, and the general contractor's equipment insurance) CALLC, the Public Sector Participants, and the Private Financing Participants and their respective successors and assigns as additional insureds as their respective interests may appear;

(ii) provide that all insurance proceeds with respect to loss or damage to the Arena be endorsed and made payable to CALLC and shall name Marine Midland Bank as Agent as a loss payee under the standard loss payee clause and as a mortgagee under the terms of a standard mortgagee clause;

(iii) provide that there shall be no recourse against the Public Sector Participants or Private Financing Participants for the payment of premiums or commissions or (if such policies or binders provide for the payment thereof) additional premiums or assessments;

(iv) provide that with respect to the Public Sector Participants, the insurance shall not be invalidated by any action or inaction of CALLC and shall insure the Public Sector Participants regardless of, and any losses shall be payable notwithstanding, any foreclosure or other proceeding or notice of sale relating to The Crossroads or CALLC's interest therein;

(v) provide that such insurance shall be primary insurance without any right of contribution from any other insurance carried by the Public Sector Participants to the extent that such other insurance provides Public Sector Participants, as the case may be, with contingent and/or excess liability insurance with respect to its respective interest as such in the Arena, and shall expressly provide that all provisions thereof, except the limits of liability (which shall be applicable to all insureds as a group) and liability for premiums (which shall be solely a liability of CALLC) shall operate in the same manner as if there were a separate policy covering each insured;

(vi) provide that if the insurers cancel such insurance for any reason whatsoever,

or the same is allowed to lapse, expire, or there be any reduction in amount, or any material change is made in the coverage, such cancellation, lapse, expiration, reduction or change shall not be effective as to the Public Sector Participants until at least thirty (30) days after receipt by the Public Sector Participants, respectively, of written notice by such insurers of such cancellation, lapse, expiration or change; and

(vii) waive any right of subrogation of the insurers thereunder against any Person who is a party to this Agreement and insured under such policy, and waive any right of the insurers to any setoff or counterclaim or any other deduction, whether by attachment or otherwise, in respect of any liability of any such Person insured under such policy to the extent of insurance coverage which is provided under such policy.

(d) The net proceeds of any insurance received with respect to any loss or damage to the property of the Project shall be deposited and disbursed in accordance with the Financing Participants Agreement.

(e) CALLC shall, at its own cost and expense, make all proofs of loss and take all other steps it deems necessary or appropriate to collect from insurers for any loss covered by any insurance required to be obtained by this Section 4.05.

4.06 Public Bidding and Prevailing Wages Laws Do Not Apply.

The parties hereto acknowledge and agree that CALLC is carrying out the Project as a private party and CALLC's contracts with respect to the Project shall not be subject to public bidding or prevailing wage requirements or other restrictions generally applicable to public works projects to the extent permitted by the State Authorizing Legislation. The Public Sector Participants are not supervising or controlling the Project, except for (a) such rights provided by this Agreement in recognition of their financial contribution to the Project, and (b) pursuant to the terms of the Prime Building Lease by which CALLC, as lessee, is constructing The Crossroads Improvements on behalf of ECIDA, as lessor, and as permitted under the State Authorizing Legislation, and other applicable law.

4.07 Ticket Surcharge.

It is acknowledged that starting with the 1993-1994 hockey season, CALLC (or its predecessor) has caused NFHLP to impose, and during the term of this Agreement, CALLC shall cause NFHLP to impose the .25% portion of the Ticket Surcharge on admissions to tickets to hockey games of NFHLP played at the Aud. The portion of the Ticket Surcharge collected for the period ending with the 1993-1994 hockey season and ending with the quarterly period ending February, 1995 is being paid to the County contemporaneously with the execution and delivery of this Agreement. From the date hereof, CALLC shall pay over such receipts to the County, quarterly contemporaneously with payment of any sales taxes.

Article V - Construction Financing

5.01 Plan of Financing.

The Public Sector Participants and CALLC are parties to the Financing Participants' Agreement. The parties to this Agreement express, reaffirm and acknowledge the following agreements and undertakings:

(a) CALLC and BSC have concurrently with this Agreement entered into the Private Arena Debt Agreements pursuant to which $67.5 million of funding will be provided for payment of Development and Construction Costs and Expenses, and CALLC covenants with the Public Sector Participants that it will draw upon and apply such proceeds to Development and Construction Costs and Expenses in accordance with the terms of the Private Arena Debt Agreements and the Financing Participants' Agreement;

(b) CALLC has prior to this Agreement entered into an operating agreement with NFHLP and Arena, Inc. pursuant to which NFHLP and Arena, Inc. have agreed to contribute to the capital of CALLC all available proceeds of the Concession Loan as and when said Loan is funded in accordance with its terms, and CALLC covenants with the Public Sector Participants to use the proceeds of the Concession Loan for payment of Development and Construction Costs and Expenses in accordance with the Financing Participants' Agreement;

(c) NFHLP has made available to CALLC the Sabres Advance.

(d) The City agrees to contribute the City Contribution to the Project, including provision of the City Cash Contribution to BURA. As of the date of this Agreement, the City and/or BURA has expended of the City Cash Contribution the amount identified on Exhibit H for the acquisition of certain parcels of real property included in The Crossroads Site and for payment of certain Development and Construction Costs and Expenses identified on Exhibit H and the City agrees to provide to BURA for reimbursement to CALLC the amount identified on Exhibit H of additional funding for payment of Development and Construction Costs and Expenses upon requisition by CALLC in accordance with the Financing Participants' Agreement.

(e) The City covenants to fund payment and cause performance of the infrastructure improvements as described in Exhibit I attached to this Agreement and the City further covenants and agrees that the cost of all such infrastructure improvements are not Development and Construction Costs and Expenses eligible for reimbursement from the Project Budget and shall not diminish the remaining amount of the City's Cash Contribution to the Project pursuant to clause (d).

(f) The County agrees to contribute $20 million to the Project to fund payment of County Eligible Development and Construction Costs and Expenses upon requisition by CALLC under the Financing Participants Agreement.

(g) UDC agrees to contribute $25 Million to the Project to fund payment of Development and Construction Costs and Expenses upon requisition by CALLC pursuant to the Financing Participants' Agreement.

(h) Contemporaneously with filing requisitions with the UDC, CALLC shall file summary requisition reports with the City Clerk.

5.02 Draw and Disbursement.

The order and priority of funding among CALLC, the Principal Public Participants and the Private Financing Participants shall be as provided in the Financing Participants' Agreement. The conditions, requirements and procedures regarding the requisition and disbursement of funds for Project costs shall be as stated in the Financing Participants' Agreement. NFHLP may be reimbursed for advances made to CALLC in excess of the Sabres Advance upon compliance by CALLC with the requisition process provided in the Financing Participants Agreement.

(a) The County and UDC funds shall first be applied to construct the Arena Shell. Any excess funds shall be applied to other County Eligible Costs and any shortfall shall be addressed by funds from other sources pursuant to the Financing Participants Agreement. Pursuant to the Inter-Municipal Agreement dated as of the date hereof by and between the County and the City, the Arena Shell shall be owned by the County.

(b) CALLC shall make improvements to the Arena Shell, including, but not limited to, an ice rink, seats, luxury suites, locker rooms, scoreboards, concession stands, television broadcasting facilities, special (event) lighting, public address equipment, press boxes, ticketing facilities, and other amenities required to render the Arena suitable for professional and amateur ice hockey, soccer, lacrosse, basketball, concerts, ice shows, and similar events;

(c) CALLC shall add to the Arena Shell all improvements, fixtures, and equipment reasonably necessary to operate executive and administrative offices, restaurant facilities, and any other facilities to be incorporated into the Arena;

(d) CALLC shall add to the Arena Shell carpeting and other protective floor covering, decorative awnings, aisle railings, in the general seating area of the Arena, sound and food service equipment, restroom partitions, directional signage, and other improvements reasonably necessary to render the Arena suitable for use as a multipurpose sports and entertainment complex;

(e) CALLC shall add to the Site all improvements, including, but not limited to, Parking Structures in accordance with the Parking Structures Plans and Specifications, exterior signage and landscaping; and

(f) CALLC shall also be responsible for the cost and expenses of engineering, architecture, project management, construction management and marketing costs, financing

expenses, and legal fees incurred in connection with the financing of the Project.

5.03 Cost Variance.

The parties acknowledge a Project Budget for the Project showing approximately $127,500,000 of Development and Construction Costs and Expenses, based upon an initial budget of $122,500,000.

If actual Development and Construction Costs and Expenses exceed $122,500,000 (a "Cost Overrun"), CALLC shall notify the Principal Public Participants of the amount of such Cost Overrun, and CALLC shall fund the amount of such Cost Overrun as follows:

(a) First, from the Sabres Ticket Surcharge Account,

(b) Second, from the Sabres Advance,

(c) Third, from direct application of a portion or all of the Naming Rights Proceeds received by CALLC prior to the date such Cost Overrun must be paid,

(d) Fourth, if funding provided in (a), (b) and (c) is not sufficient to cover such cost overrun, CALLC may incur borrowings from third parties (including NFHLP or other Affiliate) in order to finance such CALLC Cost Overrun without the approval of the Principal Public Participants, provided that the interest rate payable on the Cost Overrun Loan, whether fixed or floating, does not exceed the prime interest rate (as published in the Wall Street Journal on the day the Cost Overrun Loan is closed) plus two percent. If the interest rate on a Cost Overrun Loan exceeds such prime interest rate plus 2%, then CALLC shall obtain the consent of the Principal Public Participants prior to obtaining such loan. CALLC may negotiate principal repayment terms for the Cost Overrun Loan in its sole discretion. CALLC may not encumber The Crossroads with other than Permitted Encumbrances without approval of the Principal Public Participants.

If actual Development and Construction Costs and Expenses are less than $122,500,000 plus the amount of the Sabres Ticket Surcharge Account, CALLC shall apply the amount of the cost underrun to the prepayment of principal under the Construction Loan Agreement, except as may be limited by the Financing Participants Agreement. If the actual Development and Construction Costs and Expenses are less than $126,231,950, the Public Sector Participants consent to the repayment to NFHLP of that portion of the Sabres Advance which equals the difference between $126,231,950 and the actual Development and Construction Costs and Expenses as provided in the Financing Participants Agreement.

5.04 Reimbursement of Interim Development Activity Costs Incurred by CALLC.

BURA may retain the amount identified on Exhibit H as a reserve from the City Cash Contribution for the potential claims associated with acquisition of three parcels of property in the

amounts and as identified on Exhibit H (the "Condemnation Reserve"). Upon final resolution of the eminent domain claim associated with each parcel, the portion of the Condemnation Reserve shown applicable to such parcel shall be paid in connection with such final resolution, with any remaining amount to be released to CALLC to be used and disbursed for Development and Construction Costs and Expenses pursuant to Section 5.01(d) this Agreement or, if the Project is completed, to be deposited in the Renewal and Replacement Account. Final resolution of eminent domain claims shall be determined by an opinion of independent counsel, reasonably satisfactory to BURA and CALLC, which BURA undertakes to deliver to CALLC within fifteen (15) days following final resolution of any such claim. In the event BURA fails to deliver such counsel opinion, CALLC may retain counsel for purposes of furnishing such opinion. The Condemnation Reserve will be used by BURA to pay costs and expenses of eminent domain proceedings including awards, attorneys' fees, expenses and disbursements arising after the date of this Agreement. The Condemnation Reserve will be paid by the City to BURA as part of the City Cash Contribution and will be placed in an interest-bearing account with a financial institution acceptable to CALLC and all interest earned will be deposited in the Condemnation Reserve Account.

Article VI - Representations and Warranties

6.01 Representations and Warranties by CALLC.

CALLC makes the following representations and warranties to the Public Sector Participants:

(a) CALLC is a limited liability company duly organized and validly existing and in good standing under the laws of the State of New York, is not in violation of any provision of its limited liability certificate or operating agreement, has the requisite power and authority to own its property and assets, to carry on its business as now being conducted by it and to be conducted by it and to execute, deliver and perform this Agreement and perform it obligations hereunder;

(b) The execution, delivery and performance of this Agreement and the consummation of the transactions herein contemplated have been duly authorized by all requisite action on the part of CALLC and will not violate any provision of law, any order of any court or agency of government or the limited liability certificate or the operating agreement of CALLC, or any indenture, agreement or other instrument to which CALLC is a party or by which it or any of its property is bound, or be in conflict with or result in a breach of or constitute (with or without due notice and/or lapse of time, or both) a default under any such indenture, agreement or other instrument or result in the imposition of any lien, charge or encumbrance of any nature whatsoever other than Permitted Encumbrances;

(c) Except as set forth on Exhibit C attached hereto, there are no actions, suits or proceedings pending, or to the best knowledge of CALLC threatened, against or affecting it or the Project which, if adversely determined, would impair the ability of CALLC to perform its obligations under this Agreement, and it is not in default with respect to any judgment, decision, order, writ, injunction, decree or demand of any court or any Governmental Authority;

(d) CALLC has adopted and shall implement the Affirmative Action Plan to be effective during the term of this Agreement;

(e) No consent, filing, license approval, or authorization of, or registration, declaration, or filing with any court, governmental body or authority, or other person or entity is required in connection with the valid execution, delivery or performance of this Agreement, or for the conduct of CALLC's business as now conducted, other than filings and recordings which have been obtained;

(f) This Agreement constitutes the legal, valid, and binding obligation of CALLC, enforceable in accordance with its terms, except as enforceability may be limited by applicable bankruptcy and insolvency laws affecting creditors' rights generally and general principles of equity;

(g) CALLC is in compliance with all applicable laws, rules, regulations, and other legal requirements with respect to its business and the use, maintenance, and operations of the real and personal property owned or leased by it in the conduct of its business.

6.02 Representations and Warranties by the City.

The City represents and warrants to CALLC and to the other Public Sector Participants that:

(a) The City is duly organized as a municipal corporation and validly existing under the laws of the State of New York and has full power and authority to own its property and assets and to carry on its business as now being conducted by it and to execute and deliver this Agreement and to perform and consummate the transactions contemplated hereby;

(b) The construction of the Project as contemplated by the Arena Plans and Specifications and the anticipated use of the Project complies with all applicable City rules and regulations, City building codes, City zoning ordinances and regulations or appropriate variances have been obtained with regard thereto, and further complies with all restrictive covenants, declarations, agreements and other matters under the jurisdiction of the City affecting The Crossroads Site and all requirements for such use have been satisfied with respect to the construction of The Project except as identified on Schedule D to the Financing Participants Agreement; provided that nothing herein shall be deemed to waive or limit any licensing, permitting or other regulatory power of the City of general applicability with respect to the operation, management, maintenance, repair or reconstruction after completion of The Project;

(c) There are no actions, suits or proceedings pending, or to the best knowledge of the City threatened, against or affecting it or the Project which, if adversely determined, would substantially impair the ability of the City to pay when due any amounts which may become payable by it with respect to the Project;

(d) The execution, delivery and performance of this Agreement by the City and the consummation of the transactions herein contemplated have been duly authorized by all requisite

action on the part of the City and will not violate any provision of law, any order of any court or agency of government or the charter of the City, or any indenture, agreement or other instrument to which the City is a party or by which it or any of its property is bound, or be in conflict with or result in a breach of or constitute (with due notice and/or lapse of time) a default under any such indenture, agreement or other instrument;

(e) All City-provided utility services necessary for the construction of the Project and the operation thereof for its intended purpose are available at The Crossroads Site, including water supply, storm and sanitary sewer facilities, and that to the extent such services are not available, the City shall make such services available at its sole cost and expense subject to the provisions of Exhibit I attached hereto;

(f) It has approved the Affirmative Action Plan;

(g) No consent, filing, license, approval, or authorization of, or registration, declaration, or filing with any court, governmental body or authority, or other person or entity is required in connection with the valid execution, delivery or performance of this Agreement by the City other than (i) those consents, filings, licenses, approvals, authorizations, registrations and declarations previously obtained; and (ii) the execution and delivery of the other documents relating to The Crossroads to which the City is a party;

(h) This Agreement constitutes the legal, valid, and binding obligation of City, enforceable in accordance with its terms, except as enforceability may be limited by applicable bankruptcy and insolvency laws affecting creditors' rights generally and general principles of equity; and

(i) It has approved the City Right of Way Licenses.

6.03 Representations and Warranties of UDC.

UDC makes the following representations and warranties to CALLC and to the other Public Sector Participants:

(a) UDC is a corporate governmental agency of the State of New York constituting a political subdivision and public benefit corporation and has full power and authority to own its property and assets and to carry on its business as now being conducted by it and to execute, deliver, and perform this Agreement;

(b) There are no actions, suits or proceedings pending, or to the best knowledge of UDC threatened, against or affecting it or the Project which, if adversely determined, would substantially impair the ability of the UDC to pay when due any amounts which may become payable by it with respect to the Project;

(c) The execution, delivery and performance of this Agreement and the consummation of the transactions herein contemplated have been duly authorized by all requisite action on the part of UDC and will not violate any provision of law, any order of any court or agency or government or any indenture, agreement, legislation or other instrument to which UDC is a party or by which it or any of its property is bound, or be in conflict with or result in a breach of or constitute (with due notice and/or lapse of time) a default under any such indenture, agreement or other instrument;

(d) It has approved the Affirmative Action Plan;

(e) No consent, filing, license, approval, or authorization of, or registration, declaration, or filing with, any court, governmental body or authority, or other person or entity is required in connection with the valid execution, delivery or performance of this Agreement, or for the conduct of UDC business as now conducted, other than filings and recordings, required in connection with this Agreement, if any;

(f) This Agreement constitutes the legal, valid, and binding obligation of UDC, enforceable in accordance with its terms, except as enforceability may be limited by applicable bankruptcy and insolvency laws affecting creditors' rights generally and general principles of equity; and

(g) The obligations of UDC hereunder are consistent with the State Authorizing Legislation and funds have been fully appropriated.

6.04 Representations and Warranties of ECIDA.

ECIDA makes the following representations and warranties to CALLC and to the other Public Sector Participants:

(a) ECIDA is duly organized and validly existing under the laws of the State and has full power and authority to own its property and assets and to carry on its business as now being conducted by it and to execute, deliver and perform this Agreement;

(b) There are no actions, suits or proceedings pending, or to the best knowledge of ECIDA threatened, against or affecting it which, if adversely determined, would substantially impair the use and operation of the Project as contemplated hereby;

(c) The execution, delivery and performance of this Agreement and the consummation of the transactions herein contemplated have been duly authorized by all requisite action on the part of ECIDA and will not violate any provision of law, any order of any court or agency of government, or any indenture, agreement or other instrument to which ECIDA is a party or by which it or any of its property is bound, or be in conflict with or result in a breach of or constitute (with due notice and/or lapse of time) a default under any such indenture, agreement or other instrument or result in the imposition of any lien, charge or encumbrance of any nature whatsoever other than Permitted

Encumbrances;

(d) This Agreement constitutes the legal, valid, and binding obligation of ECIDA, enforceable in accordance with its terms, except as enforceability may be limited by applicable bankruptcy and insolvency laws affecting creditors' rights generally or general principles of equity.

6.05 Representations and Warranties of the County.

The County makes the following representations and warranties to CALLC and to the other Public Sector Participants:

(a) The County is a municipal corporation duly organized, validly existing under the laws of the State of New York, and has the full power and authority to own its property and assets and to carry on its business as now being conducted by it and to execute, deliver and perform this Agreement;

(b) The execution, delivery and performance of this Agreement and the consummation of the transactions herein contemplated have been duly authorized by all requisite action on the part of the County and will not violate any provision of law, any order of any court or agency of government or any indenture, agreement or other instrument to which the County is a party or by which it or any of its property is bound, or be in conflict with or result in a breach of or constitute (with due notice and/or lapse of time) a default under any such indenture, agreement or other instrument;

(c) There are no actions, suits or proceedings pending, or to the best knowledge of the County threatened against it which, if adversely determined, would substantially impair the ability of the County to pay when due any amounts which may become payable by it with respect to the Project; and

(d) This Agreement constitutes the legal, valid, and binding obligation of the County, enforceable in accordance with its terms, except as enforceability may be limited by applicable bankruptcy and insolvency laws affecting creditors' rights generally and general principles of equity.

6.06 Representations and Warranties of BURA.

BURA makes the following representations and warranties to CALLC and to the other Public Sector Participants:

(a) BURA is duly organized and validly existing under the laws of the State and has full power and authority to own its property and assets and to carry on its business as now being conducted by it and to execute, deliver, and perform this Agreement;

(b) There are no actions, suits or proceedings pending, or to the best knowledge of BURA

threatened, against or affecting it or the Project which, if adversely determined, would substantially impair the ability of BURA to pay when due any amounts which may become payable with respect to the Project;

(c) The execution, delivery and performance of this Agreement and the consummation of the transactions herein contemplated have been duly authorized by all requisite action on the part of BURA and will not violate any provision of law, any order of any court or agency of government, or any indenture, agreement or other instrument to which BURA is a party or by which it or any of its property is bound, or be in conflict with or result in a breach of or constitute (with due notice and/or lapse of time) a default under any such indenture, agreement or other instrument or result in the imposition of any lien, charge or encumbrance of any nature whatsoever other than Permitted Encumbrances;

(d) BURA has completed acquisition of The Crossroads Site identified on Exhibit B-1 pursuant to condemnation proceedings and/or settlement agreements with the former owners of properties constituting The Crossroads Site; has obtained full title in fee simple absolute to The Crossroads Site identified on Exhibit B-1 as evidenced by title insurance policies described in §§7.03(a), (b) and (c) hereof; and has full power and authority to deliver undisturbed possession of The Crossroads Site identified on Exhibit B-1 to the Ground Lessee through the Prior Leases executed contemporaneously herewith;

(e) It has approved the Affirmative Action Plan;

(f) No consent, filing, license, approval, or authorization of, or registration, declaration, or filing with, any court, governmental body or authority, or other person or entity is required in connection with the valid execution, delivery or performance of this Agreement by BURA, other than (i) those consents, filings, licenses, approvals, authorizations, registrations and declarations previously obtained; and (ii) the execution and delivery of the other documents relating to The Crossroads to which BURA is a party;

(g) This Agreement constitutes the legal, valid, and binding obligation of BURA, enforceable in accordance with its terms, except as enforceability may be limited by applicable bankruptcy and insolvency laws affecting creditors' rights generally and general principles of equity. and

(h) The Crossroads Design complies with the Urban Renewal Plan and the Land Disposition Agreement.

Article VII - Conditions to Funding

The obligations of each of the Principal Public Participants to fund the Project as provided in Section 5.01 is subject to the satisfaction of each of the following conditions precedent and the conditions set forth in the Financing Participants Agreement:

7.01 Conditions in Financing Participants' Agreement.

All of the conditions for the initial advancement of funds by each of the Principal Public Participants and Private Financing Participants, as set forth in the Financing Participants' Agreement shall have been satisfied.

7.02 Title Insurance.

BURA has furnished the Title Insurance Company and the Public Sector Participants with evidence of its having acquired The Crossroads Site identified on Exhibit B-1 free and clear of all security interests, liens and encumbrances sufficient to enable the Title Insurance Company to issue: (a) to BURA a fee title insurance policy, (b) to CALLC a leasehold title insurance policy, and (c) to the Private Financing Participants a leasehold mortgagee title insurance policy insuring the mortgages of the leasehold interests in The Crossroads Site required by them. The cost of such title insurance premiums shall be a permitted Development and Construction Cost and Expense.

7.03 Survey.

BURA has delivered to each of CALLC, the County, UDC, ECIDA and the Private Financing Participants a survey showing the perimeter boundary of The Crossroads Site, to be leased under the Prior Leases.

7.04 Counsel's Opinions.

(a) In-house counsel for each of the Principal Public Participants has delivered to each of the other parties to this Agreement an opinion of counsel to the effect that:

(i) such Public Sector Participant is a duly organized municipal corporation, corporate governmental agency, not-for-profit corporation, or public benefit corporation, as appropriate, and validly existing under the laws of New York State; has all necessary powers and authority to transact the business in which it is engaged; is in good standing and has all necessary powers and authority to enter this Agreement and to execute, deliver and comply with this Agreement and any documents executed and delivered in connection with this Agreement to which it is a party; and to perform all of its obligations hereunder or contemplated hereby, all of which have been duly authorized by all proper and necessary action.

(ii) the execution and delivery of this Agreement and any documents executed

and delivered in connection with this Agreement to which it is a party, and the performance of the obligations thereunder will not conflict with, result in a breach of, or constitute a default under, any indenture, mortgage, deed of trust, lease, bank loan or credit agreement, corporate charter, by-law, legislation, or other agreement or instrument to which such Public Sector Participant is a party or by which it or its assets may be bound or affected; or result in the creation or imposition of any mortgage, deed of trust, pledge, lien or security interest or other charge or encumbrance of any nature (other than permitted by or arising under this Agreement and the transaction contemplated hereunder) upon or with respect to any of such Public Sector Participant's assets with respect to the Project, as applicable.

(iii) this Agreement and the documents executed in connection herewith will constitute the legal, valid and binding obligations of such Public Sector Participant, enforceable against it in accordance with their respective terms, except as enforceability (i) may be limited by state or federal bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the rights of creditors generally; and (ii) may be subject to equity principles in the event equitable remedies are sought.

(iv) there are no actions, suits, proceedings (whether or not purportedly on behalf of such Public Sector Participant, as applicable) or investigations relating to the Project pending or to the best of its knowledge, threatened against such Public Sector Participant or any basis therefor (a) which would, if adversely determined, in any case or in the aggregate, adversely affect the ability of such Public Sector Participant to pay when due any amounts which may become payable with respect to the Project or to perform any obligations it may have at any time with respect to the Project, or (b) which question the validity of this Agreement or any document contemplated by or executed in connection herewith or any action to be taken pursuant to the foregoing.

(v) such Public Sector Participant has obtained all necessary consents, licenses, approvals or authorizations of, or has registered, declared or filed with, as applicable, any court, governmental body or authority or other Person or entity, as the same is required in connection with the valid execution, delivery or performance of this Agreement and any document contemplated by or executed in connection herewith or any action to be taken pursuant to the foregoing, other than filings and recordings relating to collateral documents.

(b) Counsel for the City shall have delivered to each of the other parties an opinion that the Project as described in The Crossroads Design and its anticipated use complies with all applicable City zoning laws, rules and regulations.

(c) CALLC shall have delivered to each of the other parties hereto an opinion of outside counsel to CALLC stating that (i) CALLC is a duly organized limited liability company and validly existing under the laws of the State of New York with full power and authority to execute and deliver this Agreement and to perform all of its obligations hereunder or contemplated hereby, (ii) the execution of this Agreement and the performance of the obligations of CALLC under this Agreement will not result in any breach of, or constitute a default under, any mortgage, deed of trust,

lease, bank loan or credit agreement, charter, by-law or other instrument to which the CALLC is a party or by which it may be bound or affected and the other matters required in paragraphs (a)(i) through (v) as if CALLC were the party.

7.05 Authorization; Evidence of Insurance.

(a) The Public Sector Participants shall have received on or before the date hereof:

(i) A resolution of the Common Council of the City, certified by the City Clerk, authorizing the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby;

(ii) A resolution of the Board of Directors of the ECIDA certified by its Secretary, authorizing the execution and delivery of this Agreement;

(iii) A resolution of the Board of Directors of UDC, certified by its Secretary, authorizing the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby;

(iv) A resolution of the Board of Directors of CALLC, certified by its Secretary, authorizing the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby;

(v) A resolution of the Board of Directors of BURA certified by its Secretary, authorizing the execution and delivery of this Agreement and performance by BURA hereunder;

(vi) A resolution of the Erie County Legislature, certified by its Clerk, authorizing the execution and delivery by the County of this Agreement and the performance by the County hereunder;

(vii) Certificates of insurance naming all the Public Sector Participants as additional insureds as their interests may appear in form reasonably satisfactory to all Public Sector Participants and evidence of all insurance required pursuant to Section 4.05 hereof; and

(viii) payment and performance bonds for all contractors in form reasonably acceptable to the Principal Public Participants.

7.06 Arena Plans and Specifications.

CALLC shall have furnished to the Principal Public Participants evidence reasonably satisfactory to the Principal Public Participants that (a) the Sabres have accepted the Arena Plans and Specifications; (b) the Arena Plans and Specifications and all construction drawings relating thereto have been prepared in accordance with applicable laws and governmental regulations; and (c) the Project Budget and the Development and Construction Schedule are in conformance with the Arena Plans and Specifications. CALLC shall have obligated the Parking Structures Architect to prepare the Parking Structures Plans and Specifications and all construction drawings relating thereto in accordance with applicable laws and governmental regulations.

7.07 Closing of Loan Transactions With Private Financing Participants.

All of the agreements, documents and instruments required to close the loans with the Private Financing Participants shall have been executed and delivered by all of the parties thereto, all of the conditions for the initial advancement of funds by all Private Financing Participants under the Private Arena Debt Agreements and under the Financing Participants Agreement shall have been satisfied and each of the Principal Public Participants shall have received certificates executed by the Private Financing Participants certifying as to the same.

7.08 Letter of Credit.

Each of the County and UDC shall have received a duly executed letter of credit from Shawmut Bank, in form and content satisfactory to it, which letter of credit secures certain advances by each of the County and UDC.

7.09 Conditions To The Making of Disbursements. In addition to any other conditions herein specified, the Principal Public Participants shall not be required to make any disbursement hereunder unless all the following conditions have been satisfied:

(a) No condition shall exist and no event shall have occurred which, at the time of such disbursement, constitutes, or after notice or lapse of time, or both, would constitute an Event of Default with respect to CALLC under Article X of this Agreement, unless the Public Sector Participants have waived or extended the time to cure such Event of Default, or a default under the Private Arena Debt Agreements unless the applicable Private Financing Participant shall have waived or extended the time to cure such Event of Default.

(b) The Title Insurance Company shall have within three (3) days prior to the requested disbursement continued its title search and shall have certified that such continuation discloses no liens, security interests, encumbrances or exceptions to title, except for the lien of the Superior Mortgage and other Permitted Encumbrances, those exceptions to title set forth in Schedule "B" of the Title Insurance Company title report, and such other exceptions to title as shall have been expressly approved by the UDC.

(c) A certificate from the Architect certifying that all work completed to date shall have been completed substantially in accordance with the Plans and Specifications, and all work completed when such disbursement is requested shall have been done in a good and workmanlike manner, and estimating the percentage of Project completion and certifying that the Project can be completed by the Completion Date in accordance with the Project Budget, as amended or modified.

(d) No public improvement liens shall have been filed against any of the Public Sector Participants, unless CALLC is in good faith contesting the same and has furnished a cash deposit or security bond to the appropriate Public Sector Participant.

(e) Each disbursement shall be supported by acknowledgments of payment and releases of lien from all subcontractors and suppliers for work performed in connection with the construction and equipping of the Project as of the date of the preceding disbursement together with an affidavit of CALLC that all such subcontractors and suppliers have been paid in full.

7.10 Disbursement Process.

All disbursements shall be made in accordance with and pursuant to the terms of the Financing Participants Agreement.

Article VIII - Completion of Development and Construction Project and Covenants of CALLC

8.01 Completion by CALLC. CALLC agrees to use its best efforts to cause development and construction of the Project to be completed on or before June 30, 1997 and to be effected in a first-class workmanlike manner, using high-grade materials, free of defects in materials or workmanship (including latent defects), and in accordance with this Agreement. Completion of development and construction of the Project shall be evidenced by (a) a certificate of substantial completion of the Project by the Architect, as provided in the general conditions of the Guaranteed Maximum Price Contract; (b) final waivers of lien and general releases from all contractors and subcontractors; (c) a final statement of Development and Construction Costs and Expenses incurred by CALLC and certified by the chief financial officer of CALLC; (d) an unconditional certificate of use and occupancy for The Crossroads Improvements including an unconditional certificate of use and occupancy for areas which are to be used or occupied in connection with the Prior Leases; (e) a certificate of completion issued by the general contractor; (f) approval by the New York Board of Fire Underwriters; and (g) a final survey and "as-built" plans and specifications. Copies of the foregoing documents shall be delivered to the Principal Public Participants.

8.02 Compliance With Law.

At all times during the term of this Agreement and construction of the Project, CALLC shall comply with and shall use its best efforts to cause the contractors and subcontractors it retains to

comply with all applicable provisions of federal, state and local Law, including Article 15-A of the New York State Executive Law. In accordance with the State Sports Facility Assistance Program, CALLC shall notify potential contractors and subcontractors, including minority and women contractors, of the availability of bonding assistance programs, including programs offered by the New York Job Development Authority.

8.03 Delivery of Reports.

Upon written request of UDC, either on behalf of itself or on behalf of the Principal Public Participants, CALLC shall promptly deliver to UDC copies of any reports internally generated by CALLC with respect to the development and construction of The Crossroads or the activities to be carried out pursuant to this Agreement and such other information regarding the development and construction of the Project as the Principal Public Participants may reasonably request. UDC shall make available to the Principal Public Participants without restriction copies of all reports delivered to it by CALLC pursuant to this Section 8.03.

8.04 Access and Audits.

Upon reasonable request to CALLC, each Principal Public Participant at its sole cost and expense shall have the right to perform an audit of the books and records of CALLC relating to CALLC's activities conducted pursuant to this Agreement; provided that it first notify the other Principal Public Participants for the purpose of forming a single audit team and provided that during the three (3) months after commencement of an audit by one or more Principal Public Participants, no other audits by any of the Principal Public Participants may be commenced.

At all times during the term of this Agreement, authorized representatives of the Principal Public Participants, or their designees, may have access to the Project for purposes of review and inspection of the Project and construction, provided:

(a) that no such representative shall interfere with or impede the progress of the development and construction provided for herein except for the exercise by a Principal Public Participant of public safety, health and welfare powers; and

(b) prior to entry on The Crossroads Site, the Principal Public Participant shall have in place workers' compensation covering the Authorized Representative or his designee; and

(c) all such representatives shall comply with all safety procedures, programs and precautions established for The Crossroads Site.

8.05 Collateral Assignment.

CALLC shall require in each of its agreements with the Project Architect, the Parking

Structures Architects and all contractors performing work on or in conjunction with The Crossroads that such party shall agree to continue to perform for the Public Sector Participants the services it has contracted to perform for CALLC after the occurrence of an Event of Default hereunder should a Public Sector Participant take over the completion of the construction of the Project, provided that such party continues to receive payments under its respective agreement with CALLC.

8.06 Compliance with UDC Design and Construction Requirements.

CALLC shall comply with the UDC Design and Construction Requirements for The Crossroads attached hereto as Exhibit P.

Article IX - Indemnification

9.01 Indemnity by CALLC.

(a) CALLC shall at all times defend, protect and hold each of the Public Sector Participants harmless of, from and against any and all claims and demands made by any Person who is not a party to this Agreement (whether in tort, contract or otherwise) and all related costs, expenses (including attorney and expert witness fees), damages, losses, injury and liabilities of every kind and nature and however caused, arising out of or as the result of or in connection with any occurrence upon The Crossroads Site or resulting from or related to The Crossroads Site or the Project or any part thereof or the operation thereof. No Public Sector Participant shall have any liability whatsoever for any damage or injury to the person or property of CALLC or its directors, officers, members, employees, agents or servants, or Persons under the control or supervision of CALLC, or any other Person who may be on The Crossroads Site, or otherwise in connection with the Project due to any act or negligence of any Person, other than such liability which is finally determined to be the result of the gross negligence or willful misconduct directly attributable to that particular Public Sector Participant. CALLC shall not be obligated to indemnify any Public Sector Participant with respect to liabilities which are finally determined to be the direct result of the gross negligence or willful misconduct of that particular Public Sector Participant.

(b) The indemnifications and protections set forth in this Section 9.01 shall be extended, with respect to each Public Sector Participant, to its members, directors, officers, employees, agents and servants and persons under the Public Sector Participant's control.

(c) To effectuate the purposes of Section 9.01(a) and (b), CALLC will provide for and insure in the liability policies required in Section 4.05, not only its own liability with respect to the matters therein mentioned but also the liability pursuant to Section 9.01(a). Such liability policies (or other permanent Public Liability insurance maintained by CALLC upon completion of the Project) shall remain in full force and effect after the termination of this Agreement until the later of (i) the expiration period stated in the applicable statute of limitations during which a claim or cause of action may be brought, and (ii) payment in full or the satisfaction of such claim or cause

of action and of all expenses and charges incurred by the Public Sector Participants relating to the enforcement of the provisions herein specified.

(d) For the purposes of this Section 9.01, CALLC shall not be deemed an employee, agent or servant of the Public Sector Participants or a person under the Public Sector Participants control or supervision.

Article X - Defaults and Remedies

Each of the following shall constitute an "Event of Default" under this Agreement:

A. CALLC Defaults.

(1) In the event that:

(a) CALLC applies for or consents to the appointment of or the taking of possession by a receiver, custodian, trustee or liquidator of itself or any material part of its assets;

(b) CALLC admits in writing its inability or is generally unable to pay its debts as such debts become due;

(c) CALLC makes a general assignment for the benefit of its creditors;

(d) CALLC commences a voluntary case under the Federal Bankruptcy Code;

(e) CALLC files a petition or other request seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, winding-up or composition or adjustment of debts; or

(f) CALLC takes any action for the purpose of effecting any of the foregoing.

(2) A proceeding or case is commenced without the application or consent of CALLC in any court of competent jurisdiction seeking:

(a) liquidation, reorganization, arrangement, adjustment of debts, adjudication as a bankrupt, dissolution, winding-up or relief as a debtor;

(b) the appointment of a trustee, receiver, custodian, liquidator or the like of CALLC or any material part of its assets; or

(c) similar relief under any law relating to bankruptcy, insolvency,

reorganization, winding-up or composition or adjustment of debts and such proceeding or case continues undismissed, or an order, judgment or decree approving or ordering of any of the foregoing as entered and continues unstayed and in effect, for a period of sixty (60) days.

(3) The occurrence of an event of default under the Non-Relocation Agreement.

(4) The occurrence of an event of default under the Private Arena Debt Agreements and termination of the Private Arena Debt Agreements or the acceleration of the indebtedness incurred by CALLC in connection therewith.

(5) Failure by CALLC to maintain in full force and effect the insurance required pursuant to Section 4.05 of this Agreement and to reinstate the required coverage within sixty (60) days after receipt by CALLC of notice from any one of the Principal Public Participants.

(6) The existence of any mortgage, lien, security interest, pledge or other encumbrance on The Crossroads, including any public improvement lien upon the funds of the Principal Public Participant except for Permitted Encumbrances and liens and encumbrances granted in favor of the Private Financing Participants or the Public Sector Participants in connection with the construction, development and operation of The Crossroads, which mortgage, lien, security interest, pledge or other encumbrance has not been discharged, released, removed or otherwise satisfied within ninety (90) days after receipt by CALLC of notice thereof from any one of the Principal Public Participants.

(7) Failure by CALLC to carry out the Project with reasonable dispatch or abandonment by CALLC of construction of the Project such that such abandonment constitutes an Event of Default under the Private Arena Debt Agreements.

(8) If any representation or warranty made by CALLC herein proves to be false or inaccurate in any material respect when made.

(9) Violation of any of the covenants by CALLC herein and failure to cure the same within thirty (30) days of notice of the violation, except that no violations of the Private Arena Debt Agreements shall constitute a default hereunder unless the Private Financing Participants shall have notified CALLC of the breach and shall not have waived such violation.

(10) If CALLC fails to complete construction of the Project, as provided herein, for any reason whatsoever, by June 30, 1997, unless the date for completion has been extended pursuant to the Financing Participants Agreement.

Upon the occurrence of any of the foregoing Events of Default, the Public Sector Participants may stop funding Development and Construction Costs and Expenses, or terminate this Agreement or seek any other legal or equitable relief or remedy except as may be limited by the Financing Participants' Agreement.

B. Public Sector Defaults.

In the event that any Principal Public Participant fails to fund its share of Development and Construction Costs and Expenses pursuant to this Agreement or the Financing Participants Agreement, CALLC, may take any or all of the following actions: (a) terminate this Agreement, (b) terminate the Operating Agreement (with respect to such Public Sector Participant only or entirely if this Agreement is terminated), (c) seek equitable relief and/or monetary damages against such defaulting Principal Public Participant, or (d) arrange for substitute funding of the amount not provided by the defaulting Principal Public Participant provided the right to arrange substitute funding shall not include the right to terminate this Agreement in its entirety, but only the right to terminate with respect to the Principal Public Participant which has failed to fund its share of Development and Construction Costs and Expenses. Notwithstanding anything herein to the contrary, CALLC may not exercise any of its rights under this Paragraph B unless it provides the non-defaulting Principal Public Participants notice of the failure to fund by the defaulting Principal Public Participant and provides the opportunity for the non-defaulting Principal Public Participants, within sixty days from the giving of such notice, to cure the default.

Article XI - Exculpatory Provisions

11.01 UDC. All covenants, stipulations, promises, agreements and obligations of UDC contained herein shall be deemed to be covenants, stipulations, promises, agreements and obligations of UDC and not of any member, director, officer, employee or agent of UDC in his or her individual capacity, and no recourse shall be had for any claim hereunder against any member, director, officer, employee of agent of UDC.

11.02. ECIDA. No provision, covenant or agreement contained in this Agreement or any obligations herein imposed on ECIDA, or the breach thereof, shall constitute or give rise to or impose upon ECIDA a pecuniary liability or a charge upon its general credit. All covenants, stipulations, promises, agreements and obligations of ECIDA contained herein shall be deemed to be covenants, stipulations, promises, agreements and obligations of ECIDA and not of any member, director, officer, employee or agent of ECIDA in his or her individual capacity, and no recourse shall be had for any claim hereunder against any member, director, officer, employee or agent of ECIDA.

11.03. City. All covenants, stipulations, promises, agreements and obligations of the City contained herein shall be deemed to be covenants, stipulations, promises, agreements and obligations of the City and not of any member, director, officer, employee or agent of the City in his or her individual capacity, and no recourse shall be had for any claim hereunder against any member, director, officer, employee or agent of the City.

11.04. BURA. All covenants, stipulations, promises, agreements and obligations of the BURA contained herein shall be deemed to be covenants, stipulations, promises, agreements and obligations of BURA and not of any member, director, officer, employee or agent of the BURA in

his or her individual capacity, and no recourse shall be had for any claim hereunder against any member, director, officer, employee or agent of BURA.

11.05. CALLC. All covenants, stipulations, promises, agreements and obligations of the CALLC contained herein shall be deemed to be covenants, stipulations, promises, agreements and obligations of the CALLC and not of any member, director, officer, employee or agent of the CALLC in his or her individual capacity, and no recourse shall be had for any claim hereunder against any member, director, officer, employee or agent of CALLC.

11.06. County. All covenants, stipulations, promises, agreements and obligations of the County contained herein shall be deemed to be covenants, stipulations, promises, agreements and obligations of the County and not of any member, director, officer, employee or agent of the County in his or her individual capacity, and no recourse shall be had for any claim hereunder against any member, director, officer, employee or agent of County.

Article XII - Term

This Agreement shall expire upon completion of the construction of the Project and the satisfactory compliance with all terms of this Agreement, including payment of all Development and Construction Costs and Expenses in accordance with the terms hereof and the Financing Participants' Agreement. Notwithstanding the foregoing, the audit provisions of Article VIII and the indemnification provisions of Article IX shall survive the termination of this Agreement.

Article XIII - Dispute Resolution

If any disagreement or dispute of any nature as provided in this Agreement between CALLC on the one hand and any one or more of the Principal Public Participants on the other hand (a "Dispute") shall arise relating to this Agreement, such Dispute shall be resolved by dispute resolution in accordance with this Article XIII. Except as otherwise specified in this Agreement, the parties shall be able to resort to judicial, administrative, or other legal proceedings or other rights or remedies as allowed by this Agreement, at law or in equity. In the event any party believes a Dispute exists, it shall give written notice to the other party(ies) specifying in reasonable detail the nature of such Dispute ("Initial Notice"). The parties to the Dispute shall seek in good faith to negotiate a settlement of the Dispute, including, without limitation, by agreeing to reasonable requests of the other to hold a meeting to discuss such Dispute. If the parties cannot settle a Dispute between or among themselves, as applicable, within thirty (30) Business Days after the date of the Initial Notice, the Dispute shall be submitted to mediation, and if appropriate to arbitration in accordance with Section 13.02 of this Agreement.

13.01 Mediation Proceedings.

(a) Designation of a Mediator. The mediator shall be designated for each Dispute on a rotating basis either by CALLC or by the Principal Public Participants. Designation of the mediator shall be in the selecting party's discretion and the mediator need not be neutral provided the mediator shall have at least five (5) years' experience relating to the operation of first class sports arenas. CALLC shall select the mediator for the first Dispute submitted to mediation hereunder and thereafter selection of the mediator shall be on an alternating basis between CALLC and the Principal Public Participants.

(b) Scope of Mediation. The mediator shall assist the parties to the Dispute to reach a mutually agreeable settlement of the Dispute through direct negotiations. The assistance will be impartial and the mediator will act as an advisor and consultant to each of the parties to the Dispute. The mediation will be non-binding on the parties.

(c) Conduct of Mediation. Any mediation proceeding may but shall not be required to be conducted in accordance with the Commercial Mediation Rules of the AAA then in effect. Although the Commercial Mediation Rules of the AAA shall be used to govern the conduct of the mediation, the mediator shall be chosen by the procedure described in this Section and the mediation shall not be conducted through AAA, unless the parties otherwise agree. The mediation shall be conducted in Buffalo, New York, or such other location as the parties may agree.

(d) Length of Mediation. The term of the mediation shall commence on the fifth (5th) day after the designation of the mediator and shall terminate sixty (60) days thereafter ("Mediation Term"). If the parties to the Dispute fail to reach a settlement of the Dispute during the Mediation Term, the aggrieved party may submit the Dispute to arbitration in accordance with Section 13.02 of this Agreement.

(e) Effect Of Mediation On Agreement. Unless otherwise agreed in writing during the Mediation Term, all parties to this Agreement shall continue to comply with all terms and provisions of this Agreement which are not the subject of the Dispute (provided that, notwithstanding the foregoing, with respect to any non-payment defaults which are the subject of mediation or other legal proceedings hereunder, the cure periods with respect to such defaults shall be stayed during the period of the applicable mediation or other legal proceeding).

13.02 Arbitration Proceedings. A Dispute which has not been resolved during the Mediation Term may be submitted to arbitration in accordance with this Section 13.02. Pursuant to Section 13.02(d) the aggrieved party shall initiate arbitration upon a written notice of arbitration setting forth the issues in Dispute (an "Arbitration Notice") given within ten (10) days after the expiration of the Mediation Term. If no such notice is given within the foregoing time period the issue shall be deemed to have been finally resolved.

(a) Designation of Arbitrator. Each party to the Dispute shall, within twenty (20) Business Days after the effective date of the Arbitration Notice, designate in its sole discretion one (1) arbitrator, who need not be neutral. In the event more than one Principal Public Participant is a party to the dispute, the Principal Public Participants who are parties to the dispute shall jointly select one arbitrator. The two (2) arbitrators so designated shall jointly appoint a third arbitrator who shall have at least five (5) years' experience in connection with the operation of first class sports arenas.

(b) Scope of Arbitration. The issues to be arbitrated shall be limited to the issues set forth in the Arbitration Notice. In connection with any arbitration, each party shall submit, in writing, the specific requested action or decision it wishes to take, or make, with respect to the Dispute, but the arbitrators may select any action or propose their own resolution of the disputed issues.

(c) Conduct of Arbitration. Any arbitration proceeding shall be conducted in accordance with the Commercial Arbitration Rules and the Expedited Procedures of the American Arbitration Association ("AAA") then in effect. Although Commercial Arbitration Rules of the AAA shall be used to govern the conduct of the arbitration, the arbitrators shall be chosen by the procedure described in Section 13.02(a) and the arbitration shall not be conducted through AAA, unless the parties otherwise agree. For purposes of an arbitration conducted under this Article XIII, whenever the AAA Commercial Arbitration Rules refer to the "tribunal administrator," such reference shall be deemed to be the third arbitrator chosen under Section 13.02(a). The parties expressly agree that any arbitration proceeding may proceed in the absence of any party who, after due notice, fails to be present at such arbitration or to obtain an adjournment, and that, in such event, an award may be made based solely upon the evidence submitted by the party who is present. All arbitration proceedings shall be conducted in Buffalo, New York or in such other location as the parties may agree. In making any determination, the arbitrators shall apply the pertinent provisions of this Agreement without modification or qualification in any respect. The arbitrators shall reasonably allow each party the use of interrogatories, depositions and other forms of discovery, taking into account the need for such discovery, the cost thereof and the time limits set forth herein for resolution of the Dispute. The arbitrators shall furnish the parties with a written decision within sixty (60) Business Days after the date the third arbitrator is selected. The arbitrators' written decision shall include the specific findings of law and fact upon which the arbitrators' actions and decisions are based.

(d) Effect on Agreement. Unless otherwise agreed in writing during the period that any arbitration is pending under this Article XIII, the parties shall continue to comply with all terms and provisions of this Agreement which are not the subject of the Dispute (provided that, notwithstanding the foregoing, with respect to any non-payment defaults which are the subject of arbitration or other legal proceedings hereunder, the cure periods with respect to such defaults shall be stayed during the period of the applicable arbitration or other legal proceeding).

(e) Effect of Determination. The decision or award rendered by the arbitrators shall be final, nonappealable, and binding upon the parties, and judgment may be entered upon it in accordance with applicable law in a court of competent jurisdiction.

(f) Damages and Remedies. The party in whose favor an arbitration decision is made may exercise any and all rights and remedies provided by this Agreement or by law or equity to enforce the terms of such decision.

(g) ECIDA. The parties agree that, notwithstanding anything contained in this Article XIII, ECIDA shall not be required to participate in and shall not be bound by any mediation or arbitration proceeding contemplated hereby, and that disputes with regard to ECIDA's performance of its obligations (if any) hereunder shall be determined by any court of competent jurisdiction.

Article XIV- Miscellaneous

14.01 Force Majeure.

In case by reason of force majeure any party hereto shall be rendered unable wholly or in part to carry out its obligations under this Agreement, then except as otherwise expressly provided in this Agreement, if such party shall give notice and full particulars of such force majeure in writing to the other parties within a reasonable time after occurrence of the event or cause relied on, the obligations of the party giving such notice, so far as they are affected by such force majeure; shall be suspended during the continuance of the inability then claimed which shall include a reasonable time for the removal of the effect thereof, but for no longer period, and such party shall endeavor to remove or overcome such inability with all reasonable dispatch. The term "force majeure", as employed herein, shall mean acts of God, strikes, lockouts or other industrial disturbances, acts of the public enemy, orders of any kind of the Government of the United States or of the State or any civil or military authority, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, hurricanes, storms, floods, washouts, droughts, arrests, restraining of government and people, civil disturbances, explosions, partial or entire failure of utilities, shortages of labor, material, supplies or transportation, or any other similar or different cause not reasonably within the control of the party claiming such inability. It is understood and agreed that the settlement of existing or impending strikes, lockouts or other industrial disturbances shall be entirely within the discretion of the party having the difficulty and that the above requirements that any force majeure shall be reasonably beyond the control of the party and shall be remedied with all reasonable dispatch shall be deemed to be fulfilled even though such existing or impending strikes, lockouts and other industrial disturbances may not be settled, but could have been settled by agreeing to the demands of the opposing person or persons.

14.02 Amendments.

This Agreement may be amended only with the written consent of each of the parties hereto.

14.03 Notices.

All notices, elections or demands permitted or required herein shall be in writing, signed by the party giving such notice, election or demand, and given personally, or by nationally recognized courier service, or by mail or telecopy, addressed to the appropriate party at the address designated for such party on Exhibit Q attached to this Agreement, or such other address in the continental United States as the party who is to receive such notice may designate by notice to the other party. Notice by mail shall be by registered or certified United States mail, addressed to the party to be notified, and with the proper amount of postage affixed thereto. The effective date of the notice, election or demand shall be upon receipt, if hand delivered, or three (3) Business Days after the date of deposit in the mail or with a nationally recognized courier service, as applicable.

14.04 Applicable Law.

This Agreement shall be governed by and interpreted, construed and enforced in accordance with and subject to the laws of the State of New York.

14.05 Waiver.

No waiver by any party of any breach, default or violation of any term, warranty, representation, agreement, covenant, condition or provision hereof shall constitute a waiver of any subsequent breach, default or violation of the same or any other term, warranty, representation, agreement, covenant, condition or provision hereof. Failure by any Public Sector Participant to provide notice of any breach, default, violation or other event that requires notice herein shall not constitute a waiver of any such breach, default or violation.

14.06 Severability.

The provisions of this Agreement shall be severable and if any clause, sentence, paragraph, provision or other part hereof shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair or invalidate the remainder hereof, which remainder shall continue in full force and effect.

14.07 Table of Contents and Captions.

The Table of Contents hereto and the Captions herein are for convenience only and are not to be construed as a part of this Agreement, nor shall the same be construed as defining or limiting in any way the scope of intent of the provisions hereof.

14.08 Counterparts.

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

14.09 Entire Agreement.

This Agreement and all documents, agreements and instruments executed contemporaneously herewith among any of the parties hereto supersede and replace all previous agreements, writings and instruments among the parties hereto with respect to The Crossroads Project, including, without limitation, the MOU. This Agreement also supersedes and replaces the Interim Development Agreement and the First Amendment to the Interim Development Agreement.

14.10 Public Sector Participants' Capacity. In entering into this Agreement, each Public Sector Participant is acting in a proprietary rather than a governmental capacity. Nothing contained herein shall limit any Public Sector Participant from exercising its governmental or police powers with respect to protection of the public health, safety or welfare.

14.11 No Third Party Beneficiary. This Agreement shall not be deemed to grant any rights to any person, firm or corporation except the parties hereto and the terms hereof shall be enforceable only by said parties.

14.12 Accounting. All references to computations or projections shall be made in accordance with generally accepted accounting principles on a basis consistent with the preparation of the annual financial statements of CALLC.

14.13 GMPC. Contemporaneously with the execution and delivery of this Agreement, the Principal Public Participants have approved the GMPC.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

APPROVED AS TO FORM

By:_____
Edward D. Peace
Corporation Counsel

CITY OF BUFFALO

By:_____
Anthony M. Masiello, Mayor

NEW YORK STATE URBAN DEVELOPMENT CORPORATION

By:_____
(Title)

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APPROVED AS TO FORM

By:_____
Edward D. Peace
Corporation Counsel

CITY OF BUFFALO

By:_____
Anthony M. Masiello, Mayor

NEW YORK STATE URBAN DEVELOPMENT CORPORATION

By: Vice President
(Title)

APPROVED AS TO FORM

By:_____
Erie County Attorney

COUNTY OF ERIE, NEW YORK

By_____
Dennis T. Gorski, Erie County Executive

APPROVED AS TO CONTENT

By:_____
Erie County Commissioner
of the Department of
Environment and Planning

BUFFALO URBAN RENEWAL AGENCY

By:_____
Anthony M. Masiello, Chairman

ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

By:_____
(Title)

CROSSROADS ARENA LLC
By: Arena, Inc., Its Member

By:_____
Lawrence Quinn, Executive Vice President

APPROVED AS TO FORM

By:_____
Erie County Attorney

APPROVED AS TO CONTENT

By:_____
Erie County Commissioner
of the Department of
Environment and Planning

COUNTY OF ERIE, NEW YORK

By_____
Dennis T. Gorski, Erie County Executive

BUFFALO URBAN RENEWAL AGENCY

By:_____
Anthony M. Masiello, Chairman

ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

By:_____ Executive Director
(Title)

CROSSROADS ARENA LLC
By: Arena, Inc., Its Member

By:_____
Lawrence Quinn, Executive Vice President

APPROVED AS TO FORM

By:_____
Erie County Attorney

APPROVED AS TO CONTENT

By:_____
Erie County Commissioner
of the Department of
Environment and Planning

APPROVED AS
TO FORM ONLY

MAY 22 1995

MICHAEL L. McCARTHY
LEGAL COUNSEL

COUNTY OF ERIE, NEW YORK

By_____
Dennis T. Gorski, Erie County Executive

BUFFALO URBAN RENEWAL AGENCY

By:_____
Anthony M. Masiello, Chairman

ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

By:_____
(Title)

CROSSROADS ARENA LLC
By: Arena, Inc., Its Member

By:_____
Lawrence Quinn, Executive Vice President

List of Exhibits to Development and Construction Agreement

EXHIBIT A - Article I
Definitions

EXHIBIT B - Exhibit A
Crossroads Site map

EXHIBIT B-1 - BURA Parcels

EXHIBIT C - [Deleted Intentionally]

EXHIBIT D -
Development and Construction Schedule

EXHIBIT E -
Project Budget

EXHIBIT F -
Letter of Resolution

EXHIBIT G -
Insurance Requirements

EXHIBIT H -
Condemnation Reserve

EXHIBIT I -
City Infrastructure Improvements

EXHIBIT J -
Special Covenant - Local Businesses and Unions

EXHIBIT K -
[Deleted Intentionally]

EXHIBIT L -
[Deleted Intentionally]

EXHIBIT M -
[Deleted Intentionally]

EXHIBIT N -
[Deleted Intentionally]

EXHIBIT O -
[Deleted Intentionally]

EXHIBIT P - §8.05
UDC Design and Construction Requirements

EXHIBIT Q - Section 14.03
Notices

EXHIBIT 1

EXHIBIT 8

LEGEND

1. PARKING

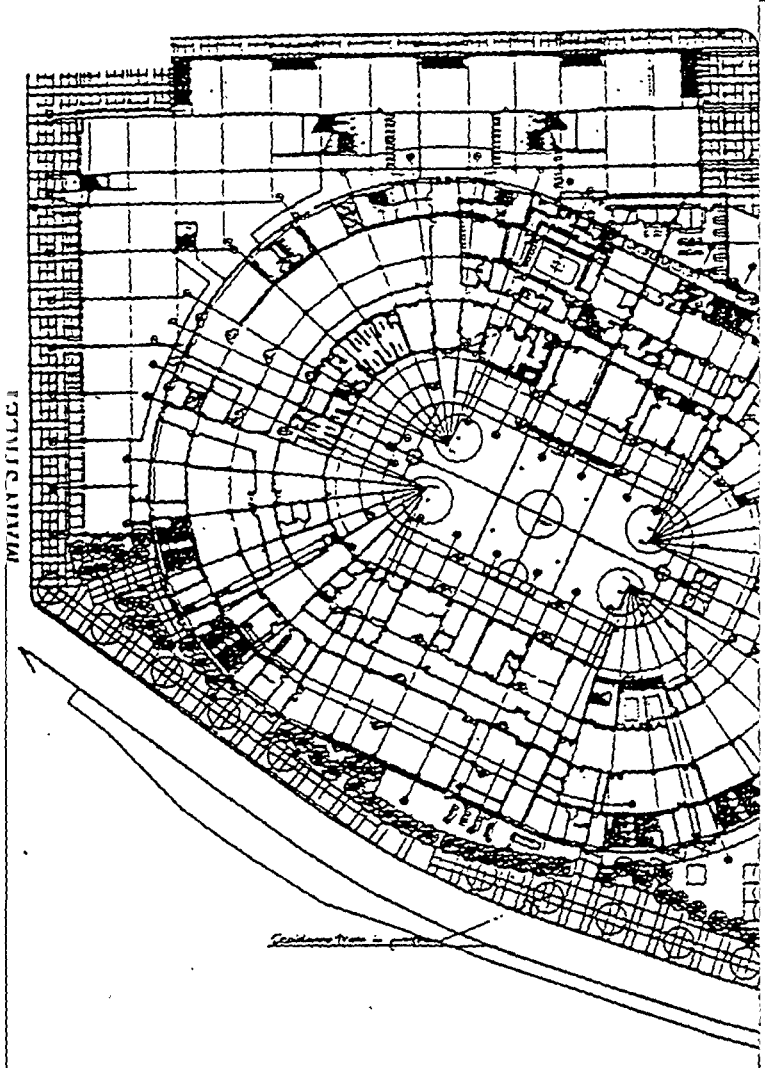

Exhibit A

TO: Operating Agreement among Crossroads Arena LLC and the Public Sector Participants
Development and Construction Agreement among Crossroads Arena LLC and the Public Sector Participants
Lease Between Crossroads Arena LLC and Niagara Frontier Hockey, L.P.

DEFINITIONS

"Accrued Ground Rent" means any portion of the Ground Rent of which payment has been deferred pursuant to the Land Disposition Agreement.

"Additional Event Rent" shall mean rent for Additional Events as provided in Section 5.1(b) of the Sabres Lease.

"Affiliate" means, with respect to any Person, any other Person related to such first Person by reason of (i) ownership of 10% or more of the shares of, or partnership interests or membership interests, in such first Person; (ii) such first Person owning 10% or more of the shares of, or partnership interests or membership interests in, such other Person; (iii) a third Person owning 10% or more of the shares of, or partnership interests or membership interests in, both the first Person and such other Person, (iv) such Persons being Management Affiliates, or (v) such Person being a spouse, child, parent, grandparent or grandchild of such Person. With respect to CALLC, "Affiliate" shall specifically include: (1) NFHLP (as defined herein); (2) NFHMC (as defined herein); (3) Arena, Inc., a New York corporation, (4) BSC and (5) Empire Sports Sales Joint Venture.

"Affiliate Contract" shall mean any contract, agreement or cost sharing arrangement between CALLC and any Affiliate of CALLC, or any payment or transfer of other consideration between CALLC and such an Affiliate (including any payment or transfer in settlement, compromise, arbitration or adjustment of any claim or demand on account of any Loss Event), but excluding an Operating Deficit Loan from an Affiliate described in Section 7.05(b) of the Operating Agreement.

"Affirmative Action Plan" shall mean the Agreement dated October 27, 1994 between the City of Buffalo and CAC which CALLC has agreed to implement by Assignment and Assumption Agreement dated November 18, 1994.

"Applicable Percentage" referred to in Section 9.02(a) of the Operating Agreement means the greater of: (a) five percent (5%), or (b) the percentage franchise fee imposed by the City pursuant to its contract with a cable television company as provided for under Executive Law Article 28 or applicable federal law, rule or regulation, then in effect.

"Architect" shall mean Ellerbe Beckett Architects and Engineers P.C., or such other architect selected by CALLC and approved by UDC.

"Arena" means The Crossroads.

"Arena, Inc." is a New York corporation formerly known as Crossroads Arena Corporation.

"Arena Plans and Specifications" means the plans and specifications prepared by the Project Architects with respect to the design of the Arena, dated August 11, 1994, as amended or supplemented from time to time in accordance with the Development and Construction Agreement.

"Arena Shell" means the portion of the Crossroads constituting a functional Class "A" building (as defined in Section 11.00(a)(11)(a) of the New York Local Finance Law) consisting of a steel and concrete structure, HVAC, plumbing, basic electrical wiring and general lighting in accordance with the Arena Plans and Specifications, but specifically excluding the Crossroads Improvements.

"Aud" means the Memorial Auditorium located at 140 Main Street, Buffalo, New York.

"Aud Club" means the restaurant/bar for use by Aud Club members to be operated by NFHLP, designated in Exhibit 6 attached to the Sabres Lease.

"Aud Non-Compete Agreement" means an agreement dated as of May 10, 1995 by and among CALLC, NFHLP, the City and BURA.

"Bandits" means the Buffalo Bandits Major Indoor Lacrosse League franchise.

"Blizzard" means Greater Buffalo Soccer, L.P.

"Box Office" means the retail area for sale of Event tickets.

"Box Office Operation Agreement" means the agreement by and between CALLC and NFHLP relating to the operation of the Box Office, in the form attached to the Sabres Lease as Exhibit 12.

"Broadcast Rights" means the right to produce, broadcast, televise, record, telegraph, disseminate, reproduce or transmit by broadcast, cable, closed circuit, pay or subscription television, radio, telephone, or by any other method of reproduction, transmission or communication (except message boards, scoreboards, and external marquees and ancillary video throughout the building), whether instantaneous or delayed, all Events or any portions thereof, data, signals or messages and to control,

operate, license and sell all such activities or the rights thereto.

"BSC" means Buffalo Sabres Concession LLC, a New York limited liability company.

"Buffalo Construction Cost Index" shall mean the amount by which construction costs as published in the Buffalo, New York area increase or decrease from year to year.

"Buffalo Sabres" means the NHL team, membership and associated franchise owned and operated by NFHLP.

"Buffalo Waterfront Urban Renewal Plan" shall mean that plan for the Waterfront Redevelopment Area approved by the Buffalo City Planning Board on September 16, 1963 and the City of Buffalo Common Council on October 22, 1963, as revised and amended, on October 26, 1993 and March 21, 1995.

"Building Loan Contract" means the Building Loan Contract dated as of May 10, 1995 between the Construction Lender and CALLC and any amendments, modifications or replacements thereof.

"BURA" means the Buffalo Urban Renewal Agency, a public benefit corporation created pursuant to Article 15-B of the General Municipal Law of New York State.

"BURA Parcels" means that real property acquired by BURA and constituting a portion of the Crossroads Site, more particularly described on Exhibit B-1 to the Development and Construction Agreement.

"Business Day(s)" means any day which shall not be a Saturday, Sunday, legal holiday or a day on which national banking institutions in New York are authorized by law or executive order to close.

"CALLC" means Crossroads Arena LLC, a New York limited liability company.

"CALLC Agreements" means all agreements and leases with respect to The Crossroads to which CALLC is a party.

"Capital Improvement Loan" means borrowing by CALLC from any third-party, including Affiliates, to pay for capital improvements or repairs.

"Championship Games" is defined in the NHL Rules.

"Change Order(s)" shall have the meaning assigned to it in Section 4.03 of the Development and Construction Agreement.

"City" means the City of Buffalo, a municipal corporation of The State of New York.

"City Cash Contribution" is defined within the definition of City Contribution.

"City Contribution" shall mean:

(1) $10,000,000 (Ten Million Dollars) in cash payable by the City to BURA for reimbursement of Interim Development Costs incurred by CALLC or as payments made to former property owners by BURA or CALLC to acquire The Crossroads Site or for environmental review, eminent domain or land acquisition related expenses incurred by BURA or the City, ("City Cash Contribution");

(2) Land and the Washington Street and Indiana Street Rights of Way included in The Crossroads Site;

(3) Transactions costs incurred by the City (including, without limitation, bond and other outside counsel, trustee, underwriting, and bond issuance costs, but excluding eminent domain or land acquisition related expenses (i.e., Hiscock & Barclay and court awarded legal expenses); and

(4) Infrastructure Improvements set forth on Exhibit I to the Development and Construction Agreement.

"City Infrastructure Costs" shall be those costs as defined on Exhibit I to the Development and Construction Agreement.

"City Right of Way Licenses" means the License dated as of May 10, 1995 granting to CALLC certain licenses, encroachments, streets and other matters relating to The Crossroads.

"City Non-Cash Contribution" are items (2), (3), (4) of the City Contribution.

"City Sublease" means the Sublease dated as of May 10, 1995 for The Crossroads Site between the City and the County.

"Civic Event(s)" means an event to be sponsored or conducted at The Crossroads by a Principal Public Participant for which there is no admission charge including without limitation, a convocation, community gathering, awards or honors ceremony, high school sporting event or any similar event.

"Civic Event Out-Of-Pocket Expenses" shall mean, with respect to each Civic Event, all direct costs and expenses incurred by CALLC with respect to the set-up, tear-down, operation, staffing and management of The Crossroads that would not have been incurred by CALLC if The Crossroads had remained empty and dark rather than hosting such Civic Event, but shall not include any allocation of CALLC overhead.

"Club Seat(s)" means the approximately 2,500 seats in the area identified on Exhibit 33 to the Sabres

Lease.

"Club Seat Amenities" means the rights, services and goods to be provided to licensees of Club Seats, which shall initially consist of the amenities set forth on Exhibit 7 attached to the Sabres Lease, and any other amenities to be provided to Club Seat holders in the future as provided in Article IX of the Sabres Lease.

"Club Seat Package" means those rights, services and tickets received by Club Seat holders in consideration for the Club Seat rental fee.

"Club Seat Ticket Option" means the option held by Club Seat holders to purchase Club Seat tickets in addition to tickets selected by such holder in its basic Club Seat package.

"Club Seat Ticket Revenue" means the sum of (a) the product of (i) the number of Club Seat Packages sold, multiplied by (ii) the Premium Luxury Ticket Price for each Hockey Event included in the Club Seat Package; plus (b) the product of (iii) the number of Club Seat tickets sold pursuant to Club Seat Ticket Options for Hockey Events and Hockey Related Events multiplied by (iv) the Premium Luxury Ticket Price charged by the Sabres for extra Club Seat tickets for each Hockey Event and Hockey Related Event.

"Commencement Date" is defined in Section 3.8 of the Sabres Lease.

"Common Areas" means those areas and parts of The Crossroads for the common or joint use and benefit of Landlord, tenants, licensees, and Event attendees and invitees, as appropriate, including without limitation, those entrances, stairways, elevators, escalators, hallways, corridors, lobbies, driveups, access roads, interior and exterior ramps, delivery and loading facilities, public restrooms, wash rooms, comfort rooms, drinking fountains, sidewalks, plazas, and concourses, excluding the Exclusive Areas.

"Completion Date" shall mean that date as defined in the GMPC as enabling CALLC to take occupancy of The Crossroads.

"Concessionaire" means the firm or firms with which the Sabres or Affiliate of the Sabres contracts to operate the concession stand portion of the Concessions Facilities exclusively reserved to the Sabres under the Sabres Lease. Initially the Concessionaire will be New York Sportservice, Inc. The Sabres will initially operate novelty Concession Facilities.

"Concessionaire Lease Agreement" means the Lease Agreement dated as of May 10, 1995 from NFHLP as landlord to BSC as tenant.

"Concessionaire Sublease Agreement" means the Concession Lease Agreement dated as of May 10, 1995 between BSC as landlord and New York State Sportservice, Inc. as tenant.

"Concessions and Catering Revenue(s)" shall mean those revenues received from catering and concessions activities conducted at the Concession Facilities.

"Concession(s) Equipment" means moveable equipment and furniture used in connection with the operation of the Concession Facilities.

"Concessions Facilities" means the area identified as the Concessions Facilities on Exhibit 6 to the Sabres Lease.

"Concession Lender(s)" shall mean Shawmut Bank, N.A., Fleet Bank and any other participants under the Interim and Term Concession Loan Agreement dated as of May 10, 1995 with BSC and successor or replacement agreement.

"Concession Loan" means the $32,500,000 credit facility to be provided to BSC by the Concession Lenders pursuant to the Interim and Term Concession Loan Agreement dated as of May 10, 1995 among the Concession Lenders and BSC and any successor or replacement agreement.

"Concessions Revenues" means one hundred percent (100%) of gross concessions, novelties and publications revenues pertaining to all Events.

"Condemnation Reserve" shall mean $327,000 reserved pursuant to Exhibit H of the Development and Construction Agreement.

"Condemnation Reserve Account" shall mean that account to which the Condemnation Reserve has been deposited for disposition or disbursement pursuant to the Development and Construction Agreement.

"Construction Lender" means Marine Midland Bank and Key Bank of New York and any other lenders participating in the Building Loan Contract dated as of May 10, 1995 or any successor.

"Construction Loan" means the $35,000,000.00 credit facility to be provided to CALLC by the Construction Lenders pursuant to the Building Loan Contract. As the context requires "Construction Loan" shall also mean the Permanent Loan Term as defined in the Building Loan Contract.

"Construction Loan Debt Service Reserve" is defined in Section 4.9 of the Building Loan Contract between the Construction Lender and CALLC.

"Contingency Payment" shall have the meaning described in Section 9.3 of the Sabres Leases.

"Coordinating Agreement" means the agreement dated as of May 10, 1995 among the Principal Public Participants regarding their roles, rights, duties and obligations with respect to the Project.

"Cost Overrun(s)" means the amount by which actual Development and Construction Costs and Expenses of the Project exceed One Hundred Twenty-Two Million Five Hundred Thousand Dollars ($122,500,000).

"Cost Overrun Loan" means borrowings by CALLC to pay for Cost Overruns, including the Sabres Advance.

"County" means the County of Erie, New York, a municipal corporation of the State of New York.

"County-ECIDA Sublease" means the Sublease for the Crossroads Site and the Crossroads between the County and the ECIDA dated as of May 10, 1995.

"County Eligible Costs" means all costs of the acquisition, installation, construction or equipping of the Project including, without limitation, original furnishings, equipment or apparatus (but excluding costs of acquiring the Crossroads Site or defending the title thereto - "the exclusion") (for purposes of this definition the "Crossroads Acquisition"), which shall include the cost of preparing the Plans and Specifications therefor (including any preliminary studies or planning of the Crossroads); preparing maps, surveys and estimates with respect thereto and holding hearings with respect thereto; architectural, engineering, testing, supervisory services with respect thereto; any expenses of enforcing any contract or subcontract with respect to the Crossroads Acquisition (subject to the exclusion set forth above); the cost of the premiums for all insurance maintained with respect to the Crossroads until the completion thereof; all legal, accounting and other fees, costs and expenses incurred in connection with the preparation, reproduction, printing and authorization of documents with respect to the Crossroads Acquisition (subject to the exclusion set forth above), all as included within the categories of the Project Budget approved at the Closing by the County; provided, however, that County Eligible Costs shall not, under any circumstances include costs not directly related to the Crossroads Acquisition and the County's investment therein (subject to the exclusion set forth above) for, as an example, interest on loans provided by other participants loaning money with respect to the Project, overhead or working capital of any entity or costs of marketing, sales and promotion or the like. Notwithstanding the foregoing, "County Eligible Costs" shall be determined in a manner consistent with Section 5.02(a) of the Development and Construction Agreement.

"County Sublease" means the Sublease for the Crossroads Site between the County and the City dated as of May 10, 1995.

"(The) Crossroads" means the sports, entertainment and parking complex to be built on The Crossroads Site, including any physical improvements on The Crossroads Site which is more particularly described in Section 2.01 of the Development and Construction Agreement.

"Crossroads Club" means the restaurant/bar for use by Club Seat holders and Luxury Suite licensees designated on Exhibit 6 to the Sabres Lease.

"(The) Crossroads Design" means the architectural design depicted on the Arena Plans and Specifications that will be included therein, and on the Parking Structure Plans and Specifications.

"Crossroads Improvements" means the portion of The Crossroads financed out of proceeds of the Private Arena Debt, and Sabres Advance constituting improvements to the Arena Shell including but not limited to the Ice Rink, seats and railings installed in the Seating Bowl, Luxury Suites, locker rooms, scoreboards, Concession Facilities, Concession Equipment, directional signage, television broadcasting facilities, special (event) lighting, public address equipment, press boxes, and other amenities necessary to render the Arena Shell suitable for professional and amateur ice hockey, indoor soccer, indoor lacrosse, basketball, concerts, ice shows and similar events; all improvements, fixtures and equipment reasonably necessary to operate the Sabres Offices; the Box Office, the Team Store and the Waterfront Market Restaurant; all parking structures and surface parking lots all outdoor fences, walkways, decorative trees and shrubbery located on the Crossroads Site. To the extent funds from the Principal Public Participants are insufficient to complete the Arena Shell, that portion of the Arena Shell financed with other funds shall constitute Crossroads Improvements.

"Crossroads Parking Facilities" means the areas and structures identified as The Crossroads Parking Facilities on Exhibit 8 to the Sabres Lease and any other parking areas temporarily used in substitution therefor during maintenance and repairs.

"Crossroads Participants" means CALLC, the Public Sector Participants and the Private Financing Participants.

"(The) Crossroads Site" means (1) the real property located within the boundaries indicated on the map appended as Exhibit B to the Development and Construction Agreement; (2) the BURA Parcels and (3) the City Licenses and Permitted Encroachments, all of which in the aggregate constitute The Crossroads Site as shown on Exhibit B to the Development and Construction Agreement.

"(The) Crossroads Transmissions Facilities" is defined in Section 9.02 of the Operating Agreement.

"Delivery Date" means the date upon which NFHLP receives the Delivery Notice from Landlord pursuant to Section 3.8 of the Sabres Lease.

"Delivery Notice" means the notice by which Landlord informs NFHLP that the Commencement Date will occur in sixty (60) days pursuant to Section 3.8 of the Sabres Lease.

"Designated Play-Off Dates" means those dates reserved by NFHLP each Hockey Season for NHL Play-Off Games pursuant to Section 4.6 of the Sabres Lease.

"Design Review Committee" means the committee formed jointly by the Public Sector Participants and CALLC pursuant to the MOU to review the design of the Arena.

"Destructive Event" means any incident resulting in any damage to or destruction of the Premises.

"Development and Construction Agreement" means the Development and Construction Agreement dated as of May 10, 1995 by and among CALLC and the Public Sector Participants.

"Development and Construction Cost(s) and Expense(s)" means any and all costs and expenses of a type described on the Project Budget. Development and Construction Costs and Expenses shall not include the City Non-Cash Contribution or transaction costs incurred by the City, UDC, the County, BURA and ECIDA.

"Development and Construction Schedule" means Exhibit D attached to the Development and Construction Agreement.

"Directors' Room" means the board of directors' room for use by NFHLP designated on Exhibit 6 attached to the Sabres Lease.

"Early Entry" is defined in Section 3.10 of the Sabres Lease.

"ECIDA" means the Erie County Industrial Development Agency, a public benefit corporation created pursuant to Article 18-A of the General Municipal Law.

"ECIDA Requirements" are attached to the Sabres Lease as Exhibit 38.

"Event" means any exhibition, event, contest, game, practice, sports activity, presentation, meeting, assemblage, convention or other similar use of The Crossroads or any part thereof, including Hockey Events, Hockey-Related Events, and Other Events.

"Excess Payment(s)" means payments or other transfers of consideration between CALLC and an Affiliate in excess of those which would be required under an arm's length contract between unrelated parties.

"Exclusive Areas" means those parts of the Premises to be used by NFHLP exclusively pursuant to Article III of the Sabres Lease, as designated on Exhibit 6 to the Sabres Lease, namely, the dressing rooms, training room, equipment room, coaches offices, locker rooms and adjacent training areas, NFHLP offices and storage area, Crossroads Parking Facilities, Concessions Facilities, permanent novelty stands, Waterfront Market Restaurant, the Aud Club, the Team Store, outdoor deck, food court, Crossroads Club and Directors' Room.

"Executive Offices" means the office space contained in the Exclusive Areas, designated on Exhibit 6, attached to the Sabres Lease.

"Exhibition Games" means those NHL-sponsored or-sanctioned ice hockey non-regular season and non-play-off games which are scheduled as Hockey Events from time to time, whether or not involving the Buffalo Sabres or any other NHL team.

"Extension Term(s)" is defined in Section 20.02 of The Operating Agreement.

"Extraordinary Events Account" is defined and described in Article XIV of the Operating Agreement.

"Financing Participants Agreement" means the agreement among CALLC, the Private Financing Participants and the Public Sector Participants , Sportservice Corporation and New York Sportservice, Inc. dated as of May 10, 1995.

"First Amendment to The Interim Development Agreement" means the First Amendment to the Interim Development Agreement by and among CALLC, the City and BURA dated October 27, 1994, amending the Interim Development Agreement.

"Fiscal Year" means the fiscal year of CALLC which initially is the period from September 1 of a year to August 31 of the following year.

"Game Day" means each scheduled date of a Hockey Event, commencing eleven (11) hours prior to and ending three (3) hours after the conclusion of the Hockey Event, provided, however, that if there is an Other Event being held on the same day as a Hockey Event, "Game Day" shall mean each scheduled date of a Hockey Event, commencing four (4) hours prior to and ending two (2) hours after the conclusion of the Hockey Event.

"GMPC" means the Guaranteed Maximum Price Contract, between CALLC and Huber, Hunt & Nichols, Inc. approved by the Concession Lender, the Construction Lender, the Public Sector Participants, New York Sportservice, Inc., CALLC, NFHLP and BSC on or prior to the date of closing of the Construction Loan and the Concession Loan.

"Government Obligations" means direct obligations of or guaranteed by the United States of America.

"Governmental Authority" shall mean any governmental authority or other Person having jurisdiction over the acquisition, construction, equipping, ownership, leasing, operation and or maintenance of the Project.

"Ground Lease" means the lease of The Crossroads Site dated as of May 10, 1995 from BURA to the County.

"Ground Lessee" means the County under the Ground Lease.

"Ground Rent" means an annual payment from CALLC to the City of $500,000 pursuant to the Land Disposition Agreement.

"Ground Rent Accrual Right" means CALLC's right to accrue and defer payment of up to $100,000

per year of the Ground Rent (subject to an aggregate limit of $500,000) as more particularly described in the Land Disposition Agreement.

"Hazardous Substance(s)" means, without limitation, any flammable materials, explosives, radon, radioactive materials, asbestos, urea formaldehyde foam insulation, polychlorinated biphenyls, petroleum and petroleum-based products, methane, hazardous materials, hazardous wastes, hazardous or toxic substances or related materials, as defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. Appx. Section 9601, et. seq.), the Hazardous Materials Transportation Act, as amended (49 U.S.C. Appx. Section 1801, et seq.), the Toxic Substances Control Act, as amended (15 U.S.C. Section 2601, et. seq.), Articles 15 and 27 of the New York State Environmental Conservation law and any other applicable Environmental Law and regulations adopted and publications promulgated thereunder.

"Hockey Broadcast Rights" means NFHLP's exclusive right to produce, broadcast, televise, record, telegraph, disseminate, reproduce or transmit by broadcast or cable television, closed circuit television, pay television, subscription television, radio, telephone, or by any other method of reproduction, transmission or communication, whether instantaneous or delayed, all Hockey Events and Hockey-Related Events or any portions thereof.

"Hockey Essential Portions of the Premises" means those facilities of The Crossroads which must be functional to meet the Substantially Beneficially Completed standard, as set forth in the definition of "Substantially Beneficially Completed", items 1-16.

"Hockey Event(s)" means any NHL ice hockey game played by the Buffalo Sabres in The Crossroads (including Pre-Season Games, Regular Season Games, Exhibition Games and Play-Off Games).

"Hockey Related Event(s)" means Training Camp, open Practice Sessions, any other regular season, pre-season or post-season game sanctioned by the NHL, whether or not played by the Buffalo Sabres, including NHL All-Star Games, as well as other hockey-related events sponsored by NFHLP and/or the NHL and not played by the Buffalo Sabres, including hockey skills camps and/or professional tournaments, minor league games played by a franchise owned by NFHLP as of the date of execution of the Sabres Lease, the NHL Entry Draft or Congress, promotional events such as card shows, alumni hockey games, youth or high school hockey programs, championships and similar activities.

"Hockey Season" means the period during which Pre-Season, Regular Season and Play-off Games are presented, commencing approximately September 5th and ending approximately July 1st of each year.

"Horizon Municipalities" means the Town of Brant, the Town of Evans, the Town of Hamburg, the City of Lackawanna, the Town of Grand Island, the City of Buffalo, the Town of Tonawanda, the City of Tonawanda, and the Niagara Frontier Transportation Authority, the State of New York, the

New York State Urban Development Corporation, or any other governmental or private entity (other than Horizons or the County).

"Horizon Projects" means those projects provided for (and in the order of priority) under the Horizons Action Plan (as in effect from time to time) that are to be owned by the Horizon Municipalities.

"Horizon Share" shall mean 44.3 percent of the portion of the Operating Fee and the Renewal and Replacement Account that is paid to UDC.

"Horizons" means Horizons Waterfront Commission, Inc., a wholly-owned subsidiary of UDC, heretofore created under Section 12 of the UDC Act.

"Ice Rink" means the 200' by 85' ice rink located in the Sports Arena.

"In-Arena Advertising Venues" is defined in Section 11.1 of the Sabres Lease.

"Industry Standards" means the average standard or quality of performance provided by arenas serving as permanent home ice for NHL hockey teams.

"Initial Rent" is defined in Section 5.1(a) of the Sabres Lease.

"Inner Harbor Plan" means the design and land use plan for the Buffalo Inner Harbor project of The Horizons Waterfront Commission, Inc.

"Intercreditor/Non-Disturbance/Attornment Agreements" mean the Financing Participants Agreements and the Non-Disturbance Agreement.

"Interim Development Activities" means the demolition, utility relocation and other activities undertaken by CALLC and funded by the City and/or BURA under the Interim Development Agreement, as the same may be amended or modified from time to time.

"Interim Development Agreement" means the Interim Development Agreement among CALLC, the City and BURA dated as of March 11, 1994, as amended by the First Amendment dated October 27, 1994.

"Interim Development Costs" shall have the same meaning as defined in the Interim Development Agreement.

"Intermunicipal Agreement" means the agreement by and between the County and the City dated as of May 10, 1995.

"Land Disposition Agreement" means the Contract for Lease of Land for Redevelopment by and

between BURA, the City and CALLC dated as of May 10, 1995.

"Landlord" means CALLC as lessor under the Sabres Lease.

"Landlord Indemnitee" means Landlord, and its agents, officers, directors and employees pursuant to Section 20.1 of the Sabres Lease.

"Landlord - NFHLP Marketing and Advertising Agreement" means that agreement dated as of May 10, 1995 by and between CALLC and NFHLP, by which NFHLP is appointed Landlord's exclusive agent for the marketing of In-Arena Advertising Venues.

"Law" means any statute, ordinance, regulation, rule, interpretation, decision, guideline or other requirement enacted or issued by any court, agency or other governmental authority.

"Lead Bank" means Marine Midland Bank.

"Lease Term" is defined in Section 3.7 of the Sabres Lease.

"Lease Year" means during the Lease Term, the period from October 1 in one year to September 30, in the following year. In the event the Lease commences other than on October 1, the period from date of commencement to the following October 1 shall constitute a partial lease year.

"Leasehold Mortgage(s)" means the Superior Mortgage.

"Lenders Cooperation Agreement" means the Lenders Cooperation Agreement dated as of May 10, 1995 by and among the Private Financing Participants, the Public Sector Participants, NFHLP, CALLC and BSC.

"Loss" means any loss, claim, liability, damage or injury to, or relating to, the Premises.

"Loss Event(s)" shall mean an event which causes damage or destruction of The Crossroads in whole or in part.

"Loss Proceeds" shall mean net proceeds received from any insurance policies covering the Loss Event.

"Loss Proceeds Account" means the account established pursuant to Section 10.01(b)(ii) of the Operating Agreement into which Loss Proceeds shall be deposited.

"Luxury Suite(s)" means the 80 private suites identified as Luxury Suites on Exhibit 34 attached to the Sabres Lease (subject to any modification of number, design, or placement of such suites resulting from any amendment to The Crossroads Design permitted by the Development and

Construction Agreement).

"Luxury Suite Amenities" means the rights, services and goods to be provided to licensees of Luxury Suites which shall initially consist of the amenities set forth on Exhibit 2 to the Sabres Lease and any other amenities to be provided to Luxury Suite licensees in the future as provided in Article IX of the Sabres Lease.

"Luxury Suite Package" means those rights, services and goods received by Luxury Suite licensees in consideration for the Luxury Suite license fee.

"Luxury Suite Ticket Option(s)" means the option held by each Luxury Suite licensee to purchase Luxury Suite tickets in addition to tickets selected by the licensee in its basic Luxury Suite Package.

"Luxury Suite Ticket Revenue" means the sum of:

(a) the product of: (i) the product of the number of Luxury Suites licensed multiplied by the number twelve (12), multiplied by (ii) the Premium Luxury Ticket Price for each Hockey Event and Hockey Related Event included in the Luxury Suite Package	- plus -	(b) the product of: (i) the number of Luxury Suite tickets sold pursuant to Luxury Suite Ticket Options for Hockey Events and Hockey Related Events multiplied by (ii) the Premium Luxury Ticket Price

"Major Change" means a Change Order involving more than $300,000 or any amendment, modification, addition or deletion to The Crossroads Design, which is expected to result in one or more of the following:

(a) a substantial alteration of the character or function of The Crossroads as contemplated or the planned use or exterior appearance of the Arena in the Arena Plans and Specifications or the approved Parking Structure(s) Plans and Specifications, or

(b) material reduction of the amount of the Operating Fee projected to be payable by CALLC to the Operating Fee Recipients under the Operating Agreement, or

(c) modification of the draw schedule provided in the Financing Participants' Agreement which would require any Participant to fund out of the sequence prescribed in such Agreement, or

(d) a modification of the Final Design of the Crossroads Parking Facilities.

"Major Consent Changes" is defined in Section 6.7 of the Sabres Lease.

"Major Sponsor" means any party with whom Landlord enters into a major sponsorship agreement.

"Management Affiliate(s)" is defined in Section 3.03 of the Operating Agreement.

"Management Firm" is defined in Section 3.03 of the Operating Agreement.

"Mandatory Principal Prepayment" means prepayment of principal required by the Private Arena Debt Agreements.

"Material Contract" means any Naming Rights Agreement and any other contract, agreement or arrangement relating to the marketing, management, operation, or use of The Crossroads which is to be performed for a period of more than 30 days.

"Mediation Term" shall mean a date commencing on which a notice of mediation is delivered pursuant to the Sabres Lease, Operating Agreement or Development and Construction Agreement as provided in each of those agreements and ending as provided in each of those agreements..

"Minor Non-Consent Changes" is defined in Section 6.7 of the Sabres Lease.

"MOU" means the Memorandum of Understanding dated March 28, 1994 among the Sabres, the Public Sector Participants and Crossroads Arena Corporation, now known as Arena, Inc.

"Naming Rights Agreement" means the agreement entered into by CALLC designating the name by which The Crossroads will be known, referred to and advertised as (which may or may not include the term "The Crossroads") in consideration for the payment of the Naming Rights Proceeds by the other party(ies) to such agreement.

"Naming Rights Grantee" means any party with whom Landlord enters into a Naming Rights Agreement.

"Naming Rights Proceeds" means all receipts by CALLC of consideration paid pursuant to the Naming Rights Agreement by the other party(ies) thereto for the right to designate the name by which The Crossroads will be known, referred to and advertised as (which may or may not include the term "The Crossroads"), whether such receipts are in the form of periodic payments, advance payments, option fees or otherwise.

"NBA" means The National Basketball Association.

"Net Project Revenue" is the excess of the aggregate deposits made to the Project Revenue Account pursuant to Section 7.02 of the Operating Agreement with respect to a Fiscal Year over the aggregate of disbursements from such Project Revenue Account pursuant to subsections First through Twelfth of Section 7.06 of the Operating Agreement with respect to such Fiscal Year.

"NFHLP" means Niagara Frontier Hockey, L.P., a Delaware limited partnership

"NFHLP Guaranty" means the guaranty dated October, 1994 executed and delivered by NFHLP to the City.

"NFHLP Indemnitees" means NFHLP, its managing general partner, related and affiliated companies (other than Landlord and Arena, Inc.), investors (including unitholders and debenture holders) and agents, officers, directors or employees of each of them, in their status as such.

"NFHMC" means Niagara Frontier Hockey Management Corporation, a New York corporation and the managing general partner of NFHLP.

"NHL" means the National Hockey League, an unincorporated, not-for-profit association.

"NHL Rules" means (i) the NHL Constitution and any amendments thereto that may be adopted from time to time by the NHL or the Commissioner of the NHL, (ii) the NHL By-Laws, and any amendments thereto that may be adopted from time to time by the NHL or the Commissioner of the NHL, (iii) such other rules, regulations, resolutions and policies as the NHL, the NHL Board of Governors, or the NHL Commissioner may adopt from time to time, (iv) all agreements (including, without limitation, the collective bargaining agreements) and the Lenders Cooperation Agreement, consent decrees and settlement agreements presently or hereafter in effect or entered into between or among the NHL and its member clubs and/or their lenders or the NHL and any other persons in furtherance of NHL business or interests or as otherwise authorized, directly or indirectly, by the NHL Board of Governors, the NHL Constitution or By-Laws or the NHL Commissioner and (v) the Commissioner's interpretation of any of the foregoing. For purposes of the Development and Construction Agreement, the Operating Agreement and the Sabres Lease, the NHL Rules shall be those of general applicability and shall not include anything specific, directly or by effect, applicable to The Crossroads.

"Non-Disturbance Agreement" means the Non-Disturbance and Attornment Agreement dated as of May 10, 1995 by and among the Private Financing Participants, the Public Sector Participants, New York Sportservice, Inc., CALLC, NFHLP and BSC.

"Non-Exclusive Areas" means the Premises, except for the Exclusive Areas.

"Non-Relocation Agreements" means each of the Non-Relocation Agreements dated as of May 10, 1995 by and among NFHLP, the City, BURA, the County, UDC and Construction Lenders.

"Non-Substantial Destruction" is defined in Section 18.3 of the Sabres Lease.

"OCIP" means Owner Controlled Insurance Program.

"Operating Agreement" shall mean that Agreement between the Public Sector Participants and CALLC dated as of May 10, 1995, which sets forth the rights and obligations of the parties with respect to operation of The Crossroads.

"Operating Cost(s) and Expense(s)" is defined in Section 7.06(a) of the Operating Agreement.

"Operating Deficit" and "Operating Deficit Loan" shall each have the meaning assigned to it in Section 7.05(b) of the Operating Agreement.

"Operating Fee" means the payments to be made by CALLC to the Operating Fee Recipients as more particularly described in Section 7.07 of the Operating Agreement.

"Operating Fee Percentage" is defined in Section 7.07 of the Operating Agreement.

"Operating Fee Recipients" shall mean during the period any Tax-Exempt Obligations shall be outstanding, UDC and the City, and beginning on the date that no Tax-Exempt Obligations remain outstanding, the County, UDC and the City.

"Operating Reserve Account" is created by and defined and described in, Article VII of the Operating Agreement.

"Operating Year" means the period commencing on September 1 of each year and ending on August 31 of the next year, except that the first Operating Year shall commence on the Completion Date and end on the following August 31.

"Other Events" means any exhibition, event, contest, game, practice, sports activity, presentation, concert, meeting, assemblage, convention, Civic Event, or other use of The Crossroads or any part thereof, except for a Hockey Event or Hockey Related Event.

"Parking Facilities" means the area identified in Exhibit 8 to the Sabres Lease.

"Parking Operator" means any entity which may be retained by NFHLP to operate The Crossroads Parking Facilities pursuant to Section 7.1 of the Sabres Lease. The initial Parking Operator shall be BSC and Sportservice of New York, Inc.

"Parking Revenues" shall have the meaning assigned to it in Section 7.4 of the Sabres Lease.

"Parking Structures" means the parking structures to be constructed adjacent to the Arena pursuant to the Construction Agreement.

"Parking Structures Construction Manager" means Zaephel Krog Corporation.

"Parking Structures Plans and Specifications" means the design development documents to be prepared by Parking Structures Construction Manager.

"Partial Year" is defined in Section 5.1(c) of the Sabres Lease.

"Party Suite" means the area designated on Exhibit 30 attached to the Sabres Lease.

"Permitted Uses" means the sales of concessions, novelties and publications, the conduct of a parking garage and lot and holding, presenting and exhibiting of Hockey Events and Hockey Related Events to the public, and all uses necessary or reasonably desirable in connection therewith, in accordance with the terms of the Sabres Lease.

"Permitted Encumbrances" shall mean (a) the Leasehold Mortgages; (b) deposits under worker's compensation, unemployment insurance, social security and other similar laws, or to secure the performance of bids, tenders or contracts (other than for the repayment of borrowed money) or to secure statutory obligations or surety or appeal bonds, or to secure indemnity, performance or other similar bonds in the ordinary course of business; (c) the liens and security interests in favor of the Private Financing Participants; (d) liens securing the payment of mechanic's or artisan's liens, the validity of which is being contested in good faith by appropriate proceedings, and as to which CALLC shall, if appropriate under generally accepted accounting principles, have set aside on its books and records adequate reserves which shall be removed by bonding, deposit, dismissal, discharge or otherwise, within thirty (30) days after the filing of notice of lien; and (e) any reservation, exception, encroachment, easement, right-of-way, covenant, condition, restriction, lease or similar title exception or encumbrance affecting the title to any real property of CALLC that does not (i) materially impair the use of such property or (ii) materially lessen the value of such property for the purposes for which the same is held by CALLC.

"Person" means any individual, corporation, partnership, joint venture, association, limited liability company, joint stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

"Plans" or "Plans and Specifications" means the Plans and Specifications as defined in the Financing Participants Agreement.

"Play-Off Games" means those NHL games for the annual Stanley Cup Championship (currently commencing approximately April 15th and currently ending approximately July 1st) following each Regular Season.

"Practice Sessions" means periods of time during which NFHLP or a Visiting Team is permitted to use the Ice Rink to practice.

"Pre-Closing Design and Development Activities" means the preparation of the Project Site Plan, Arena Plans & Specifications and portions of the ancillary facilities Plans & Specifications, and related studies, consultations and other design and development activities, undertaken prior to the date of the Development and Construction Agreement, all of which have been undertaken and funded by CALLC and for which CALLC is entitled to be reimbursed pursuant to the Development and Construction Agreement and Financing Participants Agreement.

"Preferred Parking Option" means Landlord's option to purchase parking spaces from NFHLP for use by Luxury Suite licensees and Club Seat holders pursuant to Section 7.2 of the Sabres Lease.

"Premises" means The Crossroads and The Crossroads Site.

"Premium Luxury Ticket Price" means the box office face price for each Hockey Event or Hockey Related Event included in the Luxury Suite or Club Seat Package, as set forth by NFHLP which in no event shall exceed the highest priced ticket available for sale for an area of seating that is at least 300 or more seats at The Crossroads, exclusive of the Luxury Suite and Club Seat areas.

"Pre-Season" means the period from the opening of Training Camp up to the opening day of the NHL Regular Season of any given year, which currently commences approximately September 1st and ends approximately October 5th.

"Pre-Season Games" means those Exhibition Games occurring at The Crossroads during each Pre-Season.

"Prime Building Lease" means the sublease of The Crossroads between ECIDA and CALLC dated as of May 10, 1995.

"Prime Rate" means the rate of interest publicly announced by Marine Midland Bank from time to time as its prime rate and is a base rate for calculating interest on certain loans.

"Principal Public Participant" means the City, County and/or UDC.

"Prior Lease Term" means the term of each of the Prior Leases.

"Prior Leases" means the Ground Lease, the County Sublease, the City Sublease, the County-ECIDA Sublease and the Prime Building Lease.

"Private Arena Debt" means the indebtedness (including principal and interest) of CALLC to the Private Financing Participants evidenced by the Private Arena Debt Agreements, and permitted refinancing.

"Private Arena Debt Agreements" mean the Building Loan Contract dated as of May 10, 1995 and all associated agreements between CALLC and Marine Midland and Key Bank of New York, and the Concession Loan Agreement dated as of May 10, 1995 and all associated agreements between BSC and Shawmut Bank and Fleet Bank.

"Private Arena Debt Service Reserve" means the debt service reserve required by the Private Arena Debt Agreements, excluding any supplementary reserve account that may be funded by CALLC and to which CALLC shall be solely entitled upon its release as contemplated by the Private Arena Debt Agreements.

"Private Financing Participant(s)" means lenders of the Private Arena Debt (or any replacement or successor lender) and any lender providing refinancing.

"Project" means the design, development, financing, construction and operation of The Crossroads.

"Project Architects" means the firm of Ellerbe Beckett, Architect and Engineering, P.C.

"Project Budget" means the development and construction budget for the Project, which shall be substantially similar in form to the draft appended as Exhibit E to the Development and Construction Agreement.

"Project Revenue" means (i) Sabres Lease rental payments, (ii) lease rents and use payments from events other than the Sabres games, (iii) the 2.0% Portion of the Ticket Surcharge, (iv) advertising and sponsorship revenue related to promotional advertising at The Crossroads and The Crossroads Site other than advertising at concession stands directly related to the sale of goods by the Concessionaire, (v) naming rights to The Crossroads and (vi) any other revenue, income or interest of whatsoever kind or nature earned or credited to CALLC from or relating to the operation of The Crossroads, which shall specifically exclude (1) any Sabres Exclusive Revenue, (2) the .25% portion of the Ticket Surcharge, and (iii) the Transmission Fee.

"Project Revenue Account" is created by, and defined and described in, Article VII of the Operating Agreement.

"Prospective Game Days" means dates reserved by NFHLP on an annual basis pursuant to Section 4.4 of the Sabres Lease as potential Game Days for Pre-Season and Regular Season Games for the next Hockey Season, pending the release of the NHL schedule.

"Public Sector Financing Documents" means the Development and Construction Agreement, the Operating Agreement, the Coordinating Agreement and all other agreements executed concurrently with such agreements, to which any of the Public Sector Participants is a party.

"Public Sector Participant" means the City, BURA, the County, ECIDA and/or UDC.

"Qualified Investments" means:

(i) Government Obligations; or

(ii) negotiable certificates of deposit issued by any bank, trust company or national banking association which is a member of the Federal Reserve System; or

(iii) commercial or finance paper of any Person other than CALLC, or any "related person", as such quoted term is defined in the Internal Revenue Code of 1954 (as amended, or replaced by any successor or similar code, including the Internal Revenue Code of 1986), rated at least P-1 or A-1 by Moody's Investors Services, Inc. or Standard & Poors Corporation; or

(iv) money market instruments customarily invested in by any bank, trust company or national banking association which is a member of the Federal Reserve System; or

(v) tax exempt municipal securities customarily invested in by any bank, trust company or national banking association which is a member of The Federal Reserve System; or

(vi) commercial bank account (for use as a checking account in the ordinary course of business).

"Quality Arena Standard(s)" means the average standard of quality or performance, including construction of improvements and fan amenities, generally accepted for first class arenas serving as (or capable of serving as) permanent home ice for NHL teams and of similar age, design and ambiance as The Crossroads for example, America West Arena, Phoenix, Arizona; New Boston Garden, Boston, Massachusetts; and Kiel Center, St. Louis, Missouri. In the event that any one or more of these arenas shall be closed or shall cease to be maintained and operated in accordance with the standards of quality and service generally accepted for first class arenas, then such arena(s) shall be deleted from the list and CALLC and NFHLP shall agree upon a substitute arena.

"Reconstruction" means repair and replacement necessary to remedy and return the Premises to compliance with Industry Standards or Quality Arena Standards following a Destructive Event as provided in Article XVIII of the Sabres Lease.

"Regular Season and Regular Season Games" means the annual NHL schedule of Championship Games, excluding the Pre-Season and Play-Off Games.

"Related Transaction Documents" mean all agreements entered into concurrently with the Operating Agreement with respect to the Project and operation of The Crossroads, including the Prior Leases, the Public Sector Financing Documents, the Private Arena Debt Agreements, and the Intercreditor/Non-Disturbance/Attornment Agreements.

"Renewal and Replacement Account" is defined in Article VII of the Operating Agreement.

"Renewal Lease Term(s)" is defined in Article XXVIII of the Sabres Lease.

"Rent Year" is defined in Section 5.1(b) of the Sabres Lease.

"Replacement Cost" means the actual replacement cost of an item with state-of-the-art equipment or facilities.

"Rescheduled Game Day" means a date which NFHLP requests Landlord to reserve following the issuance of the NHL schedule for that particular Hockey Season because a Hockey Event has been postponed or cancelled due to weather, strike, lock-out or other, similar reasons.

"Reserved Rights" means Landlord's retained rights to use or sublet the Non-Exclusive Areas for Other Events pursuant to Article IV of the Sabres Lease

"Sabres" or "NFHLP" means Niagara Frontier Hockey, L.P., a Delaware limited partnership.

"Sabres Advance" means Three Million Seven Hundred Thirty-One Thousand Nine Hundred Fifty Dollars ($3,731,950) which NFHLP has advanced to CALLC for Development and Construction Costs and Expenses or, irrevocable letters of credit issued to Marine Midland Bank, as Agent under the Financing Participants Agreement.

"Sabres Exclusive Areas" means the areas of The Crossroads identified as such on Exhibit 6 to the Sabres Lease.

"Sabres Exclusive Revenues" means revenues derived from sale of tickets to Hockey Events, novelties and publications, and Concessions and Catering Revenues and Parking Revenues.

"Sabres Lease" means the lease of The Crossroads by and between NFHLP, as tenant, and CALLC, as landlord, dated as of May 10, 1995.

"Sabres Locker Room" means the area identified as the Sabres Locker Room on Exhibit 6 to the Sabres Lease.

"Sabres Offices" means the area identified as the Sabres Offices on Exhibit 6 to the Sabres Lease.

"Sabres Ticket Surcharge Account" shall mean the 2.0 portion of the Ticket Surcharge collected by NFHLP for the 1993-1994, 1994-1995, 1995-1996 hockey season.

"Sales Agency Agreement" means that agreement dated as of May 10, 1995 by and between Landlord and NFHLP, by which NFHLP is appointed Landlord's exclusive agent for the leasing of Luxury Suites and the sale of Club Seats, attached as Exhibit 13 to the Sabres Lease.

"Seating Bowl" means the main area of The Crossroads containing the Ice Rink and all fixtures appurtenant thereto, including the scoreboard, all seat locations (subject to the rights of Luxury Suite licensees and Club Seat holders), and dasherboards.

"Self-Help Condition" is defined in Section 6.9 of the Sabres Lease.

"Self-Help Damages" is defined in Section 6.9 of the Sabres Lease.

"Self-Help Right" is defined in Section 6.9 of the Sabres Lease.

"Site" means The Crossroads Site.

"State Authorizing Legislation" means Chapter 652 of the Laws of 1993 of the State of New York.

"State Sports Facility Assistance Program" means the program administered by UDC and codified in McKinneys §6255 of Unconsolidated Laws.

"Substantial Destruction" is defined in Section 18.3 of the Sabres Lease.

"Substantially Beneficially Completed" means substantial completion of construction of The Crossroads and issuance of all necessary building and occupancy permits related thereto so that (i) Hockey Events can be played at The Crossroads; (ii) NFHLP can broadcast by radio, television or cable Hockey Events at The Crossroads; and (iii) members of the general public will be able to attend Hockey Events; including the following fully operational features completed in accordance with the Plans and the requirements of the Sabres Lease: (1) at least 1,900 accessible parking spaces in The Crossroads Parking Facilities; (2) 16,000 accessible general seats; (3) heating, ventilation, and air conditioning systems; (4) Ice Rink completed in form that it is suitable to play Hockey Events as NFHLP determines; (5) Medical Rooms; (6) one (1) Sabres Locker Room and one (1) Visiting Team Locker Room and adjacent training areas; (7) operating restrooms sufficient in number to accommodate all attendees; (8) Common Areas; (9) Concession Facilities and Concession Equipment pursuant to the Plans; (10) the scoreboard; (11) press box, radio and television booths, as required by Article VI of the Sabres Lease; (12) all Luxury Suites which have been licensed; (13) all Club Seats which have been sold; (14) the Box Office; (15) the Aud Club; and (16) the Crossroads Club. As used herein, the term "substantial completion" means complete in accordance with the Plans and removal of all construction equipment and scaffolding, except for insignificant details of construction, mechanical adjustment or decoration which will not meaningfully interfere with NFHLP's Permitted Uses.

"Superior Mortgage" means any mortgage which may now or hereafter exist for which any Prior Leases, or Landlord's interest or estate in such items is specified as security and to which the Lease is, at the time referred to, expressly subject and subordinate, and all renewals, modifications, consolidations, replacements or extensions thereof.

"Superior Mortgagee" means the holder of any mortgage, trust, or leasehold mortgage to which the Sabres Lease is, at the time referred to, expressly subject and subordinate.

"Tax-Exempt Obligations" shall mean any obligations of the County issued to finance the County's portion of the Crossroads, the interest on which is excluded from gross income for Federal Income tax purposes.

"Team Store" means the area identified as the Team Store on Exhibit 6 to the Sabres Lease.

"Ticket Reserve Account" is defined in Section 9.3 of the Sabres Lease.

"Ticket Surcharge" means a 2.25% surcharge imposed and collected by CALLC on all ticket sales for all Events at The Crossroads. The Ticket Surcharge shall be segregated by CALLC into two portions: (1) a "2.0% Portion" which will collateralize and support payment of the Private Arena Debt as described in the Operating Agreement, and (2) a ".25% Portion" which will be paid to the County pursuant to the Operating Agreement and the Development and Construction Agreement.

"Ticket Value" means the agreed value of the admissions ticket related to each seat of the Luxury Suite and Club Seats at The Crossroads which shall be computed at the box-office walk-up face price of a ticket in the highest price seating category containing 300 or more seats other than those in Luxury Suites and Club Seats sections of The Crossroads.

"Title Insurance Company" means Ticor Title Insurance Company.

"Training Camp" means the annual event occurring in conjunction with Pre-Season, during which the Buffalo Sabres conduct physical evaluations of players, Exhibition Games, practices and similar activities in preparation for the Regular Season.

"Transmissions Affiliate" shall mean an Affiliate of CALLC or NFHLP including Adelphia Communications (individually, a "Transmissions Affiliate" and collectively, "Transmissions Affiliates").

"Transmission Fee" shall have the meaning assigned to that term at Section 9.02 of the Operating Agreement.

"Transmissions Revenue" is defined in Section 9.02 of the Operating Agreement.

"UDC" means the New York State Urban Development Corporation, a corporate governmental agency of the State of New York constituting a political subdivision and public benefit corporation.

"Unsuitable" is defined in Section 18.3 of the Sabres Lease.

"Urban Renewal Plan" means the City's Waterfront Urban Renewal Plan as amended, NYR.

"Utilities" means electricity, telephone, water, sewer, heat, gas and television cable services.

"Visiting Team" means any team, whether professional, NHL, amateur or national (other than NFHLP), scheduled to compete in a Hockey Event or a Hockey-Related Event.

"Visiting Team Locker Room" means those locker rooms designated for use by the Visiting Team, designated on Exhibit 6, attached to the Sabres Lease.

"Voluntary Prepayments" is defined in Section 7.06 of the Operating Agreement.

"Waterfront Market Restaurant" means that retail bar/restaurant facility to be open to the general public, designated on Exhibit 6, attached to the Sabres Lease.

EXHIBIT 1

EXHIBIT 8

LEGEND

1. PARKING

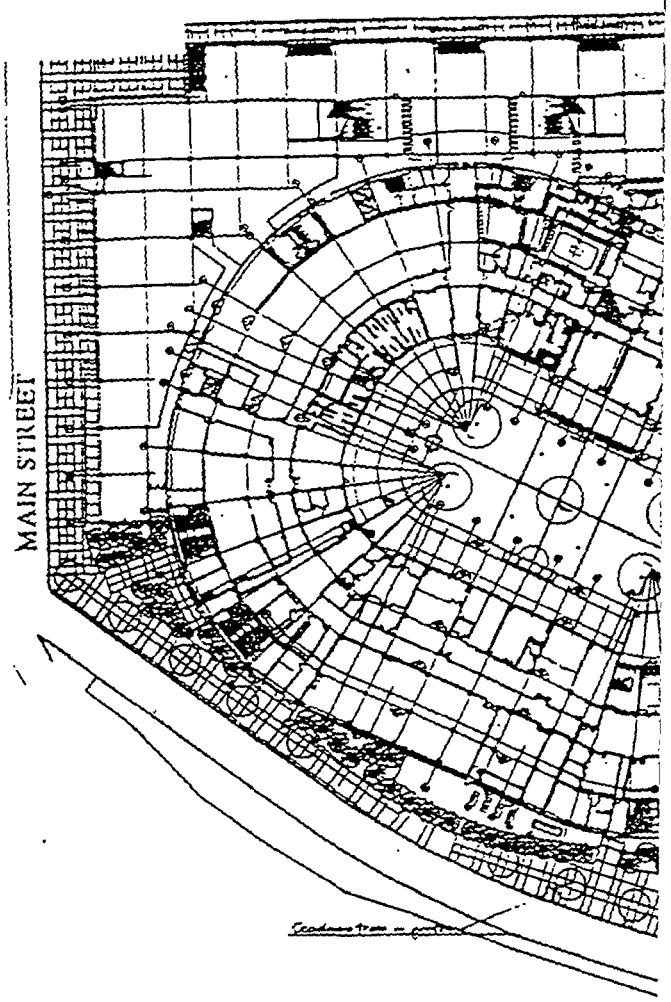

Exhibit B-1

LEGAL DESCRIPTION

ALL THOSE PIECES OR PARCELS of property hereinafter designated as Parcel "A", "B" and "C", situate in outer Lot Nos. 74, 75, 76, 77 and 78, City of Buffalo, County of Erie, State of New York, and being further described as follows:

PARCEL "I"

Beginning at a point on the easterly boundary of Main Street (99 feet wide) at its intersection with the southerly boundary of Perry Street (66 feet wide); thence southerly along the easterly boundary of said Main Street, a distance of 328.76 feet to a point on the northerly boundary of South Park Avenue (66 feet wide); thence southeasterly forming an interior angle of 126°-47'-04" along said northerly boundary of South Park Avenue, a distance of 285.87 feet to an angle point in said boundary; thence southeasterly forming an interior angle of 161°-35'-40"; continuing along said boundary, a distance of 503.54 feet to a point on said boundary; at its intersection with the west line of Illinois Street (50 feet wide); thence northerly forming an interior angle of 71°-27'-30", along said west line a distance of 660.35 feet to a point on the southerly boundary of said Perry Street; thence westerly forming an interior angle of 90°-01'-45" along said southerly boundary of Perry Street a distance of 704.93 feet to the point of beginning being 8.53 acres more or less.

PARCEL "II"

Beginning at a point on the southerly boundary of Perry Street (66 feet wide) at its intersection with the east line of Mississippi Street (60 feet wide) said point being 326.17 feet easterly from the northeasterly corner of Parcel "A" as measured along said boundary; thence southerly along the centerline of said Mississippi Street, a distance of 672.47 feet to a point on the northerly boundary of South Park Avenue (66 feet wide); thence easterly forming an interior angle of 90°-03'-24", along said northerly boundary of South Park Avenue, a distance of 195.00 feet to a point on said boundary, at its intersection with the west line of Baltimore Street (40 feet wide); thence northerly forming an interior angle of 89°-56'-36", along said west line, a distance of 672.10 feet to a point on the southerly boundary of said Perry Street; thence westerly forming an interior angle of 90°-10'-00" along said boundary; a distance of 195.00 feet to the point of beginning, being 3.01 acres more or less.

PARCEL "III"

Beginning at the intersection of the southerly boundary of Perry Street (66 feet wide) and the easterly boundary of Baltimore Street (40 feet wide); thence easterly along the southerly boundary of said Perry Street 113.68 feet to a point on the westerly boundary of Columbia Street (50 feet wide); thence southerly along the westerly boundary of said Columbia Street 531.80 feet to the north line of lands of Consolidated Rail Corporation by deed recorded in the Erie County Clerk's Office in Liber 1056 of Deeds at page 293; thence westerly along the said north line of Consolidated Rail Corporation 113.68 feet to the easterly boundary of said Baltimore Street; thence northerly along the easterly boundary of said Baltimore Street 532.02 feet to the point of beginning, being 1.39 acres more or less.

PARCEL "IV"

Beginning at a point on the westerly boundary of Columbia Street (50 feet wide) at its intersection with the northerly boundary of South Park Avenue (66 feet wide); thence westerly along the northerly boundary of said South Park Avenue 113.68 feet to a point on the westerly boundary of Baltimore Street; thence northerly along the easterly boundary of said Baltimore Street 140.00 feet to the southwest corner of land conveyed to Higgins Erectors and Haulers, Inc. by deed recorded in the Erie County Clerk's Office in Liber 8470 of Deeds at page 537; thence easterly along the southerly line of said lands conveyed to Higgins Erectors and Haulers, Inc. 113.68 feet to the easterly boundary of said Columbia Street, which point is also the southeast corner of Higgins Erectors and Haulers, Inc.; thence southerly along the westerly boundary of said Columbia Street 140.00 feet to the point of beginning, being 0.37 acres more or less.

Subject to any easements, right-of-way, or restrictions, etc. of record.

PREMISES SUBJECT TO THE FOLLOWING:

Easement granted to New York Telephone Co.
Recorded under L10138. P. 271

EXHIBIT C

To
Development and Construction Agreement

CALLC has received notice of a filing of a complaint by the Eastern Paralyzed Veterans Association with the U.S. Department of Justice to investigate whether the proposed Crossroads Arena complies with the Americans With Disabilities Act by providing one hundred per cent of wheelchair seating locations with comparable lines of sight over standing spectators. CALLC has received no notification from the U.S. Department of Justice of whether the Department of Justice intends to investigate the Project as requested.

By action, with Index No. 1994/13309, filed in Erie County, New York, M&T Bank commenced a proceeding against Arena, Inc. (f/k/a Crossroads Arena Corporation) pursuant to a promissory note, dated December 1, 1994, seeking to recover the principal amount of $140,000 plus accrued interest and expenses. Arena, Inc. has not yet filed an answer, having received an extension that presently expires on June 15, 1995.

5/23/95

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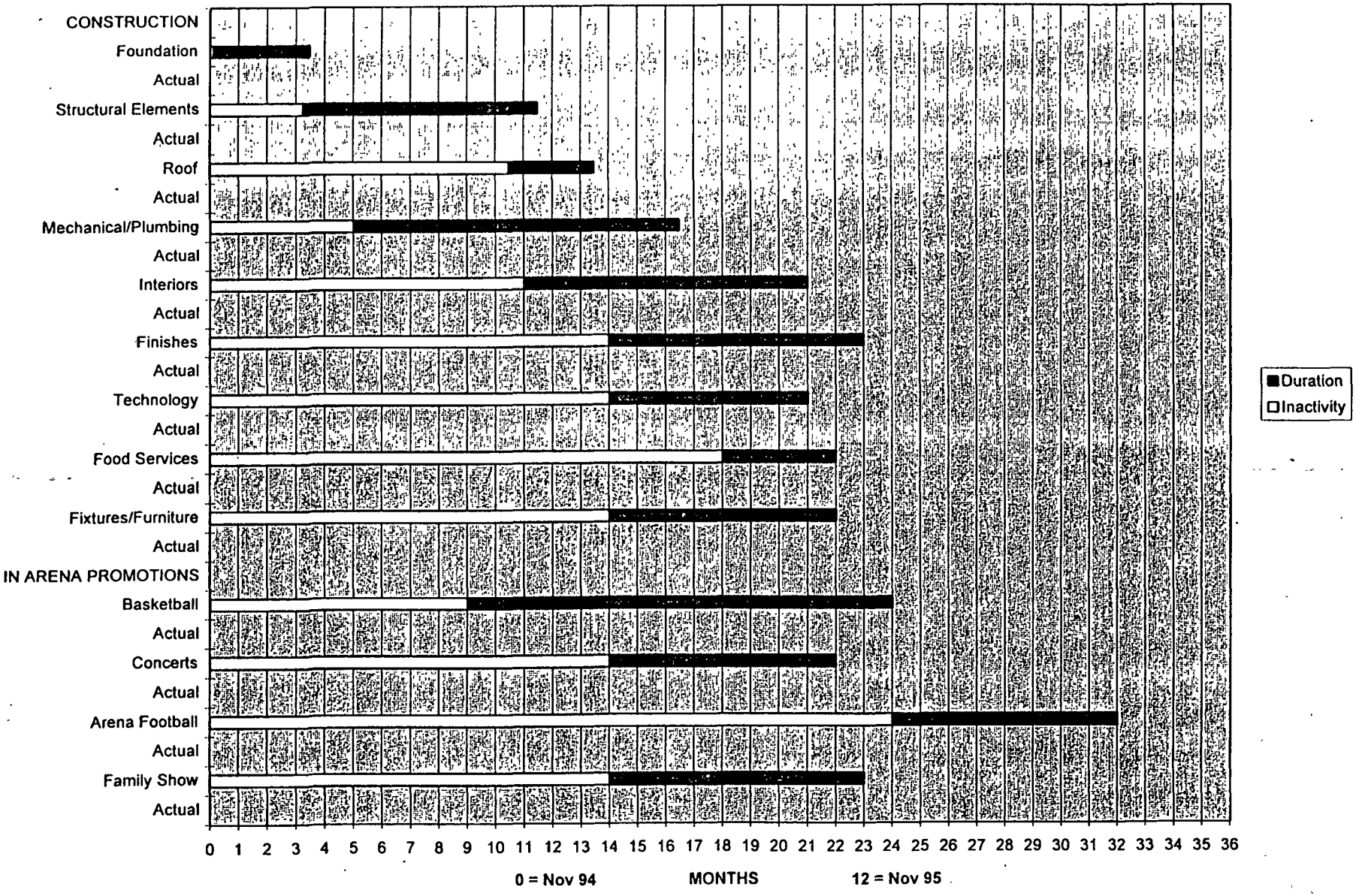
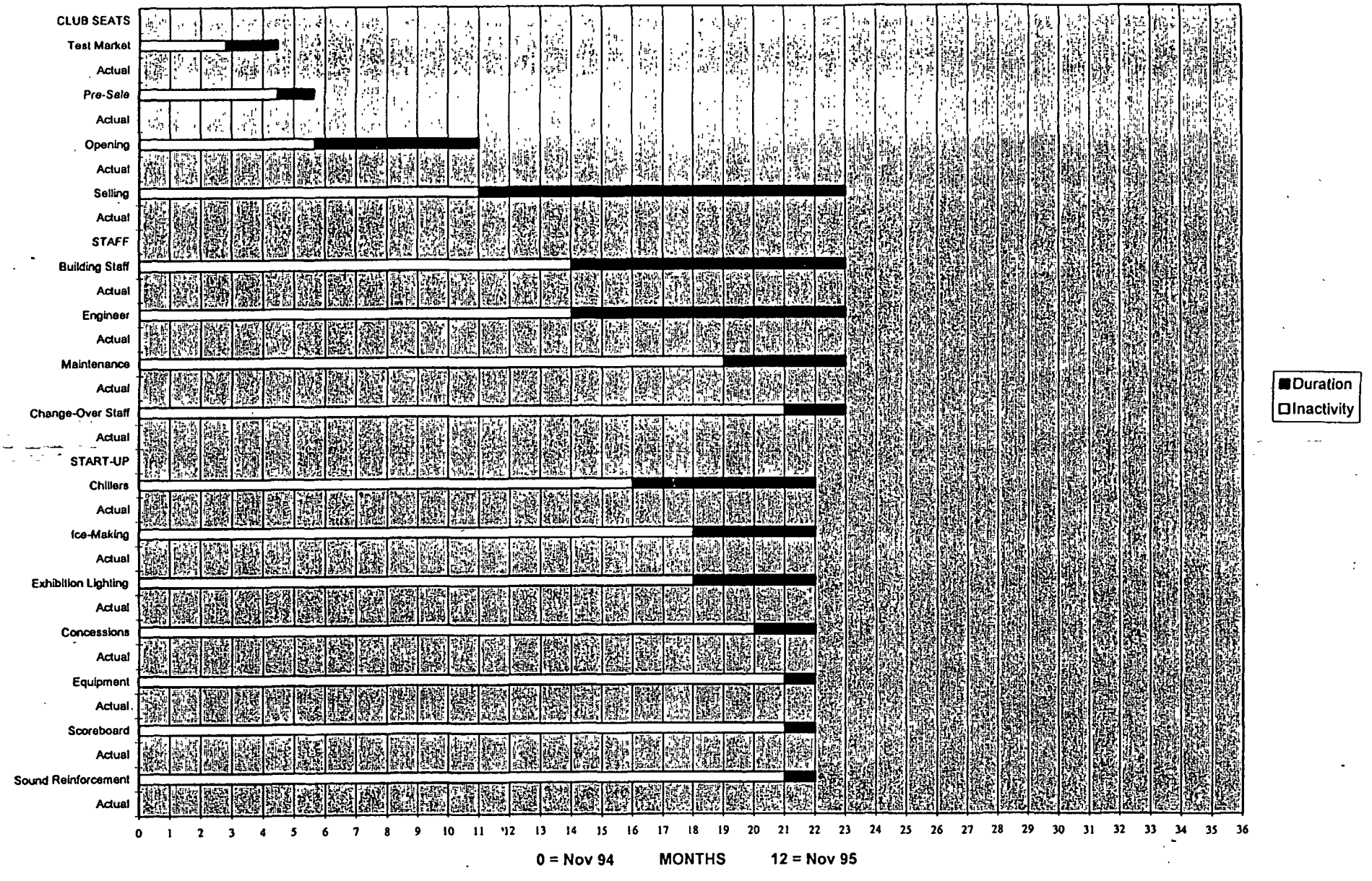
As of 2/1/95

CROSSROADS ARENA MILESTONES



As of 2/1/95

CROSSROADS ARENA MILESTONES



CROSSROADS BUDGET

	Current Budget	Cash Receipts 04/30/95	Paid Direct 04/30/95	Balance
Funding Sources:				
Sabres / CAC	$ 3,731,950	$ 13,035,268	$ -	$ (9,303,318)
CAC Ticket Surcharge	1,000,000			1,000,000
Earnings On Deposits	-			-
City of Buffalo - BURA	10,000,000	3,765,716	3,825,501	2,408,783
Concession Loan	32,500,000	-	-	32,500,000
State of New York - UDC	25,000,000	-	-	25,000,000
County of Erie - ECDC	20,000,000	-	-	20,000,000
Private Arena Debt	35,000,000	-	-	35,000,000
	$ 127,231,950	$ 16,800,984	$ 3,825,501	$ 106,605,465

	Current Budget	Pmt's thru 04/30/95	City Direct 04/30/95	Balance
Funding Uses:				
1000 Land Acquisition	$ 6,720,300	$ 1,216,741	$ 3,627,716	$ 1,875,843
3000 Technical Fees	1,812,390	768,408	197,785	846,197
4000 Project Management	3,380,000	862,574	-	2,517,426
5000 Marketing	1,495,000	873,143	-	621,857
6000 Financing Expense	9,657,500	960,706	-	8,696,794
7000 Legal Fees	1,697,500	1,100,032	-	597,468
8000 Architect/Engineer	7,485,000	4,783,286	-	2,701,714
Total Non-Construction	**32,247,690**	**10,564,890**	**3,825,501**	**17,857,299**
2000 Construction	94,984,260	6,236,095	-	88,748,165
Total	**$ 127,231,950**	**$ 16,800,985**	**$ 3,825,501**	**$ 106,605,464**

1000	LAND ACQUISITION				
1010	Total Purchases	$ 4,853,400	$ 7,950	$ 3,200,337	$ 1,645,113
1020	Title Insurance	16,000	-	3,768	12,232
1030	Surveys	27,700	21,280	6,420	-
1040	Eminent Domain - Legal	290,000	-	215,692	74,308
1050	Closing Costs	2,700	-	2,738	(38)
1060	Record.& Transfer Fees	-	-	-	-
1070	Appraisals	73,800	-	74,550	(750)
1099	Misc. Acquisition Costs	12,000	80,000	25,366	(93,366)
2001	Demolition	705,000	605,960	98,845	195
2002	Utility Relocation	453,800	311,958	-	141,842
2003	Soils Removal	285,900	189,593	-	96,307
	Subtotal	**6,720,300**	**1,216,741**	**3,627,716**	**1,875,843**

		Current Budget	Pmt's thru 04/30/95	City Direct 04/30/95	Balance
3000	**TECHNICAL FEES**				
3020	Feasibility Studies	257,600	257,670	-	(70)
3030	Building Permits	168,000	167,871	-	129
3040	License/Misc.Gov't Fees	20,000	-	-	20,000
3050	Soil Testing	45,000	-	-	45,000
3055	Construction Inspections	495,000	76,463	-	418,537
3060	Environ.Impact Studies	465,000	146,519	197,785	120,696
3070	Food Consulting	92,800	91,351	-	1,449
3080	Insurance	91,740	28,534	-	63,206
3090	Mort.Pol.on Leaseholds	177,250	-	-	177,250
3099	Misc. Technical Costs	-	-	-	-
	Subtotal	**1,812,390**	**768,408**	**197,785**	**846,197**
4000	**PROJECT MANAGEMENT**				
4010	Project Mgmt Costs	2,780,000	862,574	-	1,917,426
4050	Arena Manager	100,000	-	-	100,000
4090	Pre-Opening Expenses	500,000	-	-	500,000
	Subtotal	**3,380,000**	**862,574**	**-**	**2,517,426**
5000	**MARKETING**				
5010	Marketing Costs	665,000	306,189	-	358,811
5020	Promotion/Advertising	680,000	566,954	-	113,046
5070	Opening Event	150,000	-	-	150,000
	Subtotal	**1,495,000**	**873,143**	**-**	**621,857**
6000	**FINANCING EXPENSE**				
6010	Interest - Arena Debt	2,270,639	-	-	2,270,639
6020	Interest - Concess. Loan	1,407,875	50,000	-	1,357,875
	Rate Protection	122,552	109,400	-	13,152
	LOC Fee	103,935	-	-	103,935
6025	Interest - M&T Loan	-	3,417	-	(3,417)
6030	Commitment Fees	1,287,500	400,000	-	887,500
6040	Debt Service Reserves	3,500,000	-	-	3,500,000
6050	Enterprise Fund Contrib.	-	-	-	-
6070	Trustees Fees	-	-	-	-
6081	Bank Counsel Fees	490,000	130,476	-	359,524
6082	Concession Counsel Fees	400,000	248,913	-	151,087
6083	Trustee Counsel Fees	-	-	-	-
6084	ECIDA Counsel Fees	75,000	18,500	-	56,500
	Subtotal	**9,657,500**	**960,706**	**-**	**8,696,795**
7000	**LEGAL FEES**				
7010	CAC Counsel & Staff	1,697,500	1,100,032	-	597,468
	Subtotal	**1,697,500**	**1,100,032**	**-**	**597,468**

		Current Budget	Pmt's thru 04/30/95	City Direct 04/30/95	Balance
8000	ARCHITECT/ENGINEER				
	Subtotal	7,485,000	4,783,286	-	2,701,714
	Non-Construction Subtotal	32,247,690	10,564,890	3,825,501	17,857,300
2000	CONSTRUCTION				
2010	Gen Req. & Staff	5,114,068	514,985	-	4,599,083
2020	Excav, Found, Concrete, Mason	13,404,448	2,421,981		10,982,467
2050	Steel, Specialties	14,340,257	2,677,093	-	11,663,164
2060	Wood, Plastic, Moisture Prot.	6,857,672	20,700	-	6,836,972
2090	Finishes	17,919,895	-	-	17,919,895
2110	Equipment, Seats, Rink	9,594,082	-	-	9,594,082
2150	Plumbing	8,901,000	-	-	8,901,000
2160	Electrical	6,750,966	-	-	6,750,966
2190	Parking Structures	6,100,000	-	-	6,100,000
	QL, VE, Non-Essential	(4,006,088)	-	-	(4,006,088)
2290	Contingency	6,309,900	19,427		6,290,473
2180	OCIP	3,698,060	581,909	-	3,116,151
	Construction Subtotal	94,984,260	6,236,095	-	88,748,165
	Grand Total	$ 127,231,950	$ 16,800,985	$ 3,825,501	$ 106,605,465

EXHIBIT F

New York State Office of Parks, Recreation and Historic Preservation
Historic Preservation Field Services Bureau
Peebles Island, PO Box 189, Waterford, New York 12188-0189 518-237-8643

Bernadette Castro
Acting Commissioner

LETTER OF RESOLUTION
BETWEEN THE
NEW YORK STATE URBAN DEVELOPMENT CORPORATION
THE
NEW YORK STATE OFFICE OF PARKS, RECREATION AND HISTORIC PRESERVATION
AND THE
CROSSROADS ARENA, ~~A LIMITED LIABILITY CORPORATION~~ LLC
REGARDING THE CROSSROADS ARENA PROJECT IN BUFFALO, ERIE COUNTY

WHEREAS the New York State Urban Development Corporation (UDC) has been advised that the construction of the Crossroads Arena (Project) will have an Adverse Impact on the Oldman Boiler Works, located at 32-42 Illinois Street, which is eligible for inclusion on the State and National Registers of Historic Places and that it has the potential to impact archeological resources located within the Project area, through its consultation with the New York State Office of Parks, Recreation, and Historic Preservation (OPRHP) in accordance with Section 14.09 of the New York State Parks, Recreation and Historic Preservation Law (NYSPRHP Law); and

WHEREAS the Phoenix Die Cast Company Building, located at 110-226 South Park Avenue, which is eligible for the State and National Registers of Historic Places and other buildings will be retained and preserved within the locally designated Cobblestone Historic District; and

WHEREAS UDC and OPRHP have consented to the preliminary design and footprint for the arena component of the Project and have consented to the location of the proposed five-story parking structure that shall adjoin the arena; and

WHEREAS the City of Buffalo, lead agency for the Waterfront Urban Renewal Plan Amendment (Crossroads Arena Project) Environmental Impact Statement (EIS), has participated in the consultation, and has been invited to concur in this Letter of Resolution (LOR); and

WHEREAS the Crossroads Arena, ~~limited liability corporation~~ LLC (CALLC) has participated in the consultation, and has agreed to the terms and stipulations stated in this Letter of Resolution; and

NOW, THEREFORE, UDC, CALLC, the City of Buffalo, and OPRHP agree that the undertaking shall be implemented in accordance with the following stipulations in order to take into account the impact of the Project on historic properties.

Stipulations

The UDC has or will ensure that the following stipulations are implemented by CALLC with respect to the development and construction of the Project:

1. The UDC shall ensure that the Stage 3 Data Recovery Plan (Research Design) entitled,

- The Crossroads Arena Project, County of Erie, New York, Research Design for Stage 3 Mitigation of the Martin Phillips Site. Corner of South Park and Illinois Street, City of Buffalo, New York, September 28, 1994.

is implemented by CALLC.

2. The UDC shall ensure that all final archeological reports resulting from actions pursuant to this agreement will be provided to the OPRHP for review. UDC shall ensure that all such reports prepared by CALLC are responsive to contemporary professional standards, and to the Department of Interior's Format Standards for Final Reports of Data Recovery Program (42 FR 5377-79). Precise locational data may be provided only in a separate appendix if it appears that its release could jeopardize archeological sites.

3. The UDC shall ensure that CALLC will have all materials and records resulting from the data recovery excavations are curated in accordance with 36 CFR Part 79.

4. Prior to the demolition of any portions of the Oldman Boiler Works Building or the removal of its contents, UDC has ensured that the following documentation and recordation has been provided by CALLC to OPRHP:

- a full set of large format prints; minimum size 4"X5" with negatives

- index/explanation for set of photographs

- draft of key to photographs and specific locations from where taken

- draft of physical description of building

The documentation described has been completed by CALLC and has been done to HABS/HAER standards and has been accepted by OPRHP prior to the demolition of any portion of the Oldman Boiler Works Building and prior to the removal of its contents. CALLC has provided copies of the final report to appropriate local archives designated by the OPRHP.

5. The design and specifications for the parking structure component of the project which have not yet been completed, shall be submitted by CALLC to UDC for its approval.

6. UDC shall ensure that CALLC's project design for new construction of the Project is reasonably compatible with the historic and architectural

qualities of the Phoenix Die Cast Company Building and the locally designated Cobblestone Historic District and is responsive to the recommended approaches to new construction set forth in the Secretary of the Interior's Standards for the Treatment of Historic Properties (U.S. Department of the Interior, National Park Service, 1992); and that the design and specifications (materials, surface treatments, solid/void ratios and massing distributions) for the Project, specifically the east side of the parking ramp as it faces the National Register Eligible Phoenix Die Cast Company Building and the locally designated Cobblestone Historic District, are developed by CALLC in consultation with the UDC and OPRHP and submitted to the OPRHP for review and approval. No work shall be done on this portion of the Project until all design review has been completed. Once design approval is given by OPRHP, further design reviews will not be necessary unless there are changes to the Project design.

OBJECTIONS AMONG CONSULTING PARTIES

Should any of the consulting parties (UDC, OPRHP, CALLC) disagree at any point in this process, UDC shall be the final arbiter and after consultation with the objecting party shall grant or withhold its approval as it deems appropriate. If UDC should fail to take the recommendations of OPRHP, UDC shall submit in writing a justification for this decision.

Nothing herein shall limit the City's right to review and approve the design of the parking structure as set forth in the Development and Construction Agreement.

Any recommendation or comment provided by UDC will be understood to pertain only to the subject of the dispute; UDC's responsibility to carry out all actions under this agreement that are not subjects of the dispute will remain unchanged.

Execution of this Letter of Resolution and implementation of its terms will serve as evidence that UDC has satisfied its 14.09 responsibilities for all individual undertakings of the program and is authorized to proceed with the demolition of the Oldman Boiler Works Building and the construction of the Project.

New York State Urban Development Corporation

By: _____ Date: 20 March 1995

The New York State Office of Parks, Recreation, and Historic Preservation

By: _____ Date: 9 March '95

Crossroads Arena ~~Limited Liability Corporation~~ LLC

By: _____ Date: _____

Concur:

The City of Buffalo

By: _____ Date: _____

TOTAL P.05

Exhibit G

1. Owners & Contractors Protective Liability

   Single Limit for Bodily Injury and property

Damage	-	Each Occurrence	-	$2,000,000
	-	Aggregate	-	$2,000,000

2. Public (Commercial General) Liability / Excess Liability

   Single Limit for Bodily Injury, personal injury and property

Damage	-	Each Occurrence	-	$50,000,000
	-	Aggregate	-	$50,000,000

3. Builders Risk - 100% Completed Value Currently Estimated at $82,000,000

4. Boiler & Machinery - $5,000,000 (to be effected at such time as the exposures relating to this coverage exist).

5. Workers' Compensation / New York State Disability Benefits - Statutory Coverage to be maintained.

5/31/ 95

Exhibit H
to
Development and Construction Agreement

The City has spent $9,528,715 on Eligible Costs and Expenses through May 31, 1995, as summarized under separate cover. The City has established a reserve of $436,971 for the purposes set forth below, leaving a balance of $34,314 to be expended under the Financing Participants Agreement.

RESERVE:

Condemnation potential claims consisting of:		$327,005
Huff	98,665	
Pezzino	228,340	
Hiscock & Barclay		48,000
Billboards		11,966
Potential Higgins claim		50,000
		$436,971

Reserve of $436,971 will be deposited in Crossroads Reserve Account at Marine Midland Bank. Balance after expenditures reserved for to be deposited to Project Disbursement Account as provided in the Financing Participants agreement or if Project has been completed to the Renewal and Replacement Account.

5/31/ 95

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to
Development and Construction Agreement

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Reserve of $436,971 will be deposited in Crossroads Reserve Account at Marine Midland Bank. Balance after expenditures reserved for to be deposited to Project Disbursement Account as provided in the Financing Participants agreement or if Project has been completed to the Renewal and Replacement Account.

EXHIBIT I

CITY INFRASTRUCTURE

CAC and the City have agreed on the following plan to be substantively included in the Development and Operating Agreement(s) for the city to recover such City Costs as the City may incur for the following street and water infrastructure improvement which may be undertaken by the city, in connection with development and construction of the Crossroads Arena. As used herein "City Costs" are deemed to include actual design, engineering, and construction costs incurred by the City in connection with these infrastructure improvements. These infrastructure improvements are presently estimated to cost approximately $1,275,000 in 1994 dollars.

Street Improvements

Right of way improvements including but not limited to overlays, granite curbs, and/or street reconstruction for the following streets:

Perry Street from Main Street to Washington Street

Main Street from Perry Street to South Park Avenue

South Park Avenue from Main Street to Illinois Street (The Development and Operating Agreement(s) will provide for the right-of-way of South Park Avenue to be narrowed to provide additional sidewalk area to CAC as the parties may agree in such document (s) to allow CAC to construct, at its sole cost and expense, pedestrian and wind mitigation design elements of the Crossroads Arena project and al other aspects of sidewalk construction and right-of-way narrowing, including but not limited to utility relocation, curbs, landscaping, drop in-lets, and collector boxes).

Excluded from this list are new granite curbs on

Perry Street from Washington Street to Illinois Street and new concrete curbs on Main Street, Illinois Street and South Park Avenue abutting the Crossroads Arena Project. CAC will install these new curbs between Washington Street and Illinois Street and CAC will install concrete curbs for the other areas provided the City has not commenced reconstruction at CAC's sole cost and expense as a Crossroads Arena Project Budget Expense although such concrete curbs may be removed by the City and replaced with granite curbs in connection with the above-referenced Street Improvements.

These Street Improvements are subject to inclusion of these items in an appropriate City Capital Budget, approval of bond resolutions by the Common Council and availability of financing to the City.

Water Lines

Subject to funds being made available by the Buffalo Water Board and the buffalo Municipal Water Finance Authority, the City shall undertake construction of a new 12' water line along South Park Avenue from Main Street to Illinois Street upon approval by the City of an application by CAC for a tap-in necessitating such a water line.

Reimbursement of City Costs

City Costs will be reimbursed by CAC to the City out of any Net Proceeds available to CAC from refinancing of the Private Arena Debt at or prior to the expiration of the original term of the permanent Private Arena Debt. Net

Proceeds will be the amount remaining from such refinancing after payment of (a) any principal balance remaining on the Private Arena Debt and accrued interest due and owing at the time of refinancing and (b) closing costs and financing fees associated with such refinancing.

City Costs will be determined as set forth in the opening paragraph of this Schedule C but will be reduced by (i) any funds actually received by the City from the State or Federal governments, or instrumentalities thereof, by project specific grants-in-aid for any of the above-listed street improvements and water lines (exclusive of community development block grant funds, revenue sharing formula-based funds, or funds provided by the Buffalo Water Board or the Buffalo Sewer Authority) or (ii) funds actually received by the City out of the Operating Fee in excess of the City's 21% share as set forth in the MOU.

Although he City makes no commitment to undertake the above-described Street Improvements within a specific period of time, if at all, City Costs for Perry Street and South Park Avenue Street Improvements eligible for reimbursement as provided above will be limited to (a) such activity which at the time of the commencement of the Term of the Sabres Lease by reason of completion of the Crossroads Arena is (i) completed or(ii) under construction and (b) such additional activity undertaken subsequent to such commencement of the Term of the Sabres Lease which is necessitated by reconstruction of Main Street noted above.

It is acknowledged by CAC and the City that reconstruction of Main Street may not take place until after completion of the Crossroads Arena and therefore City Costs incurred at any time prior to refinancing of the Crossroads Arena private arena debt will be eligible for reimbursement as provided above.

T:\SABRES\WPDOCS\INTERDEV.C)

EXHIBIT J

To
Development and Construction Agreement

Local Businesses and Unions.

CALLC, subject to the Affirmative Action Plan and applicable laws and the exercise by it of reasonable business judgment, shall exercise good faith efforts to give, and request its contractors to give, preference to business concerns which are located in, or owned in substantial part by persons residing in the City of Buffalo and Erie County in awarding contracts for work in connection with the Project. CALLC, subject to applicable laws, the Affirmative Action Plan and the exercise by it of reasonable business judgment, shall also exercise good faith efforts to encourage business concerns which are awarded contracts for work in connection with the Project to give priority to local unions based in the City of Buffalo and Erie County for employment opportunities in connection with the performance of such contracts. There will be no third party beneficiaries of this Exhibit J.

CALLC shall provide quarterly reports to the City Clerk during construction of the Crossroads Arena regarding CALLC's performance of the provisions of this Exhibit J, including, but not limited to, identification of the construction and development activities which have been contracted to local businesses and/or which will be performed by local unions.

Exhibit K Intentionally Deleted

Exhibit L Intentionally Deleted

Exhibit M Intentionally Deleted

Exhibit N Intentionally Deleted

EXHIBIT O

Intentionally Deleted

EXHIBIT P

NEW YORK STATE URBAN DEVELOPMENT CORPORATION
DESIGN AND CONSTRUCTION REQUIREMENTS
FOR
CROSSROADS ARENA PROJECT

June 13, 1994

The following design and construction submissions and review documents shall be supplied to UDC:

Design Phase

The developer shall furnish to the Design and Construction Department (D&C):

- Special agency approvals (health dept., highways, utility co., etc.)
- Architects/engineers copy of agreement
- Consultant's Code Certification Letter
- Project Status Cost Control Report
- Table of Approval Authority and Facsimile Signatures

Construction Phase

The developer shall furnish to D&C copies of the following:
(* = The items are submitted for approval)

At start of construction:

- Building permit
- Demolition Permit
- Asbestos Free Building Certificate for demolitions (copy submitted to municipality)
- Plans with building department approval stamp
- Construction and CM Agreements' prices*
- Insurance policies*
- Construction schedule*
- Trade payment breakdown for each awarded contract

During construction

- Progress schedules and updates
- Minutes of field meetings
- Building Department amendments and approvals
- Payment requests (requisitions and change orders)*
- Architects bulletins
- Field inspection and test reports with architect's or engineer's approvals
- Project Status Cost Control Report

At completion of construction

- Final punch lists
- Temporary and final Certificates of Occupancy
- Contractor's waiver of liens
- Final Survey
- New York Board of Fire Underwriters approval or equivalent agency
- Contractor's Certification of Completed Construction

Construction Contract Provisions

The construction agreements shall contain provisions satisfactory to D&C concerning:

- Payment and performance bonds
- Insurance: type, amounts, provisions
- Method, schedule and terms of payments
- Provisions for contractor and subcontractor audits
- Contractor and subcontractor lien waivers with monthly requisitions
- Contractor's warranty and final waivers of lien at completion of construction
- Verification of and payments for stored material
- UDC sign

Provisions for D&C Field Representative

The developer shall provide an appropriate space at the job site with a desk, telephone, plan table, file cabinet, heat and air conditioning satisfactory to UDC.

EXHIBIT Q
NOTICES

City of Buffalo:

City of Buffalo
City Hall
Buffalo, New York 14202

Attention: Mayor (with a copy to Corporation Counsel and City Clerk)
Phone: (716) 851-4841
Fax: (716) 851-4360

New York State Urban Development Corporation:

New York State Urban
Development Corporation
1515 Broadway
New York, New York 10036

Attention: General Counsel
Phone: (212) 930-9000
Fax: (212) 930-0196

County of Erie, New York:

County of Erie
95 Franklin Street
County Office Building
Buffalo, New York 14202

Attention: Commissioner - Environment Planning
Phone: (716) 858-6716
Fax: (716) 858-6257

Attention: Comptroller
Phone: (716) 858-8327
Fax: (716) 858-8507

Buffalo Urban Renewal Agency:

Buffalo Urban Renewal Agency
920 City Hall
Buffalo, New York 14202

Attention: Commissioner of Community Development with copy to General Counsel
Phone: (716) 851-0553
Fax: (716) 854-0172

Erie County Industrial Development Agency:

Erie County Industrial Development Agency
300 Liberty Building
Buffalo, New York 14202

Attention: Chief Lending Officer
Phone: (716) 856-6525
Fax: (716) 856-6754

Crossroads Arena LLC:

Crossroads Arena LLC
Memorial Auditorium
140 Main Street
Buffalo, New York 14202

Attention: Executive Vice President
Phone: (716) 856-7300
Fax: (716) 856-7351

H:\JFC\CAC\EXHIBIT\EXHQ.NTS
April 5, 1995

CHH

THE CROSSROADS

May 5, 1995

Edward Peace, Esq.
Corporation Counsel
City of Buffalo
65 Niagara Square
City Hall, Room 110
Buffalo, NY 14202

Dear Ed:

I am writing to clarify the scope of architectural documents and exterior design components we have submitted to the City for construction of the Crossroads.

The basic construction documents consist of those plans and specifications filed from time-to-time with the City starting in October 1994 and officially filed on February 20, 1995. A listing of these filed documents is attached to this letter.

I am also enclosing the recommendations of the Design Review Committee which were originally set forth in my September 20, 1994, memo to Dan Bicz, and the Committee Meeting Minutes and agendas, both attached to this letter.

The Crossroads Arena is being constructed in accordance with the above referenced documents and Design Review recommendations.

Sincerely yours,

Lawrence Quinn
Executive Vice President

LQ/dad
Enclosures

LIST OF DOCUMENTS SUBMITTED TO CITY

DOCUMENT 00002
CERTIFICATION PAGE

STRUCTURAL

I hereby certify that specification Sections 02356, 02360, 03100, 03200, 03300, 03490, 3600, 05120, 05210, 05314, and 05316 were prepared by me or under my direct supervision and that I am a duly Registered Engineer under the laws of the State of New York.

Gary L. Harper

Date: ~~September 21~~, December 19, 1994 Reg. No.: KS-6787 Expires 4/30/96

ARCHITECTURAL

I hereby certify that specification Sections of Division 1, Sections 02832, 02870, 02910, 02930, 03330, 03450, 03480, Division 4, Sections 05400, 05500, 05510, 05720, 05722, 05810, Division 6, Division 7, Division 8, Division 9, Division 10, Division 11, Division 12, Division 13, and Division 14 were prepared by me or under my direct supervision and that I am a duly Registered Architect under the laws of the State of New York.

James Handley

Date: September 21, 1994 Reg. No.: 24337 Expires 5/31/97

MECHANICAL

I hereby certify that specification Sections in Division 15, were prepared by me or under my direct supervision and that I am a duly Registered Engineer under the laws of the State of New York.

Stephen John Wernersbach

Date: September 21, 1994 Reg. No.: 068650 Expires 2/28/98

ELECTRICAL

I hereby certify that specification sections in Division 16, were prepared by me or under my direct supervision and that I am a duly Registered Engineer under the laws of the Stae of New York.

Allan Joseph Wenzel

Date: September 21, 1994 Reg. No.: 066979-1 Expires 5/31/97

NEW YORK
THE STATE OF LEARNING

THE STATE EDUCATION DEPARTMENT / THE UNIVERSITY OF THE STATE OF NEW YORK / ALBANY, NY 12234
OFFICE OF THE STATE BOARD FOR ENGINEERING AND LAND SURVEYING (518) 474-3846

November 16, 1994

Mr. Gary L. Harper
3300 W. 69th Street
Shawnee Mission, Kansas 66208

Dear Mr. Harper:

This is to acknowledge receipt of your fee and Form 1, Application for Licensure and First Registration as a Professional Engineer, together with your notification of intent to practice in New York under subdivision (b) of section 7208 of the Education Law. This letter authorizes you to engage in such practice.

Section 7208(b) exempts from New York State licensure requirements, "Practice as a professional engineer or land surveyor in this state by any person not a resident, or having no established place of practice in this state, or any person resident in this state but who has arrived in this state within six months, provided, however, such a person shall have filed an application for license as a professional engineer or land surveyor, and is legally qualified for such practice in the state or country in which he resides or has his place of practice or in which he had his previous residence or place of practice, such exemption continuing for only such reasonable time as the board requires to grant or deny the application for license, and a person intending to practice under this subdivision shall so state on the application."

This exemption from licensure continues until whichever of the following occurs first: 1) the Department determines that an applicant fails to document satisfactorily any requirement for licensure (except for examination); 2) the applicant fails to receive a passing score on the first licensing examination for which he or she is eligible; or 3) the applicant receives a New York State license.

Further, Section 7208 states "...that no title, sign, card or device shall be used in such manner as to tend to convey the impression that the person rendering such service is a professional engineer or a land surveyor licensed in this state or is practicing engineering or land surveying."

Sincerely,

Thomas W. King, Jr., P.E.
Executive Secretary

TWKlat

DOCUMENT 00003
PROJECT MANUAL TABLE OF CONTENTS

VOLUME I

INTRODUCTORY INFORMATION

00001	Project Manual Cover	Permit Set Only	12/19/94
00002	Certification Page	Revised	12/19/94 ~~12/07/94~~
00003	Project Manual Table of Contents	Revised	12/19/94 ~~12/07/94~~
00004	List of Drawings	Revised	12/07/94
00006	Finish Schedule	Revised	12/07/94
00007	Door Schedule	Issued	12/07/94
00008	Construction Issue Three - Drawing Narrative		

BIDDING REQUIREMENTS

Invitation to Bid	pages 1, 2. & 3	12/15/94
Instructions to Bidders	pages 1 thru 5	08/22/94
Scope of Work/Specific Clarifications C.I.#3	pages 1 thru 1	12/15/94
Scope of Work/Specific Clarifications C.I.#2	pages 1 thru 24	11/23/94
Scope of Work/Specific Clarifications C.I.#1	pages 1 thru 15	09/22/94
Milestone Schedule	page 1	11/23/94
Phase Diagrams		09/16/94
Phase Diagrams		08/22/94
Bid Forms	pages 1 thru 12	12/15/94
Comprehensive Safety Program	pages 1 thru 9	09/01/94
Affirmative Action/Equal Opportunity Hiring Plan	pages 1 thru 9	11/07/94
MBE/WBE Forms A thru E		
MBE/WBE Location Information	pages 1 & 2	07/29/94
List of Interested M/WBE Firms	pages 1 thru 29	10/12/94

CONTRACT FORMS, AND CONDITIONS OF THE CONTRACT

General Conditions	pages 1 thru 86	
Project Conditions and Clarifications	pages 1 thru 17	08/15/94
Owner Controlled InsurancePlan (OCIP)	pages 1 of 1	
Wrap-Up Supplemental Questionnaire form	pages 1 thru 4	
Subcontract Forms - CF 19A	pages 1 thru 10	1993
CF 19B	pages 1 thru 25	1993
Labor Rates	Revised	08/31/94
Employers Ineligible to Bid On Or Be Awarded Any Public Work	pages 1 thru 4	08/18/94

DIVISION 1 - GENERAL REQUIREMENTS

01021	Owner's Administrative Procedures	Revised	12/07/94
01025	Application for Payment	Revised	12/07/94
01028	Unit Prices	Revised	10/25/94
01030	Alternates	Revised	12/07/94
01035	Modification Procedures	Deleted	09/12/94
01036	Request For Information Form	Revised	12/07/94
01040	Coordination	Issued	08/22/94
01045	Cutting and Patching	Issued	08/22/94
01050	Field Engineering	Issued	08/22/94
01060	Regulatory Requirements	Issued	08/22/94

12-19-94 03:10PM FROM ELLERBE BECKET KC TO 17168534291/50 P004/010

01065	Special Design Requirements	Issued	06/20/94
01095	Reference Standards and Definitions	Revised	12/07/94
01300	Submittals	Revised	12/07/94
01301	Submittal Transmittal Form	Revised	12/07/94
01311	Contractor Prepared Network Analysis	Revised	12/07/94
01400	Quality Control	Revised	12/07/94
01402	Structural Quality Control	Revised	10/25/94
01500	Construction Facilities and Temporary Controls	Revised	12/07/94
01511	Construction Electricity and Lighting	Issued	08/22/94
01600	Material and Equipment	Issued	08/22/94
01630	Product Options and Substitutions	Revised	12/07/94
01631	Substitution Request Form	Revised	12/07/94
01700	Contract Closeout	Revised	12/07/94

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VOLUME II

DIVISION 2 - SITE WORK

02060	Site Preparation/Clearing/Demolition	Revised	10/25/94
02200	Earthwork	Revised	12/07/94
02270	Erosion/Sediment Control and Topsoil	Revised	10/25/94
02356	Pile Load Tests	Revised	12/07/94
02360	Steel Piles	Revised	12/07/94
02500	Paving, Surfacing, and Exterior Site Concrete	Future	
02700	Site Utilities	Issued	10/25/94
02720	Site Lighting	Future	
02832	Chain Link Fence	Future	
02870	Site and Street Furnishings	Future	
02900	Landscaping	Future	

DIVISION 3 - CONCRETE

03100	Concrete Formwork	Issued	08/22/94
03200	Concrete Reinforcement	Issued	08/22/94
03300	Cast-in-Place Concrete	Revised	12/07/94
03330	Architectural Concrete	Issued	08/22/94
03450	Architectural Precast Concrete	Revised	10/25/94
03480	Precast Concrete Specialties	Revised	10/25/94
03490	Precast Concrete Seating Units	Revised	10/25/94
03600	Grout	Revised	10/25/94

DIVISION 4 - MASONRY

04212	Brick Unit Masonry	Revised	12/07/94
04220	Concrete Unit Masonry	Revised	10/25/94
04720	Cast Stone	Issued	08/22/94

DIVISION 5 - METALS

05030	Shop Preperation and Painting	Issued	08/22/94
05120	Structural Steel	Revised	12/07/94
05160	Spaceframes	Revised	11/08/94
05210	Steel Joists	Revised	10/25/94
05314	Steel Floor Deck	Issued	08/22/94
05316	Steel Roof Deck	Revised	10/25/94
05400	Cold Formed Metal Framing	Revised	12/07/94
05500	Metal Fabrications	Revised	12/07/94
05510	Metal Stairs	Revised	10/25/94
05720	Ornamental Railings	Revised	10/25/94
05722	Ornamental Glass Railing System	Revised	12/07/94
05810	Expansion Joint Cover Assemblies	Issued	08/22/94

DIVISION 6 - WOODS AND PLASTICS

06100	Rough Carpentry	Revised	10/25/94
06400	Architectural Woodwork	Issued	12/07/94

DIVISION 7 - THERMAL AND MOISTURE PROTECTION

07116	Composite Sheet Membrane Waterproofing	Issued	08/22/94
07119	Membrane Receptor Pan Waterproofing	Issued	10/25/94
07124	Hot Applied Modified Asphalt Waterproofing	Reissued	10/25/94

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07210	Building Insulation	Revised	12/07/94
07240	Exterior Insulation and Finish System	Issued	08/22/94
07256	Sprayed Fireproofing	Revised	12/07/94
07270	Firestopping	Revised	12/07/94
07410	Manufactured Wall Panels	Revised	10/25/94
07420	Prefinished Metal Siding	Revised	10/25/94
07421	Composite Metal Building Panels	Revised	10/25/94
07531	Ballasted Single-Ply Roofing	Revised	10/25/94
07532	Mechanically Attached Single-Ply Roofing	Revised	10/25/94
07534	Mechanically Attached PVC Roofing	Revised	10/25/94
07535	Ballasted Roofing System	Revised	10/25/94
07600	Flashing and Sheet Metal	Revised	11/08/94
07720	Roof Accessories	Issued	08/22/94
07900	Joint Sealers	Issued	08/22/94

DIVISION 8 - DOORS AND WINDOWS

08110	Steel Doors and Frames	Issued	10/25/94
08120	Aluminum Doors and Frames	Revised	12/07/94
08211	Flush Wood Doors	Revised	12/07/94
08225	Fiberglass Doors and Frames	Issued	10/25/94
08306	Access Panels	Issued	10/25/94
08313	Sliding Glass Doors	Revised	10/25/94
08331	Insulated Overhead Coiling Doors	Revised	10/25/94
08332	Overhead Coiling Doors	Revised	12/07/94
08336	Overhead Coiling Counter Doors	Revised	12/07/94
08340	Coiling Doors	Deleted	
08342	Coiling Grilles	Revised	12/07/94
08360	Sectional Overhead Doors	Revised	12/07/94
08410	Aluminum ~~Entrance and Storefronts~~ FRAMING SYSTEM	Revised	11/08/94
08520	Aluminum Windows	Revised	12/07/94
08650	Pass Through Window Assembly	Issued	12/07/94
08710	Finish Hardware	Revised	12/07/94
08810	Glass and Glazing	Revised	12/07/94
08920	Glazed Aluminum Curtain Walls	Revised	10/25/94
08925	Sloped Glazed Curtain Walls	Revised	10/25/94
08955	Skylight Systems	Revised	10/25/94

DIVISION 9 - FINISHES

09260	Gypsum Board Systems	Revised	12/07/94
09270	Gypsum Board Shaft Wall Systems	Issued	10/25/94
09280	Glass Fiber Reinforced Gypsum Fabrications	Revised	12/07/94
09310	Ceramic Tile	Issued	12/07/94
09510	Acoustical Ceilings	Issued	10/25/94
09520	Acoustical Wall Treatment	Issued	10/25/94
09530	Acoustical Ceiling Treatment	Issued	12/07/94
09650	Resilient Flooring	Issued	12/07/94
09680	Carpet	Issued	12/07/94
09780	Floor Treatment	Future	
09816	Decorative Polychromatic Particle Coating	Issued	12/07/94
09900	Painting	Issued	12/07/94
09950	Wall Coverings	Issued	12/07/94

DIVISION 10 - SPECIALITIES

10105	Markerboards	Issued	12/07/94
10155	Toilet Partitions	Issued	12/07/94
10194	Cubicle Track Assemblies	Issued	12/07/94
10210	Metal Wall Louvers	Issued	08/22/94

10260	Wall and Corner Guards	Issued	10/25/94
10350	Flagpoles	Revised	12/07/94
10410	Poster Case	Issued	08/22/94
10456	Turnstiles	Issued	12/07/94
10500	Lockers	Issued	12/07/94
10520	Fire Protection Specialities	Issued	10/25/94
10530	Awnings	Revised	12/07/94
10536	Retractable Patio Awnings	Revised	12/07/94
10605	Wire Mesh Partitions	Issued	11/17/94
10650	Operable Partitions	Revised	12/07/94
10850	Building Accessories	Revised	12/07/94

DIVISION 11 - EQUIPMENT

11021	Vault Door	Deleted	
11026	Ticket Windows	Issued	08/22/94
11060	Motorized Loudspeaker Cluster Rigging System	Issued	12/06/94
11132	Projection Screens	Issued	12/07/94
11160	Loading Dock Equipment	Issued	08/22/94
11175	Trash Chutes	Future	
11450	Residential Equipment	Issued	12/07/94
11451	Television Monitor Brackets	Issued	10/25/94
11724	Waste Compactors	Future	

DIVISION 12 - FURNISHINGS

12330	Plastic Laminate Casework	Issued	12/07/94
12500	Window Treatment	Issued	12/07/94
12600	Furnishings	Deleted	
12690	Floor Mats and Frames	Issued	12/07/94
12730	Arena Seating	Future	
12732	Suite Seating	Future	
12750	Portable Riser Platforms	Future	
12765	Retractable Seating	Future	
12775	Portable Chairs	Future	

DIVISION 13 - SPECIAL CONSTRUCTION

13052	Saunas	Revised	12/07/94
13150	Spa	Revised	12/07/94
13160	Ice Floor System	Revised	12/07/94
13170	Dasher Board System	Revised	12/07/94

DIVISION 14 - CONVEYING SYSTEMS

14212	Electric Traction Passenger Elevators	Revised	10/25/94
14214	Electric Traction Service Elevators	Revised	10/25/94
14216	Electric Traction Freight Elevators	Revised	10/25/94
14310	Escalators	Revised	10/25/94

OLUME III

IVISION 15 - MECHANICAL

15005	Mechanical Equipment Schedules	Issued	10/25/94
15010	Basic Mechanical Requirements and System Description	Issued	10/25/94
15060	Pipe and Pipe Fittings	Issued	10/25/94
15100	Manual Valves	Issued	10/25/94
15120	Piping Specialties	Issued	10/25/94
15130	Meters and Gauges	Revised	12/07/94
15140	Hangers, Supports, Anchors, and Sleeves	Issued	10/25/94
15160	Pumps	Issued	10/25/94
15170	Electric Motors	Issued	10/25/94
15190	Identification	Issued	10/25/94
15250	Mechanical Systems Insulation	Revised	12/07/94
15310	Fire Protection Systems	Revised	12/07/94
15320	Fire Pumps	Issued	10/25/94
15401	Domestic Water	Revised	12/07/94
15405	Sanitary Waste and Vent System Components	Revised	12/07/94
15406	Roof and Area Drainage System	Issued	10/25/94
15440	Plumbing Fixtures and Trim	Revised	12/07/94
15484	Natural Gas Systems	Issued	10/25/94
15515	Hydronic Specialties	Issued	10/25/94
15545	Chemical Treatment	Issued	10/25/94
15555	Packaged Firetube Steam or Hot Water Boilers	Revised	12/07/94
15575	Breechings, Chimneys, and Stacks	Issued	10/25/94
15590	Fuel Oil Equipment	Revised	12/07/94
15685	Centrifugal Chillers	Revised	12/07/94
15710	Cooling Towers	Revised	12/07/94
15755	Heat Exchangers	Issued	11/08/94
15790	Coils	Issued	10/25/94
15830	Finned Tube Radiation and Convectors	Revised	12/07/94
15835	Unit Heaters and Cabinet Unit Heaters	Issued	10/25/94
15855	Package Air Handling Units	Revised	12/07/94
15860	Fans	Issued	10/25/94
15885	Filters	Issued	10/25/94
15890	Ductwork Systems	Issued	10/25/94
15895	Special Air Distribution Systems	Issued	10/25/94
15900	Duct Lining	Issued	10/25/94
15910	Ductwork Accessories	Issued	10/25/94
15930	Air Terminal Units	Issued	10/25/94
15935	Diffusers, Registers and Grilles	Revised	12/07/94
15955	Building Systems Control	Issued	10/25/94
15965	Control Wiring	Issued	10/25/94
15970	Control Valves, Dampers and Actuators	Issued	10/25/94
15980	Control Panels, Controllers, and Sensors	Issued	10/25/94
15981	Control Systems Workstations and Peripherals	Issued	10/25/94
15985	Control System Sequences of Operation	Revised	12/07/94
15986	Control Systems Point List	Revised	12/07/94
15990	Testing, Adjusting, and Balancing	Issued	10/25/94

DIVISION 16 - ELECTRICAL

16050	Basic Electrical	Issued	10/25/94
16060	Equipment Support and Concrete Work	Issued	10/25/94
16110	Raceways and Fittings	Revised	12/07/94
16111	Wireways and Gutters	Issued	10/25/94
16112	Cable Support System	Issued	10/25/94

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16120	600 Volt Wire	Issued	10/25/94
16130	Electrical Boxes and Fittings	Issued	10/25/94
16132	Floor Boxes	Issued	10/25/94
16140	Wiring Devices	Issued	10/25/94
16141	Surface Raceways (MOA)	Issued	10/25/94
16160	Cabinets and Enclosures	Issued	10/25/94
16195	Electrical Identification	Issued	10/25/94
16197	Power Characteristics	Issued	10/25/94
16322	Substation Transformers	Issued	10/25/94
16425	Switchboards	Issued	10/25/94
16427	Transient Voltage Surge Suppressors (TVSS)	Revised	12/07/94
16430	Service Equipment and Metering	Revised	12/07/94
16440	Disconnect Switches (Safety Switches)	Issued	10/25/94
16443	Show and Television Power Panels	Issued	10/25/94
16450	Grounding	Issued	10/25/94
16460	Dry Type Transformers	Issued	10/25/94
16465	Busway (600 Volt and Less)	Issued	10/25/94
16472	Branch Panelboards	Issued	10/25/94
16474	Distribution Panelboards	Issued	10/25/94
16478	Fuses (600 Volt & Less)	Issued	10/25/94
16481	Motor Starters	Issued	10/25/94
16483	Motor Control Centers	Issued	10/25/94
16484	Variable Speed Drives	Issued	10/25/94
16485	Contactors and Relays	Issued	10/25/94
16490	Transfer Switches	Issued	10/25/94
16501	Lamps	Issued	10/25/94
16502	Luminaire Accessories	Issued	10/25/94
16510	Interior Luminaires	Issued	10/25/94
16515	Arena Lighting	Issued	10/25/94
16520	Exterior Luminaires	Issued	10/25/94
16535	Emergency Lighting	Issued	10/25/94
16562	Security Camera Television System (SCTV)	Issued	10/25/94
16620	Emergency Engine Generators (Diesel)	Revised	12/07/94
16670	Lightning Protection System	Revised	12/07/94
16723	Fire Alarm System	Revised	12/07/94
16724	Security Systems	Issued	10/25/94
16740	Telephone Raceway System	Issued	10/25/94
16770	Sound System	Issued	12/06/94
16771	Distributed Sound and Intercom Systems	Issued	12/06/94
16772	Provisions for the Sound Reinforcement and Audio/Video Systems	Revised	12/07/94
16780	MATV and Broadcast Cable Systems	Issued	12/06/94
16786	Door Signal System	Issued	10/25/94
16790	Provisions for Scoreboards and Message Centers	Issued	10/25/94
16917	Wall Dimmers	Issued	10/25/94
16920	Public Area Lighting Control and Dimming Systems	Issued	10/25/94
16955	Kitchen Equipment Connection	Issued	10/25/94
16960	Electrical Testing	Issued	10/25/94
16970	Panelboard and Relay/Dimmer Panel Schedules	Revised	12/07/94

NOT SEALED

NOT SEALED

VOLUME IV

NOT SEALED

Geotechnical Report	Issued	03/21/94
Wind Loading Study	Issued	04/19/94
Roof Snow Loading Assessment	Issued	04/19/94
Fire Protection Program	Issued	07/07/94

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DOCUMENT 00004
LIST OF DRAWINGS

GENERAL PROJECT INFORMATION

G000 Series

G001	General Notes/List of Drawings	Revised	12/07/94

CIVIL

C101	Utility Demolition Plan	Issued	8/22/94 ~~10/25/94~~
C120	Plan Storm Sewer	Issued	10/25/94
C121	Plan Storm Sewer	Issued	10/25/94
C130	Plan Water Line and Sanitary Sewer	Issued	10/25/94
C131	Sanitary Sewer Profile	Issued	10/25/94
C132	Water and Sewer Details	Issued	10/25/94
C133	Manhole Details	Issued	10/25/94
C122	STORM SEWER PROFILES	ISSUED	10/25/94

LANDSCAPE

LS Series

NOT SEALED

LS1	Survey (1" =60')	Reference Only	08/22/94
LS2	Partial Survey (1" =20')	Reference Only	08/22/94

ARCHITECTURAL

A000 Series

A001	Key Notes	Revised	12/07/94
A002	Wall Types	Revised	11/17/94

A100 Series - Site Drawings

NOT SEALED

A101	Site Plan (1" =60')	Revised	12/07/94
A102	Enlarged Site Plan (1" =20')	Revised	12/07/94

A200 Series - Floor Plans

A200	Geometry Plan	Revised	11/28/94
A201	Event Floor Level	Revised	12/07/94
A202	Main Concourse Level	Revised	12/07/94
A203	Club Level	Revised	12/07/94
A204	Suite Level	Revised	12/07/94
A205	Upper Concourse Level	Revised	12/07/94
A206	Mechanical Level	Revised	12/07/94
A207	Press Level Upper Deck	Revised	12/07/94
A208	Catwalk Plan	Revised	10/25/94
A209	Roof Plan	Revised	11/28/94
A211	Event Floor Level Sectant A (1/8" = 1'-0")	Revised	11/17/94
A212	Event Floor Level Sectant B (1/8" = 1'-0")	Revised	12/07/94
A213	Event Floor Level Sectant C (1/8" = 1'-0")	Revised	10/25/94
A214	Event Floor Level Sectant D (1/8" = 1'-0")	Revised	12/07/94
A215	Event Floor Level Sectant E (1/8" = 1'-0")	Revised	12/07/94
A216	Event Floor Level Sectant F (1/8" = 1'-0")	Revised	12/07/94
A221	Main Concourse Level - Sectant A (1/8" = 1'-0")	Revised	12/07/94

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A222	Main Concourse Level - Sectant B (1/8" = 1'-0")	Revised	12/07/94
A223	Main Concourse Level - Sectant A (1/8" = 1'-0")	Revised	12/07/94
A224	Main Concourse Level - Sectant D (1/8" = 1'-0")	Revised	12/07/94
A225	Main Concourse Level - Sectant E (1/8" = 1'-0")	Revised	12/07/94
A226	Main Concourse Level - Sectant F (1/8" = 1'-0")	Revised	12/07/94
A231	Club Level Sectant A (1/8" = 1'-0")	Revised	12/07/94
A232	Club Level Sectant B (1/8" = 1'-0")	Revised	12/07/94
A233	Club Level Sectant C (1/8" = 1'-0")	Revised	12/07/94
A234	Club Level Sectant D (1/8" = 1'-0")	Revised	12/07/94
A235	Club Level Sectant E (1/8" = 1'-0")	Revised	11/23/94
A236	Club Level Sectant F (1/8" = 1'-0")	Revised	12/07/94
A241	Suite Level Sectant A (1/8" = 1'-0")	Revised	12/07/94
A242	Suite Level Sectant B (1/8" = 1'-0")	Revised	12/07/94
A243	Suite Level Sectant C (1/8" = 1'-0")	Revised	12/07/94
A244	Suite Level Sectant D (1/8" = 1'-0")	Revised	11/23/94
A245	Suite Level Sectant E (1/8" = 1'-0")	Revised	11/27/94
A246	Suite Level Sectant F (1/8" = 1'-0")	Revised	12/07/94
A251	Upper Concourse Level Sectant A (1/8" = 1'-0")	Revised	12/07/94
A252	Upper Concourse Level Sectant B (1/8" = 1'-0")	Revised	12/07/94
A253	Upper Concourse Level Sectant C (1/8" = 1'-0")	Revised	11/17/94
A254	Upper Concourse Level Sectant D (1/8" = 1'-0")	Revised	11/8/94
A261	Mechanical Level Sectant A (1/8" = 1'-0")	Revised	10/25/94
A262	Mechanical Level Sectant B (1/8" = 1'-0")	Revised	11/17/94
A263	Mechanical Level Sectant C (1/8" = 1'-0")	Revised	11/17/94
A264	Mechanical Level Sectant D (1/8" = 1'-0")	Revised	11/23/94
A271	Upper Deck/Press Level Sectant A (1/8" = 1'-0")	Revised	11/17/94
A272	Upper Deck/Press Level Sectant B (1/8" = 1'-0")	Revised	11/17/94
A273	Upper Deck/Press Level Sectant C (1/8" = 1'-0")	Revised	11/8/94
A274	Upper Deck/Press Level Sectant D (1/8" = 1'-0")	Revised	11/8/94

A300 Series - Exterior Elevations and Arena Sections

A301	Elevations (1/16" = 1'-0")	Revised	11/17/94
A302	Elevations (1/16" = 1'-0")	Revised	12/07/94
A308	Precast Elevations Sectant A & B	Revised	11/8/94
A309	Precast Elevatoins Sectant C & D	Revised	11/8/94
A310	Building Sections	Issued	08/22/94
A312	Partial Transverse Section (1/8" = 1'-0")	Revised	12/07/94
A313	Partial Section (1/8" = 1'-0")	Revised	12/07/94
A321	Positive Wind Pressure	Reference Only	08/22/94
A322	Negative Wind Pressure	Reference Only	08/22/94

NOT SEALED

A400 Series - Exterior Wall Sections

A401	Wall Sections	Revised	11/23/94
A402	Wall Sections	Revised	12/07/94
A403	Wall Sections	Revised	11/17/94
A404	Wall Sections	Revised	11/17/94
A405	Wall Sections	Revised	12/07/94
A406	Wall Sections	Revised	11/17/94
A407	Wall Sections	Revised	11/23/94
A408	Wall Sections South Wall & Club	Revised	10/25/94

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A409	Wall Sections - Trash Chute	Revised	11/23/94
A410	Wall Sections North Elevation	Revised	09/12/94
A411	Wall Sections	Revised	09/12/94
A412	Wall Sections	Revised	10/25/94
	A500 Series - Exterior Details		
A501	Exterior Details Precast Walls	Revised	11/08/94
A502	Exterior Details	Revised	12/07/94
A503	Details	Revised	11/08/94
A504	Details	Revised	11/8/94
A510	Exterior Detail North Wall	Revised	12/07/94
A511	Typical Exterior Details (Pavilion)	Revised	12/07/94
A512	Exterior Details	Revised	11/23/94
A513	Exterior Details West Wall	Revised	10/25/94
A514	Exterior Details	Revised	10/25/94
A515	Exterior Details	Revised	10/25/94
A516	Exterior Details	Revised	11/23/94
A520	Deck Details	Revised	11/17/94
A521	Deck Details	Revised	10/25/94
A525	North Bridge Details	Revised	11/17/94
A530	Roof Details	Revised	11/8/94
	A600 Series - Vertical Circulation and Vertical Transportation		
A601	Stair Plans	Revised	10/25/94
A602	Stair Plans Sections & Details	Revised	11/17/94
A610	Elevator Plans and Details - Passenger Elevator #1 & 2, 4 & 5	Revised	11/17/94
A611	Elevator Plans Freight Elevator #6 & Service Elevator #7	Revised	11/17/94
A612	Elevator Hoistway Sections - Elevators #1, 2, 3, 4 & 6	Issued	08/22/94
A620	Escalator Plans Sections & Details	Revised	11/17/94
A621	Escalator Details and Stair Plans, Sections and Details	Revised	11/17/94
A640	Stair Details	Revised	11/17/94
	A700 Series - Reflected Ceiling Plans		
A711	Event Floor Sectant Plan A (1/8" = 1'-0")	Revised	12/07/94
A712	Event Floor Sectant Plan B (1/8" = 1'-0")	Revised	12/07/94
A713	Event Floor Sectant Plan C (1/8" = 1'-0")	Revised	12/07/94
A714	Event Floor Sectant Plan D (1/8" = 1'-0")	Issued	10/25/94
A715	Event Floor Sectant Plan E (1/8" = 1'-0")	Revised	12/07/94
A716	Event Floor Sectant Plan F (1/8" = 1'-0")	Revised	12/07/94
A721	Main Concourse Sectant Plan A (1/8" = 1'-0")	Revised	11/28/94
A722	Main Concourse Sectant Plan B (1/8" = 1'-0")	Revised	11/17/94
A723	Main Concourse Sectant Plan C (1/8" = 1'-0")	Revised	12/07/94
A724	Main Concourse Sectant Plan D (1/8" = 1'-0")	Issued	10/25/94
A725	Main Concourse Sectant Plan E (1/8" = 1'-0")	Issued	10/25/94
A726	Main Concourse Sectant Plan F (1/8" = 1'-0")	Revised	11/17/94
A731	Club Level Sectant Plan A (1/8" = 1'-0")	Revised	12/07/94
A732	Club Level Sectant Plan B (1/8" = 1'-0")	Revised	12/07/94
A733	Club Level Sectant Plan C (1/8" = 1'-0")	Revised	12/07/94
A734	Club Level Sectant Plan D (1/8" = 1'-0")	Revised	12/07/94

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A735	Club Level Sectant Plan E (1/8" = 1'-0")	Revised	12/07/94
A736	Club Level Sectant Plan F (1/8" = 1'-0")	Revised	12/07/94
A741	Suite Level Sectant Plan A (1/8" = 1'-0")	Revised	12/07/94
A742	Suite Level Sectant Plan B (1/8" = 1'-0")	Revised	12/07/94
A743	Suite Level Sectant Plan C (1/8" = 1'-0")	Revised	12/07/94
A744	Suite Level Sectant Plan D (1/8" = 1'-0")	Revised	12/07/94
A745	Suite Level Sectant Plan E (1/8" = 1'-0")	Revised	12/07/94
A751	Upper Concourse Sectant Plan A (1/8" = 1'-0")	Issued	10/25/94
A752	Upper Concourse Sectant Plan B (1/8" = 1'-0")	Revised	12/07/94
A753	Upper Concourse Sectant Plan C (1/8" = 1'-0")	Revised	11/17/94
A754	Upper Concourse Sectant Plan D (1/8" = 1'-0")	Issued	10/25/94
A773	Press Level Sectant Plan C (1/8" = 1'-0")	Revised	12/07/94
A774	Press Level Sectant Plan D (1/8" = 1'-0")	Revised	12/07/94
A775	Typical Ceiling Details	Revised	12/07/94
A776	Acoustical Banners and Lapidaries	Issued	12/07/94

A800 Series - Large Scale Interior Elevations and Details

A800	Typ Mounting Height Schedule	Revised	12/07/94
A801	Int. Elev. Pavilion (Loocking North/South	Revised	12/07/94
A801.5	Int. Elev. Pavilion (Loocking North/South	Revised	11/8/94
A802	Interior Elev. at Pavillion	Revised	11/17/94
A803	Event Floor Typ Public Interior Elevations	Revised	11/17/94
A804	Sabres Locker Room Enlarged Plan	Revised	12/07/94
A805	Sabres Locker Room Elevations	Revised	12/07/94
A806	Event Level Enlarged Plans/Elevations	Revised	11/17/94
A807	Event Floor Enlarged Plans/Elevations	Revised	12/07/94
A808	Interior Elevations 2A09 (R45/RS)	Revised	12/07/94
A809	Interior Elevations 2C17 (R29/R21)	Revised	12/07/94
A810	Interior Elevation - Main Concourse (RS/R15)	Revised	12/07/94
A811	Typ. Interior Sections	Revised	12/07/94
A812	Enlarged M.C. Toilets Plans/Elevations	Revised	12/07/94
A813	Typ. Interior Sections	Revised	12/07/94
A814	Interior Elevations - Club Level	Revised	12/07/94
A815	Enlarged Plans/Details - Club Level	Issued	12/07/94
A816	Interior Elevations - Suite Level	Revised	12/07/94
A817	Interior Elevation - Upper Concourse	Revised	12/07/94
A818	Enlarged Plans/Elevation - Upper Concourse	Revised	12/07/94
A820	Press Level Elevations/Enlarged Plans	Revised	12/07/94
A821	Door/Interior Opening Details	Revised	11/28/94
A822	Door/Interior Opening Details	Revised	12/07/94
A823	Slab Details	Revised	11/28/94
A824	Ice Floor Details	Revised	12/07/94
A825	Suite Plan Details	Revised	12/07/94
A826	Suite Details	Revised	11/23/94
A827	Suite Details	Revised	12/07/94
A831	Column Details	Revised	12/07/94
A832	Column Details	Revised	12/07/94
A850	Casework Details/Elevations	Revised	12/07/94
A851	Casework Details	Issued	10/25/94
A852	Interior Details, Elevations & Sections	Issued	12/07/94
A871	Event Floor Pattern	Issued	09/12/94
A872	Floor Patterns - Main Concourse	Issued	12/07/94

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A900 Series - Spectator Drawings

A901	Typ. Bowl Quadrant 1/8" (Railing Key Plan)	Revised	11/23/94
A902	Typ. Bowl Details	Revised	10/25/94
A903	Typ. Bowl Details	Revised	11/17/94
A904	Seat Counts 1/16" (Lower Deck/Club)	Issued	08/22/94
A905	Seat Counts 1/16" (Upper Deck)	Issued	08/22/94
A906	Bowl Details	Revised	11/17/94
A907	Hockey Dasher Sheet	Revised	11/28/94

STRUCTURAL

S001	Structural General Notes	Revised	12/01/94
S002	Structural Drawing Index, Abbreviations and Symbols	Revised	10/25/94
S101	Structural Load Key Plans	Issued	08/22/94
S102	Structural Load Key Plans	Issued	08/22/94
S103	Structural Load Key Key Plans	Issued	10/25/94
S104	Structural Load Key Key Plans	Issued	10/25/94
S105	Structural Load Key Key Plans	Issued	10/25/94
S211	Event Level Plan - Sectant - "A"	Revised	09/22/94
S212	Event Level Plan - Sectant - "B"	Revised	12/01/94
S213	Event Level Plan - Sectant - "C"	Revised	12/01/94
S214	Event Level Plan - Sectant - "D"	Revised	12/01/94
S215	Event Level Plan - Sectant - "E"	Revised	09/22/94
S216	Event Level Plan - Sectant - "F"	Revised	11/17/94
S221	Main Concourse Framing Plan - Sectant - "A"	Revised	11/23/94
S222	Main Concourse Framing Plan - Sectant - "B"	Revised	11/23/94
S223	Main Concourse Framing Plan - Sectant - "C"	Revised	11/23/94
S224	Main Concourse Framing Plan - Sectant - "D"	Revised	11/23/94
S225	Main Concourse Framing Plan - Sectant - "E"	Revised	11/08/94
S226	Main Concourse Framing Plan - Sectant - "F"	Revised	09/16/94
S231	Club Level Framing Plan - Sectant - "A"	Revised	11/8/94
S232	Club Level Framing Plan - Sectant - "B"	Revised	11/08/94
S233	Club Level Framing Plan - Sectant - "C"	Revised	11/08/94
S234	Club Level Framing Plan - Sectant - "D"	Revised	11/08/94
S235	Club Level Framing Plan - Sectant - "E"	Revised	10/25/94
S236	Club Level Framing Plan - Sectant - "F"	Revised	10/25/94
S241	Suite Level Framing Plan - Sectant - "A"	Revised	11/08/94
S242	Suite Level Framing Plan - Sectant - "B"	Revised	11/08/94
S243	Suite Level Framing Plan - Sectant - "C"	Revised	11/08/94
S244	Suite Level Framing Plan - Sectant - "D"	Revised	11/08/94
S245	Suite Level Framing Plan - Sectant - "E"	Revised	10/25/94
S246	Suite Level Framing Plan - Sectant - "F"	Revised	09/12/94
S251	Upper Concourse Framing Plan - Sectant - "A"	Revised	11/08/94
S252	Upper Concourse Framing Plan - Sectant - "B"	Revised	10/25/94
S253	Upper Concourse Framing Plan - Sectant - "C"	Revised	11/08/94
S254	Upper Concourse Framing Plan - Sectant - "D"	Revised	11/08/94
S255	Upper Concourse Framing Plan - Sectant - "E"	Revised	10/25/94
S256	Upper Concourse Framing Plan - Sectant - "F"	Revised	09/16/94
S261	Mechanical Level Framing Plan - Sectant - "A"	Revised	11/08/94
S262	Mechanical Level Framing Plan - Sectant - "B"	Revised	09/12/94
S263	Mechanical Level Framing Plan - Sectant - "C"	Revised	11/08/94
S264	Mechanical Level Framing Plan - Sectant - "D"	Revised	11/08/94

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S265	Mechanical Level Framing Plan - Sectant - 'E'	Revised	10/25/94
S266	Mechanical Level Framing Plan - Sectant - 'F'	Revised	09/12/94
S271	Upper Deck / Press Level Framing Plan - Sectant - 'A'	Revised	12/07/94
S272	Upper Deck / Press Level Framing Plan - Sectant - 'B'	Issued	08/22/94
S273	Upper Deck / Press Level Framing Plan - Sectant - 'C'	Revised	11/17/94
S274	Upper Deck / Press Level Framing Plan - Sectant - 'D'	Revised	12/07/94
S281	Gutter Roof Framing Plan Sectant A	Revised	10/25/94
S282	Gutter Roof Framing Plan Sectant B	Revised	09/12/94
S283	Gutter Roof Framing Plan Sectant C	Revised	09/12/94
S284	Gutter Roof Framing Plan Sectant D	Revised	09/12/94
S290	Bottom Chord Catwalk & Riggin Framing	Issued	10/25/94
S291	Main Roof Framing Plan	Issued	10/25/94
S301	Raker Frame Elevations	Revised	12/07/94
S302	Raker Frame Elevations	Revised	12/07/94
S303	Raker Frame Elevations	Revised	12/07/94
S304	Raker Frame Elevations	Revised	09/22/94
S311	Typical Structural Precast Details	Revised	09/12/94
S312	Typical Structural Precast Details	Issued	08/22/94
S321	Structural Slab Reinforcing Key Plans	Revised	09/22/94
S322	Structural Slab Reinforcing Key Plans	Revised	09/22/94
S331	Exterior Arch. Wall Connections	Revised	10/25/94
S341	Structural Elevator Plans	Revised	09/12/94
S401	Framing Elevations	Revised	11/8/94
S402	Framing Elevations	Revised	11/8/94
S403	Framing Elevations	Revised	12/01/94
S411	Framing Details	Revised	09/12/94
S412	Framing Details	Revised	12/07/94
S421	Pavilion Truss Elevations and Details	Revised	09/16/94
S422	Pavilion Truss Elevations and Details	Issued	08/22/94
S501	Main Roof Truss Elevations	Issued	10/25/94
S502	Main Roof Truss Elevations	Issued	10/25/94
S503	Main Roof Truss Elevations	Issued	10/25/94
S511	Main Roof Truss Details	Revised	12/01/94
S512	Main Roof Truss Details	Revised	12/01/94
S513	Main Roof Truss Details	Revised	12/01/94
S514	Main Roof Truss Details	Revised	12/01/94
S515	Main Roof Truss Details	Revised	12/01/94
S516	Main Roof Truss Details	Revised	12/01/94
S517	Main Roof Truss Details	Issued	10/25/94
S611	Typical Structural Reinforcement Details	Revised	09/19/94
S621	Typical Structural Concrete Details	Issued	08/22/94
S631	Typical Structural Steel Connection Details	Issued	08/22/94
S632	Typical Structural Steel Connection Details	Revised	10/25/94
S641	Typical Structural Deck Details	Revised	09/12/94
S651	Masonry Wall Bracing Plan	Issued	10/25/94

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S852	Masonry Details	Issued	10/25/94
S711	Pile/Pilecap/Foundation Schedules and Details	Revised	11/08/94
S712	Event Level/Foundation Sections and Details	Revised	09/12/94
S713	Event Level/Foundation Sections and Details	Revised	09/22/94
S714	Event Level/Foundation Sections and Details	Revised	09/12/94
S721	Main Concourse Sections and Details	Revised	09/12/94
S722	Main Concourse Sections and Details	Revised	09/22/94
S723	Main Concourse Sections and Details	Revised	09/16/94
S724	Main Concourse Sections and Details	Revised	09/22/94
S731	Club Level Sections and Details	Revised	09/16/94
S732	Club Level Sections and Details	Revised	09/22/94
S741	Suite Level Sections and Details	Revised	09/16/94
S742	Suite Level Sections and Details	Revised	09/22/94
S751	Upper Concourse Sections and Details	Revised	09/12/94
S752	Upper Concourse Sections and Details	Revised	11/08/94
S761	Mechanical Level Sections and Details	Issued	08/22/94
S771	Upper Deck/Press Level Sections and Details	Revised	12/07/94
S772	Upper Deck/Press Level Sections and Details	Revised	12/07/94
S781	Gutter Roof Sections and Details	Revised	10/25/94
S782	Catwalk, Platform and Rigging Grid Sections & Details	Issued	10/25/94
S791	Main Roof Sections and Details	Revised	10/25/94
S792	Main Roof Sections and Details	Revised	12/01/94
S811	Column Schedule and Details	Revised	11/8/94
S812	Column Schedule and Details	Revised	12/01/94

MECHANICAL

M001	Title Sheet	Revised	11/17/94
M101	Event Level - Fire Protection	Revised	11/23/94
M102	Main Course - Fire Protection	Revised	11/23/94
M103	Club Level - Fire Protection	Revised	11/23/94
M104	Suite Level - Fire Protection	Revised	11/23/94
M105	Upper Concourse Level - Fire Protection	Revised	11/23/94
M106	Mechanical Level - Fire Protection	Revised	11/23/94
M107	Press Level/Upper Deck - Fire Protection	Revised	11/23/94
M108	Catwalk Level - Fire Protection	Revised	11/23/94
M200	Underground - Plumbing	Revised	11/17/94
M201	Event Floor Level - Plumbing	Revised	11/17/94
M202	Main Concourse Level - Plumbing	Revised	11/23/94
M203	Club Level - Plumbing	Revised	11/17/94
M204	Suite Level - Plumbing	Revised	11/17/94
M205	Upper Concourse Level - Plumbing	Revised	11/17/94
M206	Mechanical Level - Plumbing	Revised	11/17/94
M207	Press Level/Upper Deck - Plumbing	Revised	11/17/94
M208	Roof Plan - Plumbing	Issued	10/25/94
M270A	Riser Diagrams - Plumbing	Revised	11/17/94
M270B	Riser Diagrams - Plumbing	Revised	11/17/94

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M270C	Riser Diagrams - Plumbing	Revised	11/17/94
M270D	Riser Diagrams - Plumbing	Revised	11/17/94
M270E	Riser Diagrams - Plumbing	Revised	11/17/94
M270F	Riser Diagrams - Plumbing	Revised	11/17/94
M301A	Event Level Sectant 'A' - Piping & Ventilation	Revised	11/17/94
M301B	Event Level Sectant 'B' - Piping & Ventilation	Revised	11/17/94
M301C	Event Level Sectant 'C' - Piping & Ventilation	Revised	11/17/94
M301D	Event Level Sectant 'D' - Piping & Ventilation	Revised	11/17/94
M301E	Event Level Sectant 'E' - Piping & Ventilation	Revised	11/23/94
M301F	Event Level Sectant 'F' - Piping & Ventilation	Revised	11/17/94
M302	Main Concourse Level - Piping & Ventilation	Revised	11/23/94
M303	Club Level - Piping & Ventilation	Revised	11/23/94
M304	Suite Level - Piping & Ventilation	Revised	11/23/94
M305	Upper Concourse Level - Piping & Ventilation	Revised	11/17/94
M306	Mechanical Level - Piping & Ventilation	Revised	11/23/94
M307	Press Level/Upper Deck - Piping & Ventilation	Revised	11/23/94
M406	Mechanical Level - Piping	Revised	11/17/94
M407	Press Level/Upper Deck - Piping	Revised	11/23/94
M501	Chilled and Condenser Water Flow Diagrams	Revised	11/23/94
M502	Heating Water Flow Diagrams	Revised	11/17/94
M503	Air Flow Diagrams	Revised	11/17/94
M601	Details	Issued	10/25/94
M602	Details	Issued	10/25/94

ELECTRICAL

E001	Electrical Title Sheet and Symbols	Revised	11/23/94
E101	Electrical Site Plan	Revised	11/23/94
E102	Electrical Partial Site Plan	Revised	11/23/94
E103	Electrical Underground Conduit Plan	Revised	11/17/94
E201-A	Event Floor Level Sectant 'A' Power Plan	Revised	11/17/94
E201-B	Event Floor Level Sectant 'B' Power Plan	Revised	11/17/94
E201-C	Event Floor Level Sectant 'C' Power Plan	Revised	11/23/94
E201-D	Event Floor Level Sectant 'D' Power Plan	Revised	11/28/94
E201-E	Event Floor Level Sectant 'E' Power Plan	Revised	11/17/94
E201-F	Event Floor Level Sectant 'F' Power Plan	Issued	10/25/94
E202	Main Concourse Level Power Plan	Revised	11/17/94
E203	Club Level Power Plan	Revised	11/17/94
E204	Suite Level Power Plan	Revised	11/17/94
E205	Upper Concourse Level Power Plan	Revised	11/17/94
E206	Mechanical Level Power Plan	Revised	11/17/94
E207-C	Upper Deck/Mech. Level Power Plan	Revised	11/17/94
E207-D	Upper Deck/Mech. Level Power Plan	Revised	11/17/94
E208	Catwalk Level Power Plan	Revised	11/23/94
E301-A	Event Floor Level Sectant 'A' Lighting Plan	Revised	11/17/94
E301-B	Event Floor Level Sectant 'B' Lighting Plan	Revised	11/17/94
E301-C	Event Floor Level Sectant 'C' Lighting Plan	Issued	10/25/94
E301-D	Event Floor Level Sectant 'D' Lighting Plan	Revised	11/17/94
E301-E	Event Floor Level Sectant 'E' Lighting Plan	Revised	11/17/94
E301-F	Event Floor Level Sectant 'F' Lighting Plan	Revised	11/17/94
E302	Main Concourse Level Lighting Plan	Revised	11/17/94
E303	Club Level Lighting Plan	Revised	11/17/94
E304	Suite Level Lighting Plan	Revised	11/17/94

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E305	Upper Concourse Level Lighting Plan	Revised	
E306	Mechanical Level Lighting Plan	Issued	10/25/94
E307	Upper Deck/Mech. Level Lighting Plan	Revised	11/17/94
E308	Catwalk Level Lighting Plan	Revised	11/17/94
E309	Lighting Fixture Schedule	Revised	11/28/94
E310	Lighting Fixture Schedule	Revised	11/17/94
E401	Arena Lighting Plan	Revised	11/17/94
E402	Arena Lighting Schedules and Details	Issued	10/25/94
E403	Arena Lighting Control Details and Riser Diagram	Revised	11/17/94
E404	Aisle Lighging Plan and Details	Revised	11/17/94
E405	Arena Lighting Relay/Dimmer Schedules	Issued	10/25/94
E501	Event Floor Level Communication Plan	Revised	11/17/94
E502	Main Concourse Level Communication Plan	Revised	11/17/94
E503	Club Level Communication Plan	Revised	11/17/94
E504	Suite Level Communication Plan	Revised	11/17/94
E505	Upper Concourse Level Communication Plan	Revised	11/17/94
E506	Mechanical Level Communication Plan	Revised	11/17/94
E507	Upper Deck/Mech. Level Communication Plan	Revised	11/17/94
E508	Catwalk Level Communication Plan	Revised	11/17/94
E601	Communication Riser Diagrams	Revised	11/28/94
E602	Communication Riser Diagrams	Revised	11/17/94
E701	Enlarged Electrical Room Details	Revised	11/23/94
E702	Enlarged Plans and Details	Revised	11/23/94
E801	Power Riser Diagram	Revised	11/23/94
E802	Power Riser Diagram	Revised	11/23/94
E803	Motor and Equipment Schedules	Revised	11/23/94
E804	Electrical Details	Revised	11/17/94
E805	Lightning Protection Plan and Details	Issued	10/25/94
E901	Food Service - Event Level	Revised	11/28/94
E902	Food Service - Main Concourse	Revised	11/28/94
E903	Food Service - Club Level	Revised	11/08/94
E904	Food Service - Suite Level	Revised	11/28/94
E905	Food Service - Upper Concourse	Revised	11/28/94
E906	Food Service - Mechanical Level	Revised	11/28/94
E907	Food Service - Press Level	Revised	11/28/94

FOOD SERVICE

FS211	Comissary Kitchen Layout & Equipment	Issued	11/17/94
FS211.1	Commissary Plumbing and Electrical	Issued	11/17/94
FS211.2	Food Service Office Layout and Equipment	Issued	11/17/94
FS211.3	Food Service Office Plumbing and Electrical	Issued	11/17/94
FS212	Uniform #1A1b	Issued	11/17/94
FS213	Cash Balance #1D04A and Cash Control #1D04	Issued	11/17/94
FS221	Stand #2A03	Issued	11/17/94
FS222	Stands 2A10 and #2A12 Layout and Equipment	Issued	11/17/94
FS222-1	Stands #2A06 and Plumbing/Electrical at #2A10 and #2A12	Issued	11/17/94
FS223	Stand #1A20	Issued	11/17/94
FS224	Stand #2B01	Issued	11/17/94
FS225	Stand #2B08 (#2C11 Opposite Hand)	Issued	11/17/94
FS226	Vendor Commissary #2B14	Issued	11/17/94
FS227	Stands #2C18, 2C19 & 2D12 Layout & Equipment	Issued	11/17/94
FS227-1	Stands #2C18, 2C19 & 2D12 Layout & Equipment	Issued	11/17/94

NOT SEALED NOT SUBMITTED TO CITY

Dec. 16. 1994 3:08PM ELLERBE BECKET-KC No. 3007 P. 10/12

THE
CROSSROADS

MEMORANDUM

TO: Lawrence Quinn
FROM: Carolyn H. Hoyt
RE: Design Review Committee Actions
DATE: May 1, 1995

This memorandum will provide you with a synopsis of the actions taken by the Crossroads Design Review Committee. I have attached meeting agendas and minutes that indicate when items were discussed. I have also attached a copy of my September, 20, 1994 memo to Dan Bicz summarizing the DRC recommendations.

April 21, 1994 -- First meeting date. Discussed the purpose, role and schedule of the DRC. Ellerbe Becket presented the Crossroads Design Development plans including color renderings and animation video. (agenda attached -- formal minutes not distributed)

April 27, 1994 -- Second meeting. Reviewed the major parts of the arena design. Committee suggested strengthening the horizontal banding of the arena, changing the pavilion curtainwall from asymmetrical to symmetrical (all glass), strengthening the Perry Street entries, revisiting the colors of the arena roof and north/west facade brick, and options for both minimizing the size of the south facade and addressing pedestrian level wind issues. (agenda attached -- formal minutes not distributed)

May 9, 1995 -- Third meeting. Ellerbe Becket presented their design studies of incorporating more glass at the pavilion to which the Committee responded favorably but requested that Ellerbe look at including even more glass to obtain a "Lincoln Center" type look. Other issues discussed were scoring the precast at the south facade, which Ellerbe indicated would be extremely difficult to do if only for the south facade. Ellerbe agreed to look at scoring all the precast, however, to emphasize the horizontal banding for the entire arena and break up the height of the south facade. (agenda attached -- formal minutes not distributed)

June 6, 1994 -- Fourth meeting. Committee reviewed precast panels and expressed preference for the one with a reddish/brown tone over the tannish one. Committee liked the scoring treatment; Ellerbe cautioned that scoring must be kept somewhat simple in order to preserve competition among the bidders. Committee discussed a Pavilion facade that incorporated an all glass, symmetrical design. Committee was informed that the covered pedestrian walkway for South Park Avenue would be too expensive. Ellerbe

agreed to pursue screening the mechanical equipment on the side. (agenda and minutes attached)

June 15, 1994 -- Fifth meeting. Committee discussed revising Pavilion skylight as an offset to the increased cost of adding curtainwall on Pavilion facade. Committee discussed adding structure to south facade to accommodate graphics. (formal minutes were not distributed)

July 21, 1994 -- Committee reviewed curtainwall samples and agreed that the clear glass was preferred to a green or blue tinted one. Reviewed precast samples; all agreed the Fabcon samples were preferred. There was disagreement over the two Fabcon samples and Committee determined that either one would be all right. Committee liked the green mullion for the Pavilion but suggested a different mullion be looked at for the west facade because it might not work with the red brick. Committee also requested a gray brick for the Pavilion facade. Ellerbe felt strongly that some red brick should be used and suggested a band of red brick for the Pavilion facade.

The arena roof color was discussed and no consensus was reached. Some members preferred a brighter color roof such as green or blue, while others preferred the light gray specified by Ellerbe. It was agreed that this decision need not be finalized for some time.

(Note: the review of exterior materials was done both in- and outdoors.)

A graphic structure that could be attached to the south facade was presented by Ellerbe and favorably received. The Committee preferred one large graphic instead of two smaller ones. It was agreed that Ellerbe should ensure that this type of structure could be added to the steel structure. Kevin Greiner agreed to lead the effort to identify funding for this work, with the support of CALLC. (minutes attached)

Further Committee Action: A future Committee meeting will be held to review the site package and landscaping.

THE
CROSSROADS

MEMORANDUM

DATE: September 20, 1994

TO: Daniel Bicz
Commissioner of Community Development

FROM: Carolyn H. Hoyt
Project Director

RE: Crossroads Arena Design Review Committee Recommendations Affecting Construction Issue #1

The Crossroads Arena Design Review Committee has met six times since April, 1994 and provided important input and ideas to our architects in the design process. The specific recommendations made by the Committee that affect Construction Issue #1, currently out to bid, are as follows:

North (Perry Street) Facade

DRC Recommendation: increase the curtainwall (glass) on the north facade of the Pavilion portion of the Arena.

Action Taken: the amount of curtainwall was increased substantially.

DRC Recommendation: strengthen the Perry Street entries.

Action Taken: the canopies over the entries have been enlarged focusing more attention to these entries.

DRC Recommendation: strengthen the horizontal banding.
DRC Recommendation: use two different brick colors.

Action taken: 1. gray and red brick (colors approved by Freschi and Lownie) were incorporated in the facade, with the red brick "strip" strengthening the horizontal element to the building; 2. other horizontal elements to the building were strengthen by aligning the height of different parts of the building.

West (Main Street) Facade

DRC Recommendation: red brick is appropriate material for West facade.
Action Taken: red brick color approved by Freschi and Lownie.

South (South Park Avenue) Facade

DRC Recommendation: the south facade wall is too large and imposing and should be changed.

Actions taken: 1. horizontal banding and scoring to the precast concrete help reduce the scale visually; 2. the architects ensured that the building structure could accommodate a large (40 by 100 foot) graphic presentation on the south facade;.

DRC Recommendation: pedestrian level wind concerns need to be addressed.
Action taken: extensive planting of coniferous trees on the south side will help reduce the scale of the wall to pedestrians and also provide important pedestrian level wind mitigation. Extending the property line approximately 10' south into South Park Avenue would provide adequate land space in which to landscape and achieve the best results.

East (Illinois Street) Facade

DRC Recommendation: the parking garage design must be reviewed by the DRC.
Action taken: parking garage has not been designed yet, but DRC review will take place.

Materials and Colors

DRC Recommendation: allow input on other building material types and colors.
Actions taken: in addition to the brick colors, the following materials are incorporated into the building based on DRC approval:

precast:	an insulated precast panel will be used with an exposed red-granite aggregate on a standard gray concrete
glass color:	clear

metal panel:	at office space, escalator enclosures, and pavilion gutters the panels will be white. between pavilion and arena bowl the panels will be gray.
mullions:	curtainwall mullions will be a light "seafoam" green.
EIFS:	green to match the mullions for the lower portion of the EIFS with a darker green band at the top.
roof:	pavilion roof will be a green single-ply with light gray battens. no consensus was reached on the arena bowl roof color with some members preferring a strong color (blue, green, etc.) and some preferring a more neutral color (white, gray). the roof specified in Construction Issue #1 is very light gray, but CAC remains open to suggestions.

Items for future consideration by the DRC are included in Construction Issues #2, 3 and 4 as follows:

Construction Issue #2

exterior lighting
screening of cooling towers and other mechanical equipment on the south side

Construction Issue #3

landscaping

Construction Issue #4

parking garage and surface parking lots

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605 WEST 47TH
SUITE 200
KANSAS CITY
MISSOURI 64112
TEL 816 561 4443
FAX 816.561 2863

ARCHITECTURE ELLERBE BECKET

August 4, 1994

Meeting Notes - Design Review Committee

Crossroads Arena
Commission No. 9101-931

Meeting Date: ~~Thursday~~ OK ~~July 22~~ 21, 1994

Location: Buffalo Sabres Offices

Attending:		
	Kevin Greiner	City of Buffalo
	Bruno Freschi	SUNYAB
	Ted Lownie	Hamilton, Houston & Lownie
	Mike Krasner	Erie County
	Joe Goodell	Horizons Waterfront Commission
	Larry Quinn	Crossroads Arena Corporation
	Carolyn Hoyt	Crossroads Arena Corporation
	Carl Yaeger	Ellerbe Becket
	Tony Rohr	Ellerbe Becket

The meeting began by viewing the latest exterior building materials outside, adjacent to the auditorium office entrance (west). The purpose was to view the materials in true lighting conditions. The following approvals, comments, and concerns were expressed:

Action By:

Exterior Materials

1. The precast samples from "Fabcon" that Ellerbe Becket selected were preferred over the "Sidley" panel options shown.

2. The aspects of the Fabcon panels that are important to Ellerbe Becket are the aggregates used and the amount of white concrete added to the standard grey portland cement mix.

3. Of the two Fabcon panels (one with white cement added, therefore lighter in color, and one a darker grey), the group was split on which panel was preferred but agreed that either panel would be acceptable. The client believes the darker grey sample should be used so that the precast recedes as a background material. Ellerbe Becket will proceed with the approved Fabcon produced panel without any white concrete additive.

4. Several were concerned about the combination of a reddish brick with green mullioned curtainwall. The idea of using green for the mullions and the Pavilion roof is fine, but the combination with a reddish brick is difficult to make appealing.

5. Several possible modifications were discussed concerning the color/material combination(s):
   a. Select a darker, rich grey masonry for the pavilion component alone that would be appealing with the green mullions.
   b. Maintain the maroon colored brick everywhere, but choose another color or finish for the mullions possibly an anodized aluminum finish.

6. It was suggested that the main bowl roof be a color (green) as well, rather than an off-grey as now planned. Even though the main roof will be very difficult to see unless you are on an elevated highway, an office building downtown, or flying overhead, it would be nice to see a color that identifies the complex, rather than the typical grey that is so expected and dull.

7. Ellerbe Becket will prepare the following exhibits to address the issues above and to obtain approval of the materials.
   a. Enlarged elevations of a segment/bay of the north and west elevations. The partial elevations will be illustrated to depict the masonry, mullion, roof color, texture options discussed above, and any additional options that the design team feels is pertinent.
   b. Additional samples (brick selections, mullion color, roof color, dryvit cornice ring color) will be provided as necessary and available.

South Elevation

1. The committee preferred the single graphic display (92' long by 40' high, bottom of the frame mounted 40' above grade) over the two split graphic displays (40' x 40').
   a. The graphic display frames where designed as a 12' x 12' grid of tubular steel that would be anchored through a cored hole in the precast wall panels to the structural grid behind.

2. The committee felt positive about the potential of such a design as a rotating format for displaying works of art, city graphics and messages, historic Buffalo photos, special event graphics, etc.

3. It was identified that someone must take responsibility for pursing this project in order for it to be a possibility.
   a. Ellerbe Becket will provide an example of the fabric with a graphic image imprinted onto the material and a cost estimate for this type of production.
   b. Mr. Greiner volunteered, on behalf of the City, to proceed with this issue as their responsibility.
   c. Crossroads Arena Corp. made it clear that there is no money in the arena construction budget for such a graphic display.

Wind Mitigation Studies

Ellerbe Becket reported on the meeting that they had with RWDI (wind study consultants) and CAC at RWDI's offices. According to the wind tunnel tests of the four options previously agreed to, several important directions were established.

1. Option 1B - Providing onsite coniferous landscaping close to the south side of the building and providing 12" - 16" high wind screens around the mechanical units reduced the wind speed along the South Park Avenue sidewalk areas to acceptable levels.

2. Option 1 - Providing offsite coniferous landscaping south of South Park Ave. and west of Main Street at South Park Ave. did not provide any significant improvement.

3. Option 2 - Providing a covered/canopied walkway along South Park Ave. improved the conditions in some areas and worsened the conditions in others.

4. Option 3 - Taking 10' of the 66' South Park Ave. right-of-way in order to provide enough space for a double row of coniferous trees improved the South Park conditions in relatively the same fashion as Option No. 1.

5. The wind mitigation tower along Main Street (extending 19' from the west facade) is not adequate in itself to mitigate the wind that moves along the west facade and down to the Main Street/Perry Street corner.

6. The design team believes that a series of vertical wind mitigation "banners" at every other column line, with a continuous horizontal wind mitigation canopy above the sidewalk and the wind mitigation tower, will provide the most effective mitigation of the wind.
   a. The vertical banners will be imprinted with a graphic image so that each wind banner will be a "graphic" banner to provide color and interest.

7. The design review committee approved of the directions the design team was taking.

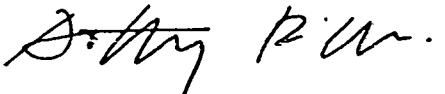
Miscellaneous

1. To facilitate a clear understanding of the Design Review Committee meetings and project modifications, Ellerbe Becket will prepare a Summary of Committee Resolutions that have impacted this project.

The foregoing is my understanding of the issues discussed and conclusions reached. If all is not as attendees remember or intended, please notify the author at this office.

Sincerely,

ELLERBE BECKET ARCHITECTS & ENGINEERS, P.C.



Anthony Rohr, AIA
Project Designer

cc: Attendees
Robert Brugger
Mark Tytka
Tom Dearing
Tom Blanchard
Jim Handley
Pat Clancy
File 3G

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605 WEST 47TH
SUITE 200
KANSAS CITY
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TEL 816.561 4443
FAX 816 561.2863

ARCHITECTURE ELLERBE BECKET

June 8, 1994

Meeting Notes - Design Review Committee Meeting

Crossroads Arena
Commission No. 9101-931

Meeting Date: Monday, June 6, 1994

Attending:		
	Larry Quinn	Crossroads Arena Corp.
	Carolyn Hoyt	Crossroads Arena Corp.
	Bruno Freschi	SUNYAB
	Ted Lownie	HH&L
	Mark Tytka	City of Buffalo
	Tom Duering	Erie County
	Tom Blanchard	Horizon's
	Mike Soligo	RWDI
	Carl Yaeger	Ellerbe Becket
	Tony Rohr	Ellerbe Becket

Action By:

A. Wind Study Analysis

EB, RWDI

1. The design team presented the untested analysis of the four wind mitigation concepts that were prepared by EB and modified by RWDI. EB and RWDI will combine certain features of the initial concepts to produce new options that will be tested by RWDI.

2. These options will be tested with and without off-site wind mitigation measures. RWDI has suggested that the best scenario for reducing potentially high pedestrian winds around the arena site is a combination of on-site and off-site mitigation efforts. Although we recognize this as an ideal situation, there is no way to predict what will eventually happen at the neighboring sites to the west and south; therefore, the options studied will examine both scenarios.

3. The design review committee was concerned about the pedestrian appearance of a wall along South Park to screen the mechanical units.

EB, RWDI

4. EB and RWDI will study the aesthetic possibilities for the screen/separation wall around the mechanical units with the desired amount of landscaping.

B. Insulated Precast Concrete Panels

1. EB presented a series of perspective sketches that focused on the southwest corner of the arena and the precast panel design. The desired panel design incorporated a square grid from the 18' datum (lower concourse) to grade. The 4' horizontal banding then continued up to the 62' datum (top of office level parapet).

2. It was important to note that the design selected must be adaptable and clearly biddable by several precast concrete panel manufacturers. Not all manufacturers have the same capabilities, due to their own particular casting process.

3. The design review committee felt that since the panels were generally viewed from a distance, the texture of the panel's aggregate was not as important. The crispness of the reveals and the contrast of the sandblasting was seen as a more effective approach.

C. Pavilion Design

1. Two issues were debated concerning the skin treatment of the Pavilion:

   a. Some members of the DRC wanted to see alternatives to brick on the pavilion - metal and glass or precast and glass. Others felt that the brick should be a separate brick from the brick on the Aud Club.
   b. The DRC feels the north elevation is stronger as a symmetrical elevation instead of an asymmetrical elevation with more glazing at the west (water) end.

2. It was noted that the canopies identifying the entrances were very important elements to the Pavilion design.

3. EB has argued the point that in their opinion, eliminating brick from the Pavilion separates that portion of the building and detracts from the ability to tie the complex together. If the Pavilion did not have any brick masonry, the Aud Club portion of the building might seem out of place as the only brick element.

4. EB has pursued brick as a major building material because it provides a human scale and warmth that feels comfortable and civic to the building. Our goal and directive has always been to provide a fun and exciting building that is not cold and dead but warm and inviting and compatible to retail / marketplace functions.

EB

5. EB will produce three options to the North Elevation for the next DRC meeting:

   a. A symmetrical elevation utilizing brick and curtainwall as the exterior skin.
   b. An elevation utilizing curtainwall of metal panel and glass with a solid / durable base (symmetrical or asymmetrical)
   c. An elevation utilizing precast concrete and curtainwall as the exterior skin (symmetrical or asymmetrical)

The foregoing is my understanding of the issues discussed and conclusions reached. If all is not as attendees remember or intended, please notify the author at this office.

Sincerely,

ELLERBE BECKET ARCHITECTS & ENGINEERS, P.C.

Anthony G. Rohr, A.I.A.
Project Designer

cc: Attendees, Jim Handley, Pat Clancy, File 3G

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THE CROSSROADS

CROSSROADS ARENA

DESIGN REVIEW COMMITTEE

April 21, 1994

AGENDA

1. Welcome and introductions
2. Purpose of the Crossroads Design Review Committee
3. Discussion of Committee's Schedule
4. Presentation of the Current Crossroads Design

THE CROSSROADS

CROSSROADS DESIGN REVIEW COMMITTEE

April 27, 1994

AGENDA

1. Review major parts of Crossroads Arena design
2. Discussion/questions about design
3. Discussion about possible pedestrian level wind mitigation measures
4. Schedule next meeting

THE CROSSROADS

CROSSROADS ARENA

DESIGN REVIEW COMMITTEE

May 9, 1994

AGENDA

1. Ellerbe Becket presentation of design studies of DRC ideas
2. Pedestrian level wind studies
3. Next meeting date

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605 WEST 47TH
SUITE 200
KANSAS CITY
MISSOURI 64112
TEL 816.561.4443
FAX 816.561.2643

ARCHITECTURE ELLERBE BECKET

June 6, 1994

CROSSROADS ARENA
DESIGN REVIEW COMMITTEE PRESENTATION AGENDA

OUTSTANDING ISSUES FROM 9 MAY 1994 MEETING

1. Precast concrete panel design
   a. emphasis upon the southwest and northeast corners where the precast is visible coming to grade (around exiting doors)
   b. potential to design some relief into the panel design to provide some interest in the wall
   c. texture and color of precast panels
2. Pavilion
   a. Brick selection / color and texture
   b. Roof color / amount of skylight
3. Wind study analysis by RWDI
   a. Wind mitigation concepts - Four
   b. Report by RWDI

ELLERBE BECKET ARCHITECTS AND ENGINEERS, P C

605 WEST 47TH
SUITE 200
KANSAS CITY
MISSOURI 64112
TEL 816.561.4443
FAX 816.561.2863

ARCHITECTURE ELLERBE BECKET

July 21, 1994

Agenda - Design Review Committee

Crossroads Arena
Commission Number: **9101-931**

Meeting Date: **July 21, 1994**

Re: **Outstanding Items for Review**

1. North Elevation
   a. Brick Color

2. South Elevation
   a. Precast Concrete Panel Finish
   b. Pattern Design
   c. Graphics for Wall

3. Wind Mitigation Study Results
   a. Review of Tests Studied
   b. Results
   c. Further Exploration

CROSSROADS ARENA CORPORATION

AFFIRMATIVE ACTION/EQUAL OPPORTUNITY HIRING PLAN

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I. Policy

It is the policy of the Crossroads Arena Corporation ("CAC"), consistent with applicable law, that equal opportunity be provided to minority group members, women, minority-owned business enterprises ("MBEs") and women-owned business enterprises ("WBEs") to participate in the business opportunities generated by the Crossroads Arena Project ("Project").

This Affirmative Action/Equal Opportunity Hiring Plan ("Plan") has been adopted to ensure equal employment opportunities for minority group members and women and the opportunity for meaningful participation of MBEs and WBEs in connection with the Construction of the Crossroads Arena and the Operation of the Crossroads Arena so that the recipients of the benefits of the business opportunities generated by the Project will reflect the diversity of the City of Buffalo.

In order to achieve these objectives, CAC has adopted a plan of equal employment opportunities and good faith efforts to achieve participation by minority group members and women. MBE and WBE participation goals are expressed as a percentage of the total dollar value of all expenditures, barters, trades-in-kind and offsets made in connection with the Project including, without limitation, all Contracts awarded in connection with the Construction of the Crossroads Arena and all Contracts for the furnishing of labor, services, materials, supplies, equipment, fixtures, and furnishings, and in connection with the Operation of the Crossroads Arena. The participation goals are 20% participation by MBEs, 5% participation by WBEs and 25% combined minority and women work force participation. These participation percentages are numerical objectives to be pursued by good faith efforts. The achievement of the above stated numerical objectives shall not be assumed to be compliance with the Plan nor shall the failure to achieve the above stated numerical objectives be assumed to be noncompliance with the Plan.

II. Definitions

For purposes of this Plan, the following terms shall have the meaning set forth below:

1. "Minority group member" shall mean a United States citizen or permanent resident alien who is and can demonstrate membership in one of the following groups:

(a) Black persons having origins in any of the Black African racial groups;

(b) Hispanic persons of Mexican, Puerto Rican, Dominican, Cuban, Central or South American descent of either Indian or Hispanic origin, regardless of race;

(c) Native American or Alaskan native persons having origins in any of the original peoples of North America; and

(d) Asian and Pacific Islander persons having origins in any of the Far East countries, South East Asia, the Indian subcontinent or the Pacific Islands.

2. "Minority-owned business enterprise" shall mean a business enterprise, including a sole proprietorship, partnership or corporation that is:

(a) At least fifty-one percent owned by one or more minority group members;

(b) An enterprise in which such minority ownership is real, substantial and continuing;

(c) An enterprise in which such minority ownership has and exercises the authority to control and operate, independently, the day-to-day business decisions of the enterprise; and

(d) An enterprise authorized to do business in the State of New York and is independently owned and operated.

(e) An enterprise certified as a MBE by the New York State Department of Economic Development, the County or the City.

3. "Women-owned business enterprise" shall mean a business enterprise, including a sole proprietorship, partnership or corporation that is:

(a) At least fifty-one percent owned by one or more citizens or permanent resident aliens who are women;

(b) An enterprise in which the ownership interest of such women is real, substantial and continuing;

(c) An enterprise in which such women ownership has and exercises the authority to control and operate, independently, the day-to-day business decisions of the enterprise; and

(d) An enterprise authorized to do business in the State of New York and which is independently owned and operated.

(e) An enterprise certified as a WBE by the New York State Department of Economic Development, the County or the City.

4. "Contractor" shall mean any individual or business enterprise, including, without limitation, a sole proprietorship, partnership, corporation or not-for-profit corporation which has a Contract with CAC in connection with the Construction of the Crossroads Arena or Operation of the Crossroads Arena, but not a Customer.

5. "Contract" shall mean an agreement providing for a total value in excess of twenty-five thousand dollars with respect to the Construction of the Crossroads Arena or Operation of the Crossroads Arena.

6. "Subcontract" shall mean (a) in the case of a Contract in excess of fifty thousand dollars, an agreement providing for a total expenditure of twenty-five thousand dollars in which a portion of a Contractor's obligation with respect to a Contract is undertaken or assumed by a third party or (b) in the case of a Contract of fifty thousand dollars or less, an agreement providing for a total expenditure of ten thousand dollars in which a portion of a Contractor's obligation with respect to a Contract is undertaken or assumed by a third party.

7. "UDC" shall mean the New York State Urban Development Corporation or its designee.

8. "City" shall mean the City of Buffalo, New York or its designee.

9. "County" shall mean the County of Erie, New York or its designee.

10. "CAC" shall mean a wholly owned subsidiary of the Sabres (or a limited partnership to be formed of which CAC will be the sole managing partner and in which the Sabres will hold substantially all of the limited partnership interests).

11. "Sabres" shall mean Niagara Frontier Hockey, L.P., a Delaware limited partnership whose sole managing general partner is Niagara Frontier Hockey Management Corporation, a New York corporation.

12. "Construction of the Crossroads Arena" shall mean the construction, demolition, replacement, repair, renovation, planning or design of real property or improvements thereon for a state-of-the-art community entertainment center, referred to herein as "the Crossroads Arena".

13. "Operation of the Crossroads Arena" shall mean the functioning of a state-of-the-art community entertainment center, referred to herein as "the Crossroads Arena", but which do not include those activities set forth in the definition of "Construction of the Crossroads Arena".

14. "Customer" shall mean a Person (including but not limited an individual, firm, corporation or partnership) which leases or purchases commodities or services from CAC or the Sabres, regardless of whether such lease, acquisition or purchase satisfies the definition of a Contract. For example and by way of illustration but not limitation, Customers of CAC or the Sabres include advertisers, ticketholders, suite holders, premium seat club holders, performers, sports teams or franchises other than those owned by the Sabres, and entertainers. A Person is not a Customer when such Person is a supplier of goods or services.

III. Construction of the Crossroads Arena

The provisions of this Section III shall apply during the Construction of the Crossroads Arena. Copies of Section I, II, and III of this Plan shall be provided to each Contractor or subcontractor in connection with the Construction of the Crossroads Arena.

A. Equal Employment Opportunity for Minority Group Members and Women.

CAC shall and shall require each Contractor to specifically agree that:

1. It will not discriminate against employees or applicants for employment because of race, creed, color, national origin, sex, age, disability or marital status, and will undertake or continue existing programs to ensure that minority group members and women are afforded equal employment opportunities without discrimination.

2. It shall request each employment agency, labor union, or authorized representative of workers with which it has a collective bargaining or other agreement or understanding, to furnish a written statement that such employment agency, labor union or authorized representative will not discriminate on the basis of race, creed, color, national origin, sex, age, disability or marital status and that such employment agency, labor union or authorized representative will affirmatively cooperate in the implementation of the Contractor's obligations herein.

3. It shall state in all solicitations or advertisements for employees that, in the performance of the Contract, all qualified applicants will be afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, age, disability or marital status.

4. It shall include the provisions of this Section III in every Subcontract in such a manner that the provisions will be binding upon each subcontractor with respect to all of its work in connection with the Construction of the Crossroads Arena.

5. It shall, and shall cause its subcontractors to, make every effort to achieve meaningful participation of minorities and women in its workforce, and shall, and shall require each of its subcontractors, to demonstrate good faith efforts in connection with the Construction of the Crossroads Arena at least as extensive as the following to achieve same:

(a) Ensure and maintain a working environment free of harassment, intimidation and coercion at the Project site(s) and in all facilities at which employees are assigned to work in connection with the Construction of the Crossroads Arena. Foremen, superintendents and/or other supervisory personnel shall be made aware of the obligation to maintain such a working environment.

(b) Establish and maintain a current list of recruitment, training and employment sources for minorities and women, provide written notification to these sources when employment opportunities become available, and provide a reasonable opportunity for such source's response. Such list shall include all employment, recruitment and training sources recommended by CAC and/or UDC.

(c) Maintain a current file of each off-the-street application from minorities or women which includes the name, address and telephone number thereof and the name, address and telephone number of each referral from a union or a recruitment, training or employment source for minorities or women and of the action taken with respect to each individual.

(d) Disseminate the affirmative action/nondiscrimination obligations under this Plan to employment agencies, labor unions or authorized representatives and requesting their cooperation in assisting the Contractor in meeting its obligations, by including a statement that the Contractor is an equal opportunity employer in publications referring to the Contractor and any advertising related to the Contract, including but not limited to any notices of available jobs, and by informing subcontractors of the obligations under this Plan.

(e) Review, before the commencement of construction work at the Project site(s) and at least quarterly thereafter, the affirmative action/nondiscrimination obligations under this Plan with all employees having any responsibility for hiring, assignment, layoff, termination or other employment decisions,

including on-site supervisory personnel such as superintendents and general foremen. A written record shall be made and maintained identifying the time and place of these meetings, persons attending, subject matter discussed, and actions taken.

(f) Direct its recruitment efforts, both oral and written, to community organizations representing the interests of minorities and/or women, to schools with minority students, and to employment, recruitment and training organizations serving minorities and/or women in the Contractor's recruitment area. Such notification shall describe the openings, screening procedures and tests to be used in the selection of workers, apprentices or trainees for work in connection with the Construction of the Crossroads Arena.

(g) Encourage minority and women employees to recruit other minority and women workers and, where reasonable, provide after-school, summer and vacation employment to minority and women students.

(h) Ensure that seniority practices, job classifications, work assignments, collective bargaining agreements and other personnel practices do not have a discriminatory effect by monitoring all personnel and employment related activities to ensure that the affirmative action/nondiscrimination obligations under this Plan are being carried out.

(i) Conduct a review, at least quarterly, of adherence to and performance pursuant to this Plan.

(j) Maintain written documentation of all activities pursuant to this Section III.A. in such form as will enable CAC or UDC to verify compliance therewith. Such documentation shall be retained for a period of one year after completion of the Contract and shall be available to CAC or UDC or their representatives during regular business hours.

B. MBE/WBE Participation.

CAC shall, and shall require each Contractor and subcontractor to, take the following good faith efforts to achieve MBE and WBE participation herein:

1. Actively and affirmatively solicit bids for Subcontracts from qualified MBEs or WBEs, including circulation of solicitations to minority and women contractor associations.

2. Ensure that plans, specifications, requests for proposals and other documents used to secure proposals for the performance of work or supply of materials will be made available in sufficient time for review by prospective MBEs or WBEs.

3. Where economically and technically feasible, divide the work into smaller portions to enhance participation by MBEs and WBEs.

4. Encourage, where economically and technically feasible, the formation of joint ventures, partnerships or other similar arrangements among contractors to enhance participation by MBEs and WBEs.

5. Consult with and use the services of governmental agencies, their consultants, and contractor associations in connection with efforts to fulfill participation goals.

6. Place timely advertisements in appropriate general circulation, trade and minority and women-oriented publications.

7. Make written solicitations in a timely fashion of MBEs and WBEs.

8. Document and maintain a record of all bid solicitations, including solicitations to MBEs and WBEs, and the results thereof.

9. Take such other reasonable measures as CAC or UDC shall direct.

C. Training.

Each Contractor (and CAC, if it engages in construction related activity) shall provide and maintain an on-site training program for the purpose of educating unskilled individuals, occupying entry level positions in specific construction trade procedures and skills required in connection with the Contract. Such training programs shall be initiated upon commencement of the

Contractor's work and continue through the completion of the Contract.

If the Contractor (or CAC, if it engages in construction related activity), in its sole discretion, implements on-site supervisory or management training programs, such Contractor (or CAC as the case may be) shall use its best efforts to include minorities and women in such training programs.

Prior to initiation of any training program, each Contractor shall submit to CAC a detailed written description of the specific components of the training program for CAC's approval and shall receive same prior to commencing the program. CAC shall forward to UDC a copy of all programs it approves within ten (10) days of such approval.

D. Compliance.

1. CAC, if applicable, shall submit to UDC or its designated agent, and Contractor shall submit to CAC or its designated agent, with copies to the UDC, compliance reports as approved by UDC. Each compliance report shall include but not be limited to the following information:

(a) The name, address and telephone number of each MBE and WBE being used or intended to be used to comply with the participation goals;

(b) A brief description of the Contract scope of work to be performed by each MBE and WBE and the scheduled dates for performance;

(c) A statement of whether there is a written agreement with each MBE and WBE being used or intended to be used and, if requested, copies of such agreements;

(d) The actual total cost of each Contract, the work performed and the materials provided, and the scope of work to be performed by each MBE and WBE for each Contract;

(e) The actual amounts of any payments made to each MBE and WBE as of the date the compliance report was submitted; and

(f) The percentage of total MBE and WBE contractors, subcontractors, vendors and suppliers utilized for the Construction of the Crossroads Arena and total contract value such percentages constitute.

2. During the initial construction of the Crossroads Arena, CAC or UDC may conduct a semi-annual audit and compliance review at such time and in such manner as it deems necessary in order to review compliance with this Plan. Thereafter, CAC or UDC may annually conduct an audit and compliance review in order to review compliance with this Plan.

3. Contractor will incorporate or cause to be incorporated the requirements of this Plan in all of its Subcontracts entered into in connection with the Construction of the Crossroads Arena in such manner as will require each subcontractor to comply with this Plan.

4. For purposes of determining the contract value of work performed by MBEs and WBEs, all contracts, whether awarded directly by CAC, by a Contractor, or awarded by the subcontractor of a Contractor, shall be considered. The following standards shall apply in determining the dollar value of any contract involving an MBE or WBE:

(a) Where the MBE or WBE is the Contractor or where the Contractor is a joint venture consisting entirely of MBEs or WBEs, the value shall be 100% of the contract price.

(b) Where the Contractor is a joint venture including one or more MBEs or WBEs as joint venturer(s), the value shall be the contract price multiplied by the percentage which represents the interest of the MBEs or WBEs in the venture.

(c) Where the MBE or WBE is a Contractor which subcontracts work to a party not an MBE or WBE, the value shall be the excess, if any, of the contract price of the work contracted by the MBE or WBE over the contract price of the work subcontracted by such MBE or WBE.

(d) Where the MBE or WBE is a bona fide supplier, the value shall be the price of the materials purchased, provided that if the MBE or WBE acts as a supplier or distributor of goods

manufactured or produced by a party which is not an MBE or WBE, the price paid by the MBE or WBE to the manufacturer or supplier shall be deducted from the price of the materials purchased.

5. In the event CAC or a Contractor is unable to achieve the above-noted MBE and/or WBE participation numerical objectives:

(a) CAC and each Contractor will maintain detailed records of the good faith actions that it and its contractors and subcontractors have taken to achieve the participation goals in such form as will enable CAC or the UDC to determine that Contractor has indeed made such good faith efforts in accordance with this Plan. Records shall include, but not be limited to, those set forth in Sections III.A. and III.B. above.

(b) The Contractor may apply to CAC or its designee (or, if applicable, CAC may apply to UDC or its designee) for a waiver or modification of the Plan's requirements by the submission of a written request for a waiver or modification documenting good faith efforts by the Contractor (or CAC, if applicable) to meet the participation goals of the Plan, which waiver or modification may be granted after careful consideration of the following factors:

(i) The names of general circulation, trade association and minority and women-oriented publications in which bids were solicited;

(ii) The dates bid solicitations for MBE and WBE participation were published in any of the publications identified pursuant to paragraph (i) and the text of the bid solicitation;

(iii) A list of MBEs and WBEs which were solicited in writing to provide bids;

(iv) Proof of dates on which such solicitations were made in writing and copies of solicitations made, or a sample copy of the solicitation if an identical solicitation was made of all MBEs and WBEs;

(v) Copies of responses made by MBEs and WBEs to solicitations made by (CAC or) the Contractor;

(vi) A description of any contract documents, plans, or specifications made available to MBEs and WBEs for purposes of soliciting their bids, and the dates and manner in which these documents were made available;

(vii) Documentation of any negotiations between CAC or the Contractor and MBEs and WBEs;

(viii) With respect to the recruitment efforts undertaken to identify and hire supervisory employees, evidence of good faith efforts may include, but not be limited to, CAC's, the Contractor's and each subcontractor's participation at women and minority job fairs, each party's utilization of employment and job placement agencies, each party's encouragement of its women and minority supervisory personnel to solicit other employees, and, the number of interviews granted to qualified applicants;

(ix) Any other information determined relevant by CAC or the Contractor; and

(x) A statement setting forth CAC's or the Contractor's bases for requesting a waiver or modification.

6. Each Subcontract entered into for the Construction of the Crossroads Arena shall include a provision that CAC and UDC shall be deemed third-party beneficiaries of the provisions included in such Subcontract pursuant to this Plan and shall have the full right of enforcement thereof. Nothing contained in this Plan shall be construed to create any third party beneficiary right in any party other than as expressly provided herein.

E. Sanctions.

In the event Contractor fails to comply with the provisions of this Plan, CAC may withhold payment of any amounts due, suspend, cancel or terminate any Contract without incurring any penalty or damage on account of such action and without any further liability.

IV. Operation of the Crossroads Arena

The provisions of this Section IV shall apply during the Operation of the Crossroads Arena. Copies of Section I, II and IV of this Plan shall be provided to each Contractor or subcontractor in connection with the Operation of the Crossroads Arena.

A. Equal Employment Opportunity for Minority Group Members and Women.

1. CAC shall and shall require the Sabres and each Contractor to specifically agree that:

(a) It will not discriminate against employees or applicants for employment because of race, creed, color, national origin, sex, age, disability or marital status, and will undertake or continue existing programs to ensure that minority group members and women are afforded equal employment opportunities without discrimination.

(b) It shall request each employment agency, labor union, or authorized representative of workers with which it has a collective bargaining or other agreement or understanding, to furnish a written statement that such employment agency, labor union or authorized representative will not discriminate on the basis of race, creed, color, national origin, sex, age, disability or marital status and that such employment agency, labor union or authorized representative will affirmatively cooperate in the implementation of the obligations herein.

(c) It shall state in all solicitations or advertisements for employees that all qualified applicants will be afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, age, disability or marital status.

2. Each Contractor will include the provisions of this Section IV in every Subcontract in such a manner that the provisions will be binding upon each subcontractor with respect to all of its work in connection with a Contract.

3. CAC, the Sabres (except as to hockey players, scouts and coaches, the hockey general manager, assistant general manager and

trainers of the Sabres), and each Contractor and subcontractor shall make every effort to achieve meaningful participation of minorities and women in its work force, and will demonstrate good faith efforts at least as extensive as the following to achieve same:

(a) Ensure and maintain a working environment free of harassment, intimidation and coercion in all facilities at which employees are assigned to work and ensure that all supervisory personnel are aware of and carry out the obligation to maintain such a working environment with specific attention to minorities and women working at such site(s) or in such facilities.

(b) Establish and maintain a current list of recruitment, training and employment sources for minorities and women, provide written notification to these sources when employment opportunities become available, and provide a reasonable opportunity for such source's response. Such list shall include all employment, recruitment and training sources recommended by CAC and/or UDC.

(c) Maintain a current file of each off-the-street application from minorities or women which includes the name, address and telephone number thereof and the name, address and telephone number of each referral from a union or a recruitment, training or employment source for minorities or women and of the action taken with respect to each individual.

(d) Disseminate the affirmative action/nondiscrimination obligations under this Plan to employment agencies, labor unions or authorized representatives and requesting their cooperation and assistance in meeting the obligations under this Plan, by including a statement that it is an equal opportunity employer in advertising and notices of available jobs with CAC, the Sabres or the Contractor, and by informing subcontractors of the obligations under this Plan.

(e) Review, at least annually, the affirmative action/nondiscrimination obligations under this Plan with all employees having any responsibility for hiring, assignment, layoff, termination or other employment decisions, including on-site supervisory personnel such as superintendents and general foremen. A written record shall be made and maintained identifying the time

and place of these meetings, persons attending, subject matter discussed, and actions taken.

(f) Direct recruitment efforts, both oral and written, to community organizations representing the interests of minorities and/or women, to schools with minority students, and to employment, recruitment and training organizations serving minorities and/or women in the Western New York area. Written notification may include a description of the openings, screening procedures and tests to be used in the selection of workers, apprentices or trainees.

(g) Encourage minority and women employees to recruit other minority and women workers and, where reasonable, provide afterschool, summer and vacation employment to minority and women students.

(h) Ensure that seniority practices, job classifications, work assignments, collective bargaining agreements and other personnel practices do not have a discriminatory effect by monitoring all personnel and employment related activities to ensure that the affirmative action/nondiscrimination obligations under this Plan are being carried out.

(i) Conduct periodic reviews, of adherence to and performance pursuant to this Plan.

(j) Maintain written documentation of all activities pursuant to this Section IV.A. in such form as will enable verification of compliance therewith. Such documentation shall be retained for a period of one year and shall be available to CAC, UDC or their designees during regular business hours.

B. MBE/WBE Participation.

1. With respect to the Operation of the Crossroads Arena, CAC will, and will require its Contractors and subcontractors (other than the Sabres) to, take the following good faith efforts to achieve MBE and WBE participation herein:

(a) Actively and affirmatively solicit bids for Contracts and Subcontracts from qualified MBEs or WBEs, including circulation of solicitations to minority and women contractor associations.

(b) Ensure that plans, specifications, requests for proposals and other documents used to secure proposals for the performance of work or supply of materials will be made available in sufficient time for review by prospective MBEs or WBEs.

(c) Where economically and technically feasible, divide the work into smaller portions to enhance participation by MBEs and WBEs.

(d) Encourage, where economically and technically feasible, the formation of joint ventures, partnerships or other similar arrangements to enhance participation by MBEs and WBEs.

(e) Consult with governmental agencies, their consultants and contractor associations in connection with efforts to fulfill participation goals.

(f) Place timely advertisements in appropriate general circulation, trade and minority and women-oriented publications.

(g) Make written solicitations in a timely fashion of MBEs and WBEs.

(h) Document and maintain a record of all Contract solicitations, including solicitations to MBEs and WBEs, and the results thereof.

2. The Sabres shall develop and periodically update a list of qualified MBEs and WBEs to which it shall refer, prior to purchasing supplies or materials, in order to create business opportunities for such firms, and to provide such list to CAC. The Sabres may seek the assistance of the City, County and New York State in the development of such list of qualified MBEs and WBEs.

C. Training.

With respect to the Operation of the Crossroads Arena, CAC, if appropriate and applicable, and each Contractor shall provide and maintain an on-site program for the purpose of educating unskilled individuals occupying entry level positions in specific skills required in connection with the Contract. Each Contractor shall submit to CAC and, if applicable, CAC shall submit to UDC a detailed written description of the specific components of the

training plan for CAC's and/or UDC's approval and shall receive same prior to commencing the program. CAC shall forward to UDC, or its designee, a copy of all programs it approves within ten (10) days of such approval.

If the labor market is not providing qualified minority or women candidates for supervisory positions, training programs which are funded by the federal, state, county or city government or other public or private agencies may be implemented.

If a Contractor (or CAC, if appropriate and applicable), in its sole discretion, implements on-site supervisory or management training programs, such Contractor (or CAC) shall use its best efforts to include minorities and women in such training programs.

D. Compliance.

1. CAC or UDC may annually conduct an audit and compliance review of CAC or the Sabres at such time and in such manner as it deems necessary in order to review compliance with this Plan.

2. CAC and each Contractor shall incorporate or cause to be incorporated the requirements of this Plan in all of its Contracts or Subcontracts entered into in connection with a Contract in such manner as will require each subcontractor to comply with this Plan.

3. Contractors and the Sabres will submit to CAC, and CAC, if applicable, to UDC, compliance reports which shall describe all steps which have been taken to comply with this Plan, including, where applicable:

(a) The name, address and telephone number of each MBE and WBE which CAC or Contractor is using or intends to use to comply with the participation goals;

(b) A brief description of the Contract scope of work to be performed for CAC or Contractor by each MBE and WBE and the scheduled dates for performance;

(c) A statement of whether CAC, the Sabres or Contractor have a written agreement with any MBE and WBE which CAC, the Sabres or Contractor is using or intends to use and, if requested, copies of such agreements;

(d) The actual total cost of any Contract or Subcontract, the work performed and the materials provided, and the scope of work to be performed by each MBE and WBE for each Contract or Subcontract;

(e) The actual amounts of any payments made to each MBE and WBE as of the date the compliance report was submitted; and

(f) A report detailing compliance with the Equal Employment Opportunity provisions of this Section IV.

4. For purposes of determining the contract value of work performed by MBEs and WBEs, all contracts, whether awarded directly by CAC or by Contractors or subcontractors, shall be considered. The following standards shall apply in determining the dollar value of any contract involving an MBE or WBE:

(a) Where the MBE or WBE is the Contractor or where the Contractor is a joint venture consisting entirely of MBEs or WBEs, the value shall be 100% of the contract price.

(b) Where the Contractor is a joint venture including one or more MBEs or WBEs as joint venturer(s), the value shall be the contract price multiplied by the percentage which represents the interest of the MBEs or WBEs in the venture.

(c) Where the MBE or WBE is a Contractor which subcontracts work to a party not an MBE or WBE, the value shall be the excess, if any, of the contract price of the work contracted by the MBE or WBE over the contract price of the work subcontracted by such MBE or WBE.

(d) Where the MBE or WBE is a bona fide supplier, the value shall be the price of the materials purchased, provided that if the MBE or WBE acts as a supplier or distributor of goods manufactured or produced by a party which is not an MBE or WBE, the price paid by the MBE or WBE to the manufacturer or supplier shall be deducted from the price of the materials purchased.

5. In the event CAC, the Sabres or a Contractor is unable to achieve the above-noted equal employment opportunity or MBE/WBE participation numerical objectives:

(a) Detailed records of the good faith actions that it has undertaken to achieve the goals shall be maintained in such form as will enable CAC or the UDC to determine that such good faith efforts have been undertaken. Records shall include, but not be limited to, those set forth in Sections IV.A. and IV.B. above.

(b) The Contractor or the Sabres may apply to CAC, or in the case of CAC, it may apply to UDC, for a waiver or modification of the Plan's requirements by the submission of a written request for a waiver or modification stating the bases for such request and documenting good faith efforts to meet the goals of the Plan, which waiver or modification may be granted after careful consideration of the relevant following factors:

(i) The names of general circulation, trade association and minority and women-oriented publications in which employment opportunities were advertised or bids solicited.

(ii) The dates, employment opportunities or bid solicitations for MBE and WBE participation were published in any of the publications identified pursuant to paragraph (i) and its text.

(iii) A list of MBEs and WBEs which were solicited in writing to provide bids.

(iv) Proof of dates on which such solicitations were made in writing and copies of solicitations made, or a sample copy of the solicitation if an identical solicitation was made of all MBEs and WBEs.

(v) Copies of responses made by MBEs and WBEs to solicitations.

(vi) A description of any contract documents, plans, or specifications made available to MBEs and WBEs for purposes of soliciting their bids, and the dates and manner in which these documents were made available.

(vii) Documentation of any negotiations between CAC, the Sabres or Contractor with MBEs and WBEs.

(viii) The nature of all recruitment efforts undertaken to identify and hire management and other employees. Such efforts shall include, but not be limited to, CAC's, or the Sabres or the Contractor's the participation at women and minority job fairs, utilization of employment and job placement agencies, encouragement of their women and minority management personnel to solicit other management and non-management employees.

(ix) The number of job applications received by CAC, the Sabres and Contractor for all positions, both management and non-management. The number of interviews granted to such applicants.

(x) Any other relevant information.

6. Each Contract or Subcontract shall include a provision that CAC, UDC and the City shall be deemed third-party beneficiaries of the provisions included in such Contract or Subcontract pursuant to this Plan and shall have the full right of enforcement thereof. Nothing contained in this Plan shall be construed to create any third party beneficiary right in any party other than as expressly provided herein.

E. Failure to Comply.

In the event CAC or the Sabres is notified of its failure to meet the provisions of this Plan, CAC or the Sabres will take appropriate steps to correct such deficiencies and will notify the City (as the designee of UDC), in writing, of the steps taken to remedy such deficiencies. The City (as the designee of UDC) reserves the right to suggest reasonable steps to correct such deficiencies.

V. City, UDC and County Cooperation and Dissemination of the Objectives of this Plan

The City, County and UDC shall support CAC, Contractors, and the Sabres in working with applicable unions to obtain greater affirmative action and equal employment opportunities in accordance with this Plan. Similarly, CAC and the Sabres shall provide copies of Section I of this Plan or a similar policy statement to Customers.

VI. Modifications

This Plan shall not be altered without the written consent of the City (as the designee of UDC).

H:\LBO\SABRES\AAP10.13

Buffalo Urban Renewal Agency
920 City Hall, Buffalo, New York 14202-3376
716-851-5035

Anthony M. Masiello, Chairman

May 24, 1995

Mr. Lawrence Quinn
Executive Vice President
Crossroads Arena LLC
140 Main Street
Buffalo, New York 14202

Dear Mr. Quinn,

Enclosed herein is a check from the Buffalo Urban Renewal Agency in the amount of one hundred thousand dollars ($100,000.00) that has been held by BURA, in escrow, as part of the Oldman Boiler Works parcel purchase. We release this amount to CALLC with the specific understanding that CALLC will defend, hold harmless and indemnify BURA should Oldman bring legal action against BURA or the City for said funds.

CALLC's acceptance of this check and signing in acknowledgment of the understanding outlined above is meant as an inducement to BURA and as acceptance of the obligations outlined above.

Very truly yours,

Anthony M. Masiello, Chairman

Accepted:

Lawrence Quinn, Exec. Vice Pres.

THIS GUARANTY, AND THE RIGHTS OF THE PRINCIPAL PUBLIC PARTICIPANTS HEREUNDER, ARE SUBJECT TO THE TERMS OF THE FINANCING PARTICIPANTS AGREEMENT (AS DEFINED HEREIN)

GUARANTY
[Principal Public Participants]

NIAGARA FRONTIER HOCKEY, L.P.

and

THE CITY OF BUFFALO,
THE COUNTY OF ERIE
AND
NEW YORK STATE URBAN
DEVELOPMENT CORPORATION

Dated as of May 10, 1995

Crossroads Arena

THIS GUARANTY, AND THE RIGHTS OF THE PRINCIPAL PUBLIC PARTICIPANTS HEREUNDER, ARE SUBJECT TO THE TERMS OF THE FINANCING PARTICIPANTS AGREEMENT (AS DEFINED BELOW)

GUARANTY
[Principal Public Participants]

GUARANTY, dated as of May 10, 1995, made by NIAGARA FRONTIER HOCKEY, L.P., a limited partnership organized under the laws of the State of Delaware, whose address is 140 Main Street, Buffalo, New York 14202 ("Guarantor"), in favor of Principal Public Participants (as hereinafter defined).

1. Definitions:

Capitalized terms not otherwise defined herein shall have the meaning set forth in the Financing Participants Agreement (as hereinafter defined):

(a) Agent: Marine, as Collateral Agent for the benefit of Lenders and any future lenders or participants pursuant to an Agency Agreement of even date herewith.

(b) Building Loan Contract: Building Loan Contract of even date herewith between Debtor, Lenders and Agent, governing the Loan, as may be amended, modified or extended from time to time.

(c) Debtor: Crossroads Arena LLC, a limited liability company organized under the laws of the State of New York.

(d) Financing Participants Agreement: Financing Participants Agreement of even date herewith by the City of Buffalo, The County of Erie, The City of Buffalo Urban Renewal Agency, New York State Urban Development Corporation, Erie County Industrial Development Agency, Marine, Key, Shawmut Bank, N.A., Fleet Bank, New York Sportservice, Inc., Buffalo Sabres Concessions LLC, Debtor and Guarantor, as may be amended, modified or extended from time to time.

(e) Key: Key Bank of New York, a banking corporation organized under the laws of the State of New York.

(f) Lenders: Marine, Key and any future lenders under the Building Loan Contract.

(g) Marine: Marine Midland Bank, a banking corporation organized under the laws of the State of New York, whose address is c/o Real Estate Finance Department, One Marine Midland Center, 15th Floor, Buffalo, New York 14203.

(h) Public Sector Financing: Collectively, the City Investment, the UDC Investment and the County Investment.

(i) Principal Public Participants: The City of Buffalo, The County of Erie and New York State Urban Development Corporation.

2. Preliminary Statements:

(a) The Principal Public Participants have entered into a Development and Construction Agreement with Debtor to provide the Public Sector Financing.

(b) It is a condition precedent to the obligation of the Principal Public Participants to provide the Public Sector Financing that Guarantor execute and deliver this Guaranty to the Principal Public Participants.

NOW THEREFORE, in consideration of the premises and in order to induce the Principal Public Participants to provide the Public Sector Financing and for other good and valuable consideration, the receipt of which is hereby acknowledged, Guarantor hereby agrees with Agent as follows:

3. Guaranty:

(a) Provided that (i) each of the Principal Public Participants has made each of its respective Advances requested by Debtor in accordance with the Financing Participants Agreement and (ii) none of the Principal Public Participants has defaulted in the performance of its respective obligations under the Financing Documents, Guarantor guarantees to the Principal Public Participants that (A) if at any time prior to an advance under the Construction Loan, construction of the Project is terminated or suspended for a period of 120 consecutive days, or (B) if the Construction Lender fails to fund up to the first $12,000,000 ("Maximum Amount") of the Construction Loan for a period of 120 days beyond the requested advance date for such funding under the terms of the Financing Participants Agreement, Guarantor will furnish funds to the New York State Urban Development Corporation, as agent for the Principal Public Participants, equal to the Maximum Amount as reduced pursuant to Section 3(b).

(b) This Guaranty is limited to an aggregate amount equal to the Maximum Amount plus all costs and expenses payable pursuant to Section 4 of this Guaranty. The Maximum Amount shall permanently reduce dollar for dollar in the amount of any and all advances made under the Construction Loan, such reduction to become effective immediately at the time any such advance is made without requiring any action on the part of the Guarantor or any other party.

(c) Guarantor acknowledges that valuable consideration supports this Guaranty, including, without limitation, a commitment to make available the Public Sector Financing.

4. Principal Public Participants' Costs and Expenses: Guarantor agrees to pay on demand all costs and expenses of every kind incurred by the Principal Public Participants in enforcing this Guaranty. "Costs and expenses" as used in the preceding sentence shall include, without limitation, the reasonable attorneys' fees and disbursements incurred by or on behalf of the Principal Public Participants in retaining counsel for advice, suit, appeal, any insolvency or other proceedings under the Federal Bankruptcy Code or otherwise, or for any purpose specified in the preceding sentence.

5. Nature of Guaranty: Continuing, Absolute and Unconditional:

(a) This Guaranty is absolute and unconditional and shall not be changed or affected by any representation, oral agreement, act or thing whatsoever, except as herein provided. This Guaranty is intended by Guarantor to be the final, complete and exclusive expression of the agreement between Guarantor and the Principal Public Participants, and Guarantor expressly disclaims any reliance on any oral representation of the Principal Public Participants. No modification or amendment of any provision of this Guaranty shall be effective unless in writing and signed by a duly authorized officer of each of the Principal Public Participants.

6. Termination: This Guaranty shall terminate immediately, and become null and void, without requiring any action on the part of the Guarantor or any other party, at the time $12,000,000 in the aggregate is advanced under the Construction Loan.

7. Miscellaneous:

(a) "Debtor" and "Guarantor" as used in this Guaranty shall include: (i) any successor individual or individuals, association, partnership, limited liability company, or corporation to which all or a substantial part of the business or assets of Debtor or Guarantor shall have been transferred; and (ii) any other entity into or with which Guarantor or Debtor shall have been merged, consolidated, reorganized, or absorbed.

(b) No course of dealing between Debtor or Guarantor and the Principal Public Participants, and no act, delay or omission by the Principal Public Participants in exercising any right or remedy hereunder or by the Principal Public Participants with respect to any Public Sector Financing shall operate as a waiver thereof or of any other right or

remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy. The Principal Public Participants may remedy any default by Debtor under any agreement with Debtor or with respect to any Public Sector Financing in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent default by Debtor. All rights and remedies of the Principal Public Participants hereunder are cumulative.

(c) The Principal Public Participants and Guarantor as used herein shall include the successors or assigns of those parties. The rights and benefits of the Principal Public Participants hereunder shall, if the Principal Public Participants so direct, inure to any party acquiring any interest of the Principal Public Participants in the Public Sector Financing or any part thereof; provided that any assignment of the Principal Public Participants' rights and benefits hereunder are subject to compliance with the provisions of the Financing Participants Agreement relating thereto. If any right of the Principal Public Participants hereunder is construed to be a power of attorney, such power of attorney shall not be affected by the subsequent disability or incompetence of Debtor.

(d) Captions of the sections of this Guaranty are solely for the convenience of the Principal Public Participants and Guarantor, and are not an aid in the interpretation of this Guaranty.

(e) GUARANTOR AGREES THAT ANY ACTION OR PROCEEDING TO ENFORCE OR ARISING OUT OF THIS GUARANTY MAY BE COMMENCED IN THE SUPREME COURT OF NEW YORK IN ERIE COUNTY, OR IN THE DISTRICT COURT OF THE UNITED STATES IN THE WESTERN DISTRICT OF NEW YORK, AND GUARANTOR WAIVES PERSONAL SERVICE OF PROCESS AND AGREES THAT A SUMMONS AND COMPLAINT COMMENCING AN ACTION OR PROCEEDING IN ANY SUCH COURT SHALL BE PROPERLY SERVED AND SHALL CONFER PERSONAL JURISDICTION IF SERVED BY REGISTERED MAIL TO GUARANTOR, OR AS OTHERWISE PROVIDED BY THE LAWS OF THE STATE OF NEW YORK OR THE UNITED STATES.

(f) If any provision of this Guaranty is unenforceable in whole or in part for any reason, the remaining provisions shall continue to be effective.

(g) This Guaranty and the transactions evidenced hereby shall be construed under the internal laws of New York State, without regard to principles of conflicts of law.

(h) In the event of a conflict between any of the provisions of this agreement and the Financing Participants Agreement, to the extent such provisions of the Financing

Participants Agreement specifically relate to this Subordinated Guaranty, the Financing Participants Agreement shall control.

(i) This Guaranty may be executed by one or more parties hereto on any number of separate counterparts and all such counterparts, when executed by the appropriate parties hereto, taken together shall be deemed to constitute one and the same instrument.

(j) **THIS GUARANTY, AND THE RIGHTS OF THE PRINCIPAL PUBLIC PARTICIPANTS HEREUNDER, ARE SUBJECT TO THE TERMS OF THE FINANCING PARTICIPANTS AGREEMENT (AS DEFINED ABOVE).**

NIAGARA FRONTIER HOCKEY, L.P.

By: NIAGARA FRONTIER HOCKEY MANAGEMENT CORPORATION, its Managing General Partner

By: _____
Name: ROBERT T. O. SUTTON
Title: Vice Chairman

Accepted and agreed to this
____ day of _____, 1995.

THE CITY OF BUFFALO

By: _____
(Title)

THE COUNTY OF ERIE

By: _____
(Title)

Approved as to Form

_____
County Attorney

Approved as to Content

_____
Commissioner of
Department of Environment
and Planning

NEW YORK STATE URBAN DEVELOPMENT CORPORATION

By: _____
(Title)

ACsm
226371

Participants Agreement specifically relate to this Guaranty, the Financing Participants Agreement shall control.

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NIAGARA FRONTIER HOCKEY, L.P.

By: NIAGARA FRONTIER HOCKEY MANAGEMENT CORPORATION, its Managing General Partner

By: _____
Name: _____
Title: _____

Accepted and agreed to this
____ day of _____, 1995.

THE CITY OF BUFFALO

By: _____
(Title)

THE COUNTY OF ERIE

By: _____
Dennis T. Gorski (Title)
County Executive

Approved as to Form

_____
County Attorney

Approved as to Content

_____
Commissioner of
Department of Environment
and Planning

NEW YORK STATE URBAN DEVELOPMENT CORPORATION

By: _____
(Title)

ACsm
226371

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NIAGARA FRONTIER HOCKEY, L.P.

By: NIAGARA FRONTIER HOCKEY MANAGEMENT CORPORATION, its Managing General Partner

By: _____
Name: _____
Title: _____

Accepted and agreed to this
____ day of _____, 1995.

THE CITY OF BUFFALO

By: _____
(Title)

THE COUNTY OF ERIE

By: _____
(Title)

Approved as to Form

_____
County Attorney

Approved as to Content

_____
Commissioner of
Department of Environment
and Planning

NEW YORK STATE URBAN
DEVELOPMENT CORPORATION

By: _____ VICE PRESIDENT
PETER WALDT (Title)

ACsm
226371

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(i) This Guaranty may be executed by one or more parties hereto on any number of separate counterparts and all such counterparts, when executed by the appropriate parties hereto, taken together shall be deemed to constitute one and the same instrument.

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NIAGARA FRONTIER HOCKEY, L.P.

By: NIAGARA FRONTIER HOCKEY MANAGEMENT CORPORATION, its Managing General Partner

By: _____
Name: _____
Title: _____

Accepted and agreed to this ____ day of _____, 1995.

THE CITY OF BUFFALO

By: _____ (Title)

APPROVED
AS TO FORM ONLY

EDWARD D. PEACE
Corporation Counsel
BY _____

THE COUNTY OF ERIE

By: _____ (Title)

Approved as to Form

_____
County Attorney

Approved as to Content

_____
Commissioner of
Department of Environment
and Planning

NEW YORK STATE URBAN DEVELOPMENT CORPORATION

By: _____ (Title)

ACsm
226371

7

NOTARY ACKNOWLEDGMENT

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

On May 22, 1995, before me personally came Robert O. Swados to me known to be the Vice Chairman of NIAGARA FRONTIER HOCKEY MANAGEMENT CORPORATION, the managing general partner of NIAGARA FRONTIER HOCKEY, L.P., the limited partnership described in and which executed the foregoing instrument, and (s)he duly acknowledged to me that (s)he executed the same as Vice Chairman of said general partner of said limited partnership by order of the Board of Directors of said general partner.

Diane W. Capicotto
Notary Public

DIANE W. CAPICOTTO
Notary Public, State of New York
Qualified in Niagara County
My Commission Expires May 31, 1995

Acam
226371

INTERIM DEVELOPMENT AGREEMENT

See Exhibit P to Item 159

FIRST AMENDMENT TO THE
INTERIM DEVELOPMENT AGREEMENT

THIS FIRST AMENDMENT TO THE INTERIM DEVELOPMENT AGREEMENT ("First Amendment") made this 27th day of October, 1994 by and among the Crossroads Arena Corporation, a New York corporation ("CAC"), the City of Buffalo, a municipal corporation of the State of New York (the "City") and the Buffalo Urban Renewal Agency, a public benefit corporation created pursuant to Article 15-B of the General Municipal Law ("BURA").

WHEREAS, CAC, the City and BURA are parties to an Interim Development Agreement effective as of March 21, 1994 ("Interim Development Agreement") which provides for the undertaking by CAC and BURA of certain Interim Development Activities and the reimbursement of CAC by BURA of certain Interim Development Costs and Expenses, all in connection with the Crossroads site and the development, planning, financing and construction of the Crossroads as provided in the Memorandum of Understanding effective as of March 28, 1994 (unless otherwise provided in this First Amendment, all capitalized words and terms herein shall have such meaning as provided in the Interim Development Agreement); and

WHEREAS, the parties hereto wish to amend the Interim Development Agreement to provide for the reimbursement by BURA of certain additional Interim Development Costs and Expenses incurred by CAC in connection with the preparation of that portion of the Crossroads Site which is presently owned by BURA

and which is contemplated to be leased by BURA to CAC and/or ECIDA as provided in the MOU.

NOW, THEREFORE, in consideration of the mutual promises and agreements set forth herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree to amend the Interim Development Agreement as follows:

Section 1. Prior Reimbursement.

CAC acknowledges payment in full by BURA of the amounts due CAC by the City pursuant to paragraph 1 of the Interim Development Agreement.

Section 2. Early Entry.

2.1 Subject to the provisions of Section 3 of this First Amendment, BURA hereby authorizes CAC to enter upon the property described in Schedule A attached hereto ("Project Site") to undertake the Interim Development Activities set forth in Schedule B attached hereto, including environmental remediation, as required by Federal, State and local laws, rules and regulations, including, but not limited to, asbestos removal and disposal.

2.2 CAC covenants and agrees to complete in a timely manner and in conformance with this First Amendment any Interim Development Activity which CAC commences to undertake on the Crossroads Site pursuant to this First Amendment.

2.2.1 CAC shall cause all such Interim Development Activities to be performed free and clear of all liens and

encumbrances, including but not limited to mechanics', suppliers' and subcontractors' liens and shall not permit any such liens or encumbrances to be suffered by BURA, the City or any City or BURA real or personal property related to the Crossroads Arena project. In the event any such liens or encumbrance shall be filed, created or otherwise shall have come into existence, CAC shall cause such liens and encumbrances to be vacated or removed or bonded in a form and amount acceptable to BURA within forty-eight (48) hours of notice of service of such lien or encumbrance. CAC's obligations under this Section 2.2.1 shall survive any order by BURA to CAC to cease Interim Development Activities as provided in Section 3.3 of this First Amendment.

2.3 The City hereby conveys to BURA the use of the Washington Street and Indiana Street rights-of-way as described in Schedule A for purposes of this early entry provision.

2.4 The authorization granted by BURA by this Section 2 is separate and independent of BURA's obligations to fund reimbursement of CAC's Interim Development Costs and Expenses as provided in Section 4 of this First Amendment.

Section 3. Condition to Early Entry.

3.1 No activity shall be undertaken by CAC, its officers, employees, agents or contractors on the Project Site pursuant to Section 2 above until the following conditions have been satisfied by CAC:

(a) Receipt, review and approval by UDC of the contracts and the plans and specifications proposed by CAC for the performance of the activity;

(b) Receipt, review and approval by BURA of insurance certificates covering the activity and meeting the specifications of Schedule II of the Interim Development Agreement;

(c) Receipt, review and approval by BURA of payment and performance bonds by sureties (i) acceptable to BURA covering the contractor and the activity, (ii) in forms and amounts acceptable to BURA, and (iii) which name BURA and the City as additional obligees;

(d) Delivery to BURA by CAC of such permits, variances, licenses or other governmental approvals necessary for the performance of the activity.

(e) Delivery to the City and BURA by CAC of an opinion of CAC's outside legal counsel, in form and substance satisfactory to the Corporation Counsel of the City and to Agency Legal Counsel of BURA, concerning the following: (i) due execution by CAC of this First Amendment, (ii) due authority of CAC and its officers to enter into this First Amendment, (iii) enforceability of this First Amendment as against CAC, (iv) good standing of CAC, (v) that all necessary approvals for execution of this First Amendment by CAC have been obtained, and (vi) that there are no suits, actions, or any legal, judicial, or administrative proceedings, at law or equity, pending or, to the best of counsel's knowledge, threatened, which if adversely determined would materially affect the right or ability of CAC to

meet its obligations, covenants and promises under this First Amendment;

(f) Delivery by NFHLP to the City and BURA of an executed NFHLP Guarantee pursuant to Section 5 of this First Amendment and an opinion of NFHLP's outside legal counsel as required by the NFHLP Guarantee.; and

(g) Receipt, review and approval by BURA of the express written agreement by each and every contractor, subcontractor and materialman who is to perform work on or provide materials to the Project Site to waive their right to file liens in connection therewith.

3.2 The terms and conditions of Paragraphs 2(a), (b) and (c) of the Interim Development Agreement shall apply to the Interim Development Activities permitted under this First Amendment.

3.2.1 All Interim Development Activity undertaken by CAC pursuant to this First Amendment shall be subject to on-site monitoring by UDC as contemplated by the MOU.

3.3 Notwithstanding the provisions of Paragraph 2(d) of the Interim Development Agreement, BURA may order CAC to immediately cease all Interim Development Activity under the Early Entry provisions of this First Amendment, in the event that CAC shall either (i) abandon the Interim Development Activities permitted under this First Amendment, provided that such abandonment is not caused by a force majeure event or by a material default by the City or BURA under this First Amendment, or (ii) fail to execute and close on the Definitive Agreements contemplated by the MOU

with NFHLP, the NHL, the Private Financing Participants and the Public Sector Participants ("Definitive Agreements") by December 31, 1994 or such later date established for execution and closing of the (a) Definitive Agreements which later date it is anticipated the parties will approve if (a) the parties are proceeding in good faith to execute and close on the Definitive Agreements, (b) such later date is permitted by the Private Arena Debt and Concession Loan lenders , and the lenders confirm that their commitment letters are extended accordingly and still effective in accordance with their terms and conditions, and (c) there is no material default or breach by CAC under the Interim Development Agreement, this First Amendment, the Plan, the NFHLP Guaranty or the Interim Non-Relocation Agreement Upon delivery by BURA of a written notice to CAC to so cease all Interim Development Activities, CAC shall immediately cease all Interim Development Activities on the Project Site and CAC shall remove all equipment, materials, supplies and contractors from the Project Site within 72 hours of delivery of such written notice.

3.3.1 In the event that BURA orders CAC to cease all Interim Development Activity pursuant to Section 3.3 of this First Amendment, BURA shall determine within five (5) years of execution of this First Amendment what subsurface and grade level improvement and obstructions resulting from actions taken by CAC under this First Amendment have to be removed by CAC in order to restore the Crossroads Site to a marketable and level building site, free and clear of all liens and encumbrances occasioned by the Interim Development Activities conducted by CAC. CAC shall,

upon five (5) days' written notice by BURA, immediately commence and complete in a timely manner any and all such work as determined by BURA in its discretion pursuant to the preceding sentence and at no cost or expense to BURA or the City.

3.4 **City Infrastructure**

Attached hereto as Schedule C is a plan agreed to by the City and CAC for (i) the provision by the City, in its discretion, of certain street and water infrastructure improvements in connection with the Crossroads Arena project and (ii) reimbursement by CAC to the City of the costs thereof.

Section 4. BURA Funding of Interim Development Costs and Expenses.

4.1 Subject to compliance by CAC with all of the terms and conditions of this First Amendment, costs incurred by CAC for the items described in Schedule B attached shall, except as otherwise provided by this First Amendment, be funded by BURA in the same manner as the Interim Development Agreement provides in Paragraph 3 thereof for funding by BURA of Interim Development Costs and Expenses described on Schedule III under the column headed "City Costs paid thru 4/30/94".

4.1.1 BURA's obligation to fund Interim Development Costs and Expenses is specifically conditional on the prior delivery by CAC of the NFHLP Guaranty as provided in Section 5 of this Agreement and the Interim Non-Relocation Agreement in Section 6 of this Agreement duly executed by the parties indicated in such documents and delivery of opinions of outside

legal counsel to NFHLP in the form attached as Schedules D-1 and E-1.

4.2 Each request by CAC to BURA for payment shall be accompanied by a verification by UDC that such work and requisition is in conformance with the Project plans, specifications and contracts approved by UDC pursuant to Section 3.2(a) of this First Amendment and that UDC has received and approved such information as UDC requires in such form as UDC may require and which includes at least the following certifications from the appropriate responsible party:

(1) the sum total of all requisitions previously submitted by such entity;

(2) the sum total of all monies received in payment of all requisitions previously submitted;

(3) a statement that all subcontractors and materialmen have been paid for all work done and materials furnished through the date of the most recently paid requisition;

(4) whether, in the opinion of the Project Architect, the work that CAC made such payment for and to which the request to BURA for funds relates was performed in accordance with the Project plans and specifications approved by UDC pursuant to Section 3.2(a) of this First Amendment;

(5) whether such work is progressing on schedule;

(6) the percentage of completion of that contract, the amount paid out under said contract and the amount remaining to be paid pursuant to said contract as of the date of the request, and a list of all anticipated requests for extra charges;

(7) a certification by CAC that such work has been performed in compliance with Schedule C

attached and to the best of CAC's knowledge no defaults exist under said contract; and

(8) waivers and releases inuring to the benefit of the City and BURA of all liens in connection with such work.

4.3 Notwithstanding any other provision of this First Amendment or the Interim Development Agreement to the contrary, in no event shall BURA be obligated to pay to CAC more than the aggregate sum of Two Million Seven Hundred Thousand Dollars ($2,700,000) for Interim Development Costs and Activities undertaken by CAC pursuant to this First Amendment as of and after the date of this First Amendment. Notwithstanding any other provision of this First Amendment or the Interim Development Agreement to the contrary, neither BURA nor the City shall be liable to CAC, or any other party, for payment or reimbursement of any Interim Development Costs and Expenses, whether due under executory agreements, requisitions or otherwise on and after the termination of the Interim Development Agreement, as amended by this First Amendment, as provided in Section 8.2 (ii) and (iii) of this First Amendment.

4.4 CAC promises to repay to BURA, on demand, all funds paid by BURA to CAC pursuant to this Section 4 upon the earlier to occur of the events set forth in Section 3.3(i) and 3.3(ii).

Section 5. NFHLP Guaranty of Performance and Repayment.

Attached hereto as Schedule D is NFHLP's absolute and unconditional obligation and guaranty of certain of CAC's obligations and agreements under this First Amendment ("NFHLP Guaranty"). Any breach or default by NFHLP under the NFHLP

Guaranty shall constitute a default by CAC under this First Amendment.

Section 6. Interim Non Relocation Agreement.

Attached hereto as Schedule E is an Interim Non-Relocation Agreement entered into by and between the City, BURA and NFHLP. Any breach or default by NFHLP under the Interim Non-Relocation Agreement shall constitute a default by CAC under this First Amendment

Section 7. Affirmative Action/Equal Opportunity Hiring Plan.

Attached hereto as Schedule F is the Affirmative Action/Equal Opportunity Hiring Plan (the "Plan") which has been adopted by CAC and is hereby incorporated herein by reference. CAC shall require each Contractor and Subcontractor (as such terms are defined in the Plan) to agree to implement the applicable portions of the Plan.

Section 8. Other Terms and Conditions of the Interim Development Agreement.

8.1 As of the date of this First Amendment CAC has delivered to the City and BURA commitment letters from Sportservice Corp., Shawmut Bank, Marine Midland Bank and Key Bank in satisfaction of the requirements of the Interim Development Agreement with respect to delivery only. CAC acknowledges (i) that the City and BURA are presently reviewing such commitment letters as provided by the MOU and the Interim Development Agreement, (ii) that neither the City nor BURA has as of this date approved such commitment letters,, and (iii) that

the City and BURA reserve the right to approve such commitment letters as provided by the MOU and the Interim Development Agreement.

8.2 Subject to the terms and conditions of this First Amendment the expiration of the term of the Interim Development Agreement, as amended by this First Amendment, as provided in Paragraph 6 thereof is hereby extended to the earlier of (i) the execution of Definitive Agreements which expressly supercede the Interim Development Agreement, as amended, (ii) December 31, 1994 or such later date as provided in Section 3.3(ii) of this First Amendment, or (iii) BURA's order to CAC to cease Interim Development Activity as such order is provided for in Section 3.3 of this First Amendment. Notwithstanding such expiration of the term of the Interim Development Agreement by reason of the events specified in clauses (ii) and (iii) of this Section 8.2, as amended by this First Amendment, CAC's obligations under Section 3.3 of this First Amendment and NFHLP's obligations under the NFHLP Guaranty shall remain in full force and effect until satisfied or unless modified by the Definitive Agreements.

8.3 In addition to the provisions of paragraph 2(d) of the Interim Development Agreement, CAC shall defend, indemnify and hold harmless BURA and the City, and their respective officers, employees and agents, from and against any and all claims, suits, costs, liabilities and expense of every kind and nature arising from, related to or caused by any breach, non-performance or negligence by CAC under the Interim Development Agreement as amended by this First Amendment.

8.3.1 All other terms and conditions of the Interim Development Agreement (i) shall remain in full force and effect, (ii) shall be applicable to this First Amendment as if restated herein, and (iii) are reaffirmed by the parties hereto. The parties agree and acknowledge that CAC continues to be eligible for reimbursement by BURA under the Interim Development Agreement for demolition and utility relocation costs.

8.4 This First Amendment and the Interim Development Agreement (but not the NFHLP Guaranty or the Interim Non-Relocation Agreement) may be assigned by CAC to a limited liability company to be formed by CAC and NFHLP as its sole members provided that such limited liability company has assumed all liabilities and obligations of CAC under this First Amendment and related Crossroads Arena project agreements including but not limited to the construction contracts provided for in Sections 2 and 3 and the Plan.

8.5 Any material and uncured default or breach by CAC under this First Amendment, the Interim Development Agreement, the NFHLP Guaranty or the Interim Non-Relocation Agreement shall be deemed an abandonment by CAC of the Interim Development Activities pursuant to Section 3.3(i) of this First Amendment. For purposes of this Section 8.5, any cure of a breach or default must commence promptly upon written notice thereof by another party, be diligently pursued and be completed without delay.

Section 9. Opinions of City and BURA Counsel

The Corporation Counsel of the City and Agency Legal Counsel of BURA shall each deliver to CAC concurrent with execution of this First Amendment their respective written opinions, in form and substance satisfactory to CAC's outside legal counsel, concerning the following: (i) due execution by the City and BURA, respectively, of this First Amendment, (ii) due authority of the City and BURA, respectively, and their respective officers to enter into this First Amendment, (iii) enforceability of this First Amendment as against the City and BURA, (iv) that all necessary approvals for execution of the First Amendment by the City and BURA respectively have been obtained, and (v) that there are no suits, actions or any legal, judicial or administrative proceedings, at law or equity, pending or, to the best of counsel's knowledge, threatened, which if adversely determined would materially affect the right or ability of the City and BURA, respectively, to meet their respective obligations, covenants and promises under this First Amendment.

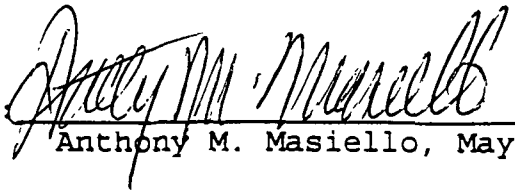
IN WITNESS WHEREOF, the parties have executed this First Amendment as of the day and year first written above.

CROSSROADS ARENA CORPORATION

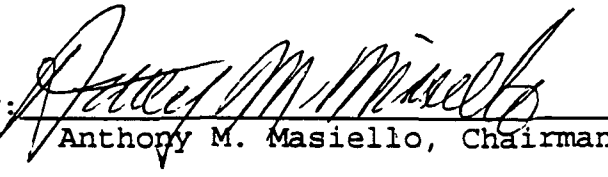
By: Seymour H. Knox

Seymour H. Knox, III, Chairman of the Board and President

CITY OF BUFFALO

By: 
Anthony M. Masiello, Mayor

BUFFALO URBAN RENEWAL AGENCY

By: 
Anthony M. Masiello, Chairman

SCHEDULE A

Generally, all that property located within the City of Buffalo bounded by Main Street on the west, South Park Avenue on the south, Illinois Street on the east and Perry Street on the north, including the Washington Street and Indiana Street rights-of-way, but excluding any part of the rights-of-way of Main Street, South Park Avenue, Illinois Street and Perry Street.

SCHEDULE B

INTERIM DEVELOPMENT COSTS AND ACTIVITIES TO BE UNDERTAKEN PURSUANT TO FIRST AMENDMENT TO INTERIM DEVELOPMENT AGREEMENT

ACTIVITY

(a) Dewatering
(b) Mass Excavation
(c) Excavation of Pile Caps
(d) Excavation of Tunnels, Walls, etc.
(e) Excavation of Elevator Pits
(f) Fill
(g) Backfilling
(h) Hauling and Dumping
(i) Site Clearance
(j) Maintain Work Pad
(k) Pile Cap/Footings-formwork
(l) Grade Beams-formwork
(m) Tie Beams-formwork
(n) Foundation Walls-formwork
(o) Airtunnels-formwork
(p) Pits & Slabs-formwork
(q) Pile Cap/Footing-concrete
(r) Grade Beams-concrete
(s) Tie Beams-concrete
(t) Foundation Walls-concrete
(u) Air Tunnels-concrete
(v) Elevator Pit-concrete
(w) Pile Cap/Footings-rebar
(x) Grade Beams-rebar
(y) Tie Beams-rebar
(z) Foundation Walls-rebar
(aa) Air Tunnels-rebar
(bb) Erector Pit-rebar
(cc) Waterproof Pits, Tunnels and Beams
(dd) Slab on grade concrete
(ee) Rebar at slab on grade
(ff) Finish slabs on grade
(gg) Concrete fill and rebar at floor deck
(hh) Finish slabs
(ii) Topping slabs and miscellaneous flat concrete work, including general conditions necessary to carry out all foundation and concrete work
(jj) Steel Pilings
(kk) Drain Tiles
(ll) Crush Stonefill
(mm) Vapor Barriers
(nn) Structural Framing Work

SCHEDULE C

CITY INFRASTRUCTURE

CAC and the City have agreed on the following plan to be substantively included in the Development and Operating Agreement(s) for the city to recover such City Costs as the City may incur for the following street and water infrastructure improvement which may be undertaken by the city, in connection with development and construction of the Crossroads Arena. As used herein "City Costs" are deemed to include actual design, engineering, and construction costs incurred by the City in connection with these infrastructure improvements. These infrastructure improvements are presently estimated to cost approximately $1,275,000 in 1994 dollars.

Street Improvements

Right of way improvements including but not limited to overlays, granite curbs, and/or street reconstruction for the following streets:

Perry Street from Main Street to Washington Street

Main Street from Perry Street to South Park Avenue

South Park Avenue from Main Street to Illinois Street (The Development and Operating Agreement(s) will provide for the right-of-way of South Park Avenue to be narrowed to provide additional sidewalk area to CAC as the parties may agree in such document (s) to allow CAC to construct, at its sole cost and expense, pedestrian and wind mitigation design elements of the Crossroads Arena project and al other aspects of sidewalk construction and right-of-way narrowing, including but not limited to utility relocation, curbs, landscaping, drop in-lets, and collector boxes).

Excluded from this list are new granite curbs on

Perry Street from Washington Street to Illinois Street and new concrete curbs on Main Street, Illinois Street and South Park Avenue abutting the Crossroads Arena Project. CAC will install these new curbs between Washington Street and Illinois Street and CAC will install concrete curbs for the other areas provided the City has not commenced reconstruction at CAC's sole cost and expense as a Crossroads Arena Project Budget Expense although such concrete curbs may be removed by the City and replaced with granite curbs in connection with the above-referenced Street Improvements.

These Street Improvements are subject to inclusion of these items in an appropriate City Capital Budget, approval of bond resolutions by the Common Council and availability of financing to the City.

Water Lines

Subject to funds being made available by the Buffalo Water Board and the buffalo Municipal Water Finance Authority, the City shall undertake construction of a new 12' water line along South Park Avenue from Main Street to Illinois Street upon approval by the City of an application by CAC for a tap-in necessitating such a water line.

Reimbursement of City Costs

City Costs will be reimbursed by CAC to the City out of any Net Proceeds available to CAC from refinancing of the Private Arena Debt at or prior to the expiration of the original term of the permanent Private Arena Debt. Net

Proceeds will be the amount remaining from such refinancing after payment of (a) any principal balance remaining on the Private Arena Debt and accrued interest due and owing at the time of refinancing and (b) closing costs and financing fees associated with such refinancing.

City Costs will be determined as set forth in the opening paragraph of this Schedule C but will be reduced by (i) any funds actually received by the City from the State or Federal governments, or instrumentalities thereof, by project specific grants-in-aid for any of the above-listed street improvements and water lines (exclusive of community development block grant funds, revenue sharing formula-based funds, or funds provided by the Buffalo Water Board or the Buffalo Sewer Authority) or (ii) funds actually received by the City out of the Operating Fee in excess of the City's 21% share as set forth in the MOU.

Although he City makes no commitment to undertake the above-described Street Improvements within a specific period of time, if at all, City Costs for Perry Street and South Park Avenue Street Improvements eligible for reimbursement as provided above will be limited to (a) such activity which at the time of the commencement of the Term of the Sabres Lease by reason of completion of the Crossroads Arena is (i) completed or(ii) under construction and (b) such additional activity undertaken subsequent to such commencement of the Term of the Sabres Lease which is necessitated by reconstruction of Main Street noted above.

It is acknowledged by CAC and the City that reconstruction of Main Street may not take place until after completion of the Crossroads Arena and therefore City Costs incurred at any time prior to refinancing of the Crossroads Arena private arena debt will be eligible for reimbursement as provided above.

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GUARANTY OF PAYMENT AND PERFORMANCE

This **GUARANTY OF PAYMENT AND PERFORMANCE**, made and entered into as of October 27, 1994 (the "Guaranty") from NIAGARA FRONTIER HOCKEY, L.P., a Delaware limited partnership having its principal office at 140 Main Street, Buffalo, New York 14202 (the "Guarantor"), to The City of Buffalo Urban Renewal Agency, a public benefit corporation of the State of New York with offices located at 920 City Hall, Buffalo, New York 14202 ("BURA") and the City of Buffalo, a municipal corporation of the State of New York with offices located at City Hall, New York 14202 (the "City").

W I T N E S S E T H :

WHEREAS, Crossroads Arena Corporation, a New York corporation ("CAC") which is wholly-owned by the Guarantor, BURA and the City are parties to an Interim Development Agreement (the "Interim Agreement"), effective March 21, 1994, and a First Amendment to the Interim Development Agreement (the "First Amendment"), of even date herewith; and

WHEREAS, pursuant to the First Amendment, BURA has agreed to reimburse CAC for costs incurred by CAC to perform and construct certain work described in the First Amendment, pursuant to CAC's redeveloper status granted by BURA for the site within the

Waterfront Urban Renewal Area in connection with the construction of a sports and entertainment complex to be located in the City known as the Crossroads Arena, and CAC has agreed to perform such work and construction; and

WHEREAS, in order to induce BURA to advance such funds, to induce the City to advance the monies therefor to BURA and to induce BURA and the City to enter into the First Amendment, the Guarantor has agreed to guaranty to BURA and to the City the performance by CAC of certain of the terms and provisions of the First Amendment.

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration received, the Guarantor does hereby represent, warrant, covenant and agree with the BURA and the City as follows:

ARTICLE I

REPRESENTATIONS AND WARRANTIES OF GUARANTOR

Section 1.1. Guarantor's Representations and Warranties. The Guarantor does hereby represent and warrant that:

(a) The Guarantor (i) is a limited partnership duly formed and validly existing under the laws of the State of Delaware, and authorized to do business in the State of New York, (ii) has full legal power and authority to own its properties and assets and to carry on its business as now being conducted, and (iii) has full legal power and authority to execute, enter into, deliver and perform this Guaranty.

(b) This Guaranty is the legal, valid and binding obligation of the Guarantor, enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy laws or other similar laws.

(c) The execution, delivery and performance of this Guaranty by the Guarantor (i) have been duly authorized by all requisite action on the part of the Guarantor, (ii) will not violate (A) the Guarantor's limited partnership agreement, (B) any provision of any applicable law, any applicable order of any court or other agency of government or any applicable governmental rule or regulation, or (C) any provision of any material indenture, agreement or other instrument to which the Guarantor or any of the properties or assets of the Guarantor are bound, and (iii) will not be in conflict with, result in a breach of or constitute (with due notice or lapse of time or both) a default under any such indenture, agreement or other instrument, will not accelerate any debt, or result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of the properties or assets of the Guarantor.

(d) No registration with or consent or approval of, or other action by, any governmental authority is required in connection with the execution, delivery and performance of this Guaranty by the Guarantor.

(e) The Guarantor has valid legal title to all of its real and personal properties and tangible assets, free and clear of

any mortgages, security interests, pledges, liens and other charges, except such of the foregoing as are security for indebtedness to Marine Midland Bank not exceeding in the aggregate $12 million, which sum may be increased by said Bank, as referred to in the commitment letter, dated September 28, 1994, from Marine Midland Bank and Key Bank of New York to CAC.

(f) Except as described in Exhibit A attached hereto, there are no actions, suits or proceedings (whether or not purportedly on behalf of the Guarantor) at law or in equity or by or before any court, commission, board or other governmental authority now pending which involve any of the transactions herein contemplated or the possibility that, if adversely determined, the right or ability of the Guarantor to carry on its business substantially as now conducted might be materially impaired or the financial condition of the Guarantor might be materially adversely affected. In addition, to the knowledge of the Guarantor, no actions, suits or proceedings at law or in equity or by or before any court, commission, board or other governmental authority have been threatened against or affecting the Guarantor which involve the reasonable likelihood that the right or ability of the Guarantor to carry on its business substantially as now conducted might be materially impaired or the financial condition of the Guarantor might be materially adversely affected.

(g) The Guarantor has filed or caused to be filed all Federal, state and local tax returns that are required to be filed, and has paid or caused to be paid all taxes required in

connection with such returns or pursuant to any assessment received by it, to the extent that such taxes have become due, except for any tax or assessment the validity of which is being contested in good faith by appropriate proceedings diligently conducted, and the Guarantor has set aside adequate reserves with respect to any such tax or assessment so contested.

(h) The Guarantor is not (i) a party to any agreement, indenture, lease or instrument (except for certain player agreements entered into in the ordinary course of business, which would materially adversely affect the business of the Guarantor if the Crossroads Arena [as described in the Interim Agreement] is not constructed, the Interim Non-Relocation Agreement [as described in the First Amendment] and this Guaranty) or (ii) subject to any judgment, order, writ, injunction, decree, rule or regulation which materially adversely affects its business, properties, assets, operations or financial condition, except as described in Exhibit A attached hereto.

(i) The Guarantor is not in default in the performance, observance or fulfillment of any of the material obligations, covenants or conditions contained in any material agreement or instrument to which it is a party and which materially adversely affects its business properties, assets, operations or financial condition.

(j) The Guarantor enjoys peaceful and undisturbed possession in all material respects under all material leases as

to which it is a lessee and all such leases are valid and subsisting and in full force and effect on the date hereof.

(k) The Guarantor is in compliance in all material respects with the applicable provisions of ERISA and the regulations and published interpretations thereunder. No "Reportable Event" has occurred with respect to any "Plan" (as defined in ERISA) administered by the Guarantor.

(l) The net worth of the Guarantor is not less than $5,400,000 based upon fair market valuation of the Guarantor's as NHL Franchise and hockey business as appraised by the Guarantor's independent consultant, Kagan Media Appraisals, Inc., a copy of which confidential appraisal as of June 4, 1992 has been provided to you and which has been updated and confirmed, together with other information relied upon by the City and BURA, by Robert O. Swados, the Guarantor's Vice-Chairman and Secretary, in a letter to the City and BURA dated October 27, 1994.

ARTICLE II

AGREEMENT TO GUARANTEE

Section 2.1. Obligations Guaranteed.

Section 2.1.1. Payment Guaranty. The Guarantor hereby irrevocably and unconditionally guarantees to BURA and to the City the full and prompt payment when due of all sums payable by CAC to BURA pursuant to Section 4.4 of the First Amendment. The Guarantor irrevocably and unconditionally agrees that upon any

default by CAC in the payment when due of any sums payable by CAC to BURA pursuant to Section 4.4 of the First Amendment, the Guarantor will promptly pay the same. All payments by the Guarantor shall be made in lawful money of the United States of America and in immediately available funds.

Section 2.1.2. Performance Guaranty.

(a) The Guarantor hereby irrevocably and unconditionally guarantees to BURA and to the City the full and prompt performance and observance by CAC of all of the obligations, covenants and agreements required to be performed and observed by CAC under Sections 2.2.1 and 3.3.1 of the First Amendment

(b) Without limiting the generality of the preceding subparagraph "(a)," the Guarantor agrees:

(i) To perform, complete and pay for the restoration work and activities required by Section 3.3.1 of the First Amendment within the time period allotted therefor and to pay all costs associated therewith, including any sums in excess of the amounts to be advanced by BURA to CAC.

(ii) If any mechanic's or materialman's liens are filed or attach to "The Crossroads Site" (as defined in the Interim Agreement) by reason of the construction and activities by CAC described in Sections 2 and 3 of the First Amendment and CAC fails to fully pay or bond and discharge any such lien within forty-eight (48) hours of the service of notice of such lien on CAC, the Guarantor will immediately fully pay or bond and discharge any such lien.

Section 2.1.3. **Separate Causes of Action.** Each and every default (a) in the payment of the sums required to be paid by CAC pursuant to the terms of the First Amendment, or (b) in the prompt performance and observance by CAC of all of the obligations, covenants and agreements required to be performed and observed by the CAC under the terms of the First Amendment shall give rise to a separate cause of action hereunder, and separate suits may be brought hereunder as each cause of action arises.

Section 2.1.4. **Obligations Absolute.** The Guarantor further agrees that this Guaranty constitutes an absolute, unconditional, present and continuing guarantee of payment and not of collection and waives any right to require that any resort be had by BURA or the City to (a) any security held by or for the benefit of the BURA or the City for payment of the sums payable by CAC pursuant to the First Amendment, (b) BURA's or the City's rights against any other person, or (c) any other right or remedy available to BURA or the City by contract, applicable law or otherwise. The obligations of the Guarantor under this Guaranty are direct, unconditional and completely independent of the obligations of any other person and a separate cause of action or separate causes of action may be brought and prosecuted against the Guarantor without the necessity of joining CAC or any other person or previously proceeding with or exhausting any other remedy against any other person who might have become liable for the indebtedness or obligations guaranteed hereunder or without

the necessity of realizing upon any security held by or for the benefit of BURA or the City.

Section 2.2 **Obligations Unconditional.** The obligations of the Guarantor under this Guaranty shall be absolute and unconditional, and shall remain in full force and effect until the termination of the First Amendment, the payment in full of all sums payable by CAC to BURA or the City under Section 4.4 of the First Amendment and the performance of all of the obligations of CAC under Sections 2.2.1 and 3.3.1 of the First Amendment, and, to the extent permitted by law, such obligations shall not be affected, modified, released, or impaired by any state of facts or the happening from time to time of any event, including without limitation, any of the following, whether or not with notice to, or the consent of, the Guarantor:

(a) any claim of immunity on behalf of CAC or with respect to any property of CAC;

(b) the compromise, settlement, release, extension, indulgence, change, modification or termination of any or all of the obligations, covenants or agreements of CAC under the First Amendment, the Interim Agreement or any document executed in connection therewith;

(c) the failure to give notice of the occurrence of any default under the terms and provisions of the First Amendment or the Interim Agreement;

(d) the actual or purported assignment, subleasing or mortgaging of all or any part of the interest of CAC in the First Amendment, the Interim Agreement or The Crossroads Site;

(e) the actual or purported assignment of any of the obligations, covenants and agreements contained in this Guaranty;

(f) the waiver by BURA or the City of the payment, performance or observance of any of the obligations, conditions, covenants or agreements of CAC contained in the First Amendment, the Interim Agreement or any document executed in connection therewith;

(g) the modification or amendment (whether material or otherwise) of any duty, obligation, covenant or agreement set forth in the First Amendment, the Interim Agreement or any document executed in connection therewith;

(h) the taking of or the omission to take any action referred to in the First Amendment, the Interim Agreement or any document executed in connection therewith;

(i) any failure, omission, delay or lack on the part of BURA, the City or any other person to enforce, assert or exercise any right, power or remedy conferred on BURA, the City or any other person in this Guaranty, the First Amendment, the Interim Agreement or in any document executed in connection therewith or any other act or acts on the part of BURA or the City;

(j) the voluntary or involuntary liquidation, dissolution, merger, consolidation, sale or other disposition of all or substantially all of the assets, marshaling of assets and liabilities, receivership, insolvency, bankruptcy, assignment for the benefit of creditors, reorganization, arrangement, composition with creditors or readjustment of or other similar proceedings affecting the CAC or any or all of the assets of CAC, or any allegation or contest of the validity of this Guaranty or any related agreement in any such proceeding, it being specifically understood, consented and agreed to that this Guaranty shall remain and continue in full force and effect and shall be enforceable against the Guarantor to the same extent and with the same force and effect as if such proceedings had not been instituted; and it is the intent and purpose of this Guaranty that the Guarantor shall and does hereby waive all rights and benefits which might accrue to the Guarantor by reason of any such proceedings;

(k) to the extent permitted by law, the release or discharge by operation of law of the Guarantor from the performance or observance of any obligation, covenant or agreement contained in this Guaranty;

(l) the default or failure of the Guarantor fully to perform any of its obligations set forth in this Guaranty;

(m) any limitation on the liability or obligations of BURA, the City, CAC, the Guarantor or any other person under the

First Amendment, the Interim Agreement or any document executed in connection therewith, or any termination, cancellation, frustration, invalidity or unenforceability, in whole or in part, of the First Amendment, the Interim Agreement or any document executed in connection therewith;

(n) any failure of CAC or of any other party to mitigate damages resulting from any default by any person under the First Amendment, the Interim Agreement or any document executed in connection therewith;

(o) the merger or consolidation of CAC into or with any other person, or any sale, lease or transfer of any or all of the assets of CAC to any person; or

(p) any other circumstances which might otherwise constitute a legal or equitable discharge or defense of a surety or a guarantor.

Section 2.3. **No Waiver of Set-off.** No act of commission or omission of any kind or at any time upon the part of CAC, BURA or the City, or their successors and assigns, in respect of any matter whatsoever shall in any way impair the rights of the BURA or the City to enforce any right, power or benefit under this Guaranty and no set-off, counterclaim, reduction, or diminution of any obligation, or any defense of any kind or nature (other than performance by the Guarantor of its obligations hereunder), which the Guarantor or any other person has or may have against

CAC, the BURA or the City, or any assignee or successor thereof shall be available hereunder to the Guarantor.

Section 2.4 Events of Default. An "Event of Default" shall exist if any of the following occurs and is continuing:

(a) the Guarantor defaults in any guarantee referred to in this Guaranty;

(b) the Guarantor fails to observe and perform any covenant, condition or agreement of this Guaranty.

(c) any warranty, representation or other statement by or on behalf of the Guarantor contained in this Guaranty is false, misleading or incorrect in any material respect as of the date made;

(d) the Guarantor shall (i) apply for or consent to the appointment of or the taking of possession by a receiver, liquidator, custodian or trustee of itself or of all or a substantial part of its property, (ii) admit in writing its inability, or be generally unable, to pay its debts as such debts became due, (iii) make a general assignment for the benefit of its creditors, (iv) commence a voluntary case under the Federal Bankruptcy Code (as now or hereafter in effect), (v) file a petition seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, winding up, or composition or adjustment of debts, (vi) fail to controvert in a timely or appropriate manner, or acquiesce in writing to, any petition filed against it in an involuntary case under such

Bankruptcy Code or (vii) take any action for the purpose of effecting any of the foregoing;

(e) A proceeding or case shall be commenced, without the application or consent of the Guarantor, in any court of competent jurisdiction seeking (i) liquidation, reorganization, dissolution, winding-up or composition or adjustment of debts, (ii) the appointment of a trustee, receiver, liquidator, custodian or the like of a Guarantor or of all or any substantial part of the assets of the Guarantor, or (iii) similar relief under any composition or adjustment of debts, and such proceeding or case shall continue undismissed, or an order, judgment or decree approving or ordering any of the foregoing shall be entered and continue unstayed and in effect, for a period of sixty (60) days; or

(f) a default by CAC under Sections 2.2.1, 3.3.1 or 4.4 of the First Amendment, or by CAC under the Interim Agreement or under any document executed in connection therewith shall occur and be continuing.

Upon an Event of Default the BURA and the City shall have the right to proceed first and directly against the Guarantor under this Guaranty without proceeding against or exhausting any other remedies which it may have and without resorting to any security held by the BURA or the City or by any person.

Section 2.5 **Waiver of Notice; Expenses**. The Guarantor hereby expressly waives notice from BURA and the City of their

acceptance and reliance on this Guarantor or of any action taken or omitted in reliance hereon. The Guarantor further expressly waives diligence, presentment, demand for payment, protest any requirement that any right or power be exhausted or any action be taken against CAC or the Guarantor or against any other person. The Guarantor agrees to pay all costs, fees, commissions and expenses (including without limitation all court costs, reasonable attorneys' fees and expert witness fees) which may be incurred by the BURA or the City in enforcing or attempting to enforce this Guaranty following an Event of Default whether the same shall be enforced by suit or otherwise.

Section 2.6 Maintain Existence. The Guarantor agrees that it will maintain its limited partnership existence, that it will not dispose of all or substantially all of its assets and that it will not consolidate or merge with or into another partnership or permit one or more other partnerships to consolidate with or merge into it.

Section 2.7 Benefit and Enforcement. This Guaranty is entered into by the Guarantor for the benefit of BURA and the City of Buffalo, both of whom shall be entitled to enforce performance and observance of this Guaranty to the same extent as if they both were parties signatory hereto.

Section 2.8 Survival of Guarantee Obligation. If BURA or the City receives any payment on account of the liability guaranteed hereunder, which payment or any part thereof is subsequently invalidated, declared to be fraudulent or

preferential, set aside or required to be transferred or repaid to a trustee, receiver, assignee for the benefit of creditors of any other party under any bankruptcy act or code, state or federal law or common law or equitable doctrine, then to the extent of any sum not finally retained by BURA or the City, this Guaranty shall remain in full force and effect until the Guarantor shall have made payment to BURA or the City of such sum, which payment shall be due on demand.

ARTICLE III

NOTICE OF SERVICE OF PROCESS, PLEADINGS AND OTHER PAPERS

Section 3.1. **Service of Process.** The Guarantor represents that it is subject to service of process in the State of New York and covenants that it will remain so subject for the term of the Guaranty. If for any reason the Guarantor should case to be so subject to service of process in the State of New York, the Guarantor hereby designates and appoints the law firm of Cohen, Swados, Wright, Hanifin, Bradford & Brett with offices located at 70 Niagara Street, Buffalo, New York 14202 as its agent upon whom may be served all process, pleadings, notices or other papers which may be served upon the Guarantor as a result of any of its obligations under this Guaranty. Provided, however, that the Guarantor may revoke such designation and appointment provided that (a) the Guarantor simultaneously designates and appoints another representative that is not an individual and that has a principal place of business in Erie County, New York upon whom may be served all process, pleadings, notices or other papers

which may be served upon the Guarantor and (b) BURA and the City receive written notice of such revocation, designation and appointment within five business days prior to the effective date of such revocation, designation and appointment.

Section 3.2. Notices. Any notice required to be sent to the Guarantor and a copy of any notice including process, pleadings or other papers served upon the foregoing agent shall be in writing and shall be sufficiently given and deemed given when delivered personally or sent by registered or certified mail, postage prepaid, to the Guarantor's principal address first above written or to such other addresses as may be furnished by the Guarantor to BURA and to the City in writing.

Section 3.3. Consent to Jurisdiction. The Guarantor irrevocably and unconditionally (a) agrees that any suit, action or other legal proceeding arising out of this Guaranty may be brought in the courts of record of the Sate of New York in Erie County or the courts of the United States, Western District of New York, (b) consents to the jurisdiction of each such court in any such suit, action or proceeding, and (c) waives any objection which it may have to the laying of venue of any such suit, action or proceeding in any of such courts. If for any reason the Guarantor should cease to be subject to service of the process in the State of New York, the Guarantor's agent designated in Section 3.1 hereof shall accept and acknowledge in the Guarantor's behalf service of any and all process in any such suit, action or proceeding brought in any such court. The

Guarantor agrees and consents that any such service to the Guarantor in the manner set forth in Section 3.2 hereof shall be taken and held to be valid personal service upon such agent and written notice of such service to the Guarantor in the manner set forth in Section 3.1 hereof shall be taken and held to be valid personal service upon the Guarantor if the Guarantor shall not have been at the time of such service of process subject to service of process in the State of New York and that any such service of process shall be of the same force and validity as if service were made upon it according to the laws governing the validity and requirements of such service in the State of New York and waives all claim of error by reasons of any such service. Such agent shall not have any power or authority to enter any appearance or to file any pleadings in connection with any suit, action or other legal proceedings against the Guarantor or to conduct the defense of any such suit, action or any other legal proceeding except as expressly authorized by the Guarantor.

ARTICLE IV

MISCELLANEOUS

Section 4.1. No Alteration Without Consent. Without obtaining the prior written consent of the Guarantor, no amendment, change, modification, alteration or termination of the First Amendment shall be made which would in any way increase the maximum amount of the Guarantor's obligations under this Guaranty. The acts or omissions recited in Section 2.2 hereof

shall not constitute any such amendment, change, modification, alteration or termination within the meaning of this Section 4.1

Section 4.2. **Guaranty to Become Effective.** The obligations of the Guarantor hereunder shall arise absolutely and unconditionally when the First Amendment shall be executed by BURA, the City and CAC.

Section 4.3 **Remedies Not Exclusive.** No remedy herein conferred upon or reserved to BURA or the City is intended to be exclusive of any other available remedy, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Guaranty or now or hereafter existing at law or in equity. No delay or omission in exercising any right or power accruing upon any Event of Default, other default, omission or failure of performance hereunder shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle BURA or the City to exercise any remedy reserved to it in this Guaranty, it shall not be necessary for BURA or the City to give any notice, other than such notice as may be expressly required in this Guaranty. In the event any provision contained in this Guaranty should be breached by any party and thereafter duly waived by the other party so empowered to act, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder. No

waiver, amendment, release or modification of this Guaranty shall be established by conduct, custom or course of dealing, but shall be made solely by an instrument in writing duly exercised by the parties hereunto duly authorized by this Guaranty.

Section 4.4. Entire Agreement; Counterparts. This Guaranty constitutes the entire agreement, with respect to the subject matter hereof and may be executed in several counterparts, each of which shall be deemed an original and all of which together shall constitute on and the same instrument.

Section 4.5. Severability. The invalidity or enforceability of any one or more phrases, sentences, clauses of sections contained in this Guaranty shall not affect the validity or enforceability of the remaining portions of this Guaranty or of any part thereof.

Section 4.6. Termination. This Guaranty and all obligations of the Guarantor hereunder shall terminate upon the execution by BURA and by the City of the "Definitive Documents" (as defined in the Interim Agreement).

Section 4.7. Applicable Law. This Guaranty shall be governed by and construed in accordance with the internal laws of the State of New York, without regard to principles of conflict of laws.

Section 4.8. Successors and Assigns. This Guaranty shall be binding upon, inure to the benefit of and be enforceable by

the parties and their respective legal representatives and assigns.

Section 4.9. **Date of Guaranty for Reference Purposes Only.** The date of this Guaranty shall be for reference purposes only.

Section 4.10. **Waiver of Trial by Jury.** The Guarantor hereby waives all rights to trial by jury on any cause of action directly or indirectly involving the terms, covenants or conditions of this Guaranty, or any matter arising out of or in any way connected with this Guaranty.

IN WITNESS WHEREOF, the Guarantor has duly executed this Guaranty as of the year and day first above written.

NIAGARA FRONTIER HOCKEY, L.P.

By: Seymour H. Knox III

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

On this 27th day of October, 1994, before me, the subscriber, personally appeared Seymour H. Knox III, to me known, who, being by me duly sworn, did depose and say that he is a general partner of NIAGARA FRONTIER HOCKEY, L.P. and that he executed the foregoing instrument in such capacity.

Notary Public

Laurence K. Rubin
Notary Public
Qualified in Erie County
My Commission Expires 7/26/96

Exhibit A

By Notice of Application dated April 26, 1991 (Ct. file No. Re 785/91), seven retired hockey players, on their behalf and on behalf of player participants of the National Hockey League Club Pension Plan and Trust (the "Club Plan") with service under the Club Plan on or before June 30, 1982, and beneficiaries of such deceased player participants, commenced an application for an order that surplus funds generated on the pensions purchased to June 30, 1992 are to be allocated exclusively among certain beneficiaries of the Club Plan. By Judgment dated October 22, 1992, Adams, J. of the Ontario Court (General Division) ordered that all of the surplus funds at issue should have been used to purchase pensions for participants on whose behalf National Hockey League ("NHL") Member Club contributions were made. The Member Clubs were ordered, *inter alia*, to reimburse the Club Plan, with interest, for all excess funds arising from experience rate credits which were used to make Club Plan contributions on behalf of the Member Clubs. Adams, J.'s Judgment was affirmed by the Ontario Court of Appeal on February 17, 1994, and leave to appeal to the Supreme Court of Canada was denied on July 28, 1994.

Adams, Jr. ordered that a reference be held to determine the amount owing by the Member Clubs. It is difficult at this time to provide an estimate of the quantum of liability against the Member Clubs.

Management of the Sabres and League officials have indicated that the net liability to the Sabres and other Member Clubs may be offset in part by a claim against the law firm which provided the opinion upon which the League's action was based. The League is currently investigating the pursuit of such a claim.

THE CROSSROADS

October 17, 1994

RECEIVED

OCT 18 1994

DEPT. OF LAW
BUFFALO
CHARGED

Edward Peace, Esq.
Corporation Counsel
City of Buffalo
65 Niagara Street
City Hall - Room 110
Buffalo, New York 14202

Re: Affirmative Action Plan

Dear Mr. Peace:

This letter is being written at your request to confirm the CAC's agreement to implement, in accordance with its terms, the Affirmative Action/Equal Employment Opportunity Hiring Plan which was negotiated with the City (State and County) and which is fully set forth in the Affirmative Action/Equal Opportunity Hiring Plan filed with the City on October 14, 1994.

Very truly yours,

Robert O. Swados
Vice Chairman and Counsel

ROS::etm

EXHIBIT B

BUFFALO SABRES

October 17, 1994

RECEIVED

OCT 18 1994

DEPT. OF LAW
BUFFALO

CHARGED

Edward Peace, Esq.
Corporation Counsel
City of Buffalo
65 Niagara Street
City Hall - Room 110
Buffalo, New York 14202

Re: Affirmative Action Plan

Dear Mr. Peace:

This letter is being written at your request to confirm the Buffalo Sabres' agreement to implement, in accordance with its terms, the Affirmative Action/Equal Employment Opportunity Hiring Plan which was negotiated with the City (State and County) and which is fully set forth in the Affirmative Action/Equal Opportunity Hiring Plan filed with the City on October 14, 1994.

Very truly yours,

Robert O. Swados

Robert O. Swados
Vice Chairman and Counsel

ROS:etm

Niagara Frontier Hockey, L.P. / 140 Main Street / Buffalo, NY 14202-9990
Phone A/C 716-856-7300 FAX 716-856-7351 Toll-free 1-800-333-PUCK

THE CROSSROADS

October 20, 1994

Mr. William F. Mullen
Executive Vice President
Huber, Hunt & Nichols
2450 South Tibbs Avenue
P.O. Box 128
Indianapolis, IN 46206

Mr. Douglas R. Francis
Senior Vice President
Cannon
2170 Whitehaven Boulevard
Grand Island, NY 14072

Dear Bill and Doug:

CAC has continued to work with the public sector participants on refining the Affirmative Action/Equal Opportunity Hiring Plan for the Crossroads Arena project. I am enclosing the final AA/EEO Plan for the project for your information and use. The changes made to the plan since its release in the Construction Project Manual were mostly in the operational phase of the project, and there were no substantive changes to the construction phase of the project.

This revised plan needs to be incorporated into the front end documents as quickly as possible. Please let me know if you have any questions.

Sincerely yours,

Carolyn H. Hoyt
Project Director

Enclosure

cc: Lawrence Quinn
Laurence Oppenheimer, Esq.
Edward Peace, Esq.
Richard Schecter, Esq. (w/ enclosure)
Steven J. Matlin, Esq. (w/ enclosure)
Gregory Glascow (w/ enclosure)
Elizabeth Bradley (w/ enclosure)
Al Cohill (w/ enclosure)

RECEIVED
OCT 25 1994
DEPT. OF LAW
BUFFALO
CHARGED EDP/GLB

CROSSROADS ARENA CORPORATION

AFFIRMATIVE ACTION/EQUAL OPPORTUNITY HIRING PLAN

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I. Policy

It is the policy of the Crossroads Arena Corporation ("CAC"), consistent with applicable law, that equal opportunity be provided to minority group members, women, minority-owned business enterprises ("MBEs") and women-owned business enterprises ("WBEs") to participate in the business opportunities generated by the Crossroads Arena Project ("Project").

This Affirmative Action/Equal Opportunity Hiring Plan ("Plan") has been adopted to ensure equal employment opportunities for minority group members and women and the opportunity for meaningful participation of MBEs and WBEs in connection with the Construction of the Crossroads Arena and the Operation of the Crossroads Arena so that the recipients of the benefits of the business opportunities generated by the Project will reflect the diversity of the City of Buffalo.

In order to achieve these objectives, CAC has adopted a plan of equal employment opportunities and good faith efforts to achieve participation by minority group members and women. MBE and WBE participation goals are expressed as a percentage of the total dollar value of all expenditures, barters, trades-in-kind and offsets made in connection with the Project including, without limitation, all Contracts awarded in connection with the Construction of the Crossroads Arena and all Contracts for the furnishing of labor, services, materials, supplies, equipment, fixtures, and furnishings, and in connection with the Operation of the Crossroads Arena. The participation goals are 20% participation by MBEs, 5% participation by WBEs and 25% combined minority and women work force participation. These participation percentages are numerical objectives to be pursued by good faith efforts. The achievement of the above stated numerical objectives shall not be assumed to be compliance with the Plan nor shall the failure to achieve the above stated numerical objectives be assumed to be noncompliance with the Plan.

II. Definitions

For purposes of this Plan, the following terms shall have the meaning set forth below:

1. "Minority group member" shall mean a United States citizen or permanent resident alien who is and can demonstrate membership in one of the following groups:

(a) Black persons having origins in any of the Black African racial groups;

(b) Hispanic persons of Mexican, Puerto Rican, Dominican, Cuban, Central or South American descent of either Indian or Hispanic origin, regardless of race;

(c) Native American or Alaskan native persons having origins in any of the original peoples of North America; and

(d) Asian and Pacific Islander persons having origins in any of the Far East countries, South East Asia, the Indian subcontinent or the Pacific Islands.

2. "Minority-owned business enterprise" shall mean a business enterprise, including a sole proprietorship, partnership or corporation that is:

(a) At least fifty-one percent owned by one or more minority group members;

(b) An enterprise in which such minority ownership is real, substantial and continuing;

(c) An enterprise in which such minority ownership has and exercises the authority to control and operate, independently, the day-to-day business decisions of the enterprise; and

(d) An enterprise authorized to do business in the State of New York and is independently owned and operated.

(e) An enterprise certified as a MBE by the New York State Department of Economic Development, the County or the City.

3. "Women-owned business enterprise" shall mean a business enterprise, including a sole proprietorship, partnership or corporation that is:

(a) At least fifty-one percent owned by one or more citizens or permanent resident aliens who are women;

(b) An enterprise in which the ownership interest of such women is real, substantial and continuing;

(c) An enterprise in which such women ownership has and exercises the authority to control and operate, independently, the day-to-day business decisions of the enterprise; and

(d) An enterprise authorized to do business in the State of New York and which is independently owned and operated.

(e) An enterprise certified as a WBE by the New York State Department of Economic Development, the County or the City.

4. "Contractor" shall mean any individual or business enterprise, including, without limitation, a sole proprietorship, partnership, corporation or not-for-profit corporation which has a Contract with CAC in connection with the Construction of the Crossroads Arena or Operation of the Crossroads Arena, but not a Customer.

5. "Contract" shall mean an agreement providing for a total value in excess of twenty-five thousand dollars with respect to the Construction of the Crossroads Arena or Operation of the Crossroads Arena.

6. "Subcontract" shall mean (a) in the case of a Contract in excess of fifty thousand dollars, an agreement providing for a total expenditure of twenty-five thousand dollars in which a portion of a Contractor's obligation with respect to a Contract is undertaken or assumed by a third party or (b) in the case of a Contract of fifty thousand dollars or less, an agreement providing for a total expenditure of ten thousand dollars in which a portion of a Contractor's obligation with respect to a Contract is undertaken or assumed by a third party.

7. "UDC" shall mean the New York State Urban Development Corporation or its designee.

8. "City" shall mean the City of Buffalo, New York or its designee.

9. "County" shall mean the County of Erie, New York or its designee.

10. "CAC" shall mean a wholly owned subsidiary of the Sabres (or a limited partnership to be formed of which CAC will be the sole managing partner and in which the Sabres will hold substantially all of the limited partnership interests).

11. "Sabres" shall mean Niagara Frontier Hockey, L.P., a Delaware limited partnership whose sole managing general partner is Niagara Frontier Hockey Management Corporation, a New York corporation.

12. "Construction of the Crossroads Arena" shall mean the construction, demolition, replacement, repair, renovation, planning or design of real property or improvements thereon for a state-of-the-art community entertainment center, referred to herein as "the Crossroads Arena".

13. "Operation of the Crossroads Arena" shall mean the functioning of a state-of-the-art community entertainment center, referred to herein as "the Crossroads Arena", but which do not include those activities set forth in the definition of "Construction of the Crossroads Arena".

14. "Customer" shall mean a Person (including but not limited an individual, firm, corporation or partnership) which leases or purchases commodities or services from CAC or the Sabres, regardless of whether such lease, acquisition or purchase satisfies the definition of a Contract. For example and by way of illustration but not limitation, Customers of CAC or the Sabres include advertisers, ticketholders, suite holders, premium seat club holders, performers, sports teams or franchises other than those owned by the Sabres, and entertainers. A Person is not a Customer when such Person is a supplier of commodities or services.

III. Construction of the Crossroads Arena

The provisions of this Section III shall apply during the Construction of the Crossroads Arena. Copies of Section I, II, and III of this Plan shall be provided to each Contractor or subcontractor in connection with the Construction of the Crossroads Arena.

A. Equal Employment Opportunity for Minority Group Members and Women.

CAC shall and shall require each Contractor to specifically agree that:

1. It will not discriminate against employees or applicants for employment because of race, creed, color, national origin, sex, age, disability or marital status, and will undertake or continue existing programs to ensure that minority group members and women are afforded equal employment opportunities without discrimination.

2. It shall request each employment agency, labor union, or authorized representative of workers with which it has a collective bargaining or other agreement or understanding, to furnish a written statement that such employment agency, labor union or authorized representative will not discriminate on the basis of race, creed, color, national origin, sex, age, disability or marital status and that such employment agency, labor union or authorized representative will affirmatively cooperate in the implementation of the Contractor's obligations herein.

3. It shall state in all solicitations or advertisements for employees that, in the performance of the Contract, all qualified applicants will be afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, age, disability or marital status.

4. It shall include the provisions of this Section III in every Subcontract in such a manner that the provisions will be binding upon each subcontractor with respect to all of its work in connection with the Construction of the Crossroads Arena.

5. It shall, and shall cause its subcontractors to, make every effort to achieve meaningful participation of minorities and women in its workforce, and shall, and shall require each of its subcontractors, to demonstrate good faith efforts in connection with the Construction of the Crossroads Arena at least as extensive as the following to achieve same:

(a) Ensure and maintain a working environment free of harassment, intimidation and coercion at the Project site(s) and in all facilities at which employees are assigned to work in connection with the Construction of the Crossroads Arena. Foremen, superintendents and/or other supervisory personnel shall be made aware of the obligation to maintain such a working environment.

(b) Establish and maintain a current list of recruitment, training and employment sources for minorities and women, provide written notification to these sources when employment opportunities become available, and provide a reasonable opportunity for such source's response. Such list shall include all employment, recruitment and training sources recommended by CAC and/or UDC.

(c) Maintain a current file of each off-the-street application from minorities or women which includes the name, address and telephone number thereof and the name, address and telephone number of each referral from a union or a recruitment, training or employment source for minorities or women and of the action taken with respect to each individual.

(d) Disseminate the affirmative action/nondiscrimination obligations under this Plan to employment agencies, labor unions or authorized representatives and requesting their cooperation in assisting the Contractor in meeting its obligations, by including a statement that the Contractor is an equal opportunity employer in publications referring to the Contractor and any advertising related to the Contract, including but not limited to any notices of available jobs, and by informing subcontractors of the obligations under this Plan.

(e) Review, before the commencement of construction work at the Project site(s) and at least quarterly thereafter, the affirmative action/nondiscrimination obligations under this Plan with all employees having any responsibility for hiring, assignment, layoff, termination or other employment decisions,

including on-site supervisory personnel such as superintendents and general foremen. A written record shall be made and maintained identifying the time and place of these meetings, persons attending, subject matter discussed, and actions taken.

(f) Direct its recruitment efforts, both oral and written, to community organizations representing the interests of minorities and/or women, to schools with minority students, and to employment, recruitment and training organizations serving minorities and/or women in the Contractor's recruitment area. Such notification shall describe the openings, screening procedures and tests to be used in the selection of workers, apprentices or trainees for work in connection with the Construction of the Crossroads Arena.

(g) Encourage minority and women employees to recruit other minority and women workers and, where reasonable, provide after-school, summer and vacation employment to minority and women students.

(h) Ensure that seniority practices, job classifications, work assignments, collective bargaining agreements and other personnel practices do not have a discriminatory effect by monitoring all personnel and employment related activities to ensure that the affirmative action/nondiscrimination obligations under this Plan are being carried out.

(i) Conduct a review, at least quarterly, of adherence to and performance pursuant to this Plan.

(j) Maintain written documentation of all activities pursuant to this Section III.A. in such form as will enable CAC or UDC to verify compliance therewith. Such documentation shall be retained for a period of one year after completion of the Contract and shall be available to CAC or UDC or their representatives during regular business hours.

B. MBE/WBE Participation.

CAC shall, and shall require each Contractor and subcontractor to, take the following good faith efforts to achieve MBE and WBE participation herein:

1. Actively and affirmatively solicit bids for Subcontracts from qualified MBEs or WBEs, including circulation of solicitations to minority and women contractor associations.

2. Ensure that plans, specifications, requests for proposals and other documents used to secure proposals for the performance of work or supply of materials will be made available in sufficient time for review by prospective MBEs or WBEs.

3. Where economically and technically feasible, divide the work into smaller portions to enhance participation by MBEs and WBEs.

4. Encourage, where economically and technically feasible, the formation of joint ventures, partnerships or other similar arrangements among contractors to enhance participation by MBEs and WBEs.

5. Consult with and use the services of governmental agencies, their consultants, and contractor associations in connection with efforts to fulfill participation goals.

6. Place timely advertisements in appropriate general circulation, trade and minority and women-oriented publications.

7. Make written solicitations in a timely fashion of MBEs and WBEs.

8. Document and maintain a record of all bid solicitations, including solicitations to MBEs and WBEs, and the results thereof.

9. Take such other reasonable measures as CAC or UDC shall direct.

C. Training.

Each Contractor (and CAC, if it engages in construction related activity) shall provide and maintain an on-site training program for the purpose of educating unskilled individuals, occupying entry level positions in specific construction trade procedures and skills required in connection with the Contract. Such training programs shall be initiated upon commencement of the

Contractor's work and continue through the completion of the Contract.

If the Contractor (or CAC, if it engages in construction related activity), in its sole discretion, implements on-site supervisory or management training programs, such Contractor (or CAC as the case may be) shall use its best efforts to include minorities and women in such training programs.

Prior to initiation of any training program, each Contractor shall submit to CAC a detailed written description of the specific components of the training program for CAC's approval and shall receive same prior to commencing the program. CAC shall forward to UDC a copy of all programs it approves within ten (10) days of such approval.

D. Compliance.

1. CAC, if applicable, shall submit to UDC or its designated agent, and Contractor shall submit to CAC or its designated agent, with copies to the UDC, compliance reports as approved by UDC. Each compliance report shall include but not be limited to the following information:

(a) The name, address and telephone number of each MBE and WBE being used or intended to be used to comply with the participation goals;

(b) A brief description of the Contract scope of work to be performed by each MBE and WBE and the scheduled dates for performance;

(c) A statement of whether there is a written agreement with each MBE and WBE being used or intended to be used and, if requested, copies of such agreements;

(d) The actual total cost of each Contract, the work performed and the materials provided, and the scope of work to be performed by each MBE and WBE for each Contract;

(e) The actual amounts of any payments made to each MBE and WBE as of the date the compliance report was submitted; and

(f) The percentage of total MBE and WBE contractors, subcontractors, vendors and suppliers utilized for the Construction of the Crossroads Arena and total contract value such percentages constitute.

2. During the initial construction of the Crossroads Arena, CAC or UDC may conduct a semi-annual audit and compliance review at such time and in such manner as it deems necessary in order to review compliance with this Plan. Thereafter, CAC or UDC may annually conduct an audit and compliance review in order to review compliance with this Plan.

3. Contractor will incorporate or cause to be incorporated the requirements of this Plan in all of its Subcontracts entered into in connection with the Construction of the Crossroads Arena in such manner as will require each subcontractor to comply with this Plan.

4. For purposes of determining the contract value of work performed by MBEs and WBEs, all contracts, whether awarded directly by CAC, by a Contractor, or awarded by the subcontractor of a Contractor, shall be considered. The following standards shall apply in determining the dollar value of any contract involving an MBE or WBE:

(a) Where the MBE or WBE is the Contractor or where the Contractor is a joint venture consisting entirely of MBEs or WBEs, the value shall be 100% of the contract price.

(b) Where the Contractor is a joint venture including one or more MBEs or WBEs as joint venturer(s), the value shall be the contract price multiplied by the percentage which represents the interest of the MBEs or WBEs in the venture.

(c) Where the MBE or WBE is a Contractor which subcontracts work to a party not an MBE or WBE, the value shall be the excess, if any, of the contract price of the work contracted by the MBE or WBE over the contract price of the work subcontracted by such MBE or WBE.

(d) Where the MBE or WBE is a bona fide supplier, the value shall be the price of the materials purchased, provided that if the MBE or WBE acts as a supplier or distributor of goods

manufactured or produced by a party which is not an MBE or WBE, the price paid by the MBE or WBE to the manufacturer or supplier shall be deducted from the price of the materials purchased.

5. In the event CAC or a Contractor is unable to achieve the above-noted MBE and/or WBE participation numerical objectives:

(a) CAC and each Contractor will maintain detailed records of the good faith actions that it and its contractors and subcontractors have taken to achieve the participation goals in such form as will enable CAC or the UDC to determine that Contractor has indeed made such good faith efforts in accordance with this Plan. Records shall include, but not be limited to, those set forth in Sections III.A. and III.B. above.

(b) The Contractor may apply to CAC or its designee (or, if applicable, CAC may apply to UDC or its designee) for a waiver or modification of the Plan's requirements by the submission of a written request for a waiver or modification documenting good faith efforts by the Contractor (or CAC, if applicable) to meet the participation goals of the Plan, which waiver or modification may be granted after careful consideration of the following factors:

(i) The names of general circulation, trade association and minority and women-oriented publications in which bids were solicited;

(ii) The dates bid solicitations for MBE and WBE participation were published in any of the publications identified pursuant to paragraph (i) and the text of the bid solicitation;

(iii) A list of MBEs and WBEs which were solicited in writing to provide bids;

(iv) Proof of dates on which such solicitations were made in writing and copies of solicitations made, or a sample copy of the solicitation if an identical solicitation was made of all MBEs and WBEs;

(v) Copies of responses made by MBEs and WBEs to solicitations made by (CAC or) the Contractor;

(vi) A description of any contract documents, plans, or specifications made available to MBEs and WBEs for purposes of soliciting their bids, and the dates and manner in which these documents were made available;

(vii) Documentation of any negotiations between CAC or the Contractor and MBEs and WBEs;

(viii) With respect to the recruitment efforts undertaken to identify and hire supervisory employees, evidence of good faith efforts may include, but not be limited to, CAC's, the Contractor's and each subcontractor's participation at women and minority job fairs, each party's utilization of employment and job placement agencies, each party's encouragement of its women and minority supervisory personnel to solicit other employees, and, the number of interviews granted to qualified applicants;

(ix) Any other information determined relevant by CAC or the Contractor; and

(x) A statement setting forth CAC's or the Contractor's bases for requesting a waiver or modification.

6. Each Subcontract entered into for the Construction of the Crossroads Arena shall include a provision that CAC and UDC shall be deemed third-party beneficiaries of the provisions included in such Subcontract pursuant to this Plan and shall have the full right of enforcement thereof. Nothing contained in this Plan shall be construed to create any third party beneficiary right in any party other than as expressly provided herein.

E. Sanctions.

In the event Contractor fails to comply with the provisions of this Plan, CAC may withhold payment of any amounts due, suspend, cancel or terminate any Contract without incurring any penalty or damage on account of such action and without any further liability.

IV. Operation of the Crossroads Arena

The provisions of this Section IV shall apply during the Operation of the Crossroads Arena. Copies of Section I, II and IV of this Plan shall be provided to each Contractor or subcontractor in connection with the Operation of the Crossroads Arena.

A. Equal Employment Opportunity for Minority Group Members and Women.

1. CAC shall and shall require the Sabres and each Contractor to specifically agree that:

(a) It will not discriminate against employees or applicants for employment because of race, creed, color, national origin, sex, age, disability or marital status, and will undertake or continue existing programs to ensure that minority group members and women are afforded equal employment opportunities without discrimination.

(b) It shall request each employment agency, labor union, or authorized representative of workers with which it has a collective bargaining or other agreement or understanding, to furnish a written statement that such employment agency, labor union or authorized representative will not discriminate on the basis of race, creed, color, national origin, sex, age, disability or marital status and that such employment agency, labor union or authorized representative will affirmatively cooperate in the implementation of the obligations herein.

(c) It shall state in all solicitations or advertisements for employees that all qualified applicants will be afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, age, disability or marital status.

2. Each Contractor will include the provisions of this Section IV in every Subcontract in such a manner that the provisions will be binding upon each subcontractor with respect to all of its work in connection with a Contract.

3. CAC, the Sabres (except as to hockey players, scouts and coaches, the hockey general manager, assistant general manager and

trainers of the Sabres), and each Contractor and subcontractor shall make every effort to achieve meaningful participation of minorities and women in its work force, and will demonstrate good faith efforts at least as extensive as the following to achieve same:

(a) Ensure and maintain a working environment free of harassment, intimidation and coercion in all facilities at which employees are assigned to work and ensure that all supervisory personnel are aware of and carry out the obligation to maintain such a working environment with specific attention to minorities and women working at such site(s) or in such facilities.

(b) Establish and maintain a current list of recruitment, training and employment sources for minorities and women, provide written notification to these sources when employment opportunities become available, and provide a reasonable opportunity for such source's response. Such list shall include all employment, recruitment and training sources recommended by CAC and/or UDC.

(c) Maintain a current file of each off-the-street application from minorities or women which includes the name, address and telephone number thereof and the name, address and telephone number of each referral from a union or a recruitment, training or employment source for minorities or women and of the action taken with respect to each individual.

(d) Disseminate the affirmative action/nondiscrimination obligations under this Plan to employment agencies, labor unions or authorized representatives and requesting their cooperation and assistance in meeting the obligations under this Plan, by including a statement that it is an equal opportunity employer in advertising and notices of available jobs with CAC, the Sabres or the Contractor, and by informing subcontractors of the obligations under this Plan.

(e) Review, at least annually, the affirmative action/nondiscrimination obligations under this Plan with all employees having any responsibility for hiring, assignment, layoff, termination or other employment decisions, including on-site supervisory personnel such as superintendents and general foremen. A written record shall be made and maintained identifying the time

and place of these meetings, persons attending, subject matter discussed, and actions taken.

(f) Direct recruitment efforts, both oral and written, to community organizations representing the interests of minorities and/or women, to schools with minority students, and to employment, recruitment and training organizations serving minorities and/or women in the Western New York area. Written notification may include a description of the openings, screening procedures and tests to be used in the selection of workers, apprentices or trainees.

(g) Encourage minority and women employees to recruit other minority and women workers and, where reasonable, provide afterschool, summer and vacation employment to minority and women students.

(h) Ensure that seniority practices, job classifications, work assignments, collective bargaining agreements and other personnel practices do not have a discriminatory effect by monitoring all personnel and employment related activities to ensure that the affirmative action/nondiscrimination obligations under this Plan are being carried out.

(i) Conduct periodic reviews, of adherence to and performance pursuant to this Plan.

(j) Maintain written documentation of all activities pursuant to this Section IV.A. in such form as will enable verification of compliance therewith. Such documentation shall be retained for a period of one year and shall be available to CAC, UDC or their designees during regular business hours.

B. MBE/WBE Participation.

1. With respect to the Operation of the Crossroads Arena, CAC will, and will require its Contractors and subcontractors (other than the Sabres) to, take the following good faith efforts to achieve MBE and WBE participation herein:

(a) Actively and affirmatively solicit bids for Contracts and Subcontracts from qualified MBEs or WBEs, including circulation of solicitations to minority and women contractor associations.

(b) Ensure that plans, specifications, requests for proposals and other documents used to secure proposals for the performance of work or supply of materials will be made available in sufficient time for review by prospective MBEs or WBEs.

(c) Where economically and technically feasible, divide the work into smaller portions to enhance participation by MBEs and WBEs.

(d) Encourage, where economically and technically feasible, the formation of joint ventures, partnerships or other similar arrangements to enhance participation by MBEs and WBEs.

(e) Consult with governmental agencies, their consultants and contractor associations in connection with efforts to fulfill participation goals.

(f) Place timely advertisements in appropriate general circulation, trade and minority and women-oriented publications.

(g) Make written solicitations in a timely fashion of MBEs and WBEs.

(h) Document and maintain a record of all Contract solicitations, including solicitations to MBEs and WBEs, and the results thereof.

2. The Sabres shall develop and periodically update a list of qualified MBEs and WBEs to which it shall refer, prior to purchasing supplies or materials, in order to create business opportunities for such firms, and to provide such list to CAC. The Sabres may seek the assistance of the City, County and New York State in the development of such list of qualified MBEs and WBEs.

C. Training.

With respect to the Operation of the Crossroads Arena, CAC, if appropriate and applicable, and each Contractor shall provide and maintain an on-site program for the purpose of educating unskilled individuals occupying entry level positions in specific skills required in connection with the Contract. Each Contractor shall submit to CAC and, if applicable, CAC shall submit to UDC a detailed written description of the specific components of the

training plan for CAC's and/or UDC's approval and shall receive same prior to commencing the program. CAC shall forward to UDC, or its designee, a copy of all programs it approves within ten (10) days of such approval.

If the labor market is not providing qualified minority or women candidates for supervisory positions, training programs which are funded by the federal, state, county or city government or other public or private agencies may be implemented.

If a Contractor (or CAC, if appropriate and applicable), in its sole discretion, implements on-site supervisory or management training programs, such Contractor (or CAC) shall use its best efforts to include minorities and women in such training programs.

D. Compliance.

1. CAC or UDC may annually conduct an audit and compliance review of CAC or the Sabres at such time and in such manner as it deems necessary in order to review compliance with this Plan.

2. CAC and each Contractor shall incorporate or cause to be incorporated the requirements of this Plan in all of its Contracts or Subcontracts entered into in connection with a Contract in such manner as will require each subcontractor to comply with this Plan.

3. Contractors and the Sabres will submit to CAC, and CAC, if applicable, to UDC, compliance reports which shall describe all steps which have been taken to comply with this Plan, including, where applicable:

(a) The name, address and telephone number of each MBE and WBE which CAC or Contractor is using or intends to use to comply with the participation goals;

(b) A brief description of the Contract scope of work to be performed for CAC or Contractor by each MBE and WBE and the scheduled dates for performance;

(c) A statement of whether CAC, the Sabres or Contractor have a written agreement with any MBE and WBE which CAC, the Sabres or Contractor is using or intends to use and, if requested, copies of such agreements;

(d) The actual total cost of any Contract or Subcontract, the work performed and the materials provided, and the scope of work to be performed by each MBE and WBE for each Contract or Subcontract;

(e) The actual amounts of any payments made to each MBE and WBE as of the date the compliance report was submitted; and

(f) A report detailing compliance with the Equal Employment Opportunity provisions of this Section IV.

4. For purposes of determining the contract value of work performed by MBEs and WBEs, all contracts, whether awarded directly by CAC or by Contractors or subcontractors, shall be considered. The following standards shall apply in determining the dollar value of any contract involving an MBE or WBE:

(a) Where the MBE or WBE is the Contractor or where the Contractor is a joint venture consisting entirely of MBEs or WBEs, the value shall be 100% of the contract price.

(b) Where the Contractor is a joint venture including one or more MBEs or WBEs as joint venturer(s), the value shall be the contract price multiplied by the percentage which represents the interest of the MBEs or WBEs in the venture.

(c) Where the MBE or WBE is a Contractor which subcontracts work to a party not an MBE or WBE, the value shall be the excess, if any, of the contract price of the work contracted by the MBE or WBE over the contract price of the work subcontracted by such MBE or WBE.

(d) Where the MBE or WBE is a bona fide supplier, the value shall be the price of the materials purchased, provided that if the MBE or WBE acts as a supplier or distributor of goods manufactured or produced by a party which is not an MBE or WBE, the price paid by the MBE or WBE to the manufacturer or supplier shall be deducted from the price of the materials purchased.

5. In the event CAC, the Sabres or a Contractor is unable to achieve the above-noted equal employment opportunity or MBE/WBE participation numerical objectives:

(a) Detailed records of the good faith actions that it has undertaken to achieve the goals shall be maintained in such form as will enable CAC or the UDC to determine that such good faith efforts have been undertaken. Records shall include, but not be limited to, those set forth in Sections IV.A. and IV.B. above.

(b) The Contractor or the Sabres may apply to CAC, or in the case of CAC, it may apply to UDC, for a waiver or modification of the Plan's requirements by the submission of a written request for a waiver or modification stating the bases for such request and documenting good faith efforts to meet the goals of the Plan, which waiver or modification may be granted after careful consideration of the relevant following factors:

(i) The names of general circulation, trade association and minority and women-oriented publications in which employment opportunities were advertised or bids solicited.

(ii) The dates,. employment opportunities or bid solicitations for MBE and WBE participation were published in any of the publications identified pursuant to paragraph (i) and its text.

(iii) A list of MBEs and WBEs which were solicited in writing to provide bids.

(iv) Proof of dates on which such solicitations were made in writing and copies of solicitations made, or a sample copy of the solicitation if an identical solicitation was made of all MBEs and WBEs.

(v) Copies of responses made by MBEs and WBEs to solicitations.

(vi) A description of any contract documents, plans, or specifications made available to MBEs and WBEs for purposes of soliciting their bids, and the dates and manner in which these documents were made available.

(vii) Documentation of any negotiations between CAC, the Sabres or Contractor with MBEs and WBEs.

(viii) The nature of all recruitment efforts undertaken to identify and hire management and other employees. Such efforts shall include, but not be limited to, CAC's, or the Sabres or the Contractor's the participation at women and minority job fairs, utilization of employment and job placement agencies, encouragement of their women and minority management personnel to solicit other management and non-management employees.

(ix) The number of job applications received by CAC, the Sabres and Contractor for all positions, both management and non-management. The number of interviews granted to such applicants.

(x) Any other relevant information.

6. Each Contract or Subcontract shall include a provision that CAC, UDC and the City shall be deemed third-party beneficiaries of the provisions included in such Contract or Subcontract pursuant to this Plan and shall have the full right of enforcement thereof. Nothing contained in this Plan shall be construed to create any third party beneficiary right in any party other than as expressly provided herein.

E. Failure to Comply.

In the event CAC or the Sabres is notified of its failure to meet the provisions of this Plan, CAC or the Sabres will take appropriate steps to correct such deficiencies and will notify the City (as the designee of UDC), in writing, of the steps taken to remedy such deficiencies. The City (as the designee of UDC) reserves the right to suggest reasonable steps to correct such deficiencies.

V. City, UDC and County Cooperation and Dissemination of the Objectives of this Plan

The City, County and UDC shall support CAC, Contractors, and the Sabres in working with applicable unions to obtain greater affirmative action and equal employment opportunities in accordance with this Plan. Similarly, CAC and the Sabres shall provide copies of Section I of this Plan or a similar policy statement to Customers.

VI. Modifications

This Plan shall not be altered without the written consent of the City (as the designee of UDC).

INTERIM NON-RELOCATION AGREEMENT

THIS AGREEMENT, effective as of the 27th day of October, 1994, by and among the **CITY OF BUFFALO**, a municipal corporation of the State of New York with principal offices located at City Hall, Buffalo, New York 14202 ("City"), the **CITY OF BUFFALO URBAN RENEWAL AGENCY**, a public benefit corporation of the State of New York with principal offices located at City Hall, Buffalo, New York 14202 ("BURA"), and **NIAGARA FRONTIER HOCKEY, L.P.,** a Delaware limited partnership with offices located at 140 Main Street, Buffalo, New York 14202 ("NFHLP").

RECITALS

WHEREAS, NFHLP is the owner of the Buffalo Sabres National Hockey League ("NHL") membership and associated franchise (the "Buffalo Sabres" or the "Franchise"); and

WHEREAS, NFHLP previously caused the incorporation of Crossroads Arena Corporation ("CAC") for the purpose of planning, designing, financing, constructing and operating a new home rink for the Buffalo Sabres; and effective November 18, 1994, CAC (now known as "Arena, Inc.") transferred and assigned all of its rights, duties, and obligations with respect to the planning, designing, financing, constructing, and operating of such new home rink to Crossroads Arena LLC ("CALLC") so that CALLC is the successor-in-interest to CAC; and

WHEREAS, Niagara Frontier Hockey Management Corporation ("NFHMC") is the general partner of NFHLP; and

WHEREAS, BURA, CAC, the County of Erie ("County"), the City, the Erie County Industrial Development Agency ("ECIDA") and Erie County Development Corporation ("ECDC") have entered into a Memorandum of Understanding dated as of March 28, 1994 ("MOU") to provide for the planning, design, financing, development, construction and operation of a multi-purpose, year-round sports and entertainment complex ("The Crossroads" or "the Crossroads Arena") to be the home rink of the Buffalo Sabres; and

WHEREAS, the City, BURA and CAC have also entered into an Interim Development Agreement effective March 21, 1994 to provide certain pre-construction development activities related to The Crossroads Arena Project, including land acquisition by BURA and funding of demolition and utility relocation work by CAC ("Interim Development Agreement"); and

WHEREAS, the Interim Development Agreement requires CAC to provide the City and BURA with commitment letters acceptable to the City and BURA for private financing of the construction of the Crossroads Arena and for concession services at

the Crossroads Arena as provided in the MOU; and

WHEREAS, CAC and NFHLP have requested BURA to proceed with such land acquisition and funding of demolition and utility relocation work pursuant to the Interim Development Agreement and have requested the City and BURA to amend the Interim Development Agreement to provide funding of excavation, site foundation and other work, if any, to be undertaken by CAC prior to approval by BURA and the City of those bank loan commitment letters which have been delivered to the City and BURA prior to this date; and

WHEREAS, CAC, the City and BURA have entered into a First Amendment to the Interim Development Agreement dated October 27, 1994 to provide for such funding contingent on execution of this Agreement (the "First Amendment").

NOW, THEREFORE, in consideration of BURA proceeding with land acquisition and funding of demolition, utility relocation, excavation and site foundation work by CAC as provided in the Interim Development Agreement and the First Amendment and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City, BURA, and NFHLP agree subject to the NHL Rules (as defined below) as follows:

SECTION 1 - DEFINITIONS

For purposes of this Agreement, the following terms shall have the definitions contained in this Section:

1.1 "NHL Rules" shall mean, collectively, the following items of the NHL: the NHL Constitution, By-Laws, Board of Governors resolutions, regulations, the current and future Collective Bargaining Agreements with the National Hockey League Players' Association and with the NHL's Officials, Consent Agreements between NFHLP or its affiliates or lenders and the NHL and all other agreements, consents decrees, and settlement agreements presently or hereafter in effect or entered into between or among the NHL and its Member Clubs and the NHL and other persons in furtherance of NHL business or interests, or as otherwise authorized by the NHL Board of Governors, Constitution or By-Laws, and the Commissioner's interpretation of all of the foregoing, and any amendment, modification, renewal, extension or substitution thereof.

1.2 "Championship Games," "exhibition games," "home games," "home rink," "Member Club," "playoff games," "regular season games," and "Stanley Cup Playoffs" shall have the meanings ascribed thereto by the text of NHL Rules or by the usage of such terms in NHL Rules.

1.3 "Sabres Lease" shall mean the lease to be entered into by and between

CALLC (or successor-in-interest to CAC) and NFHLP for the Crossroads Arena as provided in the MOU.

1.4 Whenever used herein any references to consent by the City shall mean approval by the Common Council and the Mayor as required by the City Charter.

1.5 Whenever used herein any references to consent by BURA shall mean approval by the members of BURA in accordance with the by-laws of BURA.

1.6 "Definitive Agreements" shall have the same meaning ascribed to it in the First Amendment. As contemplated by the MOU, the Definitive Agreements will include a Financing Participants Agreement (sometimes referred to as a "Lenders Cooperation Agreement") which will describe the post-closing relationships among both the public and private lenders and which may also involve the NHL.

1.7 "Term of this Agreement" shall mean the period beginning the date of this Agreement until this Agreement is terminated pursuant to Section 6.2.

1.8 "Aud Lease" shall mean the Buffalo Sabres Lease for Memorial Auditorium dated February 11, 1970 by and between NFHLP and the City of Buffalo, as amended.

1.9 "Franchisee" shall mean (a) NFHLP, (b) any purchaser, assignee, transferee, or other successor of NFHLP.

1.10 "Franchise" shall be deemed to include any replacement NHL membership or franchise issued to Franchisee by the NHL, in such case only if the preceding NHL Franchise expires or is terminated in connection with such action by the NHL.

1.11 "NHL" shall mean the National Hockey League and any successor thereto.

1.12 All other capitalized words shall have the same meaning ascribed to them in this Agreement, the MOU or the Interim Development Agreement as amended by the First Amendment.

1.13 Whenever used herein, references to "CAC" shall now be applicable to CALLC as the successor-in-interest to CAC as of November 18, 1994.

SECTION 2 - COVENANT REGARDING USE OF THE CROSSROADS ARENA

2.1 Home Games

Subject only to the exceptions described in Section 2.2 below, NFHLP agrees and covenants that, for the Term of this Agreement, as such term is defined in Section 1.7, any and all Championship Games and Stanley Cup Playoff games constituting Buffalo Sabres home games shall be played in Memorial Auditorium under the terms of this Agreement, unless the City shall have given its prior written consent to the performance of specified home games at a different location or locations, which consent may be withheld in the sole and absolute discretion of the City. NHL Rules currently provide for each Member Club to play 42 Championship home games, of which 41 are to be played at its home rink.

2.2 Exceptions

Notwithstanding the provisions of Section 2.1, NFHLP shall have the right:

2.2.1 To play exhibition games constituting Buffalo Sabres home games at any location other than Memorial Auditorium to the extent required by NHL Rules or permitted by the Aud Lease.

2.2.2 To play such limited number of games constituting Buffalo Sabres Championship home games at any location other than Memorial Auditorium to the extent required by NHL Rules of general applicability. NHL Rules currently provide for each Member Club to play one (1) such games each season.

2.2.3 To play any Championship Games or Stanley Cup Playoff Games which constitute Buffalo Sabres home games at a facility other than the Memorial Auditorium if a force majeure type event or other emergency renders the Memorial Auditorium temporarily unavailable or unsuitable for NHL hockey games in accordance with the Aud Lease, provided that NFHLP shall immediately notify the City orally and in writing in the event of the occurrence of any such event or emergency and shall describe NFHLP's proposed plan to address such event or emergency.

2.3 Non-Relocation

Subject to only those exceptions specified in Section 2.2 of this Agreement, NFHLP agrees and covenants that from the date of this Agreement until termination of this Agreement pursuant to Section 6.2, NFHLP shall not relocate the playing site of any of its home games (i.e., exhibition games, Championship Games and Stanley Club Playoff games, any of which constitute Buffalo Sabres home games) from the Memorial Auditorium, and shall actually play all of such games at the Memorial Auditorium, without the prior written consent of the City, which consent may be withheld in the sole and

absolute discretion of the City.

2.4 Continuous Operations of NFHLP

NFHLP agrees and covenants with and in favor of the City: (a) not to effect, allow to occur, or allow to continue any material default in the performance of any of NFHLP's obligations which causes or which might cause a termination or forfeiture of the Franchise under NHL Rules or otherwise, (b) not to terminate or forfeit the NFHLP Franchise, (c) to provide an NHL team to play all of NFHLP's games in accordance with NHL Rules, (d) to play all NFHLP exhibition games and all home Championship Games and all home Stanley Cup Playoff games at the Memorial Auditorium only as provided in Section 2.1, subject only to those exceptions stated in Section 2.2, (e) in all other respects, to continuously operate an NHL hockey team in Buffalo, New York in accordance with NHL Rules, and (f) to comply with the terms and conditions of this Agreement.

SECTION 3 - COVENANT REGARDING LOCATION OF NFHLP'S PLACE OF BUSINESS

NFHLP agrees and covenants that the principal place of business and the principal offices of NFHLP shall be located within the City of Buffalo, subject to a temporary relocation necessitated by a force majeure event or other emergency, provided that such temporary relocation shall not exceed a period of time as mutually agreed to by NFHLP and the City.

SECTION 4 - BINDING EFFECT

4.1 Successors

The covenants and restrictions of NFHLP set forth in this Agreement shall be binding upon NFHLP, its successors and assigns, and upon any purchaser, assignee or other transferee of the Franchise.

4.2 Transfer of Franchise

(a) NFHLP may sell, assign or otherwise transfer the Franchise to a purchaser, assignee or other transferee of the Franchise only upon the condition that the terms and conditions of any such sale, assignment or other transfer shall include an express covenant and agreement whereby the proposed purchaser, assignee or other transferee of this Agreement specifically assumes and agrees to perform and be bound

by all of the covenants and restrictions contained herein.

(b) At least ten (10) days prior to the consummation of any sale, assignment or other transfer of the Franchise, NFHLP shall deliver to the City and to BURA the written certificate of the proposed purchaser, assignee or other transferee by which such purchaser, assignee or other transferee (i) assumes and agrees to perform and be bound by this Agreement including all of NFHLP's obligations under the covenants and restrictions of this Agreement, and (ii) covenants to and in favor of the City and BURA that without modification or limitation such party shall comply with said covenants and restrictions to the same extent as those are applicable to NFHLP as set forth in this Agreement.

4.3 Liquidation of NFHLP

In the event of the liquidation or dissolution of NFHLP, (other than a termination [for cause] by the NHL) the covenants and restrictions of NFHLP set forth in this Agreement shall be binding upon the general partner of NFHLP, any other person or entity exercising effective control of NFHLP or substantially all of the assets thereof, and any other distributee, assignee or transferee of substantially all of the assets or properties of NFHLP or a subsidiary of NFHLP.

SECTION 5 - REMEDIES

In the event of a breach of this Agreement by NFHLP, the City and BURA may suffer damages compensable by the payment of money and also damages which the City and BURA believe may not be compensable by money but which may be irreparable. Accordingly, the City and BURA shall have the following rights:

5.1 Compensable Damages

In the event of a breach of this Agreement by NFHLP and/or by any other party or entity then responsible for performance of the obligations of NFHLP under this Agreement, the City and BURA shall be entitled to claim all damages of any kind or nature whatsoever in any and all forums selected by the City and BURA.

5.2 Damages Not Compensable by Money

Since some or all of the damages which may be suffered by the City and BURA in the event that NFHLP and/or any other party or entity then responsible for performance of the obligations of NFHLP under this Agreement breach this Agreement may not be adequately compensated by an award of money damages, then and in any of such events, subject to proof or evidence satisfactory to a court of competent jurisdiction which shall establish their entitlement to such relief, the City and/or BURA shall be entitled to equitable relief such as in the form of a decree of specific

performance and/or temporary or permanent injunctive relief, or both, with respect to the performance of the obligations of NFHLP.

5.3 **Cross-Default**

Any breach by NFHLP or such other responsible party of any obligation on their part(s) under this Agreement shall also constitute an event of default under the Interim Development Agreement and the First Amendment thereto.

5.4 **All Remedies**

Upon a breach of this Agreement by NFHLP, the City and BURA shall be entitled to pursue in any forum selected by them all legal and equitable remedies against the breaching party, whether or not such remedies are specifically set forth in this Agreement. All remedies are cumulative and may be exercised concurrently, successively, or in any order.

5.5 **Jurisdiction and Governing Law**

Each party hereto hereby consents to the jurisdiction of the Courts of the State of New York and/or the United States District Court for the Western District of New York (with Buffalo, New York as the venue for any action or proceeding) in any action or proceeding pursuant to this Agreement, and each agrees to service of process by certified mail, return receipt requested, postage prepaid, to its address as set forth in Section 6.11 of this Agreement, or such other address as either may designate by written notice to the other party. Each party hereto agrees not to institute suit against the other in a court in any jurisdiction, except as stated above, without the other party's consent. The parties further agree that all matters with respect to the validity, construction or interpretation of this Agreement shall be governed by the internal law of the State of New York.

SECTION 6 - GENERAL PROVISIONS

6.1 **Affirmative Action/Equal Opportunity Hiring Plan**

Attached hereto as Exhibit A is the Affirmative Action/ Equal Opportunity Hiring Plan (the "Plan") which has been adopted by NFHLP for the Crossroads Arena Project and which is incorporated herein by reference. NFHLP shall implement the applicable portions of the Plan.

6.2 **Termination of Agreement**

This Agreement shall terminate upon the earliest of the following to occur: (a) the execution of a permanent non-relocation agreement to be applicable throughout

the term of the Sabres Lease, (b) a material and uncured breach by the City or BURA of the Interim Development Agreement or the First Amendment thereto, and (c) the expiration of the term of the Aud Lease. For purposes of this Section 6.2, any cure of a breach or default must commence promptly after written notice thereof is received by the party to whom the same is addressed, and must be diligently pursued and completed as promptly as practicable.

6.3 **Amendment**

Subject to Section 6.5, this Agreement may not be modified or amended except by the written agreement of the City, BURA and NFHLP and the NHL or any of their successors as provided herein.

6.4 **Further Assurances**

NFHLP agrees that it will not apply to the NHL to relocate the Franchise to a playing site other than the Memorial Auditorium and that it will not initiate or pursue proposals to relocate the Franchise unless the Crossroads Arena Project is terminated by mutual consent of the parties hereto prior to December 31, 1995, in which event NFHLP may initiate or pursue proposals to so relocate the Franchise and may apply for relocation of the Franchise at any time after November 30, 1996, such relocation to be effective no earlier than for the 1997-1998 NHL season. The Crossroads Arena Project shall be deemed to have been terminated by mutual consent of the parties if the City makes a demand for payment or performance under the Guaranty of Payment and Performance between NFHLP, the City and BURA dated October, 1994 (the "Guaranty"), and has received such payment or performance. If, notwithstanding NFHLP's good faith best efforts to continue with the Project, which NFHLP hereby undertakes to perform, the Project may be reasonably considered abandoned on or after November 30, 1996, whether or not the City and BURA have demanded payment or performance by NFHLP under the Guaranty, then NFHLP may apply to the NHL to relocate the Franchise or initiate or pursue proposals to relocate the Franchise subject to the conditions set forth in the first sentence of this section. NFHLP agrees that on request by the City or BURA it will take such further action and it will execute such additional reasonable documents as may be necessary or appropriate to carry out the provisions and intent of this Agreement, including, without limitation, the execution of any instruments reasonably necessary to record or provide notice of the limitations imposed by this Agreement on NFHLP's rights and powers to relocate, sell or otherwise dispose of the Franchise of substantially all of the assets of NFHLP.

6.5 **NHL Rules and Conflicts**

(a) Except as previously disclosed to the City and BURA by NFHLP, NFHLP represents and warrants to the City and to BURA, and the City and BURA rely thereon, that the NHL Rules as presently existing and in effect do not limit any rights or

remedies the City or BURA may have under this Agreement.

(b) NFHLP represents and warrants to the City and BURA that the only portions of NHL Rules presently existing relating to, affecting, or which might affect or limit the enforceability of the covenants and agreements contained in this Agreement or the NHL Consent have been certified by NFHLP's counsel and are attached hereto as Exhibit D.

(c) Within ten (10) days after its receipt thereof, NFHLP shall deliver to the City and to BURA copies of any amendments, changes, deletions, modifications or additions to NHL Rules adopted or which become effective after the date of this Agreement which may relate to, affect, or limit the covenants and agreements in this Agreement.

(d) This Agreement is subject to NHL Rules.

(e) In addition to the foregoing provisions of this Section 6 respecting NHL Rules, and not in derogation of any of the same, in the event that there is or appears to be any apparent or seeming conflict between the provisions of this Agreement and NHL Rules by reason of a change, amendment, modification, deletion or addition to said Rules after the execution of this Agreement, NFHLP shall use its best efforts with NHL to resolve such a conflict so that NFHLP is able to perform its obligations under this Agreement. In the event such a conflict cannot be resolved, NFHLP shall consult with the City and BURA to reach an agreement which will implement the intent of this Agreement.

6.6 **Attorneys' Fees**

If a suit, action or other proceeding of any nature whatsoever (including any proceeding under the U.S. Bankruptcy Code) is instituted in connection with any controversy arising out of this Agreement or which seeks to interpret or enforce any rights hereunder, in addition to all other amounts due to it as provided by law the prevailing party shall be entitled to recover its attorneys', accountants' and other experts' fees and all other fees, costs and expenses actually incurred and reasonably necessary in connection therewith, as determined by the court at trial or on any appeal or review.

6.7 **Construction and Interpretation**

The headings or titles of the sections of this Agreement are intended for ease of reference only and shall have no effect whatsoever on the construction or interpretation of any provision of this Agreement. The use in this Agreement of the words "including," "such as," and words of similar import following any general statement, term or matter shall not be construed to limit such statement, term or matter in any manner, whether or not language of non-limitation (such as "without limitation" or

"but not limited to") is used in connection therewith, but rather shall be deemed to refer to all other items or matters that could reasonably fall within the scope of the general statement, term or matter. All provisions of this Agreement have been negotiated at arm's length and this Agreement shall not be construed for or against BURA, the City, or NFHLP by reason of the authorship or alleged authorship of any provision hereof. Unless specified herein, all obligations of the parties hereto are limited in duration to the Term of this Agreement as defined in Section 1.7.

6.8 **Waiver**

Failure of the City or BURA at any time to require performance of any provision of this Agreement shall not limit the City's or BURA's rights to enforce such provision thereafter, nor shall any waiver of any breach of any provision of this Agreement constitute a waiver of any succeeding breach of such provision or a waiver of such provision itself. Any waiver of any provision of this Agreement shall be effective only if set forth in writing and signed by the City or BURA, as applicable.

6.9 **Severability**

If any term or provision of this Agreement or the application thereof to any person or circumstance shall to any extent be invalid or unenforceable, the remainder of this Agreement and the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby, and each term or provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

6.10 **Opinions of Counsel**

Concurrent with execution of this Agreement (i) NFHLP shall deliver to BURA and the City the opinion of its independent legal counsel (i) in the form of Exhibit E, attached, (ii) the Corporation Counsel shall deliver to NFHLP an opinion in the form of Exhibit F, attached, and (iii) BURA Legal Counsel shall deliver to NFHLP an opinion in the form of Exhibit G, attached.

6.11 **Notices**

All notices, requests and other communications hereunder shall be in writing and shall be delivered personally or deposited in the U.S. Mails, postage prepaid, return receipt requested, for express or "next day" delivery, together with a

contemporaneous telefax transmission to the addressee, addressed as follows:

If to the City:

Anthony M. Masiello, Mayor
201 City Hall
Buffalo, New York 14202
Telefax: (716) 851-4360

With a copy to:

Edward D. Peace, Corporation Counsel
1101 City Hall
Buffalo, New York 14202
Telefax: (716) 851-4105

If to the BURA:

Anthony M. Masiello, Chairman
Buffalo Urban Renewal Agency
920 City Hall
Buffalo, New York 14202
Telefax: (716) 854-0172

With a copy to:

Michael L. McCarthy, Agency Legal Counsel
920 City Hall
Buffalo, New York 14202
Telefax: (716) 854-0172

If to NFHLP:

Legal Department
Niagara Frontier Hockey, L.P.
140 Main Street
Buffalo, New York 14202
Telefax: (716) 856-7351

With a copy to:

Cohen, Swados, et al.
70 Niagara Street
Buffalo, New York 14202
Telefax: (716) 856-5228

or to such other address as BURA, the City or NFHLP may have furnished to the others by written notice in the manner provided in this Section 6.11. Any such notice, request, consent or other communication shall be deemed received at such time as it is personally delivered or actually received, as the case may be.

6.12 **Counterparts**

This Agreement may be executed in any number of counterparts, each of which shall be an original but all of which together shall constitute one instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement this 19th day of December, 1994.

CITY OF BUFFALO

Approved as to Form

By: _____
Anthony M. Masiello, Mayor

Edward D. Peace
Corporation Counsel

CITY OF BUFFALO URBAN RENEWAL AGENCY

By: _____
Anthony M. Masiello, Chairman

NIAGARA FRONTIER HOCKEY, L.P.
BY: NIAGARA FRONTIER HOCKEY
MANAGEMENT CORPORATION
Its Managing General Partner

By: _____
Vice Chairman Title

STATE OF NEW YORK)
COUNTY OF ERIE) SS.:
CITY OF BUFFALO)

On this 19th day of December, 1994 before me, the subscriber personally came **Anthony M. Masiello**, to me known, who, being by me duly sworn, did depose and say that he resides in Buffalo, New York, that he is the Mayor of the City of Buffalo, the corporation described in, and which executed the within instrument; and that he signed his name thereto by order of the Board of Directors of said corporation.

Notary Public

EDWARD D. PEACE
Notary Public, State of New York
Qualified in Erie County
My Commission Expires May 4, 19 95

STATE OF NEW YORK)
COUNTY OF ERIE) SS.:
CITY OF BUFFALO)

On this 19th day of December, 1994 before me, the subscriber personally came **Anthony M. Masiello**, to me known, who, being by me duly sworn, did depose and say that he resides in Buffalo, New York, that he is the Chairman of the City of Buffalo Urban Renewal Agency, the corporation described in, and which executed the within instrument; and that he signed his name thereto by order of the Board of Directors of said corporation.

Notary Public

EDWARD D. PEACE
Notary Public, State of New York
Qualified in Erie County
My Commission Expires May 4, 19 95

STATE OF NEW YORK)
COUNTY OF ERIE : SS.:
CITY OF BUFFALO)

On this 20th day of December, 1994 before me, the subscriber personally came Robert O. Swados, to me known, who, being by me duly sworn, did depose and say that he resides in Erie County, New York, that he is the Vice-Chairman of Niagara Frontier Hockey Management Corporation, the corporation described in, and which executed the within instrument as

the managing general partner of Niagara Frontier Hockey, L.P.; and that he signed his name thereto by order of the Board of Directors of said corporation.

Margaret H. Maloney
~~Notary Public~~ Comm. of Deeds
Erie, NY.
My Commission Expires 12/31/14

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LAW OFFICES OF
COHEN SWADOS WRIGHT HANIFIN BRADFORD & BRETT
SEVENTY NIAGARA STREET
BUFFALO, NEW YORK 14202-3467
(716) 856-4600
OMNIFAX TELECOPIER (716) 856-5228

THOMAS J HANIFIN
HILARY P BRADFORD
JAY E. BRETT
F HARRIS NICHOLS
DOUGLAS G KIRKPATRICK
JOHN P DEE
JANE F CLEMENS
EUGENE A RUDZINSKI*
LAURENCE B OPPENHEIMER*
LARRY KERMAN
GREGORY T IVANCIC
ROBERT W PATTERSON
CHARLES W GETMAN**

RAYMOND N McCABE
JOHN G MANGAN*
RICHARD L MUGEL
ROBERT P HEARY
ANDREW P GALEZIOWSKI
PATRICK L EMMERLING
VICTORIA HUNTER HAY
MARY M COMERFORD

OF COUNSEL
ROBERT O SWADOS
ROBERT B FLEMING

PAUL P COHEN (1896-1971)
PRESTON L. WRIGHT, JR (1923-1982)

NIAGARA FALLS OFFICE
256 THIRD STREET--PO BOX 848
NIAGARA FALLS, N Y 14303-0848
(716) 285-6981

*ADMITTED ALSO IN FLORIDA
**ADMITTED ALSO IN TEXAS

October 27, 1994

The City of Buffalo
City Hall
Buffalo, New York 14202

The City of Buffalo Urban
Renewal Agency
City Hall
Buffalo, New York 14202

Ladies and Gentlemen:

This letter is furnished to you pursuant to Section 4.1.1 of the First Amendment to the Interim Development Agreement dated October 27, 1994 among The City of Buffalo ("City"), The City of Buffalo Urban Renewal Agency ("BURA"), and Niagara Frontier Hockey, L.P. ("NFHLP") ("First Amendment") with respect to the Guaranty of Repayment and Performance dated as of October 27, 1994, executed and delivered by NFHLP in favor of the City and BURA ("Guaranty"). All capitalized terms not otherwise defined in this opinion shall have the meaning ascribed to them in the Guaranty.

We are general counsel for NFHLP, a limited partnership formed in the State of Delaware, and Niagara Frontier Hockey Management Corporation, a New York corporation ("NFHMC") which

is the sole general partner of NFHLP and acts as the corporate managing general partner of NFHLP. We have investigated only the laws of the State of New York and the federal laws of the United States insofar as the same may be applicable and do not purport to express any independent opinion on the laws of any other jurisdiction. We call to your attention the fact that Robert O. Swados, a former partner and counsel to our firm, is a minority shareholder of NFHMC.

In connection with this opinion, we have examined the following documentation relating to NFHLP and NFHMC:

(a) A copy of the Amended and Restated Agreement of Limited Partnership as of April 1, 1994 for NFHLP, certified by an officer of NFHMC;

(b) A copy of the Certificate of Limited Partnership of NFHLP filed with the State of Delaware March 14, 1988, certified by an officer of NFHMC;

(c) A Certificate of Good Standing for NFHLP issued by the State of Delaware dated October 18, 1994;

(d) A Certificate of Good Standing for NFHLP issued by the New York Secretary of State dated October 19, 1994;

(e) A copy of the NFHLP Affidavit of Application for Admission to Do Business In New York, filed with the Secretary of the State of New York on March 29, 1988, certified by an officer of NFHMC;

(f) A copy of the Certificate of Incorporation of NFHMC filed January 21, 1988 with the Secretary of State of New York, certified by an officer of NFHMC;

(g) A copy of the By-Laws of NFHMC;

(h) A copy of the Stockholders and Voting Trustees Agreement by and among the shareholders of NFHMC dated as of April 20, 1994, certified by an officer of NFHMC;

(i) A Certificate of Good Standing for NFHMC issued by the State of New York dated August 10, 1994;

(j) A Franchise Tax Report for NFHMC issued by the New York State Department of Taxation and Finance dated as of September 27, 1994 showing no tax due;

(k) The Guaranty; and

(l) The corporate and partnership proceedings of NFHMC and NFHLP, respectively, authorizing the Guaranty.

In addition, we have discussed the proposed Guaranty with management of NFHLP and NFHMC and reviewed such minutes of meetings of the Board of Directors of NFHMC as we have deemed necessary in order to give the following opinions. We have examined and relied upon such certificates, agreements, documents and other papers, and have made such inquiries of NFHLP and NFHMC, and conducted such investigations of laws as we have deemed appropriate and necessary. In such examinations, we have assumed the genuineness of all signatures (other than those of the officers of NFHMC on the Guaranty), the authenticity of all documents submitted to us as originals, the conformity to the originals of all documents submitted to us as certified, photostatic or conformed copies and the authenticity of the originals of all documents submitted to us as certified, photostatic or conformed copies.

When in this opinion we indicate that our opinions are based upon our knowledge, we mean actual knowledge attributable to our representation of NFHMC or NFHLP, as applicable, in matters to which lawyers in the Firm have devoted substantive attention.

Based upon the foregoing, we are of the opinion that:

1. NFHLP is a limited partnership duly organized and in good standing in the State of Delaware and in good standing in New York and has the power and authority to own its properties and assets and to carry on its business as now being conducted by it.

2. NFHMC is a corporation duly organized and in good standing in the State of New York and has the power and authority to own its properties and assets and to carry on its business as now being conducted by it.

3. The Guaranty has been duly authorized and executed and delivered by NFHLP.

4. NFHLP has legal authority to enter into the Guaranty.

5. The Guaranty constitutes a legal, valid and binding obligation of NFHLP enforceable against it in accordance with its terms, except as enforceability (i) may be limited by state or federal bankruptcy, insolvency, reorganization or other similar laws affecting the enforcement of creditor's rights, and (ii) maybe subject to equity principles in the event equitable remedies are sought.

6. The execution, delivery and performance by NFHLP of the Guaranty does not (a) constitute a violation of any provision of any applicable law or regulation or the Amended and Restated Agreement of Limited Partnership of NFHLP, or (b) result in a breach of or constitute a default under any indenture, agreement or other instrument to which NFHLP or NFHMC is a party or bound, except such agreements for which the consent of the other party has been obtained.

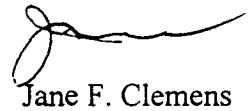
7. There are no actions, suits or proceedings pending, or to the best of our knowledge,

threatened with respect to NFHLP or NFHMC by or before any court, public board or body which involve any of the transactions contemplated by the Guaranty or which, if adversely determined, would affect adversely the right or ability of NFHLP to meet its obligations, covenants and promises under the Guaranty.

We are delivering this opinion to you solely for your benefit and the benefit of your counsel, and it may not be quoted or relied on by any other persons without our prior written consent, except that your counsel may quote and rely on this opinion in rendering any opinion to you as if it were addressed specifically to them.

Very truly yours,

COHEN SWADOS WRIGHT HANIFIN
BRADFORD & BRETT

By 
Jane F. Clemens

JFC:kz

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TERMINATION AND RELEASE
OF
GUARANTY OF PAYMENT AND PERFORMANCE

This Termination and Release of Guaranty of Payment and Performance made and entered into as of May 10, 1995 ("Termination and Release"), is executed and delivered by The City of Buffalo Urban Renewal Agency, a public benefit corporation of the State of New York with offices located at 920 City Hall, Buffalo, New York 14202 ("BURA") and the City of Buffalo, a municipal corporation of the State of New York with offices located at City Hall, Buffalo New York 14202 (the "City"), to Niagara Frontier Hockey, L.P., a Delaware limited partnership having its principal office at 140 Main Street, Buffalo, New York 14202 (the "Guarantor").

A. Preliminary Recitals

The Guarantor executed and delivered a Guaranty of Payment and Performance dated as of October 27, 1994 to the City and BURA ("Guaranty") in connection with an Interim Development Agreement, effective March 21, 1994 ("Interim Agreement"), and a First Amendment to the Interim Development Agreement dated as of October 27, 1994, each among Crossroads Arena Corporation, BURA and the City. Section 4.6 of the Guaranty provides that all of the obligations of the Guarantor shall terminate upon the execution by BURA and by the City of the Definitive Documents (as defined in the Interim Agreement). The Definitive Documents have been executed as of the date hereof and the parties hereto desire to terminate the Guaranty and to release the Guarantor from any and all obligations and liabilities in connection therewith.

B. Agreement

1. Termination. BURA and the City hereby agree that the Guaranty is terminated in full.

2. Release. BURA and the City, and each of them alone, for their respective successors, assigns, heirs, executors and administrators, hereby release the Guarantor and its successors, assigns, heirs, executors and administrators, of and from any and all causes of action, suits, claims, demands, debts, dues, sums of money, accounts, reckoning, obligations, agreements, liabilities and damages of every kind, in law and equity, that Guarantor and its successors, assigns, heirs, executors and administrators, at any time have had, now have or may in the future have by reason of any matter or thing whatsoever relating to or arising out of the Guaranty.

IN WITNESS WHEREOF, the City and BURA have executed this Termination and Release as of the date first set forth above.

APPROVED
AS TO FORM ONLY

EDWARD D. PEACE
Corporation Counsel
BY _____

CITY OF BUFFALO

BY: _____
Anthony M. Masiello, Mayor

BUFFALO URBAN RENEWAL AGENCY

BY: _____
Anthony M. Masiello, Chairman

AGREED AND CONSENTED TO
THIS __ DAY OF MAY, 1995.

NIAGARA FRONTIER HOCKEY, L.P.

BY: Niagara Frontier Hockey Management Corp.,
Its Managing General Partner

BY: _____
(Title)

STATE OF New York)
) SS.:
COUNTY OF Erie)

On the 22 day of May, 1995, before me personally appeared Anthony M. Masiello, to me known, who being by me duly sworn, did depose and say that he is the Mayor of the City of

Buffalo, the municipal corporation described in and which executed the foregoing instrument; and that he signed his name thereto by authority of said municipal corporation on behalf of said municipal corporation.

Joanne Cavalieri
Notary Public

JOANNE CAVALIERI
Notary Public, State of New York
Qualified in Erie County
My Commission Expires Jan. 31, 1997

STATE OF New York)
) SS.:
COUNTY OF Erie)

On the 22 day of May, 1995, before me personally appeared Anthony M. Masiello, to me known, who being by me duly sworn, did depose and say that he is the Chairman of The City of Buffalo Urban Renewal Agency, the public benefit corporation described in and which executed the foregoing instrument; and that he signed his name thereto by authority of said public benefit corporation on behalf of said public benefit corporation.

Joanne Cavalieri
Notary Public

JOANNE CAVALIERI
Notary Public, State of New York
Qualified in Erie County
My Commission Expires Jan. 31, 1997

STATE OF New York)
) SS.:
COUNTY OF Erie)

On the 20th day of May, 1995, before me personally appeared Daniel J. DiPofi, to me known, who being by me duly sworn, did depose and say that he is the V.P. of Finance of Niagara Frontier Hockey Management Corp., the Managing General Partner of Niagara Frontier Hockey, L.P., the limited partnership described in and which executed the foregoing instrument; that he executed the foregoing instrument in the name of the partnership and that he had authority to sign the same; and he acknowledged to me that he executed the same as the act and deed of said partnership.

Diane W. Capicotto
Notary Public

DIANE W. CAPICOTTO
Notary Public, State of New York
Qualified in Niagara County
My Commission Expires May 31, 1995

CONDITIONAL ASSIGNMENT OF PROJECT DOCUMENTS

CROSSROADS ARENA LLC

and

NEW YORK STATE URBAN DEVELOPMENT CORPORATION
the CITY OF BUFFALO, NEW YORK,
the COUNTY OF ERIE, NEW YORK,
BUFFALO URBAN RENEWAL AGENCY, and
the ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

Dated as of May 10, 1995

Crossroads Arena

CONDITIONAL ASSIGNMENT OF PROJECT DOCUMENTS

THIS CONDITIONAL ASSIGNMENT is made as of May 10, 1995 by CROSSROADS ARENA LLC, a New York limited liability company (the "Developer"), to the NEW YORK STATE URBAN DEVELOPMENT CORPORATION, a public benefit corporation created by Chapter 174 of the laws of 1968 ("UDC"), the CITY OF BUFFALO, NEW YORK, a municipal corporation of the State of New York ("City"), the COUNTY OF ERIE, NEW YORK, a municipal corporation of the State of New York ("County"), BUFFALO URBAN RENEWAL AGENCY, a public benefit corporation created pursuant to Article 15-B of the General Municipal Law ("BURA"), and the ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY, a public benefit corporation created pursuant to Article 18-A of the General Municipal Law ("ECIDA"), pursuant to a Development and Construction Agreement of even date herewith (the "Development and Construction Agreement"). UDC, the City, the County, BURA and the ECIDA shall be collectively referred to as the "Public Sector Participants", and individually as a "Public Sector Participant". All capitalized terms used in this Conditional Assignment shall have the meaning ascribed to them in the Development and Construction Agreement unless otherwise defined herein.

BACKGROUND OF CONDITIONAL ASSIGNMENT

The Developer and the Public Sector Participants are parties to the Development and Construction Agreement, and pursuant to Section 8.05 thereof, the Developer has agreed to execute and deliver this Conditional Assignment.

Pursuant to an Interim and Term Loan Agreement dated of even date herewith, Shawmut Bank, N.A., by itself and as agent, and Fleet Bank (collectively, the "Concession Lenders"), have agreed to advance Thirty Two Million Five Hundred Thousand Dollars ($32,500,000.00) to Buffalo Sabres Concession LLC, an affiliate of the Developer, to be contributed to the Developer for the Developer's use in the development and construction of the Project (the "Concession Loan"). Pursuant to a Building Loan Agreement dated of even date herewith, Marine Midland Bank, by itself and as agent, and Key Bank of New York (collectively, the "Construction Lenders") have agreed to advance Thirty Five Million Dollars ($35,000,000.00) to the Developer for development and construction of the Project (the "Construction Loan").

As a condition to granting the Concession Loan, the Concession Lenders have required Buffalo Sabres Concession LLC to cause Developer to execute and deliver an Assignment of Project Documents dated of even date herewith, and as a condition to granting the Construction Loan, the Construction Lenders have

required the Developer to execute and deliver an Assignment of Project Documents dated of even date herewith (collectively, the "Collateral Assignments").

NOW, THEREFORE, subject to the terms and provisions of the Financing Participants Agreement and the Collateral Assignments, the Developer hereby conditionally assigns, sets over, and transfers to the Public Sector Participants, jointly and severally, the Developer's right, title and interest in and to the Project Documents (as hereinafter defined) to the extent such right, title and interest is assignable.

1. "Event", as used herein, shall include each of the following: (i) the occurrence of an Event of Default under the Development and Construction Agreement, and (ii) the election by one or more of the Public Sector Participants to take over the completion of the construction and development of the Project as a result of the occurrence of such Event of Default.

2. The items which are the subject of this Conditional Assignment, and which are sometimes collectively referred herein to as the "Project Documents", are as follows:

(a) All licenses, permits, approvals, certificates, rights and agreements of every type and nature with or from all boards, agencies and departments, governmental or otherwise, relating directly or indirectly to the ownership, use, operation, occupancy and maintenance of the Project and the construction of improvements thereon ("Improvements"), whether heretofore or hereafter issued or executed (collectively,"Licenses"). Such boards, agencies and departments, governmental or otherwise, are hereinafter collectively referred to as "Licensing Authorities."

(b) All contracts, bonds, plans, specifications subcontracts, agreements, service agreements, maintenance contracts, management agreements, utility agreements, warranties, guaranties and purchase orders which have heretofore been or will hereafter be executed by or on behalf of the Developer or which have been or will hereafter be assigned to the Developer in connection with the construction, use, operation, maintenance, occupancy and servicing of the Project and the Improvements, together with all franchise and license agreements ("Contracts"). The parties with whom or to whom such Contracts have been or are hereafter entered into with or given are collectively referred to herein as "Contractors".

(c) the Developer's books and records relating to the Project.

3. Subject to the provisions of the Financing Participants Agreement and the Collateral Assignments, until the occurrence of an Event, the Developer shall retain all right, title and

interest in and to the Project Documents. The affidavit or written statement of an officer, agent or attorney of any of the Public Sector Participants stating that an Event has occurred and that such Public Sector Participant is entitled to exercise its rights hereunder in accordance with the Financing Participants' Agreement and the Development and Construction Agreement shall constitute conclusive evidence thereof to all governmental authorities exercising jurisdiction over the Project ("Governmental Authorities"), Licensing Authorities and Contractors, which persons are authorized and directed to rely on such affidavit without further inquiry.

4. The Public Sector Participants shall not (a) be obligated to perform or discharge, nor be deemed in any manner to have assumed any obligation under any License or Contract, or (b) be liable to any Governmental Authority, Licensing Authority or Contractor by reason of any default by any party under the Licenses or Contracts occurring prior to the date the affidavit or written statement referred to in Section 3, above, is delivered to such Governmental Authority, Licensing Authority or Contractor.

5. Subject to the provisions of the Financing Participants Agreement and the Collateral Assignments:

(a) After the occurrence of an Event, the Public Sector Participants jointly or severally may, in their sole discretion, elect to exercise any and all of the Developer's rights and remedies under the Project Documents without any interference or objection from the Developer, and the Developer shall use its best efforts to cause the Contractors to comply with all the terms and conditions of the Contracts.

(b) After the occurrence of an Event, if and to the extent permitted by law, the Public Sector Participants jointly or severally may take over and enjoy the benefits of the Licenses and Contracts, exercise the Developer's rights thereunder, and perform all acts in the same manner and to the same extent as the Developer might do, which acts may be performed either in the name of the Developer or in the name of the Public Sector Participants. In connection with any and all of the foregoing powers and without limiting the same, the Public Sector Participants jointly or severally may effect new Contracts and Licenses, cancel or surrender existing Contracts and Licenses, alter and amend the terms of and renew existing Contracts and Licenses, and make concessions to Governmental Authorities, Licensing Authorities and Contractors. The Developer hereby releases any and all claims which it has or may hereafter have against the Public Sector Participants arising out of such performance by the Public Sector Participants. Upon the occurrence of an Event, the Public Sector Participants jointly or severally may enter into new Contracts for the performance of all

services provided for therein or perform such services itself, and the Developer agrees to deliver to the Public Sector Participants all books, documents, records, Licenses, and Contracts reasonably requested by the Public Sector Participants, or complete copies thereof.

6. Following the occurrence of an Event, the Developer shall, within 15 days of any request by the Public Sector Participants, furnish to UDC a complete list of all Contracts and Licenses. In addition, following the occurrence of an Event, the Developer shall also deliver to UDC executed or certified copies of all Contracts, Licenses and other written agreements, correspondence and memoranda between the Developer and Contractors and Governmental Authorities or Licensing Authorities setting forth the contractual and other arrangements between them. Following the occurrence of an Event, the Developer shall also give to UDC a true and correct copy of any notice received by the Developer in connection with any of the Project Documents as soon as possible following the Developer's receipt of such notice.

7. This Assignment shall not be construed to make any Public Sector Participant the agent, partner or joint venturer of either the Developer or any of the Contractors, Governmental Authorities or Licensing Authorities.

8. Any failure on the part of the Public Sector Participants to promptly exercise any right given or reserved hereby shall not prevent the exercise of any such right at any time thereafter. The Public Sector Participants may pursue and enforce any remedy or remedies accorded them herein independently of, in conjunction or concurrently with, or subsequent to its pursuit and enforcement of any remedy or remedies which they may have under the Development and Construction Agreement.

9. The Developer represents and warrants to the Public Sector Participants that:

(a) It has full and complete right, power and authority to execute and deliver this Conditional Assignment free and clear of the rights of all third parties (except as provided in the Financing Participants Agreement and the Collateral Assignments); and

(b) It has made no prior assignment, pledge or hypothecation of the Project Documents other than the Collateral Assignments.

10. This Conditional Assignment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. This Conditional Assignment may not be amended or terminated except by an instrument in writing executed

by the Developer and the Public Sector Participants, which writing shall make specific reference hereto.

11. Notwithstanding any provision contained herein to the contrary, this Conditional Assignment shall not take effect, nor shall it be enforceable by the Public Sector Participants until an Event has occurred and is continuing.

12. Upon completion of development and construction of the Project (as defined in the Development and Construction Agreement) this Conditional Assignment shall be deemed null and void, otherwise to remain in full force and effect.

IN WITNESS WHEREOF, the Developer has caused this Conditional Assignment to be duly executed the day and year first written above.

CROSSROADS ARENA LLC
By its Member

ARENA, INC. f/k/a CROSSROADS ARENA CORPORATION

By: _____

Name: LAWRENCE QUINN

Title: EXECUTIVE VICE PRESIDENT

OPERATING AGREEMENT

By and Among

CROSSROADS ARENA LLC,

CITY OF BUFFALO,

COUNTY OF ERIE,

NEW YORK STATE URBAN DEVELOPMENT CORPORATION,

BUFFALO URBAN RENEWAL AGENCY

and

ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

Dated: As of May 10, 1995

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OPERATING AGREEMENT

This Operating Agreement ("Agreement") dated as of May 10, 1995 by and among Crossroads Arena LLC, a New York limited liability company ("CALLC"), the City of Buffalo, a municipal corporation of the State of New York (the "City"), the County of Erie, New York a municipal corporation of the State of New York (the "County"), the New York State Urban Development Corporation, a corporate governmental agency of the State of New York constituting a political subdivision and public benefit corporation ("UDC"), the Buffalo Urban Renewal Agency, a public benefit corporation created pursuant to Article 15-B of the General Municipal Law ("BURA"), and the Erie County Industrial Development Agency, a public benefit corporation created pursuant to Article 18-A of the General Municipal Law ("ECIDA"), recites as a preamble the following:

A. The City, the County, the UDC, BURA, the ECIDA and Crossroads Arena Corporation, now known as Arena, Inc. are parties to a Memorandum of Understanding dated March 28, 1994 ("MOU") with respect to the design, development, construction and operation of a sports and entertainment complex to be built in the City and operated by Arena, Inc. as described in the MOU ("The Crossroads"). Arena, Inc. has assigned its rights and interests under the MOU (including, without limitation, the right to operate The Crossroads) to CALLC pursuant to an Assignment and Assumption Agreement dated November 18, 1994.

B. In accordance with the MOU, the parties to this Agreement and certain other parties have on the date of this Agreement entered into the Prior Leases, the Public Sector Financing Documents, the Private Arena Debt Agreements, the Intercreditor/Non-Disturbance/Attornment Agreements, and the Related Transaction Documents, as defined on Exhibit A.

C. Concurrently with the execution of this Agreement, CALLC and the Public Sector Participants are entering into the Development and Construction Agreement by which the parties agree to participate in the design, development, construction and equipping of The Crossroads.

D. Upon completion of the Project, CALLC and the Public Sector Participants wish to establish the terms and conditions upon which CALLC will occupy, use, manage and operate The Crossroads pursuant to the Prior Leases.

E. The Public Sector Participants, pursuant to the Coordinating Agreement, have appointed UDC as their agent for providing certain approvals or consents contemplated herein.

NOW, THEREFORE, based on the foregoing premises and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties to this Operating Agreement agree as follows:

Article I - Definitions

All capitalized terms used herein which are not otherwise defined in the text shall have the meaning stated on Exhibit A attached hereto.

Article II - Project Leasing Structure

Pursuant to the Prime Building Lease executed concurrently herewith, CALLC has the right to occupy and possess The Crossroads in connection with its exercise of rights and discharge of duties regarding the management and operation of The Crossroads described herein. The Prime Building Lease is co-terminous with the term of this Agreement as provided at Section 20.01. Each of the Prior Leases provides the lessee with four successive extension options, subject to CALLC's valid exercise of its corresponding option to extend this Agreement pursuant to the terms and conditions stated at Section 20.02. CALLC's valid exercise of its option to extend this Agreement pursuant to Section 20.02 hereof shall automatically extend the Prime Building Lease.

Article III - Management and Operation

3.01 CALLC's Management Authority, Rights and Duties.

CALLC shall market, manage and operate The Crossroads subject to the terms, conditions and limitations of this Agreement, including, with limitation, the provisions of Sections 3.02, 3.02A and 3.03. CALLC's rights and responsibilities as manager shall include, without limitation:

(a) leasing The Crossroads to the Sabres, Bandits and Blizzard pursuant to the Sabres Lease which has been executed concurrently with this Agreement and leases to be entered subsequently with the Bandits and Blizzard;

(b) soliciting, negotiating and entering into leases, licenses and similar agreements regarding the use and presentation of events at The Crossroads with other professional and amateur sports franchises and promoters of events in form and content (including the participation of the Sabres if they agree to provide the same at their sole discretion) which CALLC reasonably expects will maximize the use and revenues of The Crossroads by and from other professional and amateur sports franchises, lessees and other users or promoters of events;

(c) entering into licenses for the use of Luxury Suites and Club Seats and agreements with respect to promotional and advertising at The Crossroads and The Crossroads Site, and engaging in any and all necessary and appropriate marketing and sales activities with respect to such licenses and agreements;

(d) making appropriate scheduling, staffing and other arrangements with respect to the exercise by the Principal Public Participants of their reserved rights to hold Civic Events at The Crossroads pursuant to Section 6.01 hereof;

(e) entering into agreements for the right to provide technical production services for radio, TV, cable and other transmissions from The Crossroads;

(f) negotiating and entering into agreements with agents and consultants with respect to management and marketing of The Crossroads and negotiating and entering into all other agreements with suppliers, vendors, promoters and other parties related to the operation and promotion of The Crossroads;

(g) negotiating and entering into an agreement or agreements regarding the naming of The Crossroads;

(h) managing, staffing and operating The Crossroads both during event and non-event periods in a manner appropriate to the operation of The Crossroads consistent with Industry Standards and the applicable portions of the Affirmative Action Plan and employing all personnel, contractors and vendors necessary and appropriate to efficiently operate The Crossroads; and

(i) subject to the terms and conditions of this Agreement, and except as may be specifically limited hereby, taking any and all other action and entering into all other agreements with respect to the marketing, management and operation of The Crossroads that CALLC determines (using its reasonable judgment) to be necessary or appropriate to the marketing, management and operation of a first class sports and entertainment complex.

3.02 Contracts with Affiliates

(a) CALLC may not enter into any Affiliate Contract (i) which requires Excess Payments and (ii) other than specifically in accordance with the provisions of this Section 3.02.

(b) CALLC may, without the prior approval of the Principal Public Participants, enter into an Affiliate Contract, but only if (i) such Affiliate Contract does not (A) require any Excess Payments and (B) involve expenditures by CALLC in any one Fiscal Year during which such Affiliate Contract is in effect, together with all other contracts, agreements or cost sharing arrangements with such Affiliate, of more than 5% of the Operating Costs and Expenses for the prior Fiscal Year; and (ii) CALLC, no less than five Business Days prior to the execution thereof, delivers to the Principal Public Participants a written notice setting forth the material terms and conditions of such Affiliate Contract (or a copy thereof), together with a statement setting forth the commercially reasonable basis for entering into such Affiliate Contract and a certification by CALLC, together with supporting evidence, that such Affiliate Contract does not require Excess Payments.

(c) If CALLC desires at any time to (i) enter into any Affiliate Contract which involves expenditures by CALLC in any one Fiscal Year during which such Affiliate Contract is in effect, together with all other contracts, agreements or cost sharing arrangements with such Affiliate, of more than 5% of the Operating Costs and Expenses for the prior Fiscal Year or (ii) materially modify any Affiliate Contract, it shall first deliver written notice to the Principal Public Participants identifying the Affiliate Contract and the parties thereto, which notice shall include (A) a statement setting forth the commercially reasonable basis for entering into or modifying such Affiliate Contract, (B) either a written summary of the essential terms and conditions of the proposed Affiliate Contract or material modification, or a copy of the proposed Affiliate Contract or material modification, in draft form if necessary and (C) a certification by CALLC, together with supporting evidence that the terms of such Affiliate Contract are not less favorable to CALLC than are otherwise reasonably available to CALLC from an independent source and do not require Excess Payments. Each Principal Public Participant shall respond in writing to CALLC within thirty (30) days after its receipt of the notice from CALLC as to whether it consents to CALLC entering into or materially modifying such Affiliate Contract. If any Principal Public Participant delivers a notice to CALLC that it objects to such Affiliate Contract or material modification CALLC shall not enter into such Affiliate Contract or material modification until after dispute resolution. Each Principal Public Participant shall be deemed to have consented to such Affiliate Contract or material modification, unless such Principal Public Participant delivers to CALLC, within thirty (30) days after its receipt of such notice, a written objection to such Affiliate Contract or material modification, identifying commercially reasonable or significant public policy reasons for such objection. The issue of whether such Affiliate Contract should not be allowed because of one or more commercially reasonable or significant public policy reasons shall be subject to dispute resolution pursuant to Article XIX hereof.

(d) Concurrently with the execution of this Agreement, the Principal Public Participants are giving their consent to the Affiliate Contracts identified on Exhibit B hereto and to the performance by CALLC of all of its obligations thereunder and confirm that the provisions of Section 3.02(b) shall not be deemed violated by the terms thereof.

(e) If any Principal Public Participant believes that any Affiliate Contract entered into by CALLC has resulted in Excess Payments by CALLC, it may register its objection by delivering written notice thereof to CALLC and the other Principal Public Participants within 12 months after its receipt of CALLC's audited financial statements which reflect any such payment. If such Principal Public Participant has consented to such Affiliate Contract, it may only challenge payments to the extent such payments exceed the payments required by the terms of such Affiliate Contract. The question of whether Excess Payments or payments exceeding the Affiliate Contract's terms have been made or whether payments in excess of those provided in an approved Affiliate Contract shall be subject to dispute resolution under Article XIX hereof. Notwithstanding any other provision of this Agreement, upon the arbitrator's determination that any Excess Payments or payments exceeding the Affiliate Contract have been made, or payments in excess of those approved have been made, CALLC shall (i) within ten (10) days thereafter, either terminate such Affiliate Contract or reform such Affiliate Contract to eliminate the Excess Payments or payments exceeding the Affiliate

Contract terms or payments in excess of those approved and (ii) immediately pay the amount of such Excess Payments or payments exceeding the Affiliate Contract terms or payments in excess of those approved to the Operating Fee Recipients as provided in Section 7.07.

3.02A Certain Material Contracts

(a) CALLC shall not enter into, terminate, assign, dispose of its interests in or otherwise materially modify any Material Contract without first obtaining the consent of the Principal Public Participants in accordance with the provisions of this Section 3.02A provided, however, that CALLC may enter into certain Material Contracts pursuant to and as provided in the Development and Construction Agreement. If CALLC desires at any time to enter into any or materially modify any Material Contract, it shall first deliver written notice to the Principal Public Participants identifying the Material Contract and the proposed parties thereto, which notice shall include either (i) a written summary of the essential terms and conditions of the proposed Material Contract or material modification, or (ii) a copy of the proposed Material Contract or material modification, in draft form if necessary. Each Principal Public Participant shall be deemed to have consented to such Material Contract or material modification unless such Principal Public Participant delivers to CALLC, within 30 days after its receipt of such notice, a written objection to such Material Contract identifying commercially reasonable or significant public policy reasons for such objection. If any Principal Public Participant does deliver such a written objection within such 30 day period, the issue of whether such Material Contract should not be entered into because of one or more commercially reasonable or significant public policy reasons shall be subject to dispute resolution pursuant to Article XIX hereof.

3.03 Retention and Delegation Of Management Authority.

In connection with the rights and obligations of CALLC to manage, market, maintain and operate the Arena, CALLC itself may perform marketing, management and operating rights and duties with respect to The Crossroads or may from time to time, either enter into contract(s) with a firm or firms of national or regional repute, experience and standing in certain or all aspects of marketing, management and operation (the "Management Firms") or, subject to the provisions of Section 3.02, with Affiliate(s) of CALLC (the "Management Affiliate(s)"). If Management Firms are retained by CALLC, and such Management Firms, or their principals, shall at any time have any business relationship with the Sabres or CALLC, or their principals, other than with respect to The Crossroads, CALLC shall disclose such relationship in writing to the Principal Public Participants and shall maintain such other business relationship and The Crossroads relationship entirely independent and separate from each other. If Management Affiliates are used by CALLC to carry out any functions regarding management and operation of The Crossroads, CALLC shall provide to the Principal Public Participants on a quarterly basis, an accurate accounting of the allocation of such Management Affiliate's personnel and expenses to The Crossroads and of any allocation or sharing of operating or capital costs as between CALLC and such Management Affiliates.

3.04 Administration and Enforcement of Agreements With Affiliates.

CALLC shall administer and enforce any and all agreements with respect to The Crossroads that it may enter into with any Affiliate of CALLC in accordance with its obligations under the Sabres Lease, the Private Arena Debt Agreements, this Agreement and any other agreement to which CALLC is a party in a manner consistent with a standard of conduct reasonably expected from the manager of a sports and entertainment facility meeting Quality Arena Standards which is dealing with an unrelated party. If any Principal Public Participant believes that CALLC is failing to meet this standard in its relationship with any Affiliate with which it has a contractual relationship with respect to The Crossroads, it may notify CALLC in writing of the specific instances of its failure to meet such standard and request that CALLC remedy such alleged failures and refrain from repeating any such failures. A copy of such notice shall be furnished to NFHLP and to the other Principal Public Participants contemporaneously with the furnishing of notice to CALLC. If CALLC concurs with the allegations of such notice, it shall promptly remedy any such failures and refrain from any repetition of such failures. If CALLC does not concur with the allegations, it shall respond to such Principal Public Participant's allegations in writing within 30 days after its receipt of such notice, and thereafter CALLC or any Principal Public Participant may initiate dispute resolution procedures pursuant to Article XIX hereof. Failure to respond to such notice shall be deemed concurrence by CALLC.

3.05 Affirmative Action.

CALLC shall implement the Affirmative Action Plan during the term of this Agreement. Upon request by CALLC, the City and County shall use good faith efforts to support CALLC in its efforts with one or more unions representing persons employed in any aspect of the management and operation of The Crossroads, if any, to obtain such affirmative action and equal employment opportunities concerning the operation of The Crossroads necessary to implement the Affirmative Action Plan.

Article IV - Covenants Regarding Crossroads Operations

4.01 CALLC Additional Covenants.

CALLC shall:

(a) prohibit the use of The Crossroads for events of a character or content generally recognized as contrary to public morals and values or the reasonable comfort of patrons at Crossroads events to the extent permitted by and consistent with applicable law (the opinions of the Principal Public Participants as to the foregoing, expressed by them to CALLC, shall be given appropriate consideration by CALLC in its exercise of its management responsibilities);

(b) not take any action or enter into any agreement which is subject to prior approval by any Principal Public Participant without complying with the applicable requirements of this Agreement;

(c) comply with, perform its duties, responsibilities and obligations under, and enforce its rights and remedies under all leases, licenses and other agreements to which it is a party, including the Development and Construction Agreement, Financing Participants Agreement, Prior Leases, Sabres Lease and all associated agreements to which it is a party.

4.02 Public Sector Participant Covenants.

(a) The City, covenants and agrees with CALLC that it will comply with the Aud Non-Compete Agreement.

(b) Each of the Public Sector Participants severally and not jointly, covenants with CALLC that it shall comply with all of the terms and conditions applicable to it of the Development and Construction Agreement, Financing Participants' Agreement, Prior Leases and all associated agreements to which such Public Sector Participant is a party.

Article V - Covenants Regarding Surrounding Development

The City, County and CALLC agree to use their best efforts to finalize the plans for and complete the development of The Crossroads Urban Renewal Area, the Inner Harbor plan, and a new LLRT station servicing The Crossroads. The City, County and CALLC agree that a key element of the Inner Harbor plan is the excavation of a harbor from the Buffalo River towards The Crossroads Arena, the size and scope of which shall be subject to further plans. The City, County and CALLC agree that the City will act as the lead agency in developing a Plan for the Crossroads Urban Renewal Area, the Inner Harbor and the LLRT station in a manner consistent with Exhibit C attached to this Agreement and this Article. The City in turn agrees to accept the meaningful participation of all the parties to this Agreement in the development of the Plan and endeavors to complete the Plan within six months of the date of this Agreement. The City and CALLC will use their best efforts to implement the Plan and will encourage other public and private entities to do so as well.

Article VI - Use Rights of Public Sector

6.01 Right To Hold Civic Events.

The Principal Public Participants may, in the aggregate, sponsor or conduct up to 5 Civic Events during each Operating Year at The Crossroads, subject to the following terms and conditions:

(a) a Principal Public Participant proposing to hold a Civic Event at The Crossroads shall provide a reasonably detailed proposal to CALLC regarding the nature of the event, which shall qualify as a Civic Event, the expected attendance, the proposed date of such event and such other information that CALLC shall reasonably require, and CALLC shall schedule such event on or as near to the proposed date as is feasible. CALLC shall schedule such event so as not to disrupt the commercial or scheduling opportunities of The Crossroads to the extent feasible, shall not schedule such event in conflict with a prior booking of The Crossroads, and no such Civic Event shall conflict with any Hockey Event which was scheduled before such Civic Event had been scheduled;

(b) the sponsoring Principal Public Participant shall reimburse CALLC for all Civic Event Out-of-Pocket Expenses incurred by CALLC as a result of any Civic Event held at The Crossroads and prior to the date such Civic Event is held, shall execute and deliver to CALLC any standard form of agreement CALLC then has in effect with promoters of the events which may require the sponsoring Principal Public Participant to provide insurance at its own cost for such Civic Event or if an organization other than a Principal Public Participant is holding the Civic Event, CALLC may require such organization to sign its standard agreement then in effect and furnish a bond or otherwise demonstrate its financial capacity to reimburse CALLC for Civic Event Out-of-Pocket Expenses associated with such Civic Event;

(c) the apportionment of the right to sponsor Civic Events at The Crossroads among the Principal Public Participants, and the exercise of priority of such rights among them shall be as they agree among themselves, in the Coordinating Agreement; provided, that CALLC may rely upon the representation of any single Principal Public Participant that it is entitled to sponsor a Civic Event; and

(d) the rights of the Concessionaire granted pursuant to the Sabres Lease shall be uninterrupted by any such Civic Event.

Article VII - Collection, Administration and Disposition of Project Revenues

7.01 Creation of Administrative Accounts.

There are hereby created the following accounts for the deposit, administration and disbursement of Project Revenue:

(a) the Project Revenue Account,

(b) the Operating Reserve Account,

(c) the Loss Proceeds Account,

(d) the Renewal and Replacement Account,

(e) the Extraordinary Events Account, and

(f) the Ticket Reserve Account.

Each of the foregoing accounts shall be held and administered by CALLC. Deposits into and disbursements from the Project Revenue Account and Operating Reserve Account shall be governed by this Article VII. Deposits into and disbursements from the Loss Proceeds Account shall be governed by Article X. Deposits into the Renewal and Replacement Account shall be governed by this Article VII and by Article XI, and administration thereof and disbursements therefrom shall be governed by Article XI. Deposits into and disbursements from the Extraordinary Events Account will be governed by Article XIV hereof. Deposits into and disbursements from the Ticket Reserve Account will be governed by Section 9.3 of the Sabres Lease. Any funds held in any of the foregoing accounts which are not to be disbursed within the following 5 Business Days shall be invested in Qualified Investments.

7.02 Collection of Project Revenue.

CALLC shall collect and deposit all Project Revenue in the Project Revenue Account as follows:

(a) CALLC shall collect rent and all other charges from the Sabres, Bandits and Blizzard as and when due under the Sabres, Bandits and Blizzard leases, respectively, and deposit such rent in the Project Revenue Account;

(b) CALLC shall collect lease rents, use payments and all other charges from lessees and promoters other than the Sabres, Bandits and Blizzard as and when due under leases and licenses with such parties, and deposit such rents and use payments in the Project Revenue Account;

(c) CALLC shall collect the Ticket Surcharge (as described at Section 7.03), and deposit the 2.0% Portion of the Ticket Surcharge in the Project Revenue Account;

(d) CALLC shall or shall cause any sales agent to collect the gross license revenues of Luxury Suites and Club Seats and deposit the same in the Project Revenue Account;

(e) CALLC shall or shall cause any sales agent to collect all advertising and sponsorship revenue related to promotional advertising at The Crossroads and The Crossroads Site (other than advertising at concession stands and facilities directly related to the sale of goods by the Concessionaire and advertising and sponsorship rights related to and reserved to the Sabres under the Sabres Lease) and shall deposit such revenue in the Project Revenue Account;

(f) CALLC shall collect, administer and deposit the Naming Rights Proceeds in accordance with the provisions of Section 7.04.

(g) CALLC shall collect any other Project Revenue, and deposit such amounts in the Project Revenue Account.

7.03 Collection and Administration of Ticket Surcharge.

CALLC shall impose or cause to be imposed a Ticket Surcharge in the amount of 2.25% of the stated purchase price of each ticket sold for all Events held at The Crossroads. CALLC, in accordance with the provisions of Section 7.02(c) shall collect, or cause to be collected, the Ticket Surcharge and shall (i) deposit the 2.0% Portion of the Ticket Surcharge in the Project Revenue Account and (ii) pay the .25% Portion of the Ticket Surcharge (which shall at all times be the sole property of the County and shall not be Project Revenue) to the County quarterly, contemporaneously with the payment of any sales tax. Upon repayment in full of the Private Arena Debt and any replacement or refinancing thereof, the 2.0% Portion of the Ticket Surcharge may be eliminated in CALLC's sole discretion. The collection of the Ticket Surcharge pursuant to this Agreement is a contractual undertaking of CALLC only, and this undertaking shall not be subject to any registration or administrative requirement, limitation or procedure applicable to the collection of any tax or fee on behalf of New York State or a municipality.

7.04 Naming Rights Proceeds.

CALLC shall collect the Naming Rights Proceeds and deposit the same to the Project Revenue Account.

7.05 Operating Reserve Account; Operating Deficits

(a) The Operating Reserve Account shall be funded, as and to the extent provided for in Section 7.06(b). Amounts held in the Operating Reserve Account shall be disbursed to pay any Operating Costs and Expenses described at clause (a) of Section 7.06, if and to the extent funds are not available in the Project Revenue Account to pay such costs and expenses as they become due.

(b) In the event that CALLC determines that the available funds in the Project Revenue Account and the Operating Reserve Account are not sufficient to pay the anticipated Operating Costs and Expenses for a period of 30 days (an "Operating Deficit"), CALLC shall promptly so notify the Principal Public Participants. Thereafter, CALLC may incur borrowings from third parties (including NFHLP or another Affiliate of CALLC) in order to pay or finance such Operating Deficit (an "Operating Deficit Loan"), provided that the interest rate payable on any such Operating Deficit Loan is not in excess of Marine Midland Bank's prime rate of interest plus 2% and no encumbrances or liens are imposed other than Permitted Encumbrances. CALLC may negotiate repayment terms for any Operating Deficit Loan in its sole discretion. CALLC shall notify the Principal Public Participants promptly upon closing an Operating Deficit Loan.

(c) If CALLC has not obtained an Operating Deficit Loan within 60 days after notifying the Principal Public Participants that an Operating Deficit exists, the Principal Public Participants (or any one of the them) may, by written notice to CALLC, offer to make an Operating Deficit Loan to CALLC. Provided that (i) the interest rate and repayment terms offered by the Principal Public Participants are competitive with generally available rates and terms for similar types of loans, and (ii) as of the closing date for such loan which is proposed by the Principal Public Participants the Operating Deficit still exists, CALLC shall consummate such Operating Deficit Loan with the applicable Principal Public Participants. Repayment of principal and interest on any Operating Deficit Loan shall be a permitted Operating Cost and Expense.

7.06 Disbursement of Project Revenue.

CALLC will administer, apply and disburse the Project Revenue Account with respect to each Fiscal Year in accordance with the following order of priority:

(a) First, payment when due of all bona fide operating and maintenance expenses, sales commissions, management compensation and expenses, and other costs of operating, maintaining, managing and marketing of The Crossroads whatsoever including, without limitation, payment of direct or indirect personnel costs, supplies, materials, tools, snow removal, insurance premiums, rubbish removal, sales taxes, if any, commissions, advertising fees, utility, maintenance, capital or non-capital expenses, payments to all trade creditors, including payments to NFHLP for tickets and parking pursuant to the Sabres Lease, and principal and interest on any Operating Deficit Loan to which the Construction Lenders have previously consented in writing (the "Operating Costs and Expenses");

Second, payment of principal and interest on the Construction Loan and the Ground Rent payments on a pari passu basis according to the relationship of the annual payments of each;

(b) Thereafter once annually within 90 days after the end of each Fiscal Year of CALLC, after payment or provision of the amounts set forth in (a):

Third, payment of any Accrued Ground Rent;

Fourth, deposits required, of CALLC to maintain any debt service reserve at its required levels pursuant to the Financing Participants Agreement payable annually;

Fifth, payment of required deposits annually to the Renewal and Replacement Account pursuant to Section 11.01;

Sixth, deposits to the Operating Reserve Account payable annually in an amount sufficient to maintain in such account $1.2 million at all times and in the event CALLC reasonably anticipates the need for an operating reserve in excess of $1.2 million, such additional amount as CALLC reasonably determines to be appropriate, provided that the total amount on deposit shall not exceed 30% of the Operating Costs and Expenses for the prior Fiscal Year;

Seventh, pari passu to the payment of accrued interest and principal on any Cost Overrun Loan (other than that portion of the Sabres Advance which was required for construction of the Project) to which the Construction Lenders have previously consented in writing and outstanding eminent domain claims owed to BURA after BURA has paid to or for the benefit of the Project Revenue Account all amounts required under the Development and Construction Agreement payable annually;

Eighth, Mandatory Principal Prepayments on the Construction Loan;

Ninth, Contingency Payments pursuant to Section 9.3 of the Sabres Lease;

Tenth, payments in lieu of service charges to Buffalo Place, Inc. in an amount not exceeding $18,000 per Fiscal Year payable annually;

Eleventh, Voluntary Prepayments;

Twelfth, reimbursement by CALLC of that portion of the Sabres Advance which was required for construction of the Project; and

Thirteenth, payment of the Operating Fee as provided in Section 7.07.

Any remainder, after application to the items set forth above, shall be the sole property of CALLC which may be retained, used or disposed of by CALLC as it determines in its sole

discretion, without restriction. Any such disposition may include distribution by CALLC to its members.

Voluntary Prepayments for purposes of this Section 7.06 may be made as follows:

CALLC may make payments of principal with respect to the Private Arena Debt other than and in addition to payments as provided in Section 7.06(a): Second, Section 7.06(b): Fourth, Seventh or Eighth from Net Project Revenue (herein "Voluntary Prepayments") without the prior approval of the Principal Public Participants if the average of the Operating Fee received by the Principal Public Participants for the Fiscal Years of CALLC commencing with the fourth Fiscal Year after the Completion Date and including the Fiscal Year with respect to which such Voluntary Prepayment is made equals not less than $1 million per year. Voluntary Prepayments shall also be permitted in each of the first three Fiscal Years of CALLC following Completion if the Operating Fee received by the Principal Public Participants with respect to such Fiscal Year is not less than $1 million. In addition, the parties acknowledge that CALLC may make Voluntary Prepayments from Project Revenues generated from sales of Club Seats pursuant to a plan for such payment submitted by CALLC to the Principal Public Participants and approved by the Principal Public Participants, provided the Principal Public Participants agree not to unreasonably withhold their consent to any such plan.

"Operating Costs and Expenses" shall not include: (i) any tax payable by the members of CALLC, or (ii) any expenses for depreciation or other non-cash charges.

Notwithstanding anything to the contrary contained herein, the order of the priorities set forth above shall not be deemed to limit CALLC's obligation to pay Ground Rent or shall be deemed to expand CALLC's right to defer and accrue Ground Rent.

7.07 Operating Fee.

CALLC shall pay the Operating Fee to the Operating Fee Recipients. The Operating Fee payable with respect to each Fiscal Year during the term of this Agreement shall be an amount equal to the Operating Fee Percentage for the applicable Fiscal Year times Net Project Revenue for such Fiscal Year. The Operating Fee Percentage shall equal (a) thirty-five percent (35%) of Net Project Revenue during each of the first fifteen (15) Fiscal Years of the term of this Agreement, (b) forty percent (40%) of Net Project Revenue during the next fifteen (15) Fiscal Years of the term of this Agreement, and (c) forty-eight percent (48%) of Net Project Revenue during any Fiscal Year during any Extension Term. The Operating Fee shall be divided among the Operating Fee Recipients, and CALLC shall make such payments to the Operating Fee Recipients and/or their assigns in accordance with Exhibit D, at the time of delivery of CALLC's annual audited financial statements to the Principal Public Participants but in no event later than 140 days after the end of each Fiscal Year. If CALLC fails to pay the Operating Fee within such 140 day period, it shall be liable for a late charge of 4% per month.

If Net Project Revenue for any Fiscal Year is zero or less than zero, no Operating Fee shall be payable with respect to such Fiscal Year.

7.07A Application of Horizon Share and Operating Fee.

During the period any Tax-Exempt Obligations shall be outstanding, UDC, in its capacity as trustee, shall hold the Horizon Share in a segregated account and, from time to time, shall apply the Horizon Share, together with any interest earned thereon, in its sole discretion, to Horizon Projects. In the event UDC determines that there are no appropriate Horizon Projects for expenditure of the Horizon Share, UDC shall apply such funds, in its sole discretion, only for the benefit of other waterfront projects located in Erie County.

Beginning on the date that no Tax-Exempt Obligations remain outstanding, CALLC shall pay the Operating Fee to the Operating Fee Recipients as provided in Section 7.07.

7.08 Public Sector Participants Not Responsible For Operating Costs and Expenses.

Except for the responsibility of the sponsoring Principal Public Participant for Civic Event Out-Of-Pocket Expenses and associated responsibilities for Civic Events pursuant to Section 6.01, the Public Sector Participants shall not be responsible or have any liability whatsoever for any Operating Costs and Expenses or any other costs and expenses associated with the operation, management, repair and improvement of The Crossroads. Nothing contained in this Section 7.08 shall be deemed to impose any liability or responsibility on any Public Sector Participant in violation of any other provision of this Agreement or any other agreement to which such Public Sector Participant is a party.

7.09 Pledge of Project Revenue and Project Revenue Account To Secure Private Arena Debt; Funding of Private Arena Debt Service and Reserves From Project Revenues.

The Public Sector Participants, including the Operating Fee Recipients, hereby consent to and approve the pledge of Project Revenues, commissions, accounts and leasehold and license interests by CALLC all in accordance with the terms and conditions of Financing Participants Agreement.

Article VIII - Sabres Exclusive Revenues

8.01 Sabres Exclusive Revenues.

The parties hereto acknowledge and agree that, in accordance with the Sabres Lease, the Sabres or an Affiliate thereof shall be exclusively entitled to receive and enjoy the Sabres Exclusive Revenues. The Public Sector Participants hereby consent to and approve of the terms of the Sabres Lease which provides the Sabres with the exclusive right to receive and enjoy the Sabres Exclusive Revenues, and acknowledge and agree that, except as may otherwise be provided for in the Sabres Lease, neither CALLC nor the Public Sector Participants shall have any right or interest in the Sabres Exclusive Revenues.

8.02 Grant of Rights to Operate Sabres Exclusive Areas; Pledge of Sabres Exclusive Areas Revenues.

The Public Sector Participants acknowledge, agree and consent that (i) the Sabres either directly or through an Affiliate may lease to the Concessionaire and Parking Operator the Concession Facilities and Parking Facilities which are included in the Sabres Exclusive Areas, and to receive the Sabres Exclusive Revenues produced thereby, (ii) the Sabres or such Affiliate may pledge a portion or all of the Sabres Exclusive Revenues, to secure the Concession Loan, or for other purposes, and (iii) the Sabres may lease to and grant the right to operate one or more other Sabres Exclusive Areas and to release a portion or all of the Sabres Exclusive Revenues associated therewith to the Concessionaire and Parking Operator or one or more other Persons or any successor of any of the foregoing, and may secure one or more loan facilities with a pledge of revenues related thereto, all in accordance with the terms and conditions of the Private Arena Debt Agreements.

Article IX - Tax Payments; Transmission Fee

9.01 Tax Payments.

(a) Statement of Policy. It is the intent of each Public Sector Participant which is now or may become a taxing authority that there will be levied, imposed or applied against the Project no real property taxes, payments in lieu thereof, admission tax on or against Events held at the Project, including without limitation Hockey Events (whether in the form of a ticket tax, ticket surcharge, gross receipts tax or otherwise), or any other tax, surcharge, assessment, or any other governmental imposition (the foregoing being collectively called "Impositions"), except the following charges, being collectively called "Permitted Impositions"):

(1) Buffalo Place assessments not to exceed $18,000.00 per year;

(2) Sales or use taxes or increases in existing sales or use taxes;

(3) Water charges and sewer rent at generally applicable rates;

(4) Generally applicable service - or usage - based charges;

(5) Compensating use taxes;

(6) The Ticket Surcharge;

(7) The Transmission Fee;

(8) Impositions mandated or caused to be imposed by higher governmental authority the proceeds of which are either passed on to said higher authority or offset by a reduction in aid from said authorities; and

(9) (a) Income taxes or (b) franchise taxes such as those imposed by Article 9-A of the New York State Tax Law or similar law for the privilege of doing business in corporate form or otherwise exercising the corporate franchise.

Each Public Sector Participant acknowledges that the absence of Impositions other than Permitted Impositions during the term hereof is a material inducement to CALLC and the Private Sector Participants to enter into this Agreement.

(b) Real Property Taxes. Each Public Sector Participant, severally and for itself only, agrees that it will not impose or cause to be imposed on the Project any real property taxes or payments-in-lieu thereof.

(c) Right of Offset and Deferral. In addition to all remedies which CALLC may have at law, equity, or pursuant to this Agreement:

(i) CALLC shall have the right, from time to time, to set off and deduct, from any payments of the Operating Fee owed by CALLC to the entity imposing any (1) admission tax on or against Events held at the Project, including without limitation, Hockey Events, whether in the form of a ticket tax, tax surcharge, gross receipts tax or otherwise (except for the Ticket Surcharge) or (2) any other tax, surcharge, assessment or other governmental imposition, however denominated, against the Project which by its terms or effect is limited exclusively, or which in effect applied primarily to, the Project as distinguished from other property within the City or County, an amount or amounts equal to any and all such taxes or charges. If the County is the entity imposing such taxes or charges, CALLC's right of offset shall apply to the County portion of the Ticket Surcharge. If the City is the entity imposing such impositions, then to the extent such taxes or charges imposed by the City and paid by CALLC exceed the Operating Fee then payable to the City (the "Excess Payments"), such Excess Payments shall be deductible from present and future Ground Rent payments. CALLC may seek legal or equitable relief against the party

imposing such impositions only if its right to set off or deferral, as the case might be, for any single Fiscal Year has been exhausted.

(ii) If the City institutes a new generally applicable Imposition other than a Permitted Imposition, and Project Revenues are insufficient to pay in full Operating Costs and Expenses and debt service payments on the Construction Loan (not including payments due because of acceleration or prepayments) plus such new Imposition (the amount by which Project Revenues are so insufficient being hereinafter called the "Deficiency"), then BURA shall defer and accrue from the current and, to the extent necessary, future Ground Rent an amount equal to the Deficiency until Project Revenues are sufficient to pay in full Operating Costs and Expenses and said Construction Loan Debt service payments. When in any Fiscal Year of CALLC Project Revenues are sufficient to pay in full Operating Costs and Expenses and said Construction Loan debt service payments, CALLC shall apply additional Project Revenues first to the payment of any amounts owing under the Ground Rent which were deferred pursuant to this Section. If CALLC fails to pay any such deferred and accrued amounts from Project Revenues as soon as practicable as stated in the preceding sentence, in addition to any and all remedies the City may otherwise have at law, equity, under this Section 9.01 of this Agreement or otherwise, the City shall have no further obligation to defer or accrue any Ground Rent payments pursuant to this Section.

(d) Forbearance From Collection Remedies.

(i) At all times during the term hereof following the foreclosure or other acquisition by an Acquiring Lessee (as defined in the Financing Participants Agreement) of the leasehold encumbered by the mortgage securing the Construction Loan, if notwithstanding the agreements set forth in this Section 9.01, any Impositions other then Permitted Impositions are levied against or imposed on the Project, the levying or imposing party agrees not to exercise any enforcement or collection remedies with respect to said Impositions (including specifically but without limitation sale of tax certificates and foreclosure, but excluding obtaining of a judgment). In the event the foregoing agreement to forebear exercise of remedies is held unenforceable by a court of competent jurisdiction and Impositions are paid by the Acquiring Lessee or its assigns, the amount of such payments will be offset against Ground Rent, if such Impositions are imposed by the City or BURA, or the County portion of the Ticket Surcharge, if such Impositions are imposed by the County or ECIDA.

(ii) In the event any Impositions otherwise eligible for offset and/or deferral under Section 9.01(c) above exceed the amount of Operating Fee, Ticket Surcharge and Ground Rent against which such Impositions may actually be offset and/or deferred, the first sentence in Section 9.01(d)(i) above shall apply with respect to any such excess amounts.

9.02 Transmissions Fee.

(a) CALLC shall pay or cause to be paid to the City a Transmissions Fee. The Transmissions Fee shall be equal to the Applicable Percentage of the gross amount of all revenues, including the fair market value of all property, rights or services not paid for in cash (collectively, "Transmission Revenues") received by the Sabres, CALLC, any Transmissions Affiliate or an Affiliate of the foregoing, which arise from:

(i) the use of The Crossroads Transmission Facilities, as hereinafter defined, for the production or transmission of an information or a communication signal ("Signal") transmitted for end-use reception more than 1/2 mile off premises ("Communications Production") (whether live or instantaneous, post-production or delayed, and whether the Signal is distributed by satellite, cable television, pay television, subscription television, broadcast television, telephone (including visual telephone), radio, fiber optics, microwave, laser beam, closed circuit, interactive television, two-way telecommunications, or by any other means or any type of technology, whether presently in existence or developed in the future) of all events, performances, signals, messages, activities or data (individually, an "Occurrence" and collectively, "Occurrences") from, or which Occurrences take place at, The Crossroads, except as otherwise expressly provided herein; and

(ii) the staging at The Crossroads of an event intended primarily for transmission off-premises rather than for an in-arena audience, regardless of whether such transmission utilizes The Crossroads Transmissions Facilities.

Crossroads Transmissions Facilities shall mean equipment used to produce or transmit signals with respect to any of the Occurrences, including video cameras, computers, replay equipment, control boards, data, video or audio switching equipment, and similar devices which are purchased or financed by CALLC from the Project Budget, Project Revenues or the Renewal and Replacement Account, other than office facilities and passive cable wiring and connections and similar passive infrastructure facilities common to modern arenas. An event shall be deemed intended primarily for transmission off-premises rather than for an in-Arena audience if gross admissions, concessions, parking and other revenues derived from persons attending such event are less than twenty-five (25%) of the Transmission Revenues arising from such event.

(b) Notwithstanding the foregoing, the Transmissions Fee shall not apply to: (i) all revenues received by CALLC, the Sabres or any Transmissions Affiliate thereof with respect to activities permitted under the Sabres, Blizzard and Bandits leases and basketball games involving NBA member teams, (ii) taxes on services furnished by the Sabres, CALLC, or any Transmissions Affiliate and collected by them on behalf of a governmental unit, (iii) any revenue that is in turn paid by CALLC, the Sabres or any Transmissions Affiliate, as a fee or compensation to any promoter, franchisee or operators holding events in The Crossroads for the privilege of producing or transmitting an Occurrence, (iv) revenue received by the Sabres, CALLC or any Transmissions Affiliate for production or transmission activities performed without the use of The Crossroads

Transmission Facilities, such as services performed with a mobile production or transmission vehicle or equipment purchased by NFHLP or any Affiliate wherever located, regardless of whether administrative, marketing, promotional or other similar services related to such transmission or production activities are performed at offices or through facilities, other than The Crossroads Transmission Facilities, located at The Crossroads, and (v) revenues from production or transmission activities received by persons other than CALLC, NFHLP or any Transmissions Affiliate.

(c) In the case of a communications production by NFHLP, or a communications production which takes place under authority given to NFHLP pursuant to the Sabres Lease, the Sabres Lease shall require NFHLP to pay to CALLC as additional rent the amount of any Transmissions Fee imposed by this Section.

(d) The Transmissions Fee shall be payable within ninety (90) days after the end of each quarterly fiscal period of CALLC based on revenues received during such quarterly fiscal period. CALLC shall furnish to the Operating Fee Recipients together with each Transmissions Fee Payment a statement setting forth the calculation of such quarterly Transmissions Fee. The accounting and the calculation of the Transmissions Fee shall be subject to review and audit by the Operating Fee Recipients.

(e) Transactions between (i) CALLC or an Affiliate of CALLC and (ii) any Transmissions Affiliate with respect to Crossroads Transmission Facilities shall be subject to Section 3.02 hereof.

(f) All transactions between CALLC and other parties, including without limitation, Transmissions Affiliates, with respect to The Crossroads Transmissions Facilities, Communications Productions, Transmission Revenues and similar matters shall be at arms length and of a commercially reasonable nature. None of the obligations of CALLC, the Sabres, any Transmissions Affiliate or an Affiliate of the foregoing with respect to the covenants of this Section 9.02 may be avoided by or through the creation of partnerships, joint ventures, corporations or other entities by CALLC, the Sabres, any Transmissions Affiliate or an Affiliate of the foregoing.

Article X - Insurance to be Maintained

10.01 Insurance.

(a) CALLC agrees to obtain and to keep in full force and effect during the term of this Agreement, all insurance required by Section 10.01(c) below. CALLC will procure such insurance from an insurance carrier or carriers which are rated A, Class X or better, or the equivalent thereof, according to *Best's Key Rating Guide*, and are duly registered with and authorized to issue such policies by the Commissioner of the Insurance Department of the State of New York or, if not so rated or authorized, as otherwise accepted by the Public Sector Participants, (such acceptance not to be unreasonably withheld). To the extent not paid by a contractor or other party pursuant to any

agreement entered into by CALLC pursuant to this Agreement, CALLC shall pay the premiums on the insurance required by Section 10.01(c) below, from the Project Revenue Account as an Operating Cost and Expense as described at Section 7.06.

(b) Each of the policies or binders evidencing the insurance required above to be obtained shall have been provided to each of the Public Sector Participants prior to the execution of this Agreement and shall:

(i) designate (except in the case of workers' compensation, disability benefits, employee dishonesty or automobile liability insurance) the Public Sector Participants and the Private Financing Participants and their respective successors and assigns as additional insureds and for property damage and boiler insurance, loss payees as their respective interests may appear;

(ii) provide that all insurance proceeds with respect to loss or damage to The Crossroads be deposited in the Loss Proceeds Account;

(iii) provide that there shall be no recourse against the Public Sector Participants or Private Financing Participants for the payment of premiums or commissions or (if such policies or binders provide for the payment thereof) additional premiums or assessments;

(iv) provide that in respect of the respective interests of the Public Sector Participants in such policies, the insurance shall not be invalidated by any action or inaction of CALLC and shall insure the Public Sector Participants regardless of, and any losses shall be payable notwithstanding, any foreclosure or other proceeding or notice of sale relating to The Crossroads;

(v) provide that such insurance shall be primary insurance without any right of contribution from any other insurance carried by the Public Sector Participants to the extent that such other insurance provides Public Sector Participants, as the case may be, with contingent and/or excess liability insurance with respect to its respective interest as such in The Crossroads, and shall expressly provide that all provisions thereof, except the limits of liability (which shall be applicable to all insureds as a group) and liability for premiums (which shall be solely a liability of CALLC) shall operate in the same manner as if there were a separate policy covering each insured;

(vi) provide that if the insurers cancel such insurance for any reason whatsoever, or the same is allowed to lapse, expire, or there be any reduction in amount, or any material change is made in the coverage, such cancellation, lapse, expiration, reduction or change shall not be effective as to any Public Sector Participant until at least thirty (30) days after receipt by such Public Sector Participant, of written notice by such insurers of such cancellation, lapse, expiration or change; and

(vii) waive any right of subrogation of the insurers thereunder against any Person insured under such policy, and waive any right of the insurers to any setoff or counterclaim or any other deduction, whether by attachment or otherwise, in respect of any liability of any Person insured under such policy.

(c) At all times throughout the term of this Agreement, CALLC shall maintain insurance, meeting the following items, specifications and minimum amounts:

(i) Property damage insurance, including debris removal, insuring the buildings, structures, facilities, fixtures, machinery, equipment and other property constituting a part of The Crossroads, written on an "all risk" form (to the extent commercially available and as customarily provided; otherwise, written as closely approximate to "all risk" as feasible) and at all times in an amount equal to at least 100% of the actual replacement value of The Crossroads exclusive of slab and foundation with an agreed amount endorsement waiving coinsurance. For the purposes of this Article, "actual replacement value" shall mean the replacement cost as commonly provided in commercial property insurance forms. The initial actual replacement value shall be based upon the construction cost of The Crossroads. The initial actual replacement value shall then be updated annually, based upon construction cost and/or inflationary cost indexes commonly used in the insurance industry, in order to arrive at the actual replacement value for the next five years. Thereafter, an independent appraiser shall be retained to establish the actual replacement value of The Crossroads and such appraisal shall be updated annually thereafter by the appraiser. Complete reappraisals shall not be required more frequently than once every ten (10) years. The cost of such appraisals and reappraisals shall constitute and be paid as an item of Operating Cost and Expense unless UDC requires additional or more frequent appraisals, in which case the cost shall be borne by UDC.

(ii) Commercial general liability insurance for The Crossroads on an occurrence form to include all premises and operations liability, personal injury and advertising injury liability, contractual liability (covering CALLC's obligations of indemnity with respect to perils customarily insured under such form of policy under Article XVI of this Agreement), and products and completed operations liability with no "X" (explosion), "C" (collapse) and "U" (underground) exclusions. Policy limits shall be in amounts of not less than $1,000,000 per occurrence with a $2,000,000 products liability aggregate and a $2,000,000 general aggregate;

(iii) Boiler and machinery property damage insurance on a comprehensive form insuring against direct loss of property with a joint loss agreement with any other property insurer of CALLC, which shall include without limitation, all air conditioning and heating equipment, ice making plants, piping, miscellaneous electrical apparatus, boilers and all related equipment/machinery, pressure vessels and/or systems, high and low pressure piping and machinery, if any, all of which are at any time installed in or on The Crossroads. Such insurance shall be maintained on a Replacement Cost basis;

(iv) Workers' compensation insurance, employers' liability insurance, disability benefits insurance and such other forms of insurance which CALLC is required by law to provide, covering loss resulting from injury, sickness, disability or death of the employees of CALLC; and CALLC shall require that all contractors and subcontractors performing work with respect to The Crossroads shall maintain workers' compensation & employers' liability insurance, as well as any other form of insurance that may be appropriate for the exposures and risks of loss related to the services or work being performed;

(v) During any period of subsequent construction on the Arena, CALLC shall maintain "builder's risk" or similar insurance written on an "all risk", completed value form (to the extent commercially available and as customarily provided; otherwise, perils as closely approximate to "all risk" as feasible), insuring on a Replacement Cost basis against direct loss of property, work in progress, and including coverage for business interruption and extra expense.

(vi) Automobile liability insurance for all vehicles which CALLC owns, leases, hires or uses with a combined policy limit of at least $1,000,000 for bodily injury and property damage;

(vii) Employee dishonesty insurance with a policy limit of not less than $500,000 loss;

(viii) Excess or umbrella liability insurance, written on an occurrence basis, with a limit of at least $50,000,000 per occurrence and aggregate. This limit shall be applicable to The Crossroads and activities in, on or about The Crossroads and CALLC's business. Should the limits not apply separately, then CALLC may be required to maintain higher limits of liability as may be reasonably required by the Public Sector Participants. The policy limits of the primary commercial general, automobile and employers' liability policies required above shall be not less than those stipulated as scheduled underlying limits of the umbrella policy;

(ix) Business interruption insurance, written on an actual loss sustained basis, and including loss of rents and extra expense insurance in connection with the property damage insurance and boiler and machinery insurance;

(x) Flood and earthquake insurance in a minimum amount of $25,000,000; and

(xi) All other forms of insurance, if any, which may be legally required or shall become customarily maintained by or legally required of operator/owners of other entertainment/ sports complexes located in the United States, at such policy limits and with such coverages necessary for CALLC's exposures and risks of loss which shall meet the reasonable requirements of the Public Sector Participants.

(d) Subject to Section 12.04 of this Agreement, CALLC shall, at its own cost and expense, make all proofs of loss and take all other steps necessary or reasonably requested by the Public Sector Participants to collect from insurers for any loss covered by any insurance required to be obtained by this Section 10.01.

(e) CALLC shall not do any act, or suffer or permit any act to be done, whereby any insurance required by this Section 10.01 would or might be suspended or impaired.

10.02 Net Proceeds of Insurance

Except as provided in the Financing Participants Agreement, if applicable, the proceeds of any insurance received with respect to any loss or damage to the property of The Crossroads shall be deposited in the Loss Proceeds Account and applied in accordance with Section 12.01 hereof.

Article XI - Maintenance, Repair and Improvement

11.01 Renewal and Replacement Account.

A Renewal and Replacement Account will be maintained for The Crossroads. Annual deposits will be made to the Renewal and Replacement Account from Project Revenue as described in Section 7.06 of this Agreement within 90 days after the end of each Fiscal Year. The initial deposit shall be $200,000; thereafter, the amount of the deposit shall be increased annually by 3% compounded. Disbursements shall be made from the Renewal and Replacement Account for capital repairs and improvements to The Crossroads as determined by CALLC; provided, that for repairs and improvements in excess of $500,000, CALLC shall first comply with the procedures set forth in Section 11.03. Disbursements from the Renewal and Replacement Account shall not be made to repair or replace Concession Equipment required by the Sabres Lease to be replaced or repaired by the Sabres. Upon expiration of this Agreement, any funds held in the Renewal and Replacement Account which are in excess of the cost of repairs and improvements to The Crossroads determined to then be necessary by an independent party selected by CALLC, with the approval of the Principal Public Participants, shall be distributed (i) forty percent (40%) to the Operating Fee Recipients, and sixty percent (60%) to CALLC if this Agreement expires after the initial term of this Agreement, and (ii) forty-eight percent (48%) to the Operating Fee Recipients and fifty-two percent (52%) to CALLC if this Agreement expires following any Extension Term of this Agreement. Any funds distributed to CALLC pursuant to this Section 11.01 shall be the sole property of CALLC which may be retained, used or disposed of by CALLC as it determines in its sole discretion, without restriction. Any such disposition may include distribution by CALLC to its members.

11.02 Maintenance, Alterations and Improvements.

During the term of this Agreement, CALLC will keep, maintain, repair and equip The Crossroads in good and safe operating order and condition, ordinary wear and tear excepted, will occupy, use and operate The Crossroads in the manner for which it was designed and intended and

contemplated by this Agreement, and will make (or cause to be made) all replacements, renewals and repairs thereto (whether ordinary or extraordinary, structural or nonstructural, foreseen or unforeseen). All replacements, renewals and repairs shall be at least equal in quality, class and value to the original work and equipment and shall be made and installed in compliance with all governmental requirements or general applicability. The foregoing agreements in this Section are subject to NHL Rules, all of the other provisions in this Agreement, particularly Sections 11.03 and 11.04 and Article XII, and the Prior Leases.

11.03 Capital Repairs and Improvements

(a) Agreement Between NFHLP and CALLC. If NFHLP and CALLC agree that capital repairs or improvements to the Arena are needed in order for the Arena to comply with Industry Standards, Quality Arena Standards or NHL Rules, and the available funds in the Renewal and Replacement Account are insufficient to effect such capital repairs or improvements, they shall so notify the Principal Public Participants and the Principal Public Participants shall have the right to initiate dispute resolution procedures pursuant to Article XIX hereof with respect to whether capital repairs or improvements to the Arena are needed in order for the Arena to comply with Industry Standards, Quality Arena Standards or NHL Rules. If the dispute resolution determines that such capital repairs or improvements are required the costs of such capital repairs or improvements will be paid first from the Renewal and Replacement Account up to a maximum amount of 50% of the amount in the Renewal and Replacement Account, and then as an Operating Cost and Expense.

(b) Dispute Between NFHLP and CALLC. If NFHLP notifies CALLC pursuant to Article XXV of the Sabres Lease that NFHLP is initiating dispute resolution procedures with respect to the issue of whether capital repairs, improvements or renovations to the Arena are needed in order for the Arena to comply with Industry Standards, Quality Arena Standards or NHL Rules, CALLC shall, within five (5) days after receipt of such notice, deliver a copy thereof to the Principal Public Participants. Each Principal Public Participant shall have the right to join in any such proceeding initiated by NFHLP, by delivering written notice to each of CALLC and NFHLP within fifteen (15) Business Days after such Principal Public Participant's receipt of notice from CALLC. Any Principal Public Participant that does not so join in any such proceeding will be bound by the decision of the arbitrator as fully as if it had participated in such proceeding. If the arbitrator determines that capital repairs, improvements or renovations are needed, the costs of such capital repairs, improvements or renovations will be paid first from the Renewal and Replacement Account up to a maximum amount of 50% of the amount in the Renewal and Replacement Account, and then as an Operating Cost and Expense.

In the event NFHLP has notified CALLC under the Sabres Lease that an event of default has occurred which would enable NFHLP to terminate the Sabres Lease based upon failure to perform required repairs, improvements, or renovations, then the Principal Public Participants may require CALLC to perform such repairs, renovations, or improvements subject to the dispute resolution mechanism provisions of the Sabres Lease and subject to the other terms and conditions of this Agreement and the Financing Participants Agreement. Any determination by the arbitrator that

capital repairs, improvements or renovations are needed, shall be binding on the parties to this Agreement. The costs of such capital repairs, improvements or renovations will be paid first from the Renewal and Replacement Account up to a maximum amount of 50% in the Renewal and Replacement Account and then as an Operating Cost and Expense.

11.04 Retention of Title; Grant of Easements; Release of Parcels; Disposition and Replacement of Fixtures and Equipment.

(a) Retention of Title; Grant of Easements.

The Public Sector Participants shall not sell, assign (other than as specifically permitted under the Prime Building Lease), encumber (other than Permitted Encumbrances), convey or otherwise dispose of The Crossroads Site or any part thereof during the term of this Agreement, except (i) as among themselves; or (ii) to an entity controlled by one of them but only with the prior written consent of CALLC and the Private Financing Participants, which consent shall not be unreasonably withheld. The Public Sector Participants agree to execute and deliver any and all instruments necessary or appropriate to confirm and grant any right of way or easement or any such permit or license and to release the same from any liens and encumbrances affecting The Crossroads.

(b) Disposition and Replacement of Crossroads Property.

(i) CALLC shall have the right, without the prior written consent of the Public Sector Participants (except with respect to fixtures, furniture or equipment having a value of $500,000 or more which shall require the prior written consent of UDC and simultaneous notification from CALLC to the City Clerk of such request for UDC consent) from time to time of removing from The Crossroads any fixture constituting part of The Crossroads Improvements, or any furniture and equipment or other property constituting part of The Crossroads, whether now existing or hereafter purchased, acquired or placed in service (the "Existing Crossroads Property"), provided that:

(1) such Existing Crossroads Property is substituted or replaced by property (A) having equal or greater fair market value, operating efficiency and utility and (B) being free of all mortgages, liens, charges, encumbrances, claims and security interests other than Permitted Encumbrances; or

(2) if such Existing Crossroads Property is not to be substituted or replaced by other property but is instead to be sold, scrapped, traded-in or otherwise disposed of in an arms'-length bona fide transaction, CALLC shall deposit into the Project Revenue Account the amounts derived from such sale or scrapping, the trade-in value credit received or the proceeds received from such other disposition;

provided, however, no such removal as set forth in paragraph (1) or (2) above shall be effected if such removal would impair the usefulness, structural integrity or operating efficiency of The Crossroads below its value immediately before such removal, or if there shall exist and be continuing an Event of Default hereunder.

(ii) In the event any such removal pursuant to Section 11.04(b)(i)(1) hereof causes damage to Existing Crossroads Property not being removed, restoration and repair of such damage shall be effected promptly by CALLC at its sole cost and expense. CALLC shall deliver or cause to be delivered to the ECIDA appropriate documents conveying to the ECIDA title to any property installed or placed upon The Crossroads Site pursuant to Section 11.04(b)(i)(1) hereof and subjecting such substitute or replacement property to this Agreement, the Private Arena Debt Agreements to the extent required thereby and the Prior Leases, and upon written request of CALLC, the ECIDA, with the consent of the Private Financing Participants, shall deliver to CALLC appropriate documents conveying to CALLC title to any property removed from the Project pursuant to Section 11.04(b)(i) hereof.

Article XII - Damage, Destruction And Condemnation

12.01. Damage or Destruction.

(a) In the event that at any time during the term of this Agreement the whole or part of The Crossroads shall be damaged or destroyed (a "Loss Event"), CALLC will promptly give written notice of such Loss Event to the Public Sector Participants generally describing the nature and extent thereof.

(b) Upon the occurrence of a Loss Event, the Loss Proceeds derived therefrom shall (i) during the term of the Financing Participants Agreement, be payable and applied in accordance with Section 8.3 of the Financing Participants Agreement, and (ii) once the Financing Participants Agreement is no longer in effect, be deposited in the Loss Proceeds Account and CALLC shall:

(i) Rebuild, replace, repair or restore The Crossroads (in accordance with Section 12.03) to substantially its condition immediately prior to the Loss Event, or to a condition of at least equivalent value, operating efficiency and function, unless (A) it is impossible, from a physical, engineering standpoint, to repair or reconstruct the damaged or destroyed Crossroads Improvements on The Crossroads Site or (B) the cost of restoring The Crossroads in accordance with the above standard exceeds an aggregate amount of the Loss Proceeds and funds available from other sources.

(ii) If the restoration in accordance with the standard described in clause (i) is impossible or an aggregate amount of the Loss Proceeds and funds available from other sources are insufficient to pay the total cost and expenses to rebuild, replace, repair or restore The Crossroads, as applicable, subject to the Financing Participants Agreement, CALLC may elect (a) to propose to the Principal Public Participants an alternate plan of restoring The

Crossroads and/or financing such restoration and, subject to the approval of the Principal Public Participants, to rebuild, replace, repair or restore The Crossroads in accordance with such alternate plan from the Loss Proceeds and funds provided by any alternate restoration financing plan; (b) to petition the Principal Public Participants to release additional monies from the Renewal and Replacement Account to compensate for any such shortfall; or (c) to terminate this Agreement and the Prime Building Lease and deposit the Loss Proceeds into the Extraordinary Events Account to be administered as described in Article XIV.

Not later than ninety (90) days after the occurrence of a Loss Event, CALLC shall advise the Public Sector Participants in writing of the action to be taken by CALLC under this Section 12.01(b).

12.02 Taking and Condemnation.

(a) Subject to the terms of the Financing Participants Agreement, if all or substantially all of The Crossroads shall be taken or condemned during the term of this Agreement by a competent public authority for any public use or purpose ("Total Taking"), or if any such taking or condemnation renders The Crossroads Unsuitable where the remaining part of The Crossroads not so taken cannot be adequately restored, repaired or reconstructed as a sports and entertainment complex Substantially Beneficially Completed, the amount of the eminent domain proceeds recovered by CALLC shall be applied as follows:

(i) First, to the repayment of all amounts owed in connection with the Private Arena Debt;

(ii) Second, to the repayment of any Cost Overrun Loan except the Sabres Advance;

(iii) Third, to the repayment of any Operating Deficit Loan;

(iv) Fourth, to the payment of any trade payables described in Section 7.06(a) and any Contingency Payments described in Section 9.3 of the Sabres Lease which (in either case) are outstanding at the time of such Total Taking;

(v) Fifth, to the payment of the Sabres Advance and amounts contributed by the Principal Public Participants in the same proportion as advances or contributions by each of those parties is outstanding.

(b) If less than substantially all of The Crossroads shall be taken or condemned during the term of this Agreement by a competent public authority for any public use or purpose ("Partial Taking") the amount of the eminent domain proceeds recovered shall (i) during the term of the Financing Participants Agreement, be payable and applied in accordance with Section 8.3 of the Financing Participants Agreement; and (ii) once the Financing Participants Agreement is no longer in effect, be deposited to the Loss Proceeds Account.

(c) CALLC and/or the Sabres shall be entitled to any insurance proceeds or condemnation award, compensation or damages attributable to improvements, furniture and equipment or other property installed on or about The Crossroads but which at the time of such damage or taking, is (i) neither part of The Crossroads nor owned by any Public Sector Participant, and (ii) is owned by CALLC and/or the Sabres and constitutes CALLC and/or Sabres property. The parties also acknowledge that NFHLP may have a claim to condemnation awards as compensation for its leasehold interest as may be determined by a court of competent jurisdiction.

12.03 Disbursement of Loss Proceeds.

(a) If CALLC rebuilds, replaces, repairs or restores The Crossroads as set forth in Section 12.01 above, except as may be provided in the Financing Participants Agreement, if applicable, CALLC shall disburse the Loss Proceeds (and other additional monies, if applicable), from the Loss Proceeds Account to pay the cost of rebuilding, replacement, repair or restoration, either as such work progresses or upon the completion thereof, provided, however, the amounts so disbursed by CALLC shall not exceed the actual cost of such work. If, on the other hand, CALLC shall exercise its option in Section 12.01(b)(ii)(c) above, CALLC shall transfer the Loss Proceeds from the Loss Proceeds Account to the Extraordinary Events Account to be applied as described in Article XIV.

(b) All such rebuilding, replacements, repairs or restorations shall:

(i) automatically be deemed a part of The Crossroads and owned by the County or the ECIDA as applicable pursuant to the Prior Leases and be subject to this Agreement and the Prior Leases;

(ii) be in accordance with plans and specifications and cost estimates approved in writing by UDC, and if a Major Change, the other Principal Public Participants; and

(iii) be effected with due diligence in a good and workmanlike manner, in compliance with all applicable legal requirements and be promptly and fully paid for by CALLC from the Loss Proceeds Account in accordance with the terms of the applicable contract(s) therefor, and if the estimated cost of such rebuilding, replacement, repair or restoration is in excess of $300,000 be effected under the supervision of an independent engineer or architect appointed by CALLC and approved by the Principal Public Participants.

(c) Any surplus of the Loss Proceeds remaining after the completion of the rebuilding, replacement, repair or restoration of the Project shall be transferred from the Loss Proceeds Account to the Extraordinary Events Account.

12.04 Settlement, Compromise, Arbitration or Adjustment.

The Public Sector Participants and CALLC shall cooperate and consult with each other in all matters pertaining to the settlement, compromise or adjustment of any claim or demand in connection with a Loss Event and any such settlement, compromise or adjustment shall be subject:

(i) in the case of all such settlements, compromises or adjustments of less than $300,000, to the approval of CALLC, except that if such settlement is with an Affiliate of CALLC the provisions of Section 3.02 hereof shall apply; and

(ii) in the case of all such settlements, compromises or adjustments of $300,000 or more, to the approval of CALLC and the Principal Public Participants (such approvals not to be unreasonably withheld) and, to the extent required under the Financing Participants' Agreement if applicable, to the approval of the Private Financing Participants.

Article XIII - Refinancing

(a) CALLC may (i) without the prior consent of the Principal Public Participants but subject only to the consent of the Board of Directors of ECIDA (if the signature of ECIDA is required on any of the documents, agreements or instruments associated with such refinancing), refinance any portion or all of the Construction Loan with alternative debt having annual debt service therefor which (1) is not in excess of the previous debt service on the previously outstanding balance of the Construction Loan (except that upon the refinancing as of the end of the original or any renewal term of the Construction Loan, the debt service may be in excess of the prior debt service to the extent then required by market conditions), (2) does not provide for any "balloon" or other significantly irregular payment of a principal outstanding balance at the end of the term of the alternative debt that exceeds the amount of any such "balloon" payment due under the previously outstanding Construction Loan, and (3) does not have a payment period or term which extends beyond the period or term of the Sabres Lease including any exercised extensions thereof, or (ii) with the consent of the Principal Public Participants, refinance the Construction Loan with alternative terms and conditions.

(b) The proceeds of any refinancing of the Construction Loan in excess of the principal balance refinanced, costs of refinancing, and amounts required by the refinancing lender to be applied toward improvements in the Arena as a condition of such refinancing shall be used to pay in the following order of priority: (1) City Infrastructure Costs; (2) accrued and unpaid Ground Rent; (3) the Contingency Payment; (4) Cost Overrun Loans; (5) Operating Deficit Loans; (6) improvements necessary to have the Arena meet Quality Arena Standards or NHL Rules and (7) other debts of CALLC. Any refinancing proceeds not used as aforesaid shall be distributed in accordance with the provisions of Section 14.02 within 10 days after the closing of such refinancing.

(c) The Public Sector Participants agree and acknowledge that their consent shall not be required to any refinancing or other amendment or modification of the Concession Loan so long as

any such amendment or modification does not violate any other agreement to which the Public Sector Participants are parties and provided that the consents of the Board of Directors of the ECIDA shall be required if the signature of the ECIDA is required on any of the documents, agreements or instruments associated with any such refinancing, amendment or modification.

Article XIV - Extraordinary Event

14.01 Extraordinary Events Account.

There is hereby created the Extraordinary Events Account, to which proceeds of any insurance recoveries from Loss Events shall be deposited if and to the extent required by Article XII except as may be provided in the Financing Participants Agreement, if applicable. The amounts held in the Extraordinary Events Account shall be applied in the following order of priority:

(a) First, to the costs and expenses associated with any such Loss Events or Partial Taking (including demolition as reasonably required by the City and County);

(b) Second, to the Private Arena Debt and current and Accrued Ground Rent as provided in the Private Arena Debt Agreements and Financing Participants' Agreement;

(c) Third, to Operating Costs and Expenses;

(d) Fourth, to the repayment of any outstanding balance on any Cost Overrun Loan; and

(e) Fifth, to the Contingency Payment as required by the Sabres Lease.

Any proceeds remaining after application to items (a) through (e) above ("Excess Proceeds") shall be distributed as described in Section 14.02.

14.02 Disposition of Excess Proceeds.

If, after application in accordance with items (a) through (e) of Section 14.01, any Excess Proceeds remain, such Excess Proceeds will be distributed to the Principal Public Participants and allocated among them in the manner provided in the Coordinating Agreement.

Article XV - Warranties and Representations

15.01 Representations and Warranties by CALLC.

CALLC makes the following representations and warranties to the Public Sector Participants:

(a) CALLC is a limited liability company duly organized and validly existing and in good standing under the laws of the State of New York, is not in violation of any provision of its

limited liability certificate or its operating agreement, has the requisite power and authority to own its property and assets, to carry on its business as now being conducted by it and to be conducted by it in the future, and to execute and deliver this Agreement and perform its obligations hereunder;

(b) The execution, delivery and performance of this Agreement and the consummation of the transactions herein contemplated have been duly authorized by all requisite action on the part of CALLC and will not violate any provision of law, any order of any court or agency of government or the limited liability certificate of CALLC or its operating agreement, or any indenture, agreement or other instrument to which CALLC is a party or by which it or any of its property is bound, or be in conflict with or result in a breach of or constitute (with or without due notice and/or lapse of time) a default under any such indenture, agreement or other instrument or result in the imposition of any lien, charge or encumbrance of any nature whatsoever other than Permitted Encumbrances;

(c) Except as set forth on Exhibit H attached hereto, there are no actions, suits or proceedings pending, or to the best knowledge of CALLC threatened, against or affecting it or the Project which, if adversely determined, would impair the ability of CALLC to perform its obligations under this Agreement, and it is not in default with respect to any judgment, decision, order, writ, injunction, decree or demand of any court or any Governmental Authority;

(d) CALLC has adopted and shall implement the Affirmative Action Plan to be effective during the term of this Agreement;

(e) No consent, filing, license, approval, or authorization of, or registration, declaration, or filing with, any court, governmental body or authority, or other person or entity is required in connection with the valid execution, delivery or performance of this Agreement, or for the conduct of CALLC's business as now conducted, other than filings and recordings, which have been obtained;

(f) This Agreement constitutes the legal, valid, and binding obligation of CALLC, enforceable in accordance with its terms, except as enforceability may be limited by applicable bankruptcy and insolvency laws affecting creditors' rights generally and general principles of equity; and

(g) CALLC is in compliance with all laws, rules, regulations, and other legal requirements applicable to it and to its business and the use, maintenance, and operations of the real and personal property owned or leased by it in the conduct of its business.

15.02 Representations and Warranties by the City.

The City represents and warrants to CALLC and to the other Public Sector Participants that:

(a) It is duly organized as a municipal corporation and validly existing under the laws of the State, and has full power and authority to own its property and assets and to carry on its

business as now being conducted by it and to execute and deliver this Agreement and to perform and consummate the transactions contemplated hereby.

(b) Except as set forth on Schedule D to the Financing Participants Agreement, the anticipated use of the Project complies with all applicable City rules and regulations, City building codes, City zoning ordinances and regulations or appropriate variances have been obtained with regard thereto, and further complies with all restrictive covenants, declarations, agreements and other matters affecting the Crossroads Site enforceable by and under the jurisdiction of the City and all requirements for such use have been satisfied.

(c) There are no actions, suits or proceedings pending, or to the best knowledge of the City threatened, against it which, if adversely determined, would impair the ability of the City to pay when due any amounts which are payable with respect to the Project by it.

(d) The execution, delivery and performance of this Agreement by the City and the consummation of the transactions herein contemplated have been duly authorized by all requisite action on the part of the City and will not violate any provision of law, any order of any court or agency of government or the charter of the City, or any indenture, agreement or other instrument to which the City is a party or by which it or any of its property is bound, or be in conflict with or result in a breach of or constitute (with due notice and/or lapse of time) a default under any such indenture, agreement or other instrument.

(e) All water supply and storm and sanitary sewer facilities necessary for the construction of the Project are available at the Crossroads Site, and that to the extent such facilities are not available, the City shall make such services available at its sole cost and expense, subject to the provisions of Exhibit F hereto.

(f) It has approved the Affirmative Action Plan.

(g) No consent, filing, license, approval, or authorization of, or registration, declaration, or filing with, any court, governmental body or authority, or other person or entity is required in connection with the valid execution, delivery or performance of this Agreement, or for the conduct of City business as now conducted, other than filings and recordings which have been obtained.

(h) This Agreement constitutes the legal, valid, and binding obligation of City, enforceable in accordance with its terms, except as enforceability may be limited by applicable bankruptcy and insolvency laws affecting creditors' rights generally and general principles of equity.

15.03 Representations and Warranties of UDC.

UDC makes the following representations and warranties to CALLC and to the other Public Sector Participants that:

(a) UDC is duly organized as a corporate governmental agency of the State of New York, and is validly existing under the laws of the State of New York, has full power and authority to own its property and assets and to carry on its business as now being conducted by it and to execute, deliver, and perform this Agreement.

(b) There are no actions, suits or proceedings pending, or to the best knowledge of UDC threatened, against or affecting it which, if adversely determined, would impair the ability of the UDC to pay when due any amounts which are payable with respect to the Project.

(c) The execution, delivery and performance of this Agreement and the consummation of the transactions herein contemplated have been duly authorized by all requisite action on the part of UDC and will not violate any provision of law, any order of any court or agency of government or any indenture, agreement or other instrument to which UDC is a party or by which it or any of its property is bound, or be in conflict with or result in a breach of or constitute (with due notice and/or lapse of time) a default under any such indenture, agreement or other instrument.

(d) It has approved the Affirmative Action Plan.

(e) No consent, filing, license, approval, or authorization of, or registration, declaration, or filing with, any court, governmental body or authority, or other person or entity is required in connection with the valid execution, delivery or performance of this Agreement, or for the conduct of UDC business as now conducted, other than filings and recordings which have been obtained.

(f) This Agreement constitutes the legal, valid, and binding obligation of UDC, enforceable in accordance with its terms, except as enforceability may be limited by applicable bankruptcy and insolvency laws affecting creditors' rights generally.

15.04 Representations and Warranties of BURA.

BURA makes the following representations and warranties to CALLC and to the other Public Sector Participants:

(a) BURA is duly organized as a public benefit corporation, and validly existing and has full power and authority to own its property and assets and to carry on its business as now being conducted by it and to execute and deliver this Agreement.

(b) There are no actions, suits or proceedings pending, or to the best knowledge of BURA threatened, against or affecting it which, if adversely determined, would substantially impair the ability of BURA to pay when due any amounts which are payable with respect to the Project.

(c) The execution, delivery and performance of this Agreement by BURA and the consummation of the transactions herein contemplated have been duly authorized by all requisite

action on the part of BURA and will not violate any provision of law, any order of any court or agency of government or the certificate of incorporation of BURA, or any indenture, agreement or other instrument to which BURA is a party or by which it or any of its property is bound, or be in conflict with or result in a breach of or constitute (with due notice and/or lapse of time) a default under any such indenture, agreement or other instrument. The execution of this Agreement and the performance of the BURA under this Agreement will not result in any breach of, violate, or constitute a default under any mortgage, indenture, deed of trust, lease, loan or credit agreement, charter, by-law or other instrument or agreement to which the BURA is a party or by which it may be bound or affected except for such violations, breaches or defaults which would not affect the ability of BURA to pay, when due, any amounts which are payable by it with respect to the Project.

(d) It has approved the Affirmative Action Plan.

(e) No consent, filing, license, approval, or authorization of, or registration, declaration, or filing with, any court, governmental body or authority, or other person or entity is required in connection with the valid execution, delivery or performance of this Agreement, or for the conduct of BURA business as now conducted, other than filings and recordings, required in connection with this Agreement, if any.

(f) This Agreement constitutes the legal, valid, and binding obligation of BURA, enforceable in accordance with its terms, except as enforceability may be limited by applicable bankruptcy and insolvency laws affecting creditors' rights generally and general principles of equity.

15.05 Representations and Warranties of ECIDA.

ECIDA makes the following representations and warranties to CALLC and to the other Public Sector Participants:

(a) ECIDA is duly organized as a public benefit corporation, and validly existing under the laws of the State of New York and has full power and authority to own its property and assets and to carry on its business as now being conducted by it and to execute, deliver and perform this Agreement.

(b) There are no actions, suits or proceedings pending, or to the best knowledge of ECIDA threatened, against or affecting it which, if adversely determined, would substantially impair the use and operation of the Project as contemplated hereby.

(c) The execution, delivery and performance of this Agreement and the consummation of the transactions herein contemplated have been duly authorized by all requisite action on the part of ECIDA and will not violate any provision of law, any order of any court or agency of government, or any indenture, agreement or other instrument to which ECIDA is a party or by which it or any of its property is bound, or be in conflict with or result in a breach of or constitute (with due notice and/or lapse of time) a default under any such indenture, agreement or other instrument.

(d) No consent, filing, license, approval, or authorization of, or registration, declaration, or filing with, any court, governmental body or authority, or other person or entity is required in connection with the valid execution, delivery or performance of this Agreement, or for the conduct of ECIDA business as now conducted, other than filings and recordings, required in connection with this Agreement, if any.

(e) This Agreement constitutes the legal, valid, and binding obligation of ECIDA, enforceable in accordance with its terms, except as enforceability may be limited by applicable bankruptcy and insolvency laws affecting creditors' rights generally and general principles of equity.

15.06 Representations and Warranties of the County.

The County makes the following representations and warranties to CALLC and to the other Public Sector Participants:

(a) The County is a municipal corporation duly organized, validly existing under the laws of the State of New York, and has the full power and authority to own its property and assets and to carry on its business as now being conducted by it and to execute, deliver and perform this Agreement.

(b) There are no actions, suits or proceedings pending, or to the best knowledge of the County threatened, against it which, if adversely determined, would impair the ability of the County to pay when due any amounts which are payable by it with respect to the Project.

(c) The execution of this Agreement and the performance of the County under this Agreement will not result in any breach of, violate, or constitute a default under any mortgage, indenture, deed of trust, lease, loan or credit agreement, charter, by-law or other instrument or agreement to which the County is a party or by which it may be bound or affected except for such violations, breaches or defaults which would not affect the ability of the County to pay, when due, any amounts which are payable by it with respect to the Project.

(d) The execution, delivery and performance of this Agreement and the consummation of the transactions herein contemplated have been duly authorized by all requisite action on the part of the County and will not violate any provision of law, any order of any court or agency of government or the charter of the County.

(e) No consent, filing, license, approval, or authorization of, or registration, declaration, or filing with, any court, governmental body or authority, or other person or entity is required in connection with the valid execution, delivery or performance of this Agreement, or for the conduct of County business as now conducted, other than filings and recordings which have been obtained.

(f) This Agreement constitutes the legal, valid, and binding obligation of County, enforceable in accordance with its terms, except as enforceability may be limited by applicable bankruptcy and insolvency laws affecting creditors' rights generally and general principles of equity.

Article XVI - Indemnification

16.01 Indemnity.

(a) CALLC shall at all times defend, protect and hold each of the Public Sector Participants harmless of, from and against any and all claims and demands made by any Person who is not a party to this Agreement (whether in tort, contract or otherwise) and all related costs, expenses (including attorney and expert witness fees), damages, losses, injury and liabilities of every kind and nature and however caused, arising out of or as the result of or in connection with any occurrence upon The Crossroads Site or resulting from or related to The Crossroads Site or the Project or any part thereof or the operation thereof. No Public Sector Participant shall have any liability whatsoever for any damage or injury to the person or property of CALLC or its directors, officers, members, employees, agents or servants, or Persons under the control or supervision of CALLC, or any other Person who may be on The Crossroads Site, or otherwise in connection with the Project due to any act or negligence of any Person, other than such liability which is finally determined to be the result of the gross negligence or willful misconduct directly attributable to that particular Public Sector Participant. CALLC shall not be obligated to indemnify any Public Sector Participant with respect to liabilities which are finally determined to be the direct result of (i) the gross negligence or willful misconduct of that particular Public Sector Participant or (ii) claims arising as a result of a Civic Event of which the applicable Public Sector Participant is a sponsor, and which are not attributable to the action or inaction of CALLC as operator of the Crossroads.

(b) The indemnifications and protections set forth in this Section 16.01 shall be extended, with respect to the Public Sector Participants, to its members, directors, officers, employees, agents and servants and persons under the Public Sector Participant's control or supervision.

(c) To effectuate the purposes of this Section 16.01, CALLC will, provide for and insure, in the liability policies required in Section 10.01, not only its own liability with respect to the matters therein mentioned but also the liability pursuant to this Section 16.01 which shall remain in full force and effect after the termination of this Agreement until the later of (i) the expiration the period stated in the applicable statute of limitations during which a claim or cause of action may be brought, and (ii) payment in full or the satisfaction of such claim or cause of action and of all expenses and charges incurred by the Public Sector Participants relating to the enforcement of the provisions herein specified.

(d) For the purposes of this Section 16.01, CALLC shall not be deemed an employee, agent or servant of the Public Sector Participants or a person under the Public Sector Participants' control or supervision.

16.02 Indemnity by Principal Public Participants.

Each Principal Public Participant, severally with regard to it and not jointly, shall indemnify, defend and hold each of CALLC and the other Public Sector Participants harmless of, from and against any and all claims or demands made by any Person who is not a party to this Agreement (whether in tort, contract or otherwise), and all related expenses (including reasonable attorney and expert witness fees) and liabilities for losses, damage, injury and liability of every kind and nature and however caused, arising during the term of this Agreement upon the Crossroads Site or resulting from or relating to The Crossroads Site which are finally determined to be the result of (i) the gross negligence or willful misconduct of that particular Public Sector Participant, or (ii) claims arising as a result of a Civic Event of which the applicable Principal Public Participant is a sponsor and which are not attributable to the action or inaction of CALLC as operator of the Crossroads.

16.03 Process.

The indemnifications set forth in this Article XVI shall be extended to the members, directors, officers, employees, agents and servants of the indemnified party and persons under the indemnified party's control or supervision. For the purposes of Section 16.01(b), CALLC shall not be deemed an employee, agent or servant of the Public Sector Participants or a Person under any Public Sector Participant's control or supervision.

Article XVII - Financial Statements, Information and Audit Reports

17.01 Financial Statements and Reports.

CALLC shall provide the following financial statements and reports to each of the Principal Public Participants:

(a) within ninety (90) days after the end of each Fiscal Year of CALLC audited annual financial statements of CALLC prepared in accordance with generally accepted accounting principles and audited by a nationally recognized independent public accounting firm selected by CALLC and reasonably acceptable to the Principal Public Participants provided any "Big Six" accounting firm shall be deemed to be acceptable to the Principal Public Participants;

(b) within forty-five (45) days after the end of each fiscal quarter, unaudited financial statements of CALLC for the preceding quarter and the Fiscal Year to date;

(c) upon written request of the Principal Public Participants, copies of other reports internally generated by CALLC and any Management Affiliate or Management Firm solely respecting its Crossroads activities with respect to the development, construction and operation of The Crossroads;

(d) Within ninety (90) days after the end of each Fiscal Year, a report detailing the computation of Transmission Fees; and

(e) All budgets and forecasts of operations of CALLC furnished to the Private Financing Participants contemporaneously with delivery to the Private Financing Participants, including any notices of material litigation or other notices required to be given by CALLC to the Private Financing Participants.

(f) Promptly upon receipt, but in no event more than 10 days after receipt, copies of all reports furnished by NFHLP to CALLC pursuant to the Box Office Operation Agreement, Sales Agency Agreement and Marketing and Advertising Agreement.

17.02 Other Information.

The Public Sector Participants shall receive such other information from CALLC and any Management Affiliate or Management Firm respecting its Crossroads activities as the Public Sector Participants may reasonably request.

17.03 Audit.

(a) Upon reasonable request to CALLC and/or to any Affiliate, Transmissions Affiliate or Management Affiliate, each of the Principal Public Participants shall have the right to perform an audit of the books and records of CALLC, and of any Affiliate, Transmissions Affiliate or Management Affiliate with respect to its Crossroads activities, at the expense of such Principal Public Participant; provided, that such right to audit shall apply only to books and records for the current Fiscal Year and the preceding three Fiscal Years; and provided further, that if more than one Principal Public Participant wishes to audit such books and records at any one time or within any twelve (12) month period, they shall form a single audit team so that only one audit is necessary.

(b) If any Principal Public Participant objects to any item in the books and records of CALLC or such Management Affiliate, including any calculation of the Transmission Fee, Operating Fee or any other payment due hereunder it may register its objection by delivering written notice to CALLC and each other Principal Public Participant specifying in reasonable detail the nature of its objection, within 12 months after completion of the audit. Thereafter, CALLC and the objecting Principal Public Participant shall consult with each other in good faith and use their best efforts to resolve the disputed item(s). If they do not achieve resolution within 60 days after CALLC's receipt of such notice (or such longer period as they agree upon), the disputed item(s) shall be submitted to binding arbitration by a "Big Six" accounting firm which shall be jointly designated by CALLC and such Principal Public Participant(s) or, if they cannot agree, jointly designated by the two such accounting firms designated by each of CALLC and such Principal Public Participant(s). The decision of the arbitrator shall be final, binding and conclusive on all parties hereto.

(c) If no Principal Public Participant delivers written notice to CALLC within one hundred eighty (180) days after its completion of any audit as provided in subsection (b), or within three (3) years after delivery of audited financial statements, the books and records which were the subject of the audit, and the results of the audit itself, shall not thereafter be subject to challenge or objection by any Principal Public Participant, except in the case of fraud or willful misconduct by CALLC or any Affiliate, Transmissions Affiliate, or Management Affiliate.

17.04 Right To Meeting.

Within one hundred twenty (120) days after the end of each Fiscal Year of CALLC, CALLC shall hold an informational meeting with the Public Sector Participants reporting upon the prior year's operations.

CALLC and any Transmissions Affiliate, Management Affiliate or Management Firm, will meet with the Principal Public Participants upon the reasonable request of any of them to discuss The Crossroads and to consider their comments in connection with its management of The Crossroads consistent with the terms of this Agreement, but neither CALLC nor any agent will be bound by any such comments unless otherwise required hereby.

Article XVIII - Defaults & Remedies

18.01 Termination Events of Default.

(a) Each of the following shall constitute a "Termination Event of Default" under this Agreement:

(1) CALLC or any Management Affiliate:

(a) Applies for or consents to the appointment of or the taking of possession by a receiver, custodian, trustee or liquidator of itself or any of its assets,

(b) Admits in writing its inability or is generally unable to pay its debts as such debts become due,

(c) Makes a general assignment for the benefit of its creditors,

(d) Commences a voluntary case under the Federal Bankruptcy Code,

(e) Files a petition or other request seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, winding-up or composition or adjustment of debts, or

(f) takes any action for the purpose of effecting any of the foregoing;

(2) A proceeding or case is commenced without the application or consent of CALLC or any Management Affiliate in any court of competent jurisdiction seeking any of the following and such proceeding or case continues undismissed, or an order, judgment or decree approving or ordering of any of the foregoing is entered and continues unstayed and in effect, for a period of sixty (60) days:

(a) liquidation, reorganization, arrangement, adjustment of debts, adjudication as a bankrupt, dissolution, winding-up or relief as a debtor,

(b) the appointment of a trustee, receiver, custodian, liquidator or the like of CALLC or any Management Affiliate or any of their assets, or

(c) similar relief under any law relating to bankruptcy, insolvency, reorganization, winding-up or composition or adjustment of debts.

(3) The Sabres breach the Non-Relocation Agreement;

(4) The occurrence of an event of default under the Private Arena Debt Agreements and the acceleration of the indebtedness due under the Private Arena Debt Agreements; or

(5) The Sabres Lease is terminated before the expiration of the Initial Term (as defined in Section 20.01 hereof).

(b) Upon the occurrence of any of the Termination Events of Default, the Principal Public Participants may, in addition to all other rights and remedies which they may have in law or equity, by written notice to CALLC, terminate this Agreement, subject to the terms of the Financing Participants Agreement and Intercreditor/Non-Disturbance/Attornment Agreement, and subject to the Financing Participants Agreement may exercise their rights and remedies pursuant to the Prior Leases.

18.02 Other Events of Default

A material breach by CALLC of any covenant or agreement to be performed by it or any representation or warranty by it set forth in this Agreement shall also constitute an event of default hereunder ("Event of Default").

Upon the occurrence of an Event of Default of a type described in this Section 18.02, any Principal Public Participant may notify CALLC in writing of the occurrence of such Event of Default, shall detail with specificity the section of this Agreement which is claimed to be violated

and shall furnish CALLC with an opportunity of 60 days to cure any such Event of Default. All claimed Events of Default of a type described in this Section 18.02 relating to whether CALLC has fulfilled its obligations to repair, maintain or operate the Arena in accordance with NHL Rules, Quality Arena Standards or Industry Standards shall be resolved in accordance with Article XIX. Only if CALLC violates an arbitrator's award rendered pursuant to Article XIX may an Event of Default be declared asserting failure to repair, maintain or operate the Arena in accordance with NHL Rules, Quality Arena Standards or Industry Standards.

Upon the expiration of sixty (60) days from the foregoing written notice of an Event of Default under this Section 18.02 or the violation of an arbitrator's award in the event such Event of Default is alleging that CALLC has failed to fulfill its obligations to repair, maintain or operate the Arena in accordance with NHL Rules, Quality Arena Standards or Industry Standards, the Principal Public Participants may, in addition to all other rights and remedies which they may have in law or equity, by written notice to CALLC, terminate this Agreement subject to the terms of the Financing Participants' Agreement and Intercreditor/Non-Disturbance/Attornment Agreements, and subject to the Financing Participants' Agreement may exercise their rights and remedies pursuant to the Prior Leases, provided that the Principal Public Participants shall have no such right to terminate in the event the item which caused the breach is being corrected and is not capable of being corrected within 60 days.

18.03 Principal Public Participant Event of Default.

Any failure by a Principal Public Participant to substantially perform any agreement or substantially abide by any covenant hereunder shall be deemed a "Principal Public Participant Event of Default." If CALLC notifies one or more Principal Public Participants of an alleged Principal Public Participant Event of Default, the Principal Public Participant(s) so notified shall respond to CALLC's allegations and either resolve the matter to the mutual satisfaction of CALLC, or, if such Principal Public Participant(s) disputes the occurrence of a Principal Public Participant Event of Default, the same shall be resolved by Dispute Resolution in accordance with Article XIX.

Article XIX - Dispute Resolution

If any disagreement or dispute of any nature other than one constituting a Termination Event of Default with respect to (i) whether CALLC has satisfied its obligations concerning the maintenance, repair, management and operation of The Crossroads in accordance with Quality Arena Standards, Industry Standards or NHL Rules, (ii) whether CALLC has otherwise committed a breach by CALLC of its responsibilities under this Agreement which may reasonably be expected to endanger the status of The Crossroads as a first class entertainment and sports complex, (iii) a Principal Public Participant Event of Default or (iv) as otherwise provided in this Agreement (a "Dispute") shall arise among the parties hereto relating to this Agreement or to the operation of The Crossroads, such Dispute shall be resolved by dispute resolution in accordance with this Article XIX. Except as otherwise specified in this Agreement, the parties shall be able to resort to judicial,

administrative, or other legal proceedings or other rights or remedies as allowed by this Agreement, at law or in equity. In the event any party believes a Dispute exists, it shall give written notice to the other party(ies) specifying in reasonable detail the nature of such Dispute ("Initial Notice"). The parties to the Dispute shall seek in good faith to negotiate a settlement of the Dispute, including, without limitation, by agreeing to reasonable requests of the other to hold a meeting to discuss such Dispute. If the parties cannot settle a Dispute between or among themselves, as applicable, within thirty (30) Business Days after the date of the Initial Notice and if NFHLP has not initiated dispute resolution under Article XXV of the Sabres Lease with respect to the issue or issues (if such issue or issues is or are subject of the Dispute), the Dispute shall be submitted to mediation, and if appropriate to arbitration in accordance with Section 19.02 of this Agreement.

19.01 Mediation Proceedings.

(a) Designation of a Mediator. The mediator shall be designated for each Dispute on a rotating basis ether by CALLC or by the Principal Public Participants. Designation of the mediator shall be in the selecting party's discretion and the mediator need not be neutral provided the mediator shall have at least five (5) years' experience relating to the operation of first class sports arenas. CALLC shall select the mediator for the first Dispute submitted to mediation hereunder and thereafter selection of the mediator shall be on an alternating basis between CALLC and the Principal Public Participants.

(b) Scope of Mediation. The mediator shall assist the parties to the Dispute to reach a mutually agreeable settlement of the Dispute through direct negotiations. The assistance will be impartial and the mediator will act as an advisor and consultant to each of the parties to the Dispute. The mediation will be non-binding on the parties.

(c) Conduct of Mediation. Any mediation proceeding may but shall not be required to be conducted in accordance with the Commercial Mediation Rules of the AAA then in effect. Although the Commercial Mediation Rules of the AAA shall be used to govern the conduct of the mediation, the mediator shall be chosen by the procedure described in this Section and the mediation shall not be conducted through AAA, unless the parties otherwise agree. The mediation shall be conducted in Buffalo, New York, or such other location as the parties may agree.

(d) Length of Mediation. The term of the mediation shall commence on the fifth (5th) day after the designation of the mediator and shall terminate sixty (60) days thereafter ("Mediation Term"). If the parties to the Dispute fail to reach a settlement of the Dispute during the Mediation Term, the aggrieved party may submit the Dispute to arbitration in accordance with Section 19.02 of this Agreement.

(e) Effect Of Mediation On Agreement. Unless otherwise agreed in writing during the Mediation Term, all parties to this Agreement shall continue to comply with all terms and provisions of this Agreement which are not the subject of the Dispute (provided

that, notwithstanding the foregoing, with respect to any non-payment defaults which are the subject of mediation or other legal proceedings hereunder, the cure periods with respect to such defaults shall be stayed during the period of the applicable mediation or other legal proceeding).

19.02 Arbitration Proceedings. A Dispute which has not been resolved during the Mediation Term may be submitted to arbitration in accordance with this Section 19.02. Pursuant to Section 19.01(d) the aggrieved party shall initiate arbitration upon a written notice of arbitration setting forth the issues in Dispute (an "Arbitration Notice") given within ten (10) days after the expiration of the Mediation Term. If no such notice is given within the foregoing time period the issue shall be deemed to have been finally resolved.

(a) Designation of Arbitrator. Each party to the Dispute shall, within twenty (20) Business Days after the effective date of the Arbitration Notice, designate in its sole discretion one (1) arbitrator, who need not be neutral. In the event more than one Principal Public Participant is a party to the dispute, the Principal Public Participants who are parties to the dispute shall jointly select one arbitrator. The two (2) arbitrators so designated shall jointly appoint a third arbitrator who shall have at least five (5) years' experience in connection with the operation of first class sports arenas.

(b) Scope of Arbitration. The issues to be arbitrated shall be limited to the issues set forth in the Arbitration Notice. In connection with any arbitration, each party shall submit, in writing, the specific requested action or decision it wishes to take, or make, with respect to the Dispute, but the arbitrators may select any action or propose their own resolution of the disputed issues.

(c) Conduct of Arbitration. Any arbitration proceeding shall be conducted in accordance with the Commercial Arbitration Rules and the Expedited Procedures of the American Arbitration Association ("AAA") then in effect. Although Commercial Arbitration Rules of the AAA shall be used to govern the conduct of the arbitration, the arbitrators shall be chosen by the procedure described in Section 19.02(a) and the arbitration shall not be conducted through AAA, unless the parties otherwise agree. For purposes of an arbitration conducted under this Article XIX, whenever the AAA Commercial Arbitration Rules refer to the "tribunal administrator," such reference shall be deemed to be the third arbitrator chosen under Section 19.02(a). The parties expressly agree that any arbitration proceeding may proceed in the absence of any party who, after due notice, fails to be present at such arbitration or to obtain an adjournment, and that, in such event, an award may be made based solely upon the evidence submitted by the party who is present. All arbitration proceedings shall be conducted in Buffalo, New York or in such other location as the parties may agree. In making any determination, the arbitrators shall apply the pertinent provisions of this Agreement without modification or qualification in any respect. The arbitrators shall reasonably allow each party the use of interrogatories, depositions and other forms of discovery, taking into account the need for such discovery, the cost thereof and the time

limits set forth herein for resolution of the Dispute. The arbitrators shall furnish the parties with a written decision within sixty (60) Business Days after the date the third arbitrator is selected. The arbitrators' written decision shall include the specific findings of law and fact upon which the arbitrators' actions and decisions are based.

(d) Effect on Agreement. Unless otherwise agreed in writing during the period that any arbitration is pending under this Article XIX, the parties shall continue to comply with all terms and provisions of this Agreement which are not the subject of the Dispute (provided that, notwithstanding the foregoing, with respect to any non-payment defaults which are the subject of arbitration or other legal proceedings hereunder, the cure periods with respect to such defaults shall be stayed during the period of the applicable arbitration or other legal proceeding).

(e) Effect of Determination. The decision or award rendered by the arbitrators shall be final, nonappealable, and binding upon the parties, and judgment may be entered upon it in accordance with applicable law in a court of competent jurisdiction.

(f) Damages and Remedies. The party in whose favor an arbitration decision is made may exercise any and all rights and remedies provided by this Agreement (including, without limitation, Sections 18.02 and 18.03 hereof) or by law or equity to enforce the terms of such decision.

19.03 Further Disputes. The parties agree that any Disputes which arise during the term of this Agreement out of a settlement agreement or arbitrators' determination in accordance with this Article XIX shall be resolved exclusively by the procedures set forth in this Article XIX. The parties further agree that the specific issues which are subject to the arbitrators' decision may not be re-raised. The parties also agree that, notwithstanding anything contained in this Article XIX, ECIDA shall not be required to participate and shall not be bound by any mediation or arbitration proceeding contemplated hereby, and that disputes with regard to ECIDA's performance of its obligations (if any) hereunder shall be determined by any court of competent jurisdiction.

Article XX - Term and Extension

20.01 Term.

The Term of this Agreement shall commence upon completion of construction of the Arena and, unless earlier terminated as provided herein or extended as provided in Section 20.02, shall continue until September 30th occurring immediately after the thirtieth (30th) anniversary of the first day of the first full Operating Year (the "Initial Term").

20.02 Options to Extend.

If (1) all Ground Rent payments and all payments due under this Agreement due from inception of this Agreement have been paid in full as of the time of each such renewal, (2) CALLC has not received notice which is then outstanding from any Principal Public Participant terminating this Agreement pursuant to Section 18.01(b) or 18.02 of this Agreement and (3) NFHLP, pursuant to the terms of the Sabres Lease, has extended the Sabres Lease by exercise of one of its options (a copy of which CALLC undertakes to deliver to the Principal Public Participants), or another major league sports franchise acceptable to the Principal Public Participants (on lease terms acceptable to the Principal Public Participants), is a major tenant of CALLC at The Crossroads, then this Operating Agreement shall be extended on the same terms and conditions for additional terms (the "Extension Terms") each commencing on the expiration date of the Initial Term or of the preceding Extension Term, as follows:

A. An additional term of five (5) Operating Years provided, however, with respect to the first Operating Year of the First Extension Term, such Operating Year will be deemed to have commenced on October 1 notwithstanding the definition of Operating Year as contained in the Operating Agreement (the "First Extension Term");

B. An additional term of five (5) Operating Years (the "Second Extension Term");

C. An additional term of five (5) Operating Years (the "Third Extension Term"); and

D. An additional term of three (3) Operating Years (the "Fourth Extension Term").

CALLC shall notify the Principal Public Participants whether or not the Sabres have delivered the notice necessary to be delivered under the Sabres Lease by exercise of it option to extend.

If (a) a Principal Public Participant has delivered a notice to CALLC terminating this Agreement pursuant to Sections 18.01(b) or 18.02, or (b) an event that, with the passage of time or the giving of notice, or both, would permit a notice of termination to be given under Sections 18.01(b) or 18.02 shall have occurred, in either case prior to the commencement of the next Extension Term following delivery of such a notice, the effectiveness of the commencement of the next Extension Term shall be conditioned upon the withdrawal by the Principal Public Participants of notice to terminate, the determination by a court of competent jurisdiction which would permit a notice of termination to be given, the cure of the Event of Default within the time periods provided in Section 18.02, or the discharge of the receiver or trustee or dismissal of the petition within the time periods provided in Section 18.01 ("Cure Event"). Upon occurrence of the Cure Event, the Extension Term, shall become unconditional. Upon the non-occurrence of the Cure Event within the time period required, the notice by NFHLP shall be deemed void or the conditional Extension Term shall immediately terminate, as applicable.

20.03 Rights Upon Termination.

Upon expiration or termination of this Agreement, all funds in any account established pursuant to this Agreement shall be held in trust pending a final audit and accounting and thereafter disbursed in accordance with Section 14.02 hereof.

Article XXI - Miscellaneous

21.01 Exculpation.

A. **UDC.** All covenants, stipulations, promises, agreements and obligations of UDC contained herein shall be deemed to be covenants, stipulations, promises, agreements and obligations of UDC and not of any member, director, officer, employee or agent of UDC in his or her individual capacity, and no recourse shall be had for any claim hereunder against any member, director, officer, employee of agent of UDC.

B. **ECIDA**. No provision, covenant or agreement contained in this Agreement or any obligations herein imposed on ECIDA, or the breach thereof, shall constitute or give rise to or impose upon ECIDA a pecuniary liability or a charge upon its general credit. All covenants, stipulations, promises, agreements and obligations of ECIDA contained herein shall be deemed to be covenants, stipulations, promises, agreements and obligations of ECIDA and not of any member, director, officer, employee or agent of ECIDA in his or her individual capacity, and no recourse shall be had for any claim hereunder against any member, director, officer, employee or agent of ECIDA.

C. **City.** All covenants, stipulations, promises, agreements and obligations of the City contained herein shall be deemed to be covenants, stipulations, promises, agreements and obligations of the City and not of any member, director, officer, employee or agent of the City in his or her individual capacity, and no recourse shall be had for any claim hereunder against any member, director, officer, employee or agent of the City.

D. **BURA.** All covenants, stipulations, promises, agreements and obligations of the BURA contained herein shall be deemed to be covenants, stipulations, promises, agreements and obligations of the BURA and not of any member, director, officer, employee or agent of the BURA in his or her individual capacity, and no recourse shall be had for any claim hereunder against any member, director, officer, employee or agent of the BURA.

E. **CALLC.** All covenants, stipulations, promises, agreements and obligations of CALLC contained herein shall be deemed to be covenants, stipulations, promises, agreements and obligations of CALLC and not of any member, director, officer, employee or agent of the CALLC in his or her individual capacity, and no recourse shall be had for any claim hereunder against any member, director, officer, employee or agent of the CALLC.

F. County. All covenants, stipulations, promises, agreements and obligations of the County contained herein shall be deemed to be covenants, stipulations, promises, agreements and obligations of the County and not of any member, director, officer, employee or agent of the County in his or her individual capacity, and no recourse shall be had for any claim hereunder against any member, director, officer, employee or agent of the County.

21.02 Force Majeure.

In case by reason of force majeure any party hereto shall be rendered unable wholly or in part to carry out its obligations under this Agreement, then except as otherwise expressly provided in this Agreement, if such party shall give notice and full particulars of such force majeure in writing to the other parties within a reasonable time after occurrence of the event or cause relied on, the obligations of the party giving such notice, so far as they are affected by such force majeure, shall be suspended during the continuance of the inability then claimed which shall include a reasonable time for the removal of the effect thereof, but for no longer period, and such party shall endeavor to remove or overcome such inability with all reasonable dispatch. The term "force majeure", as employed herein, shall mean acts of God, strikes, lockouts or other industrial disturbances, acts of the public enemy, orders of any kind of the Government of the United States or of the State or any civil or military authority, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, hurricanes, storms, floods, washouts, droughts, arrests, restraining of government and people, civil disturbances, explosions, partial or entire failure of utilities, shortages of labor, material, supplies or transportation, or any other similar or different cause not reasonably within the control of the party claiming such inability. It is understood and agreed that the settlement of existing or impending strikes, lockouts or other industrial disturbances shall be entirely within the discretion of the party having the difficulty and that the above requirements that any force majeure shall be reasonably beyond the control of the party and shall be remedied with all reasonable dispatch shall be deemed to be fulfilled even though such existing or impending strikes, lockouts and other industrial disturbances may be not settled, but could have been settled by agreeing to the demands of the opposing person or persons.

21.03 Amendments.

This Agreement may be amended only with the concurring written consent of each of the parties hereto.

21.04 Notices.

All notices , elections or demands permitted or required herein shall be in writing, signed by the party giving such notice, election or demand, and given personally, by nationally recognized courier service, by mail or telecopy, addressed to the appropriate party at the address designated for such party on Exhibit G attached to this Agreement, or such other address in the continental United States as the party who is to receive such notice may designate by notice to the other party. Notice by mail shall be by registered or certified United States mail, addressed to the party to be notified,

and with the proper amount of postage affixed thereto. The effective date of the notice, election or demand shall be upon receipt, if hand delivered or telecopied, or three (3) Business Days after the date of deposit in the mail or with a nationally recognized courier service, as applicable.

21.05 Applicable Law.

This Agreement shall be governed by and interpreted, construed and enforced in accordance with and subject to the laws of the State of New York.

21.06 Waiver.

No waiver by any party of any breach, default or violation of any term, warranty, representation, agreement, covenant, condition or provision hereof shall constitute a waiver of any subsequent breach, default or violation of the same or any other term, warranty, representation, agreement, covenant, condition or provision hereof. Failure by any Public Sector Participant to provide notice of any breach, default, violation or other event that requires notice herein shall not constitute a waiver of any such breach, default or violation.

21.07 Severability.

The provisions of this Agreement shall be severable and if any clause, sentence, paragraph, provision or other part hereof shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair or invalidate the remainder hereof, which remainder shall continue in full force and effect.

21.08 Table of Contents and Captions.

The Table of Contents hereto and the Captions herein are for convenience only and are not to be construed as a part of this Agreement, nor shall the same be construed as defining or limiting in any way the scope of intent of the provisions hereof.

21.09 Counterparts.

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

21.10 Assignment by UDC.

Notwithstanding the provisions of Section 21.13, upon 180 days' written notice to all other parties to this Agreement UDC shall have the right to assign all or any portion of its rights, duties and/or obligations under this Agreement to either the City or the County determined unanimously by the City, County and UDC (which if made to the City shall be made to and be exercised by the Mayor's Office or if to the County shall be made to and be exercised by the County Executive's

Office). In the event that UDC, the City and County cannot agree as to UDC's successor, UDC may resign from any obligations hereunder and assign any or all of its rights and obligations hereunder to either the City or the County, as determined by a majority vote of the City, the County and UDC.

21.11 Entire Agreement. This Agreement is the result of substantial and extensive negotiations among the parties and constitutes the final, entire agreement among the parties with respect to the matters addressed herein, except as may be provided in the Financing Participants Agreement.

21.12 Binding Effect. This Agreement shall be binding upon and enure to the benefit of each of the parties hereto and their respective successors and permitted assigns.

21.13 No Transfer. This Agreement may not be assigned in whole or in part by any of the parties hereto without the written consent of the others except as provided in Section 21.10. Notwithstanding the foregoing, UDC may assign its rights hereunder to another public benefit corporation or corporate governmental agency of the State of New York which succeeds to all or substantially all of the assets of UDC, in which case, UDC shall simultaneously assign its obligations hereunder to the City or County as provided in Section 21.10.

21.14 Accounting. All computations, (including the calculation of the Operating Fee) financial statements, and projections furnished hereunder shall be in accordance with generally accepted accounting principles consistently applied with the preparation of the financial statements of CALLC.

21.15 Subordination and Attornment. This Agreement shall be subject and subordinate to (i) the lien of the Superior Mortgage and (ii) the Financing Participants Agreement. If any Superior Mortgage is foreclosed or a conveyance in lieu of foreclosure is made for any reason, the Principal Public Participants shall, upon the request of the Superior Mortgagee, notwithstanding any subordination, attorn to the party succeeding to CALLC's interest in this Agreement and continue to perform pursuant to the terms hereof for the balance of the term and any Extension Term which has been exercised, provided that the party succeeding to CALLC's interest in this Agreement assumes CALLC's obligations hereunder.

21.16 Public Sector Participants' Capacity. In entering into this Agreement, each Public Sector Participant is acting in a proprietary capacity rather than a governmental capacity. Nothing contained herein shall limit any Public Sector Participant from exercising its governmental or police powers with respect to protection of the public health, safety or welfare.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

APPROVED AS TO FORM

By:_____
Corporate Counsel

CITY OF BUFFALO

By:_____
Anthony M. Masiello, Mayor

NEW YORK STATE URBAN
DEVELOPMENT CORPORATION

By:_____

APPROVED AS
TO FORM ON
MAY 22 1995
MICHAEL L. MCCARTHY
LEGAL COUNSEL

BUFFALO URBAN RENEWAL AGENCY

By:_____
Anthony M. Masiello, Mayor

ERIE COUNTY INDUSTRIAL DEVELOPMENT
AGENCY

By:_____

CROSSROADS ARENA LLC
By Arena, Inc., Its Member

By:_____
Lawrence Quinn, Executive Vice President

APPROVED AS TO FORM

By:_____
Erie County Attorney

COUNTY OF ERIE, NEW YORK

By:_____
(Title)

APPROVED AS TO CONTENT

By:_____
Erie County Commissioner
of the Department of
Environment and Planning

H:\MMC\SABRES\CROSSROA\OPERCLN Y15

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

APPROVED AS TO FORM

By:_____
Corporate Counsel

CITY OF BUFFALO

By:_____
Anthony M. Masiello, Mayor

NEW YORK STATE URBAN
DEVELOPMENT CORPORATION

By:_____

BUFFALO URBAN RENEWAL AGENCY

By:_____
Anthony M. Masiello, Mayor

ERIE COUNTY INDUSTRIAL DEVELOPMENT
AGENCY

By:_____

CROSSROADS ARENA LLC
By Arena, Inc., Its Member

By:_____
Lawrence Quinn, Executive Vice President

APPROVED AS TO FORM

By:_____
Erie County Attorney

COUNTY OF ERIE, NEW YORK

By:_____
Dennis T. Gorski
County Executive
(Title)

APPROVED AS TO CONTENT

By:_____
Erie County Commissioner
of the Department of
Environment and Planning

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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

APPROVED AS TO FORM

By:_____
Corporate Counsel

CITY OF BUFFALO

By:_____
Anthony M. Masiello, Mayor

NEW YORK STATE URBAN DEVELOPMENT CORPORATION

By:_____

BUFFALO URBAN RENEWAL AGENCY

By:_____
Anthony M. Masiello, Mayor

ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

By:_____ Executive Director

CROSSROADS ARENA LLC
By Arena, Inc., Its Member

By:_____
Lawrence Quinn, Executive Vice President

APPROVED AS TO FORM

By:_____
Erie County Attorney

COUNTY OF ERIE, NEW YORK

By:_____
(Title)

APPROVED AS TO CONTENT

By:_____
Erie County Commissioner
of the Department of
Environment and Planning

H:\MMC\SABRES\CROSSROA\OPERCLN.Y15

Exhibit A

TO: Operating Agreement among Crossroads Arena LLC and the Public Sector Participants
Development and Construction Agreement among Crossroads Arena LLC and the Public Sector Participants
Lease Between Crossroads Arena LLC and Niagara Frontier Hockey, L.P.

DEFINITIONS

"Accrued Ground Rent" means any portion of the Ground Rent of which payment has been deferred pursuant to the Land Disposition Agreement.

"Additional Event Rent" shall mean rent for Additional Events as provided in Section 5.1(b) of the Sabres Lease.

"Affiliate" means, with respect to any Person, any other Person related to such first Person by reason of (i) ownership of 10% or more of the shares of, or partnership interests or membership interests, in such first Person; (ii) such first Person owning 10% or more of the shares of, or partnership interests or membership interests in, such other Person; (iii) a third Person owning 10% or more of the shares of, or partnership interests or membership interests in, both the first Person and such other Person, (iv) such Persons being Management Affiliates, or (v) such Person being a spouse, child, parent, grandparent or grandchild of such Person. With respect to CALLC, "Affiliate" shall specifically include: (1) NFHLP (as defined herein); (2) NFHMC (as defined herein); (3) Arena, Inc., a New York corporation, (4) BSC and (5) Empire Sports Sales Joint Venture.

"Affiliate Contract" shall mean any contract, agreement or cost sharing arrangement between CALLC and any Affiliate of CALLC, or any payment or transfer of other consideration between CALLC and such an Affiliate (including any payment or transfer in settlement, compromise, arbitration or adjustment of any claim or demand on account of any Loss Event), but excluding an Operating Deficit Loan from an Affiliate described in Section 7.05(b) of the Operating Agreement.

"Affirmative Action Plan" shall mean the Agreement dated October 27, 1994 between the City of Buffalo and CAC which CALLC has agreed to implement by Assignment and Assumption Agreement dated November 18, 1994.

"Applicable Percentage" referred to in Section 9.02(a) of the Operating Agreement means the greater of: (a) five percent (5%), or (b) the percentage franchise fee imposed by the City pursuant to its contract with a cable television company as provided for under Executive Law Article 28 or applicable federal law, rule or regulation, then in effect.

"Architect" shall mean Ellerbe Beckett Architects and Engineers P.C., or such other architect selected by CALLC and approved by UDC.

"Arena" means The Crossroads.

"Arena, Inc." is a New York corporation formerly known as Crossroads Arena Corporation.

"Arena Plans and Specifications" means the plans and specifications prepared by the Project Architects with respect to the design of the Arena, dated August 11, 1994, as amended or supplemented from time to time in accordance with the Development and Construction Agreement.

"Arena Shell" means the portion of the Crossroads constituting a functional Class "A" building (as defined in Section 11.00(a)(11)(a) of the New York Local Finance Law) consisting of a steel and concrete structure, HVAC, plumbing, basic electrical wiring and general lighting in accordance with the Arena Plans and Specifications, but specifically excluding the Crossroads Improvements.

"Aud" means the Memorial Auditorium located at 140 Main Street, Buffalo, New York.

"Aud Club" means the restaurant/bar for use by Aud Club members to be operated by NFHLP, designated in Exhibit 6 attached to the Sabres Lease.

"Aud Non-Compete Agreement" means an agreement dated as of May 10, 1995 by and among CALLC, NFHLP, the City and BURA.

"Bandits" means the Buffalo Bandits Major Indoor Lacrosse League franchise.

"Blizzard" means Greater Buffalo Soccer, L.P.

"Box Office" means the retail area for sale of Event tickets.

"Box Office Operation Agreement" means the agreement by and between CALLC and NFHLP relating to the operation of the Box Office, in the form attached to the Sabres Lease as Exhibit 12.

"Broadcast Rights" means the right to produce, broadcast, televise, record, telegraph, disseminate, reproduce or transmit by broadcast, cable, closed circuit, pay or subscription television, radio, telephone, or by any other method of reproduction, transmission or communication (except message boards, scoreboards, and external marquees and ancillary video throughout the building), whether instantaneous or delayed, all Events or any portions thereof, data, signals or messages and to control,

operate, license and sell all such activities or the rights thereto.

"BSC" means Buffalo Sabres Concession LLC, a New York limited liability company.

"Buffalo Construction Cost Index" shall mean the amount by which construction costs as published in the Buffalo, New York area increase or decrease from year to year.

"Buffalo Sabres" means the NHL team, membership and associated franchise owned and operated by NFHLP.

"Buffalo Waterfront Urban Renewal Plan" shall mean that plan for the Waterfront Redevelopment Area approved by the Buffalo City Planning Board on September 16, 1963 and the City of Buffalo Common Council on October 22, 1963, as revised and amended, on October 26, 1993 and March 21, 1995.

"Building Loan Contract" means the Building Loan Contract dated as of May 10, 1995 between the Construction Lender and CALLC and any amendments, modifications or replacements thereof.

"BURA" means the Buffalo Urban Renewal Agency, a public benefit corporation created pursuant to Article 15-B of the General Municipal Law of New York State.

"BURA Parcels" means that real property acquired by BURA and constituting a portion of the Crossroads Site, more particularly described on Exhibit B-1 to the Development and Construction Agreement.

"Business Day(s)" means any day which shall not be a Saturday, Sunday, legal holiday or a day on which national banking institutions in New York are authorized by law or executive order to close.

"CALLC" means Crossroads Arena LLC, a New York limited liability company.

"CALLC Agreements" means all agreements and leases with respect to The Crossroads to which CALLC is a party.

"Capital Improvement Loan" means borrowing by CALLC from any third-party, including Affiliates, to pay for capital improvements or repairs.

"Championship Games" is defined in the NHL Rules.

"Change Order(s)" shall have the meaning assigned to it in Section 4.03 of the Development and Construction Agreement.

"City" means the City of Buffalo, a municipal corporation of The State of New York.

"City Cash Contribution" is defined within the definition of City Contribution.

"City Contribution" shall mean:

(1) $10,000,000 (Ten Million Dollars) in cash payable by the City to BURA for reimbursement of Interim Development Costs incurred by CALLC or as payments made to former property owners by BURA or CALLC to acquire The Crossroads Site or for environmental review, eminent domain or land acquisition related expenses incurred by BURA or the City, ("City Cash Contribution");

(2) Land and the Washington Street and Indiana Street Rights of Way included in The Crossroads Site;

(3) Transactions costs incurred by the City (including, without limitation, bond and other outside counsel, trustee, underwriting, and bond issuance costs, but excluding eminent domain or land acquisition related expenses (i.e., Hiscock & Barclay and court awarded legal expenses); and

(4) Infrastructure Improvements set forth on Exhibit I to the Development and Construction Agreement.

"City Infrastructure Costs" shall be those costs as defined on Exhibit I to the Development and Construction Agreement.

"City Right of Way Licenses" means the License dated as of May 10, 1995 granting to CALLC certain licenses, encroachments, streets and other matters relating to The Crossroads.

"City Non-Cash Contribution" are items (2), (3), (4) of the City Contribution.

"City Sublease" means the Sublease dated as of May 10, 1995 for The Crossroads Site between the City and the County.

"Civic Event(s)" means an event to be sponsored or conducted at The Crossroads by a Principal Public Participant for which there is no admission charge including without limitation, a convocation, community gathering, awards or honors ceremony, high school sporting event or any similar event.

"Civic Event Out-Of-Pocket Expenses" shall mean, with respect to each Civic Event, all direct costs and expenses incurred by CALLC with respect to the set-up, tear-down, operation, staffing and management of The Crossroads that would not have been incurred by CALLC if The Crossroads had remained empty and dark rather than hosting such Civic Event, but shall not include any allocation of CALLC overhead.

"Club Seat(s)" means the approximately 2,500 seats in the area identified on Exhibit 33 to the Sabres

Lease.

"Club Seat Amenities" means the rights, services and goods to be provided to licensees of Club Seats, which shall initially consist of the amenities set forth on Exhibit 7 attached to the Sabres Lease, and any other amenities to be provided to Club Seat holders in the future as provided in Article IX of the Sabres Lease.

"Club Seat Package" means those rights, services and tickets received by Club Seat holders in consideration for the Club Seat rental fee.

"Club Seat Ticket Option" means the option held by Club Seat holders to purchase Club Seat tickets in addition to tickets selected by such holder in its basic Club Seat package.

"Club Seat Ticket Revenue" means the sum of (a) the product of (i) the number of Club Seat Packages sold, multiplied by (ii) the Premium Luxury Ticket Price for each Hockey Event included in the Club Seat Package; plus (b) the product of (iii) the number of Club Seat tickets sold pursuant to Club Seat Ticket Options for Hockey Events and Hockey Related Events multiplied by (iv) the Premium Luxury Ticket Price charged by the Sabres for extra Club Seat tickets for each Hockey Event and Hockey Related Event.

"Commencement Date" is defined in Section 3.8 of the Sabres Lease.

"Common Areas" means those areas and parts of The Crossroads for the common or joint use and benefit of Landlord, tenants, licensees, and Event attendees and invitees, as appropriate, including without limitation, those entrances, stairways, elevators, escalators, hallways, corridors, lobbies, driveups, access roads, interior and exterior ramps, delivery and loading facilities, public restrooms, wash rooms, comfort rooms, drinking fountains, sidewalks, plazas, and concourses, excluding the Exclusive Areas.

"Completion Date" shall mean that date as defined in the GMPC as enabling CALLC to take occupancy of The Crossroads.

"Concessionaire" means the firm or firms with which the Sabres or Affiliate of the Sabres contracts to operate the concession stand portion of the Concessions Facilities exclusively reserved to the Sabres under the Sabres Lease. Initially the Concessionaire will be New York Sportservice, Inc. The Sabres will initially operate novelty Concession Facilities.

"Concessionaire Lease Agreement" means the Lease Agreement dated as of May 10, 1995 from NFHLP as landlord to BSC as tenant.

"Concessionaire Sublease Agreement" means the Concession Lease Agreement dated as of May 10, 1995 between BSC as landlord and New York State Sportservice, Inc. as tenant.

"Concessions and Catering Revenue(s)" shall mean those revenues received from catering and concessions activities conducted at the Concession Facilities.

"Concession(s) Equipment" means moveable equipment and furniture used in connection with the operation of the Concession Facilities.

"Concessions Facilities" means the area identified as the Concessions Facilities on Exhibit 6 to the Sabres Lease.

"Concession Lender(s)" shall mean Shawmut Bank, N.A., Fleet Bank and any other participants under the Interim and Term Concession Loan Agreement dated as of May 10, 1995 with BSC and successor or replacement agreement.

"Concession Loan" means the $32,500,000 credit facility to be provided to BSC by the Concession Lenders pursuant to the Interim and Term Concession Loan Agreement dated as of May 10, 1995 among the Concession Lenders and BSC and any successor or replacement agreement.

"Concessions Revenues" means one hundred percent (100%) of gross concessions, novelties and publications revenues pertaining to all Events.

"Condemnation Reserve" shall mean $327,000 reserved pursuant to Exhibit H of the Development and Construction Agreement.

"Condemnation Reserve Account" shall mean that account to which the Condemnation Reserve has been deposited for disposition or disbursement pursuant to the Development and Construction Agreement.

"Construction Lender" means Marine Midland Bank and Key Bank of New York and any other lenders participating in the Building Loan Contract dated as of May 10, 1995 or any successor.

"Construction Loan" means the $35,000,000.00 credit facility to be provided to CALLC by the Construction Lenders pursuant to the Building Loan Contract. As the context requires "Construction Loan" shall also mean the Permanent Loan Term as defined in the Building Loan Contract.

"Construction Loan Debt Service Reserve" is defined in Section 4.9 of the Building Loan Contract between the Construction Lender and CALLC.

"Contingency Payment" shall have the meaning described in Section 9.3 of the Sabres Leases.

"Coordinating Agreement" means the agreement dated as of May 10, 1995 among the Principal Public Participants regarding their roles, rights, duties and obligations with respect to the Project.

"Cost Overrun(s)" means the amount by which actual Development and Construction Costs and Expenses of the Project exceed One Hundred Twenty-Two Million Five Hundred Thousand Dollars ($122,500,000).

"Cost Overrun Loan" means borrowings by CALLC to pay for Cost Overruns, including the Sabres Advance.

"County" means the County of Erie, New York, a municipal corporation of the State of New York.

"County-ECIDA Sublease" means the Sublease for the Crossroads Site and the Crossroads between the County and the ECIDA dated as of May 10, 1995.

"County Eligible Costs" means all costs of the acquisition, installation, construction or equipping of the Project including, without limitation, original furnishings, equipment or apparatus (but excluding costs of acquiring the Crossroads Site or defending the title thereto - "the exclusion") (for purposes of this definition the "Crossroads Acquisition"), which shall include the cost of preparing the Plans and Specifications therefor (including any preliminary studies or planning of the Crossroads); preparing maps, surveys and estimates with respect thereto and holding hearings with respect thereto; architectural, engineering, testing, supervisory services with respect thereto; any expenses of enforcing any contract or subcontract with respect to the Crossroads Acquisition (subject to the exclusion set forth above); the cost of the premiums for all insurance maintained with respect to the Crossroads until the completion thereof; all legal, accounting and other fees, costs and expenses incurred in connection with the preparation, reproduction, printing and authorization of documents with respect to the Crossroads Acquisition (subject to the exclusion set forth above), all as included within the categories of the Project Budget approved at the Closing by the County; provided, however, that County Eligible Costs shall not, under any circumstances include costs not directly related to the Crossroads Acquisition and the County's investment therein (subject to the exclusion set forth above) for, as an example, interest on loans provided by other participants loaning money with respect to the Project, overhead or working capital of any entity or costs of marketing, sales and promotion or the like. Notwithstanding the foregoing, "County Eligible Costs" shall be determined in a manner consistent with Section 5.02(a) of the Development and Construction Agreement.

"County Sublease" means the Sublease for the Crossroads Site between the County and the City dated as of May 10, 1995.

"(The) Crossroads" means the sports, entertainment and parking complex to be built on The Crossroads Site, including any physical improvements on The Crossroads Site which is more particularly described in Section 2.01 of the Development and Construction Agreement.

"Crossroads Club" means the restaurant/bar for use by Club Seat holders and Luxury Suite licensees designated on Exhibit 6 to the Sabres Lease.

"(The) Crossroads Design" means the architectural design depicted on the Arena Plans and Specifications that will be included therein, and on the Parking Structure Plans and Specifications.

"Crossroads Improvements" means the portion of The Crossroads financed out of proceeds of the Private Arena Debt, and Sabres Advance constituting improvements to the Arena Shell including but not limited to the Ice Rink, seats and railings installed in the Seating Bowl, Luxury Suites, locker rooms, scoreboards, Concession Facilities, Concession Equipment, directional signage, television broadcasting facilities, special (event) lighting, public address equipment, press boxes, and other amenities necessary to render the Arena Shell suitable for professional and amateur ice hockey, indoor soccer, indoor lacrosse, basketball, concerts, ice shows and similar events; all improvements, fixtures and equipment reasonably necessary to operate the Sabres Offices; the Box Office, the Team Store and the Waterfront Market Restaurant; all parking structures and surface parking lots all outdoor fences, walkways, decorative trees and shrubbery located on the Crossroads Site. To the extent funds from the Principal Public Participants are insufficient to complete the Arena Shell, that portion of the Arena Shell financed with other funds shall constitute Crossroads Improvements.

"Crossroads Parking Facilities" means the areas and structures identified as The Crossroads Parking Facilities on Exhibit 8 to the Sabres Lease and any other parking areas temporarily used in substitution therefor during maintenance and repairs.

"Crossroads Participants" means CALLC, the Public Sector Participants and the Private Financing Participants.

"(The) Crossroads Site" means (1) the real property located within the boundaries indicated on the map appended as Exhibit B to the Development and Construction Agreement; (2) the BURA Parcels and (3) the City Licenses and Permitted Encroachments, all of which in the aggregate constitute The Crossroads Site as shown on Exhibit B to the Development and Construction Agreement.

"(The) Crossroads Transmissions Facilities" is defined in Section 9.02 of the Operating Agreement.

"Delivery Date" means the date upon which NFHLP receives the Delivery Notice from Landlord pursuant to Section 3.8 of the Sabres Lease.

"Delivery Notice" means the notice by which Landlord informs NFHLP that the Commencement Date will occur in sixty (60) days pursuant to Section 3.8 of the Sabres Lease.

"Designated Play-Off Dates" means those dates reserved by NFHLP each Hockey Season for NHL Play-Off Games pursuant to Section 4.6 of the Sabres Lease.

"Design Review Committee" means the committee formed jointly by the Public Sector Participants and CALLC pursuant to the MOU to review the design of the Arena.

"Destructive Event" means any incident resulting in any damage to or destruction of the Premises.

"Development and Construction Agreement" means the Development and Construction Agreement dated as of May 10, 1995 by and among CALLC and the Public Sector Participants.

"Development and Construction Cost(s) and Expense(s)" means any and all costs and expenses of a type described on the Project Budget. Development and Construction Costs and Expenses shall not include the City Non-Cash Contribution or transaction costs incurred by the City, UDC, the County, BURA and ECIDA.

"Development and Construction Schedule" means Exhibit D attached to the Development and Construction Agreement.

"Directors' Room" means the board of directors' room for use by NFHLP designated on Exhibit 6 attached to the Sabres Lease.

"Early Entry" is defined in Section 3.10 of the Sabres Lease.

"ECIDA" means the Erie County Industrial Development Agency, a public benefit corporation created pursuant to Article 18-A of the General Municipal Law.

"ECIDA Requirements" are attached to the Sabres Lease as Exhibit 38.

"Event" means any exhibition, event, contest, game, practice, sports activity, presentation, meeting, assemblage, convention or other similar use of The Crossroads or any part thereof, including Hockey Events, Hockey-Related Events, and Other Events.

"Excess Payment(s)" means payments or other transfers of consideration between CALLC and an Affiliate in excess of those which would be required under an arm's length contract between unrelated parties.

"Exclusive Areas" means those parts of the Premises to be used by NFHLP exclusively pursuant to Article III of the Sabres Lease, as designated on Exhibit 6 to the Sabres Lease, namely, the dressing rooms, training room, equipment room, coaches offices, locker rooms and adjacent training areas, NFHLP offices and storage area, Crossroads Parking Facilities, Concessions Facilities, permanent novelty stands, Waterfront Market Restaurant, the Aud Club, the Team Store, outdoor deck, food court, Crossroads Club and Directors' Room.

"Executive Offices" means the office space contained in the Exclusive Areas, designated on Exhibit 6, attached to the Sabres Lease.

"Exhibition Games" means those NHL-sponsored or-sanctioned ice hockey non-regular season and non-play-off games which are scheduled as Hockey Events from time to time, whether or not involving the Buffalo Sabres or any other NHL team.

"Extension Term(s)" is defined in Section 20.02 of The Operating Agreement.

"Extraordinary Events Account" is defined and described in Article XIV of the Operating Agreement.

"Financing Participants Agreement" means the agreement among CALLC, the Private Financing Participants and the Public Sector Participants , Sportservice Corporation and New York Sportservice, Inc. dated as of May 10, 1995.

"First Amendment to The Interim Development Agreement" means the First Amendment to the Interim Development Agreement by and among CALLC, the City and BURA dated October 27, 1994, amending the Interim Development Agreement.

"Fiscal Year" means the fiscal year of CALLC which initially is the period from September 1 of a year to August 31 of the following year.

"Game Day" means each scheduled date of a Hockey Event, commencing eleven (11) hours prior to and ending three (3) hours after the conclusion of the Hockey Event, provided, however, that if there is an Other Event being held on the same day as a Hockey Event, "Game Day" shall mean each scheduled date of a Hockey Event, commencing four (4) hours prior to and ending two (2) hours after the conclusion of the Hockey Event.

"GMPC" means the Guaranteed Maximum Price Contract, between CALLC and Huber, Hunt & Nichols, Inc. approved by the Concession Lender, the Construction Lender, the Public Sector Participants, New York Sportservice, Inc., CALLC, NFHLP and BSC on or prior to the date of closing of the Construction Loan and the Concession Loan.

"Government Obligations" means direct obligations of or guaranteed by the United States of America.

"Governmental Authority" shall mean any governmental authority or other Person having jurisdiction over the acquisition, construction, equipping, ownership, leasing, operation and or maintenance of the Project.

"Ground Lease" means the lease of The Crossroads Site dated as of May 10, 1995 from BURA to the County.

"Ground Lessee" means the County under the Ground Lease.

"Ground Rent" means an annual payment from CALLC to the City of $500,000 pursuant to the Land Disposition Agreement.

"Ground Rent Accrual Right" means CALLC's right to accrue and defer payment of up to $100,000

per year of the Ground Rent (subject to an aggregate limit of $500,000) as more particularly described in the Land Disposition Agreement.

"Hazardous Substance(s)" means, without limitation, any flammable materials, explosives, radon, radioactive materials, asbestos, urea formaldehyde foam insulation, polychlorinated biphenyls, petroleum and petroleum-based products, methane, hazardous materials, hazardous wastes, hazardous or toxic substances or related materials, as defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. Appx. Section 9601, et. seq.), the Hazardous Materials Transportation Act, as amended (49 U.S.C. Appx. Section 1801, et seq.), the Toxic Substances Control Act, as amended (15 U.S.C. Section 2601, et. seq.), Articles 15 and 27 of the New York State Environmental Conservation law and any other applicable Environmental Law and regulations adopted and publications promulgated thereunder.

"Hockey Broadcast Rights" means NFHLP's exclusive right to produce, broadcast, televise, record, telegraph, disseminate, reproduce or transmit by broadcast or cable television, closed circuit television, pay television, subscription television, radio, telephone, or by any other method of reproduction, transmission or communication, whether instantaneous or delayed, all Hockey Events and Hockey-Related Events or any portions thereof.

"Hockey Essential Portions of the Premises" means those facilities of The Crossroads which must be functional to meet the Substantially Beneficially Completed standard, as set forth in the definition of "Substantially Beneficially Completed", items 1-16.

"Hockey Event(s)" means any NHL ice hockey game played by the Buffalo Sabres in The Crossroads (including Pre-Season Games, Regular Season Games, Exhibition Games and Play-Off Games).

"Hockey Related Event(s)" means Training Camp, open Practice Sessions, any other regular season, pre-season or post-season game sanctioned by the NHL, whether or not played by the Buffalo Sabres, including NHL All-Star Games, as well as other hockey-related events sponsored by NFHLP and/or the NHL and not played by the Buffalo Sabres, including hockey skills camps and/or professional tournaments, minor league games played by a franchise owned by NFHLP as of the date of execution of the Sabres Lease, the NHL Entry Draft or Congress, promotional events such as card shows, alumni hockey games, youth or high school hockey programs, championships and similar activities.

"Hockey Season" means the period during which Pre-Season, Regular Season and Play-off Games are presented, commencing approximately September 5th and ending approximately July 1st of each year.

"Horizon Municipalities" means the Town of Brant, the Town of Evans, the Town of Hamburg, the City of Lackawanna, the Town of Grand Island, the City of Buffalo, the Town of Tonawanda, the City of Tonawanda, and the Niagara Frontier Transportation Authority, the State of New York, the

New York State Urban Development Corporation, or any other governmental or private entity (other than Horizons or the County).

"Horizon Projects" means those projects provided for (and in the order of priority) under the Horizons Action Plan (as in effect from time to time) that are to be owned by the Horizon Municipalities.

"Horizon Share" shall mean 44.3 percent of the portion of the Operating Fee and the Renewal and Replacement Account that is paid to UDC.

"Horizons" means Horizons Waterfront Commission, Inc., a wholly-owned subsidiary of UDC, heretofore created under Section 12 of the UDC Act.

"Ice Rink" means the 200' by 85' ice rink located in the Sports Arena.

"In-Arena Advertising Venues" is defined in Section 11.1 of the Sabres Lease.

"Industry Standards" means the average standard or quality of performance provided by arenas serving as permanent home ice for NHL hockey teams.

"Initial Rent" is defined in Section 5.1(a) of the Sabres Lease.

"Inner Harbor Plan" means the design and land use plan for the Buffalo Inner Harbor project of The Horizons Waterfront Commission, Inc.

"Intercreditor/Non-Disturbance/Attornment Agreements" mean the Financing Participants Agreements and the Non-Disturbance Agreement.

"Interim Development Activities" means the demolition, utility relocation and other activities undertaken by CALLC and funded by the City and/or BURA under the Interim Development Agreement, as the same may be amended or modified from time to time.

"Interim Development Agreement" means the Interim Development Agreement among CALLC, the City and BURA dated as of March 11, 1994, as amended by the First Amendment dated October 27, 1994.

"Interim Development Costs" shall have the same meaning as defined in the Interim Development Agreement.

"Intermunicipal Agreement" means the agreement by and between the County and the City dated as of May 10, 1995.

"Land Disposition Agreement" means the Contract for Lease of Land for Redevelopment by and

between BURA, the City and CALLC dated as of May 10, 1995.

"Landlord" means CALLC as lessor under the Sabres Lease.

"Landlord Indemnitee" means Landlord, and its agents, officers, directors and employees pursuant to Section 20.1 of the Sabres Lease.

"Landlord - NFHLP Marketing and Advertising Agreement" means that agreement dated as of May 10, 1995 by and between CALLC and NFHLP, by which NFHLP is appointed Landlord's exclusive agent for the marketing of In-Arena Advertising Venues.

"Law" means any statute, ordinance, regulation, rule, interpretation, decision, guideline or other requirement enacted or issued by any court, agency or other governmental authority.

"Lead Bank" means Marine Midland Bank.

"Lease Term" is defined in Section 3.7 of the Sabres Lease.

"Lease Year" means during the Lease Term, the period from October 1 in one year to September 30, in the following year. In the event the Lease commences other than on October 1, the period from date of commencement to the following October 1 shall constitute a partial lease year.

"Leasehold Mortgage(s)" means the Superior Mortgage.

"Lenders Cooperation Agreement" means the Lenders Cooperation Agreement dated as of May 10, 1995 by and among the Private Financing Participants, the Public Sector Participants, NFHLP, CALLC and BSC.

"Loss" means any loss, claim, liability, damage or injury to, or relating to, the Premises.

"Loss Event(s)" shall mean an event which causes damage or destruction of The Crossroads in whole or in part.

"Loss Proceeds" shall mean net proceeds received from any insurance policies covering the Loss Event.

"Loss Proceeds Account" means the account established pursuant to Section 10.01(b)(ii) of the Operating Agreement into which Loss Proceeds shall be deposited.

"Luxury Suite(s)" means the 80 private suites identified as Luxury Suites on Exhibit 34 attached to the Sabres Lease (subject to any modification of number, design, or placement of such suites resulting from any amendment to The Crossroads Design permitted by the Development and

Construction Agreement).

"Luxury Suite Amenities" means the rights, services and goods to be provided to licensees of Luxury Suites which shall initially consist of the amenities set forth on Exhibit 2 to the Sabres Lease and any other amenities to be provided to Luxury Suite licensees in the future as provided in Article IX of the Sabres Lease.

"Luxury Suite Package" means those rights, services and goods received by Luxury Suite licensees in consideration for the Luxury Suite license fee.

"Luxury Suite Ticket Option(s)" means the option held by each Luxury Suite licensee to purchase Luxury Suite tickets in addition to tickets selected by the licensee in its basic Luxury Suite Package.

"Luxury Suite Ticket Revenue" means the sum of:

(a) the product of: (i) the product of the number of Luxury Suites licensed multiplied by the number twelve (12), multiplied by (ii) the Premium Luxury Ticket Price for each Hockey Event and Hockey Related Event included in the Luxury Suite Package	- plus -	(b) the product of: (i) the number of Luxury Suite tickets sold pursuant to Luxury Suite Ticket Options for Hockey Events and Hockey Related Events multiplied by (ii) the Premium Luxury Ticket Price

"Major Change" means a Change Order involving more than $300,000 or any amendment, modification, addition or deletion to The Crossroads Design, which is expected to result in one or more of the following:

(a) a substantial alteration of the character or function of The Crossroads as contemplated or the planned use or exterior appearance of the Arena in the Arena Plans and Specifications or the approved Parking Structure(s) Plans and Specifications, or

(b) material reduction of the amount of the Operating Fee projected to be payable by CALLC to the Operating Fee Recipients under the Operating Agreement, or

(c) modification of the draw schedule provided in the Financing Participants' Agreement which would require any Participant to fund out of the sequence prescribed in such Agreement, or

(d) a modification of the Final Design of the Crossroads Parking Facilities.

"Major Consent Changes" is defined in Section 6.7 of the Sabres Lease.

"Major Sponsor" means any party with whom Landlord enters into a major sponsorship agreement.

"Management Affiliate(s)" is defined in Section 3.03 of the Operating Agreement.

"Management Firm" is defined in Section 3.03 of the Operating Agreement.

"Mandatory Principal Prepayment" means prepayment of principal required by the Private Arena Debt Agreements.

"Material Contract" means any Naming Rights Agreement and any other contract, agreement or arrangement relating to the marketing, management, operation, or use of The Crossroads which is to be performed for a period of more than 30 days.

"Mediation Term" shall mean a date commencing on which a notice of mediation is delivered pursuant to the Sabres Lease, Operating Agreement or Development and Construction Agreement as provided in each of those agreements and ending as provided in each of those agreements..

"Minor Non-Consent Changes" is defined in Section 6.7 of the Sabres Lease.

"MOU" means the Memorandum of Understanding dated March 28, 1994 among the Sabres, the Public Sector Participants and Crossroads Arena Corporation, now known as Arena, Inc.

"Naming Rights Agreement" means the agreement entered into by CALLC designating the name by which The Crossroads will be known, referred to and advertised as (which may or may not include the term "The Crossroads") in consideration for the payment of the Naming Rights Proceeds by the other party(ies) to such agreement.

"Naming Rights Grantee" means any party with whom Landlord enters into a Naming Rights Agreement.

"Naming Rights Proceeds" means all receipts by CALLC of consideration paid pursuant to the Naming Rights Agreement by the other party(ies) thereto for the right to designate the name by which The Crossroads will be known, referred to and advertised as (which may or may not include the term "The Crossroads"), whether such receipts are in the form of periodic payments, advance payments, option fees or otherwise.

"NBA" means The National Basketball Association.

"Net Project Revenue" is the excess of the aggregate deposits made to the Project Revenue Account pursuant to Section 7.02 of the Operating Agreement with respect to a Fiscal Year over the aggregate of disbursements from such Project Revenue Account pursuant to subsections First through Twelfth of Section 7.06 of the Operating Agreement with respect to such Fiscal Year.

"NFHLP" means Niagara Frontier Hockey, L.P., a Delaware limited partnership

"NFHLP Guaranty" means the guaranty dated October, 1994 executed and delivered by NFHLP to the City.

"NFHLP Indemnitees" means NFHLP, its managing general partner, related and affiliated companies (other than Landlord and Arena, Inc.), investors (including unitholders and debenture holders) and agents, officers, directors or employees of each of them, in their status as such.

"NFHMC" means Niagara Frontier Hockey Management Corporation, a New York corporation and the managing general partner of NFHLP.

"NHL" means the National Hockey League, an unincorporated, not-for-profit association.

"NHL Rules" means (i) the NHL Constitution and any amendments thereto that may be adopted from time to time by the NHL or the Commissioner of the NHL, (ii) the NHL By-Laws, and any amendments thereto that may be adopted from time to time by the NHL or the Commissioner of the NHL, (iii) such other rules, regulations, resolutions and policies as the NHL, the NHL Board of Governors, or the NHL Commissioner may adopt from time to time, (iv) all agreements (including, without limitation, the collective bargaining agreements) and the Lenders Cooperation Agreement, consent decrees and settlement agreements presently or hereafter in effect or entered into between or among the NHL and its member clubs and/or their lenders or the NHL and any other persons in furtherance of NHL business or interests or as otherwise authorized, directly or indirectly, by the NHL Board of Governors, the NHL Constitution or By-Laws or the NHL Commissioner and (v) the Commissioner's interpretation of any of the foregoing. For purposes of the Development and Construction Agreement, the Operating Agreement and the Sabres Lease, the NHL Rules shall be those of general applicability and shall not include anything specific, directly or by effect, applicable to The Crossroads.

"Non-Disturbance Agreement" means the Non-Disturbance and Attornment Agreement dated as of May 10, 1995 by and among the Private Financing Participants, the Public Sector Participants, New York Sportservice, Inc., CALLC, NFHLP and BSC.

"Non-Exclusive Areas" means the Premises, except for the Exclusive Areas.

"Non-Relocation Agreements" means each of the Non-Relocation Agreements dated as of May 10, 1995 by and among NFHLP, the City, BURA, the County, UDC and Construction Lenders.

"Non-Substantial Destruction" is defined in Section 18.3 of the Sabres Lease.

"OCIP" means Owner Controlled Insurance Program.

"Operating Agreement" shall mean that Agreement between the Public Sector Participants and CALLC dated as of May 10, 1995, which sets forth the rights and obligations of the parties with respect to operation of The Crossroads.

"Operating Cost(s) and Expense(s)" is defined in Section 7.06(a) of the Operating Agreement.

"Operating Deficit" and "Operating Deficit Loan" shall each have the meaning assigned to it in Section 7.05(b) of the Operating Agreement.

"Operating Fee" means the payments to be made by CALLC to the Operating Fee Recipients as more particularly described in Section 7.07 of the Operating Agreement.

"Operating Fee Percentage" is defined in Section 7.07 of the Operating Agreement.

"Operating Fee Recipients" shall mean during the period any Tax-Exempt Obligations shall be outstanding, UDC and the City, and beginning on the date that no Tax-Exempt Obligations remain outstanding, the County, UDC and the City.

"Operating Reserve Account" is created by and defined and described in, Article VII of the Operating Agreement.

"Operating Year" means the period commencing on September 1 of each year and ending on August 31 of the next year, except that the first Operating Year shall commence on the Completion Date and end on the following August 31.

"Other Events" means any exhibition, event, contest, game, practice, sports activity, presentation, concert, meeting, assemblage, convention, Civic Event, or other use of The Crossroads or any part thereof, except for a Hockey Event or Hockey Related Event.

"Parking Facilities" means the area identified in Exhibit 8 to the Sabres Lease.

"Parking Operator" means any entity which may be retained by NFHLP to operate The Crossroads Parking Facilities pursuant to Section 7.1 of the Sabres Lease. The initial Parking Operator shall be BSC and Sportservice of New York, Inc.

"Parking Revenues" shall have the meaning assigned to it in Section 7.4 of the Sabres Lease.

"Parking Structures" means the parking structures to be constructed adjacent to the Arena pursuant to the Construction Agreement.

"Parking Structures Construction Manager" means Zaephel Krog Corporation.

"Parking Structures Plans and Specifications" means the design development documents to be prepared by Parking Structures Construction Manager.

"Partial Year" is defined in Section 5.1(c) of the Sabres Lease.

"Party Suite" means the area designated on Exhibit 30 attached to the Sabres Lease.

"Permitted Uses" means the sales of concessions, novelties and publications, the conduct of a parking garage and lot and holding, presenting and exhibiting of Hockey Events and Hockey Related Events to the public, and all uses necessary or reasonably desirable in connection therewith, in accordance with the terms of the Sabres Lease.

"Permitted Encumbrances" shall mean (a) the Leasehold Mortgages; (b) deposits under worker's compensation, unemployment insurance, social security and other similar laws, or to secure the performance of bids, tenders or contracts (other than for the repayment of borrowed money) or to secure statutory obligations or surety or appeal bonds, or to secure indemnity, performance or other similar bonds in the ordinary course of business; (c) the liens and security interests in favor of the Private Financing Participants; (d) liens securing the payment of mechanic's or artisan's liens, the validity of which is being contested in good faith by appropriate proceedings, and as to which CALLC shall, if appropriate under generally accepted accounting principles, have set aside on its books and records adequate reserves which shall be removed by bonding, deposit. dismissal, discharge or otherwise, within thirty (30) days after the filing of notice of lien; and (e) any reservation, exception, encroachment, easement, right-of-way, covenant, condition, restriction, lease or similar title exception or encumbrance affecting the title to any real property of CALLC that does not (i) materially impair the use of such property or (ii) materially lessen the value of such property for the purposes for which the same is held by CALLC.

"Person" means any individual, corporation, partnership, joint venture, association, limited liability company, joint stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

"Plans" or "Plans and Specifications" means the Plans and Specifications as defined in the Financing Participants Agreement.

"Play-Off Games" means those NHL games for the annual Stanley Cup Championship (currently commencing approximately April 15th and currently ending approximately July 1st) following each Regular Season.

"Practice Sessions" means periods of time during which NFHLP or a Visiting Team is permitted to use the Ice Rink to practice.

"Pre-Closing Design and Development Activities" means the preparation of the Project Site Plan, Arena Plans & Specifications and portions of the ancillary facilities Plans & Specifications, and related studies, consultations and other design and development activities, undertaken prior to the date of the Development and Construction Agreement, all of which have been undertaken and funded by CALLC and for which CALLC is entitled to be reimbursed pursuant to the Development and Construction Agreement and Financing Participants Agreement.

"Preferred Parking Option" means Landlord's option to purchase parking spaces from NFHLP for use by Luxury Suite licensees and Club Seat holders pursuant to Section 7.2 of the Sabres Lease.

"Premises" means The Crossroads and The Crossroads Site.

"Premium Luxury Ticket Price" means the box office face price for each Hockey Event or Hockey Related Event included in the Luxury Suite or Club Seat Package, as set forth by NFHLP which in no event shall exceed the highest priced ticket available for sale for an area of seating that is at least 300 or more seats at The Crossroads, exclusive of the Luxury Suite and Club Seat areas.

"Pre-Season" means the period from the opening of Training Camp up to the opening day of the NHL Regular Season of any given year, which currently commences approximately September 1st and ends approximately October 5th.

"Pre-Season Games" means those Exhibition Games occurring at The Crossroads during each Pre-Season.

"Prime Building Lease" means the sublease of The Crossroads between ECIDA and CALLC dated as of May 10, 1995.

"Prime Rate" means the rate of interest publicly announced by Marine Midland Bank from time to time as its prime rate and is a base rate for calculating interest on certain loans.

"Principal Public Participant" means the City, County and/or UDC.

"Prior Lease Term" means the term of each of the Prior Leases.

"Prior Leases" means the Ground Lease, the County Sublease, the City Sublease, the County-ECIDA Sublease and the Prime Building Lease.

"Private Arena Debt" means the indebtedness (including principal and interest) of CALLC to the Private Financing Participants evidenced by the Private Arena Debt Agreements, and permitted refinancing.

"Private Arena Debt Agreements" mean the Building Loan Contract dated as of May 10, 1995 and all associated agreements between CALLC and Marine Midland and Key Bank of New York, and the Concession Loan Agreement dated as of May 10, 1995 and all associated agreements between BSC and Shawmut Bank and Fleet Bank.

"Private Arena Debt Service Reserve" means the debt service reserve required by the Private Arena Debt Agreements, excluding any supplementary reserve account that may be funded by CALLC and to which CALLC shall be solely entitled upon its release as contemplated by the Private Arena Debt Agreements.

"Private Financing Participant(s)" means lenders of the Private Arena Debt (or any replacement or successor lender) and any lender providing refinancing.

"Project" means the design, development, financing, construction and operation of The Crossroads.

"Project Architects" means the firm of Ellerbe Beckett, Architect and Engineering, P.C.

"Project Budget" means the development and construction budget for the Project, which shall be substantially similar in form to the draft appended as Exhibit E to the Development and Construction Agreement.

"Project Revenue" means (i) Sabres Lease rental payments, (ii) lease rents and use payments from events other than the Sabres games, (iii) the 2.0% Portion of the Ticket Surcharge, (iv) advertising and sponsorship revenue related to promotional advertising at The Crossroads and The Crossroads Site other than advertising at concession stands directly related to the sale of goods by the Concessionaire, (v) naming rights to The Crossroads and (vi) any other revenue, income or interest of whatsoever kind or nature earned or credited to CALLC from or relating to the operation of The Crossroads, which shall specifically exclude (1) any Sabres Exclusive Revenue, (2) the .25% portion of the Ticket Surcharge, and (iii) the Transmission Fee.

"Project Revenue Account" is created by, and defined and described in, Article VII of the Operating Agreement.

"Prospective Game Days" means dates reserved by NFHLP on an annual basis pursuant to Section 4.4 of the Sabres Lease as potential Game Days for Pre-Season and Regular Season Games for the next Hockey Season, pending the release of the NHL schedule.

"Public Sector Financing Documents" means the Development and Construction Agreement, the Operating Agreement, the Coordinating Agreement and all other agreements executed concurrently with such agreements, to which any of the Public Sector Participants is a party.

"Public Sector Participant" means the City, BURA, the County, ECIDA and/or UDC.

"Qualified Investments" means:

(i) Government Obligations; or

(ii) negotiable certificates of deposit issued by any bank, trust company or national banking association which is a member of the Federal Reserve System; or

(iii) commercial or finance paper of any Person other than CALLC, or any "related person", as such quoted term is defined in the Internal Revenue Code of 1954 (as amended, or replaced by any successor or similar code, including the Internal Revenue Code of 1986), rated at least P-1 or A-1 by Moody's Investors Services, Inc. or Standard & Poors Corporation; or

(iv) money market instruments customarily invested in by any bank, trust company or national banking association which is a member of the Federal Reserve System; or

(v) tax exempt municipal securities customarily invested in by any bank, trust company or national banking association which is a member of The Federal Reserve System; or

(vi) commercial bank account (for use as a checking account in the ordinary course of business).

"Quality Arena Standard(s)" means the average standard of quality or performance, including construction of improvements and fan amenities, generally accepted for first class arenas serving as (or capable of serving as) permanent home ice for NHL teams and of similar age, design and ambiance as The Crossroads for example, America West Arena, Phoenix, Arizona; New Boston Garden, Boston, Massachusetts; and Kiel Center, St. Louis, Missouri. In the event that any one or more of these arenas shall be closed or shall cease to be maintained and operated in accordance with the standards of quality and service generally accepted for first class arenas, then such arena(s) shall be deleted from the list and CALLC and NFHLP shall agree upon a substitute arena.

"Reconstruction" means repair and replacement necessary to remedy and return the Premises to compliance with Industry Standards or Quality Arena Standards following a Destructive Event as provided in Article XVIII of the Sabres Lease.

"Regular Season and Regular Season Games" means the annual NHL schedule of Championship Games, excluding the Pre-Season and Play-Off Games.

"Related Transaction Documents" mean all agreements entered into concurrently with the Operating Agreement with respect to the Project and operation of The Crossroads, including the Prior Leases, the Public Sector Financing Documents, the Private Arena Debt Agreements, and the Intercreditor/Non-Disturbance/Attornment Agreements.

"Renewal and Replacement Account" is defined in Article VII of the Operating Agreement.

"Renewal Lease Term(s)" is defined in Article XXVIII of the Sabres Lease.

"Rent Year" is defined in Section 5.1(b) of the Sabres Lease.

"Replacement Cost" means the actual replacement cost of an item with state-of-the-art equipment or facilities.

"Rescheduled Game Day" means a date which NFHLP requests Landlord to reserve following the issuance of the NHL schedule for that particular Hockey Season because a Hockey Event has been postponed or cancelled due to weather, strike, lock-out or other, similar reasons.

"Reserved Rights" means Landlord's retained rights to use or sublet the Non-Exclusive Areas for Other Events pursuant to Article IV of the Sabres Lease

"Sabres" or "NFHLP" means Niagara Frontier Hockey, L.P., a Delaware limited partnership.

"Sabres Advance" means Three Million Seven Hundred Thirty-One Thousand Nine Hundred Fifty Dollars ($3,731,950) which NFHLP has advanced to CALLC for Development and Construction Costs and Expenses or, irrevocable letters of credit issued to Marine Midland Bank, as Agent under the Financing Participants Agreement.

"Sabres Exclusive Areas" means the areas of The Crossroads identified as such on Exhibit 6 to the Sabres Lease.

"Sabres Exclusive Revenues" means revenues derived from sale of tickets to Hockey Events, novelties and publications, and Concessions and Catering Revenues and Parking Revenues.

"Sabres Lease" means the lease of The Crossroads by and between NFHLP, as tenant, and CALLC, as landlord, dated as of May 10, 1995.

"Sabres Locker Room" means the area identified as the Sabres Locker Room on Exhibit 6 to the Sabres Lease.

"Sabres Offices" means the area identified as the Sabres Offices on Exhibit 6 to the Sabres Lease.

"Sabres Ticket Surcharge Account" shall mean the 2.0 portion of the Ticket Surcharge collected by NFHLP for the 1993-1994, 1994-1995, 1995-1996 hockey season.

"Sales Agency Agreement" means that agreement dated as of May 10, 1995 by and between Landlord and NFHLP, by which NFHLP is appointed Landlord's exclusive agent for the leasing of Luxury Suites and the sale of Club Seats, attached as Exhibit 13 to the Sabres Lease.

"Seating Bowl" means the main area of The Crossroads containing the Ice Rink and all fixtures appurtenant thereto, including the scoreboard, all seat locations (subject to the rights of Luxury Suite licensees and Club Seat holders), and dasherboards.

"Self-Help Condition" is defined in Section 6.9 of the Sabres Lease.

"Self-Help Damages" is defined in Section 6.9 of the Sabres Lease.

"Self-Help Right" is defined in Section 6.9 of the Sabres Lease.

"Site" means The Crossroads Site.

"State Authorizing Legislation" means Chapter 652 of the Laws of 1993 of the State of New York.

"State Sports Facility Assistance Program" means the program administered by UDC and codified in McKinneys §6255 of Unconsolidated Laws.

"Substantial Destruction" is defined in Section 18.3 of the Sabres Lease.

"Substantially Beneficially Completed" means substantial completion of construction of The Crossroads and issuance of all necessary building and occupancy permits related thereto so that (i) Hockey Events can be played at The Crossroads; (ii) NFHLP can broadcast by radio, television or cable Hockey Events at The Crossroads; and (iii) members of the general public will be able to attend Hockey Events; including the following fully operational features completed in accordance with the Plans and the requirements of the Sabres Lease: (1) at least 1,900 accessible parking spaces in The Crossroads Parking Facilities; (2) 16,000 accessible general seats; (3) heating, ventilation, and air conditioning systems; (4) Ice Rink completed in form that it is suitable to play Hockey Events as NFHLP determines; (5) Medical Rooms; (6) one (1) Sabres Locker Room and one (1) Visiting Team Locker Room and adjacent training areas; (7) operating restrooms sufficient in number to accommodate all attendees; (8) Common Areas; (9) Concession Facilities and Concession Equipment pursuant to the Plans; (10) the scoreboard; (11) press box, radio and television booths, as required by Article VI of the Sabres Lease; (12) all Luxury Suites which have been licensed; (13) all Club Seats which have been sold; (14) the Box Office; (15) the Aud Club; and (16) the Crossroads Club. As used herein, the term "substantial completion" means complete in accordance with the Plans and removal of all construction equipment and scaffolding, except for insignificant details of construction, mechanical adjustment or decoration which will not meaningfully interfere with NFHLP's Permitted Uses.

"Superior Mortgage" means any mortgage which may now or hereafter exist for which any Prior Leases, or Landlord's interest or estate in such items is specified as security and to which the Lease is, at the time referred to, expressly subject and subordinate, and all renewals, modifications, consolidations, replacements or extensions thereof.

"Superior Mortgagee" means the holder of any mortgage, trust, or leasehold mortgage to which the Sabres Lease is, at the time referred to, expressly subject and subordinate.

"Tax-Exempt Obligations" shall mean any obligations of the County issued to finance the County's portion of the Crossroads, the interest on which is excluded from gross income for Federal Income tax purposes.

"Team Store" means the area identified as the Team Store on Exhibit 6 to the Sabres Lease.

"Ticket Reserve Account" is defined in Section 9.3 of the Sabres Lease.

"Ticket Surcharge" means a 2.25% surcharge imposed and collected by CALLC on all ticket sales for all Events at The Crossroads. The Ticket Surcharge shall be segregated by CALLC into two portions: (1) a "2.0% Portion" which will collateralize and support payment of the Private Arena Debt as described in the Operating Agreement, and (2) a ".25% Portion" which will be paid to the County pursuant to the Operating Agreement and the Development and Construction Agreement.

"Ticket Value" means the agreed value of the admissions ticket related to each seat of the Luxury Suite and Club Seats at The Crossroads which shall be computed at the box-office walk-up face price of a ticket in the highest price seating category containing 300 or more seats other than those in Luxury Suites and Club Seats sections of The Crossroads.

"Title Insurance Company" means Ticor Title Insurance Company.

"Training Camp" means the annual event occurring in conjunction with Pre-Season, during which the Buffalo Sabres conduct physical evaluations of players, Exhibition Games, practices and similar activities in preparation for the Regular Season.

"Transmissions Affiliate" shall mean an Affiliate of CALLC or NFHLP including Adelphia Communications (individually, a "Transmissions Affiliate" and collectively, "Transmissions Affiliates").

"Transmission Fee" shall have the meaning assigned to that term at Section 9.02 of the Operating Agreement.

"Transmissions Revenue" is defined in Section 9.02 of the Operating Agreement.

"UDC" means the New York State Urban Development Corporation, a corporate governmental agency of the State of New York constituting a political subdivision and public benefit corporation.

"Unsuitable" is defined in Section 18.3 of the Sabres Lease.

"Urban Renewal Plan" means the City's Waterfront Urban Renewal Plan as amended, NYR.

"Utilities" means electricity, telephone, water, sewer, heat, gas and television cable services.

"Visiting Team" means any team, whether professional, NHL, amateur or national (other than NFHLP), scheduled to compete in a Hockey Event or a Hockey-Related Event.

"Visiting Team Locker Room" means those locker rooms designated for use by the Visiting Team, designated on Exhibit 6, attached to the Sabres Lease.

"Voluntary Prepayments" is defined in Section 7.06 of the Operating Agreement.

"Waterfront Market Restaurant" means that retail bar/restaurant facility to be open to the general public, designated on Exhibit 6, attached to the Sabres Lease.

EXHIBIT B
to
Operating Agreement
among
Crossroads Arena LLC, New York State Urban Development Corporation,
Buffalo Urban Renewal Agency, City of Buffalo, Erie County Industrial Development Agency
and County of Erie

Approved Affiliate Contracts

1. Lease dated as of May 5, 1995, between Crossroads Arena LLC and Niagara Frontier Hockey, L.P.

2. Box Office Agreement dated as of May 5, 1995, between Niagara Frontier Hockey, L.P. and Crossroads Arena LLC.

3. Advertising and Marketing Agreement dated as of May 5, 1995, between Crossroads Arena LLC and Niagara Frontier Hockey, L.P.

4. Sales Agency Agreement dated as of May 5, 1995, between Crossroads Arena LLC and Niagara Frontier Hockey, L.P.

5. Concession Facility Sublease between Niagara Frontier Hockey, L.P. and Buffalo Sabres Concession LLC.

6. Arrangements for legal services between Crossroads Arena LLC and Cohen Swados Wright Hanifin Bradford & Brett. (Robert O. Swados, Vice Chairman and General Counsel to NFHLP is also of counsel to the law firm.)

5/1/95

EXHIBIT C

The City of Buffalo will complete a long range development plan for the Inner Harbor. The basic objectives of this plan will be to create a lively, urban waterfront at the foot of Main Street in downtown Buffalo. The Plan will capitalize on the City's shoreline frontage by promoting an interactive environment between landside and water uses. The Plan aims to restore activity to the downtown waterfront by creating a new urban neighborhood featuring a high density of mixed uses including housing, retail, entertainment attractions, office public esplanades, a commercial harbor, public spaces, and other related elements. Successful implementation of the Plan will create an urban environment providing opportunities to live, work, and play as well as draw area residents and individuals visiting the region to the Inner Harbor.

The Physical features of the evolving Inner Harbor Plan are aimed at providing a wide range of activities which will take place throughout the day and night, throughout the year. Elements contemplated in the Plan include building masses which provide short and/or protected walking distances, human scale linked indoor and outdoor public spaces and activities, and dramatic vistas to the waterfront. Other contemplated elements shall include the excavation of a new Harbor along the Buffalo River across from the new Crossroads Arena, relocation and/or reorientation of the naval ships currently located at the Inner Harbor to provide water vistas for the Crossroads Arena and future developments, an esplanade along the water's edge, road and pedestrian walkway improvements which not only improve circulation but provide important aspects of an overall design theme, the reopening of Main Street to Vehicular Traffic from at least South Park Avenue to Perry Street, landscaping, an improved transit station serving the Inner Harbor, new buildings which may include housing, retail office, hotel and commercial uses, possible development of the Cobblestone District adjacent to the Crossroads Arena, a re-use or reconstruction of Memorial Auditorium, re-use of the upper floor of the DL & W train terminal, a possible connection of the Inner Harbor to the Outer Harbor, and of course, the new Crossroads Arena.

A key aspect of the development concept is the synergism created by the landside and water based development. The Plan must spur private development by providing key elements of public infrastructure which stimulate private real estate development opportunities. Long term development of the Plan will provide the potential for a mix of uses and activities that are now not present in any one place within the region -- an energized, active urban area which is active during the day and night, regardless of the season. The Plan will seek to build on existing private investment within the Inner Harbor, the foremost of which being the Crossroads Arena and leverage new development, providing revenue and establishing the Inner Harbor as a new component of the City's downtown and as a regional center for entertainment, employment and tourism.

The City will work with all applicable agencies to complete the Inner Harbor development plan within fiscal year 1995-1996, and will immediately seek out development opportunities which are consonant with the City's vision for the Inner Harbor.

EXHIBIT D

OPERATING FEE PAYMENTS

The Operating Fee shall be divided among the Operating Fee Recipients, and CALLC shall make such payments to the Operating Fee Recipients and/or their assigns as follows:

(a) During the period that any Tax-Exempt Obligations are outstanding, 21% to the City, 44% to UDC, and 35% to UDC, as trustee for future waterfront development projects in Erie County.

(b) From and after the date that no Tax-Exempt Obligations are outstanding, 21% to the City, 44% to UDC, and 35% to the County.

EXHIBIT E

Intentionally Deleted

Exhibit F

CITY INFRASTRUCTURE

CAC and the City have agreed on the following plan to be substantively included in the Development and Operating Agreement(s) for the city to recover such City Costs as the City may incur for the following street and water infrastructure improvement which may be undertaken by the city, in connection with development and construction of the Crossroads Arena. As used herein "City Costs" are deemed to include actual design, engineering, and construction costs incurred by the City in connection with these infrastructure improvements. These infrastructure improvements are presently estimated to cost approximately $1,275,000 in 1994 dollars.

Street Improvements

Right of way improvements including but not limited to overlays, granite curbs, and/or street reconstruction for the following streets:

Perry Street from Main Street to Washington Street

Main Street from Perry Street to South Park Avenue

South Park Avenue from Main Street to Illinois Street (The Development and Operating Agreement(s) will provide for the right-of-way of South Park Avenue to be narrowed to provide additional sidewalk area to CAC as the parties may agree in such document (s) to allow CAC to construct, at its sole cost and expense, pedestrian and wind mitigation design elements of the Crossroads Arena project and al other aspects of sidewalk construction and right-of-way narrowing, including but not limited to utility relocation, curbs, landscaping, drop in-lets, and collector boxes).

Excluded from this list are new granite curbs on

Perry Street from Washington Street to Illinois Street and new concrete curbs on Main Street, Illinois Street and South Park Avenue abutting the Crossroads Arena Project. CAC will install these new curbs between Washington Street and Illinois Street and CAC will install concrete curbs for the other areas provided the City has not commenced reconstruction at CAC's sole cost and expense as a Crossroads Arena Project Budget Expense although such concrete curbs may be removed by the City and replaced with granite curbs in connection with the above-referenced Street Improvements.

These Street Improvements are subject to inclusion of these items in an appropriate City Capital Budget, approval of bond resolutions by the Common Council and availability of financing to the City.

Water Lines

Subject to funds being made available by the Buffalo Water Board and the buffalo Municipal Water Finance Authority, the City shall undertake construction of a new 12' water line along South Park Avenue from Main Street to Illinois Street upon approval by the City of an application by CAC for a tap-in necessitating such a water line.

Reimbursement of City Costs

City Costs will be reimbursed by CAC to the City out of any Net Proceeds available to CAC from refinancing of the Private Arena Debt at or prior to the expiration of the original term of the permanent Private Arena Debt. Net

Proceeds will be the amount remaining from such refinancing after payment of (a) any principal balance remaining on the Private Arena Debt and accrued interest due and owing at the time of refinancing and (b) closing costs and financing fees associated with such refinancing.

City Costs will be determined as set forth in the opening paragraph of this Schedule C but will be reduced by (i) any funds actually received by the City from the State or Federal governments, or instrumentalities thereof, by project specific grants-in-aid for any of the above-listed street improvements and water lines (exclusive of community development block grant funds, revenue sharing formula-based funds, or funds provided by the Buffalo Water Board or the Buffalo Sewer Authority) or (ii) funds actually received by the City out of the Operating Fee in excess of the City's 21% share as set forth in the MOU.

Although he City makes no commitment to undertake the above-described Street Improvements within a specific period of time, if at all, City Costs for Perry Street and South Park Avenue Street Improvements eligible for reimbursement as provided above will be limited to (a) such activity which at the time of the commencement of the Term of the Sabres Lease by reason of completion of the Crossroads Arena is (i) completed or(ii) under construction and (b) such additional activity undertaken subsequent to such commencement of the Term of the Sabres Lease which is necessitated by reconstruction of Main Street noted above.

It is acknowledged by CAC and the City that reconstruction of Main Street may not take place until after completion of the Crossroads Arena and therefore City Costs incurred at any time prior to refinancing of the Crossroads Arena private arena debt will be eligible for reimbursement as provided above.

T:\SABRES\WPDOCS\INTERDEV.C)

EXHIBIT G
NOTICES

City of Buffalo:

City of Buffalo
City Hall
Buffalo, New York 14202

Attention: Mayor (with a copy to Corporation Counsel and City Clerk)
Phone: (716) 851-4841
Fax: (716) 851-4360

New York State Urban Development Corporation:

New York State Urban
Development Corporation
1515 Broadway
New York, New York 10036

Attention: General Counsel
Phone: (212) 930-9000
Fax: (212) 930-0196

County of Erie, New York:

County of Erie
95 Franklin Street
County Office Building
Buffalo, New York 14202

Attention: Commissioner - Environment Planning
Phone: (716) 858-6716
Fax: (716) 858-6257

Attention: Comptroller
Phone: (716) 858-8327
Fax: (716) 858-8507

Buffalo Urban Renewal Agency:

Buffalo Urban Renewal Agency
920 City Hall
Buffalo, New York 14202

Attention: Commissioner of Community Development with copy to General Counsel
Phone: (716) 851-0553

Fax: (716) 854-0172

Erie County Industrial Development Agency:

Erie County Industrial Development Agency
300 Liberty Building
Buffalo, New York 14202

Attention: Chief Lending Officer
Phone: (716) 856-6525
Fax: (716) 856-6754

Crossroads Arena LLC:

Crossroads Arena LLC
Memorial Auditorium
140 Main Street
Buffalo, New York 14202

Attention: Executive Vice President
Phone: (716) 856-7300
Fax: (716) 856-7351

H:\JFC\CAC\EXHIBIT\EXHGOPAG.424
April 5, 1995

EXHIBIT H

To
Operating Agreement

CALLC has received notice of a filing of a complaint by the Eastern Paralyzed Veterans Association with the U.S. Department of Justice to investigate whether the proposed Crossroads Arena complies with the Americans With Disabilities Act by providing one hundred per cent of wheelchair seating locations with comparable lines of sight over standing spectators. CALLC has received no notification from the U.S. Department of Justice of whether the Department of Justice intends to investigate the Project as requested.

By action, with Index No. 1994/13309, filed in Erie County, New York, M&T Bank commenced a proceeding against Arena, Inc. (f/k/a Crossroads Arena Corporation) pursuant to a promissory note, dated December 1, 1994, seeking to recover the principal amount of $140,000 plus accrued interest and expenses. Arena, Inc. has not yet filed an answer, having received an extension that presently expires on June 15, 1995.

5/23/95

EXHIBIT H

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5/23/95

BOX OFFICE OPERATION AGREEMENT

by and between

CROSSROADS ARENA LLC

and

NIAGARA FRONTIER HOCKEY, L.P.

Dated: As of May 10, 1995

This **BOX OFFICE OPERATION AGREEMENT** ("Agreement") is effective as of the 5th day of May, 1995 by and between **CROSSROADS ARENA LLC**, a New York limited liability company with offices currently at Memorial Auditorium, 140 Main Street, Buffalo, New York 14202 ("Crossroads"), and **NIAGARA FRONTIER HOCKEY, L.P.**, a Delaware limited partnership with offices currently at Memorial Auditorium, 140 Main Street, Buffalo, New York 14202 ("NFHLP").

INTRODUCTION

Crossroads is the developer and operator of The Crossroads, a sports and entertainment complex located in Buffalo, New York (hereinafter the "Arena"). NFHLP is the owner of the National Hockey League franchise located in Buffalo, New York and pursuant to a Lease Agreement dated as of May 5, 1995 with Crossroads is the primary tenant of the Facility (hereinafter referred to as the "Lease"). NFHLP is also a 99% member of Crossroads. NFHLP has expertise in staffing, promoting, marketing, and operating a box office for arena events. Crossroads is desirous of appointing NFHLP and NFHLP is desirous of acting as the exclusive operator of the retail area ("Box Office") for the sale of tickets to any exhibition, event, contest, game, practice, sports activity, presentation, meeting, assemblage, convention, or other similar use of the Facility or any part thereof.

NOW, THEREFORE, for and in consideration of the mutual covenants, conditions and agreements herein provided and for other good and valuable consideration, the receipt and

sufficiency of which is hereby acknowledged, Crossroads and NFHLP hereby covenant and agree as follows:

ARTICLE 1 - DEFINITIONS

All definitions included in Exhibit A to the Lease are hereby incorporated by reference as though fully set forth herein.

ARTICLE 2 - OPERATION OF BOX OFFICE

Section 2.1 **Exclusive Operation**

Subject to the terms and conditions of this Agreement, Crossroads hereby grants NFHLP the exclusive right and license to sell Tickets for all Events at The Facility and to operate and staff the Box Office, all at NFHLP's sole expense and in its own discretion in accordance with and subject to this Agreement. Except as provided in Section 5.1 below, Crossroads shall be responsible for all capital expenses associated with the construction, repair and maintenance of the Box Office. NFHLP may sell Tickets to Events through Box Office sales (whether at the Box Office window, over the telephone, through the mail, or at other locations or otherwise) and/or NFHLP may arrange for the sale of Tickets through recognized professional Ticket sellers provided that such arrangement shall not allow the imposition of any handling fee or surcharge by such third party in addition to that provided in Section 3.3 of this Agreement. NFHLP agrees to cooperate with all reasonable requests by Crossroads for cooperation by NFHLP with licensees and promoters of events

at the Crossroads, provided such cooperation shall not require NFHLP to permit any such licensee the right to sell tickets or retain NFHLP's Surcharge (as defined in Section 3.3).

Section 2.2 **Staffing**

NFHLP shall provide at its own expense personnel to staff the Box Office during the hours the Box Office is open. NFHLP shall be responsible for all matters relating to employment of Box Office personnel including, without limitation, hiring, terminating, training, scheduling and compensation.

Section 2.3 **Hours of Operation**

NFHLP shall have exclusive control over the hours of operation of the Box Office provided that the hours the Box Office is open are adequate to service patrons purchasing Tickets to Events. NFHLP shall submit annual schedules of proposed hours of operation of the Box Office to Crossroads for its approval. Crossroads reserves the right to reasonably require NFHLP to adjust hours of operations of the Box Office to meet the needs of Arena Events and promotions.

Section 2.4 **Standard of Performance**

NFHLP covenants and agrees with Crossroads that it will perform its duties and obligations hereunder in a competent, professional manner and it will operate and maintain the Box Office in a manner equal to or exceeding the greater of (i) standards used by Ticket Master or comparable firm or (ii) Quality Arena Standards. In the event NFHLP fails to meet such standards of operations, Crossroads shall notify NFHLP in writing of (a) identified deficiencies and (b) suggested actions to correct such deficiencies. If NFHLP fails to adopt Crossroads' proposed corrective actions, or does not propose other actions acceptable to Crossroads, or if such actions are adopted and fail to correct the deficiencies within thirty (30) days following the date of Crossroads'

notice, then Crossroads may submit the disputed matter to dispute resolution in accordance with Article XXV of the Lease.

ARTICLE 3 - TICKET PRICES

Section 3.1 **Tickets to Hockey Events and Hockey Related Events.**

All Tickets for Hockey Events and Hockey Related Events shall be sold at prices determined by NFHLP in accordance with the terms of the Lease.

Section 3.2 **Tickets to Other Events**

All Tickets to Other Events shall be sold at prices determined by Crossroads or its licensees or assigns in its or their sole discretion.

Section 3.3 **Compensation of NFHLP**

NFHLP may retain all revenues from the sale of Tickets to Hockey Events and Hockey Related Events (except the Ticket Surcharge) in accordance with Article VIII of the Lease.

In addition, NFHLP shall have the right to impose and retain a surcharge from the sale of any Tickets sold to Other Events at the Box Office (whether at the Box Office window, by telephone, by mail or at any off-site Ticket outlets operated or sublet by NFHLP) for a fee ("Surcharge") equal to the greater of the following:

a.	Family Shows:	$1.75
	Club Shows:	$1.75
	Concerts:	$1.75
	Non-Hockey Sporting Events:	$1.50

Such fees may be increased no more than once annually by NFHLP, by not more than an amount equal to 3% of the fees set forth above.

OR

b. The then current handling fee or surcharge charged by Ticket Master or if Ticket Master is no longer operating, then the handling fee or surcharge charged by a comparably sized business in the field of ticket sales for each of the above specified categories or for individual shows or promotions which may be on tour from time to time.

ARTICLE 4 - TICKET SURCHARGE

NFHLP shall collect a two and one-quarter percent (2.25%) Ticket surcharge ("Ticket Surcharge") on the Ticket Price of all Tickets sold for all Events at The Facility, except any complimentary Tickets or passes distributed by NFHLP pursuant to the Lease. For Hockey and Hockey Related Events and for Other Events which are held pursuant to leases or agreements covering several Events over a period longer than one calendar week (i.e., Blizzard or Bandits games), NFHLP shall remit to Crossroads the Ticket Surcharge collected for Events held during a calendar month on or before the fifth (5th) Business Day of the following month. For Other Events held pursuant to a one event license or for a series of Events held within one calendar week, NFHLP shall remit to Crossroads the Ticket Surcharge within seventy-two (72) hours after the conclusion of the final Event. Crossroads reserves the right to direct NFHLP to discontinue collection of the 2.0% portion of the Ticket Surcharge, which may be authorized upon (i) payment of the Private Arena Debt in full; or (ii) with the prior approval of the Private Financing Participants. In any event, NFHLP shall continue to impose and collect the 0.25% portion of the Ticket Surcharge and to remit

the .25% portion of the Ticket Surcharge to Crossroads, unless otherwise directed, instructed or approved by the County in writing.

ARTICLE 5 - PRINTING TICKETS

Section 5.1 **Printing Equipment**

Crossroads shall be responsible for installing, and NFHLP shall be responsible for operating, maintaining, repairing and replacing the Box Office ticket printing and reporting systems, computer systems, communication systems, security and video surveillance systems and cash handling systems.

Section 5.2 **Printing on Tickets**

NFHLP may place on each Event Ticket such items as it and/or the sponsor of the Event may select, provided that, each Ticket shall include, appropriate disclaimers and ticket selling information directed by Crossroads which is consistent with Industry Standards. NFHLP shall have the right to contract for and print advertisements on Hockey Event and Hockey Related Event Tickets and Ticket envelopes. NFHLP shall honor all advertising rights with respect to Ticket printing for Other Events sold by Crossroads with respect to such event. NFHLP shall honor all Arena naming rights granted by the Crossroads with respect to Tickets and Ticket envelope printing.

ARTICLE 6 - ACCOUNTINGS

Section 6.1 **Delivery of Accounting.**

Within twenty-four (24) hours after each Event, NFHLP shall furnish to Crossroads an accounting for the Tickets sold to such Event setting forth in detail:

(a) the number of Tickets sold in each price category for such Event;

(b) the number of complimentary Tickets distributed and the seating categories;

(c) the total gross dollar amount derived from Ticket sales;

(d) the total amount of Ticket Surcharge collected; and

(e) any other accounting information required.

NFHLP shall remit to Crossroads, or its assigns or licensees as directed by Crossroads, the gross revenue, including the Ticket Surcharge, (minus the Surcharge) for each Event (other than Hockey Events or Hockey Related Events) together with the accounting. NFHLP may retain all revenues from Tickets sale of Hockey Events and Hockey Related Events except for the Ticket Surcharge.

Section 6.2 **Disputes.**

For a period of twelve (12) months after the receipt of NFHLP's accounting, Crossroads may review NFHLP's books and records related to the services provided hereunder.

In the event Crossroads disputes any accounting furnished by NFHLP pursuant to Section 6.1, Crossroads, upon forty-eight (48) hours written notice to NFHLP, may review NFHLP's records relating to the disputed accounting. NFHLP shall make such records available to Crossroads during normal business hours and NFHLP may limit the reviewed records to those

directly related to the disputed accounting. If Crossroads and NFHLP are unable to resolve the accounting dispute, either party may submit such dispute to resolution in accordance with Article XXV of the Lease.

Section 6.3 **Indemnification.**

NFHLP shall indemnify, defend and hold CALLC harmless from and against any and all liabilities arising out of any and all demands, losses, judgments, damages, actions, liabilities and expenses (including, without limitation, all reasonable attorneys' fees and expenses) in law or equity, of every kind and nature whatsoever arising out of the performance or non-performance by NFHLP of this Agreement. Upon remittance by NFHLP of the Ticket Surcharge to Crossroads in accordance with Article 4 of this Agreement, Crossroads shall indemnify, defend and hold harmless NFHLP from and against any and all demands, losses, judgments, damages, actions, liabilities and expenses (including, without limitation, all reasonable attorneys' fees and expenses), in law or in equity, of every kind and nature whatsoever, which NFHLP actually and reasonably suffers or sustains or which may be asserted by reason of or arising from any failure, loss, negligence, misrepresentation, breach of warranty or covenant, relating to Crossroads' payment and distribution obligations with respect to the Ticket Surcharge remitted by NFHLP except to the extent of any computational error in the amount of the Ticket Surcharge, or any gross negligence or willful misconduct by NFHLP. The provisions of this Section 6.3 shall survive termination of this Agreement.

ARTICLE 7 - COMPLIANCE WITH STATE LAWS

NFHLP shall comply with all applicable local, state, and federal laws pertaining to Ticket sales and resales; Ticket prices and charges; Ticket printing; licensing; record-keeping; posting of information; and Ticket speculation. The number of Tickets sold by NFHLP to each Event shall be in compliance with fire, health and safety codes and regulations and in no event shall Ticket sales or admissions exceed the legal maximum seating capacity of the Arena for such Event.

ARTICLE 8 - TERM

The term of this Agreement shall be effective on the date of execution hereof and shall terminate with the expiration or earlier termination of the Lease (including upon Events of Default) unless otherwise agreed by the parties or determined by an arbitrator pursuant to Article XXV of the Lease.

ARTICLE 9 - NON DISTURBANCE

So long as NFHLP shall not be in default or breach of any of the covenants and obligations provided for herein, it shall be entitled to the undisturbed right to operate the Box Office pursuant to this Agreement.

ARTICLE 10 - ASSIGNMENT

NFHLP may not assign this Agreement or any of its rights hereunder without the prior written consent of Crossroads. NFHLP may subcontract the performance of its obligations hereunder provided that no such subcontract shall relieve NFHLP of its rights or responsibilities hereunder.

ARTICLE 11 - REPRESENTATIONS AND WARRANTIES

Section 11.1 **Representations and Warranties of Crossroads.**

Crossroads hereby represents and warrants that:

(i) It is a duly organized and validly existing limited liability company in good standing under the laws of the State of New York and has made all required filings to effect and maintain its status;

(ii) It has full power and authority to execute and deliver this Agreement, consummate the transactions provided for herein, and perform its obligations hereunder in a full and timely manner. No consent of any other person or entity and no license, permit, approval, authorization, exemption, notice, report, registration, filing, or declaration is required by any governmental authority in connection with Crossroads' execution and delivery of this Agreement and/or Crossroads' performance hereunder except for such consents have been obtained prior to the date hereof;

(iii) The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all necessary action on the part of Crossroads, and this Agreement constitutes a valid, legal and binding obligation of Crossroads, enforceable according to its terms;

(iv) The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby do not and will not conflict with or result in a breach of or default or loss of any benefit under any provision of Crossroads' organizational documents, bylaws or other governing charter documents, or any material agreement, instrument or obligation to which Crossroads is bound which would have an adverse effect upon or give any other party the right to terminate or modify the rights or benefits granted to NFHLP pursuant to this Agreement;

(v) There are no orders, judgments or decrees outstanding or any claim, action, suit or legal, administrative, arbitration or other proceeding or governmental investigation pending or, to the best of Crossroads' knowledge, threatened, against or affecting Crossroads' which would prevent the consummation of the transactions contemplated by this Agreement or which would materially impair Crossroads' ability to perform under this Agreement.

Section 11.2 **Representations and Warranties of NFHLP.**

NFHLP represents and warrants that:

(i) NFHLP is a limited partnership duly organized and validly existing under the laws of the State of Delaware, is qualified to do business in New York, and has made all required filings to effect and maintain its status;

(ii) Each of NFHLP has full power and authority to execute and deliver this Agreement, consummate the transactions provided for herein, and perform its respective

obligations hereunder in a full and timely manner. No consent of any other person or entity and no license, permit, approval, authorization, exemption, notice, report, registration, filing or declaration is required by any governmental authority in connection with NFHLP's execution and delivery of this Agreement and/or NFHLP's performance hereunder except for such consents as have been obtained prior to the date hereof.

(iii) The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all necessary corporate or other action on the part of NFHLP, and this Agreement constitutes a valid, legal and binding obligation of NFHLP, enforceable according to its terms;

(iv) The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby do not and will not conflict with or result in a breach of or default or loss of any benefit under any provision of NFHLP's partnership agreement, or any material agreement, instrument or obligations to which NFHLP is bound which would have an adverse effect upon or give any other party the right to terminate or modify the rights or benefits granted to Crossroads pursuant to this Agreement;

(v) There are no orders, judgments or decrees outstanding or any claim, action, suit or legal, administrative, arbitration or other proceeding or governmental investigation pending or, to the best of NFHLP's knowledge, threatened, against or affecting NFHLP which would prevent the consummation of the transactions contemplated by this Agreement, or which would materially impair NFHLP's ability to perform under this Agreement;

ARTICLE 12 - MISCELLANEOUS

Section 12.1 **Insurance.**

The rights and obligations of the parties with respect to insurance set forth in the Lease are hereby incorporated by reference.

Section 12.2 **Affirmative Action**

NFHLP shall implement the Affirmative Action Plan.

Section 12.3 **Relationship of the Parties**

Neither party shall be deemed to be the joint venturer or partner of the other by virtue of this Agreement. Both parties agree to refrain from representations or actions which could establish any apparent joint venture or partnership relationship. Each party specifically disclaims and will not be bound by any agreements, warranties or representations made by the other party.

Section 12.4 **Entire Agreement**

This Agreement constitutes the final, entire agreement among the parties with respect to the matters addressed herein. All memoranda, understandings, conversations and communications, oral or written, relating to such matters are hereby merged into and superseded by this Agreement except to the extent that documents are incorporated by specific reference herein.

Section 12.5 **Parties in Interest**

This Agreement shall be binding upon and inure to the benefit of each of the parties hereto and their respective successors and permitted assigns.

Section 12.6 **Jurisdiction And Governing Law**

Each party hereby consents to the jurisdiction of the Courts of the State of New York and/or the United States District Court for the Western District of New York (with Buffalo, New York as the venue for any action or proceeding) in any action or proceeding pursuant to this Agreement, and each agrees to service of process by certified mail, return receipt requested, postage prepaid to its address as set forth in Article 13, or such other address as either may designate by written notice to the other party. Each party agrees not to institute suit against the other in a court in any jurisdiction, except as stated above, without the other party's consent. The parties further agree that all matters with respect to the validity, construction or interpretation of this Agreement shall be governed by the internal laws of the State of New York.

Section 12.7 **Waivers**

No waiver of any breach or potential breach of any party shall be effective unless set forth in writing and duly executed by the waiving party, and no waiver of any breach on any occasion shall constitute a waiver of a breach of the same or any other matter on any subsequent occasion.

Section 12.8 **Amendment**

This Agreement may not be amended or modified other than by a writing specifying the intent to amend or change this Agreement, which is duly executed by both parties.

Section 12.9 **Counterparts**

This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original instrument, but all such counterparts together shall constitute one and the same instrument.

Section 12.10 **Headings**

The headings in this Agreement are inserted for convenience of reference only, and shall not constitute part of this Agreement.

Section 12.11 **Severability**

If any portion of this Agreement is adjudged invalid, unenforceable or void, the rest shall remain in full force and effect.

Section 12.12 **Confidentiality**

Each party shall use reasonable efforts to avoid disclosure to any third party (other than their respective attorneys, accountants and consultants pursuant to confidential relationships) any non-public financial information pertaining to the business of the other or personnel information obtained from the other, except as required by law, without the prior written approval of the other party.

ARTICLE 13 - NOTICES

All notices, requests, demands and other communications required or permitted under this Agreement shall be in writing and shall be deemed to have been duly given, in the case of personal delivery, upon delivery, in the case of telexes, upon receipt of the correct answerback, in the case of telecopies upon transmission, and in the case of mailings, upon the date seven days after mailing (certified or registered mail) in each case to the address, telex number or rapifax number shown in this Agreement or designated in writing hereafter by such party in accordance with this Section:

If to Crossroads, to:

Crossroads Arena LLC
Memorial Auditorium
140 Main Street
Buffalo, New York 14202

Attention: Lawrence Quinn, Executive Vice President
Facsimile: (716) 856-7351

If to NFHLP, to:

Niagara Frontier Hockey, L.P.
Memorial Auditorium
140 Main Street
Buffalo, New York 14202

Attention: Douglas G. Moss, President and
Chief Executive Officer
Facsimile: (716) 856-7352

With a copy to:

Legal Department
Niagara Frontier Hockey, L.P.
Memorial Auditorium
140 Main Street
Buffalo, New York 14202
Facsimile: (716) 856-3992

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the 10th day of May, 1995.

NIAGARA FRONTIER HOCKEY, L.P.

By: Niagara Frontier Hockey Management Corp., Its Managing General Partner

By: _____

Title: Vice President of Finance

CROSSROADS ARENA LLC

By: Arena, Inc., its Member

By: _____

Title: Executive Vice President

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SALES AGENCY AGREEMENT

THIS SALES AGENCY AGREEMENT ("Agreement") is effective as of this 10th day of May, 1995, by and between ***NIAGARA FRONTIER HOCKEY, L.P.***, a Delaware limited partnership, ("NFHLP") and ***CROSSROADS ARENA LLC***, a New York limited liability company ("Crossroads").

Introduction

Crossroads is the developer and operator of The Crossroads, a sports and entertainment complex located in Buffalo, New York (the "Facility"), with approximately 80 luxury suites ("Luxury Suites") and 2,500 club seats ("Club Seats"), and pursuant to the Prime Building Lease, dated May 10, 1995, has the exclusive right to market, license, and/or lease the Luxury Suites and Club Seats at the Arena for all events, including license agreements for packages of events (hockey, soccer, concerts etc.). NFHLP is the primary tenant of the Arena pursuant to a Lease Agreement dated May 10, 1995 (hereinafter the "Lease"). NFHLP has a marketing and sales work force and has expertise in promoting, marketing, and selling luxury suites and club seats to the public for Arena Events. Crossroads is desirous of appointing NFHLP, and NFHLP is desirous of acting as Crossroads' exclusive agent, to promote, market, and license the Luxury Suites and Club Seats at the Arena on its behalf.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein, the parties hereto agree as follows:

1. Definitions. The definitions set forth in Schedule A to the Lease are hereby incorporated by reference as though fully set forth herein.

2. Appointment. Subject to the terms and conditions set forth in this Agreement, Crossroads appoints NFHLP, and NFHLP hereby accepts the appointment, as Crossroads's sole, exclusive, and independent representative to market, promote, and solicit orders for the Luxury Suites and Club Seats at the Facility.

3. Relationship of Parties. For purposes of this Agreement, NFHLP shall be considered an independent contractor. NFHLP shall have the express authority to negotiate license or lease agreements for the Luxury Suites and Club Seats on behalf of Crossroads, but shall not be authorized to execute any such contracts or agreements, express or implied, or incur any indebtedness or liability that is binding upon Crossroads with respect to the services to be performed pursuant to this Agreement.

4. Duties and Obligations of NFHLP.

(a) Not later than July 1 during each year of the term of this Agreement, NFHLP shall prepare and submit to Crossroads a proposed marketing plan (hereinafter "Marketing Plan") for the licensing, renewal or extension of Luxury Suites and Club Seats for the upcoming year. Within ten (10) days after receipt of the proposed marketing plan by Crossroads, the parties shall meet to review, discuss and modify the proposed Marketing Plan for the upcoming year. The proposed Marketing Plan shall include but not be limited to a budget (which includes the Estimated Annual Fee), pricing structure, potential contacts,

advertising programs and a schedule of events for Luxury Suites and Club Seat holders. The parties agree to cooperate in the development of the Marketing Plan. Crossroads shall under all circumstances have the final right of approval of the Marketing Plan, which Marketing Plan as finally approved by Crossroads shall govern NFHLP's performance of its duties and obligations under this Agreement for the period covered by such Marketing Plan.

(b) NFHLP shall, in accordance with Quality Arena Standards and in a competent, professional manner, use all commercially reasonable efforts and devote reasonable time to implement the annual Marketing Plan and promote, and solicit requests to lease and/or license the Luxury Suites and Club Seats at the Facility, including extensions and renewals thereof. All agreements shall be subject to approval and execution by Crossroads before they become binding on Crossroads.

(c) NFHLP, on behalf of Crossroads, shall be responsible for the collection of all deposits and payments from licensees and shall deposit such payments in Crossroads' bank accounts as directed by Crossroads or as may be directed by Crossroads' lenders. NFHLP shall provide Crossroads, on a monthly basis, a detailed schedule of anticipated receipts for the upcoming month and accounts which are past due as of the date of the report.

(d) Throughout the term hereof, NFHLP shall maintain a work force adequately staffed with marketing capabilities to promote and market the Luxury Suites and Club Seats and to professionally handle customers. NFHLP shall be responsible for all payroll costs of its personnel necessary to perform services hereunder. NFHLP shall, from time to time, communicate and meet with Club Seat and Luxury Suite licensees in an effort to promote and maintain good customer relations.

(e) NFHLP will keep Crossroads fully informed of its efforts and progress through periodic reports not less than quarterly or as Crossroads may otherwise reasonably request. Such reports shall include, among other items, the names of potential licensees contacted, the status of negotiations, and the number of available Luxury Suites and Club Seats.

5. Duties and Responsibilities of Crossroads.

(a) Crossroads shall provide reasonable assistance and support to NFHLP, provided that this shall not absolve NFHLP of any of its obligations and responsibilities set forth in this Agreement.

(b) Crossroads agrees to provide at its sole cost and expense the initial marketing material, including, but not limited to, special promotional literature and brochures, for the sale of Club Seats. Crossroads shall also be responsible for the preparation and all cost associated with any special promotional materials for the marketing and licensing of Luxury Suites and Club Seats. For purposes of this Section, special promotional items shall include the construction of model suites and club seats, promotional films and literature and gifts for potential licensees.

(c) Crossroads shall from time to time provide to NFHLP information sufficient for promotional and marketing needs as it shall determine as being helpful in procuring licensees.

(d) Crossroads shall from time to time, in accordance with NFHLP's needs and provided that no reasonable request shall be denied, make available the Luxury Suites and Club Seats for marketing and promotional efforts of NFHLP.

(e) Crossroads shall promptly communicate to NFHLP any and all inquiries it receives from prospective licensees for the Luxury Suites or Club Seats.

6. Cooperation. NFHLP and Crossroads shall from time to time consult with each other as to marketing plans and techniques concerning the Luxury Suites and Club Seats. NFHLP shall from time to time submit to Crossroads but not less than quarterly for its review proposed marketing and promotional plans. Notwithstanding the foregoing, NFHLP shall have full and exclusive responsibility for marketing and promotion of Luxury Suites and Club Seats in accordance with this Agreement.

7. Performance Standard. All disputes about NFHLP's performance under this Agreement shall be resolved by dispute resolution in accordance with Article XXV of the Lease.

8. Terms of License for Luxury Suites and Premium Seats. Crossroads shall ultimately determine all the terms and conditions for the Luxury Suites and Club Seats including, without limitation, prices and rates, and the rights and amenities to be provided therewith; all such terms and conditions shall be consistent with the provisions of the Lease Agreement and the annual Marketing Plan.

9. Fees Payable to NFHLP.

(a) For the services rendered by NFHLP in connection with this Agreement, NFHLP shall be entitled to a fee in an amount equal to the lesser of either:

(i) (A) the payroll costs directly incurred by NFHLP in connection with its services pursuant to this Agreement relating to the marketing, promotion, and licensing of the Luxury Suites and Club Seats at the rate of actual payroll expense multiplied by 1.35; plus

(B) direct costs and expenses incurred by NFHLP in connection with its performance of services pursuant to this Agreement, including, by way of example but not limited to, material costs, printing expenses, entertainment expenses, supplies, and special equipment rental; or

(ii) an amount equal to 10 percent of the gross amount actually received by Crossroads from the rental and/or licensing of the Luxury Suites and Club Seats for a Fiscal Year or partial Fiscal Year during the term of this Agreement.

NFHLP shall not be entitled to reimbursement for office overhead, furniture and office equipment, or any portion of the rent payable by NFHLP to Crossroads pursuant to the lease.

10. Payments to NFHLP.

(a) Prior to the beginning of each Fiscal Year covered by this Agreement, Crossroads and NFHLP shall mutually agree upon the estimated annual fee (hereafter "Estimated Annual Fee") to be earned by NFHLP pursuant to Section 9 above. Such estimate shall be supported by a statement of projected payroll costs and direct costs and expenses and/or estimated annual sales utilizing historical information and data, if applicable. The Estimated Annual Fee may not be increased or decreased by more than 20% over the Prior Fiscal Year's Actual Fee without substantiation that the change is based upon actual cost and Crossroads' prior written consent. Crossroads shall pay to NFHLP in equal monthly installments one-twelfth (1/12th) of the Estimated Annual Fee. Such installments shall be paid on or before the first day of each month. The Estimated Annual Fee may be adjusted from time to time during any year covered by this Agreement with the mutual consent of the parties.

(b) Within thirty (30) days after the end of each Fiscal Year of this Agreement, NFHLP shall provide to Crossroads a detailed accounting of the actual fees due NFHLP for the

preceding Fiscal Year (hereinafter "Actual Fees") certified by NFHLP's Chief Financial Officer. Such detailed statement shall show the computation of fees due NFHLP and shall also show the amount of the Estimated Annual Fee paid by Crossroads with respect to such concluded Fiscal Year. If the amount of the Actual Fees is greater than the Estimated Annual Fees paid by Crossroads with respect to such concluded Fiscal Year, Crossroads shall within fifteen (15) days after the receipt of NFHLP's statement make a lump sum payment for the amount due. If the amount of the Actual Fees is less than the Estimated Annual Fees paid by Crossroads with respect to such concluded Fiscal Year, Crossroads at its option may either (i) demand a payment for the difference from NFHLP within fifteen (15) days; or (ii) reduce the monthly installments of the then existing Estimated Annual Fee in an amount on a basis mutually satisfactory to the parties until the amount of the difference between Estimated Fees and Actual Fees for such concluded Fiscal year has been paid.

(c) For a period of twelve (12) months after Crossroads' receipt of NFHLP's detailed statement, each party shall have the right to review the other's relevant books and records that support and substantiate the charges made and payments received pursuant to this section. In the event Crossroads disputes any statement furnished by NFHLP to Crossroads, upon forty-eight (48) hours written notice to NFHLP, may review NFHLP's records relating to the disputed accounting during normal business hours. NFHLP shall make such records available to Crossroads during normal business hours and NFHLP may limit the reviewed records to those directly related to the disputed statement. If Crossroads and NFHLP are unable to resolve any such accounting dispute, either party may submit such dispute to resolution in accordance with Article XXV of the Lease.

11. Representations and Warranties of Crossroads.

Crossroads hereby represents and warrants that:

(i) It is a duly organized and validly existing limited liability company in good standing under the laws of the State of New York and has made all required filings to effect and maintain its status;

(ii) It has full power and authority to execute and deliver this Agreement, consummate the transactions provided for herein, and perform its obligations hereunder in a full and timely manner. No consent of any other person or entity and no license, permit, approval, authorization, exemption, notice, report, registration, filing, or declaration is required by any governmental authority in connection with Crossroads' execution and delivery of this Agreement and/or Crossroads' performance hereunder except for such consents have been obtained prior to the date hereof;

(iii) The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all necessary action on the part of Crossroads, and this Agreement constitutes a valid, legal and binding obligation of Crossroads, enforceable according to its terms;

(iv) The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby do not and will not conflict with or result in a breach of or default or loss of any benefit under any provision of Crossroads' organizational documents, bylaws or other governing charter documents, or any material agreement, instrument or obligation to which Crossroads is bound which would have an adverse effect upon or give any other party the right to terminate or modify the rights or benefits granted to NFHLP pursuant to this Agreement;

(v) There are no orders, judgments or decrees outstanding or any claim, action, suit or legal, administrative, arbitration or other proceeding or governmental investigation pending or, to the best of Crossroads' knowledge, threatened, against or affecting Crossroads which would prevent consummation of the transactions contemplated by this Agreement or which would materially impair Crossroads' ability to perform under this Agreement.

11.2 Representations and Warranties of NFHLP.

NFHLP represents and warrants that:

(i) NFHLP is a limited partnership duly organized and validly existing under the laws of the State of Delaware, is qualified to do business in New York, and has made all required filings to effect and maintain its status;

(ii) NFHLP has full power and authority to execute and deliver this Agreement, consummate the transactions provided for herein, and perform its respective obligations hereunder in a full and timely manner. No consent of any other person or entity and no license, permit, approval, authorization, exemption, notice, report, registration, filing or declaration is required by any governmental authority in connection with NFHLP's execution and delivery of this Agreement and/or NFHLP's performance hereunder except for such consents as have been obtained prior to the date hereof.

(iii) The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all necessary corporate or other action on the part of NFHLP, and this Agreement constitutes a valid, legal and binding obligation of NFHLP, enforceable according to its terms;

(iv) The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby do not and will not conflict with or result in a breach of or default or loss of any benefit under any provision of NFHLP's partnership agreement, or any material agreement, instrument or obligations to which NFHLP is bound which would have an adverse effect upon or give any other party the right to terminate or modify the rights or benefits granted to Crossroads pursuant to this Agreement;

(v) There are no orders, judgments or decrees outstanding or any claim, action, suit or legal, administrative, arbitration or other proceeding or governmental investigation pending or, to the best of NFHLP's knowledge, threatened, against or affecting NFHLP which would prevent the consummation of the transactions contemplated by this Agreement, or materially impair NFHLP's ability to perform under this Agreement;

12. Indemnification. Each party shall save, defend and hold the other harmless from and against any and all claims, losses, damages and liabilities to third parties, including consequential and incidental damages and claims, losses and liability for costs, attorneys' fees, and expenses arising out of the performance or non-performance by such party of this Agreement. Crossroads shall indemnify and hold NFHLP harmless against any and all claims, demands, actions, suits, losses, and liabilities that may be brought against NFHLP arising out of any license or lease agreement for the Luxury Suites or Club Seats except to the extent resulting from the act or omission of NFHLP.

13. Term; Termination.

(a) This Agreement shall commence as of the Effective Date and shall continue in full force and effect so long as the Lease remains in effect, including any renewals and extensions, unless otherwise terminated in accordance with paragraph (b) next following. All disputes arising under this Agreement shall be resolved in the manner prescribed by Article XXV under the Lease.

(b) Unless otherwise agreed to by the parties or determined by an arbitrator pursuant to Article XXV of the Lease, this Agreement shall automatically terminate upon the expiration, or earlier termination (including termination due to Events of Default), of the Lease, including any renewals and extensions thereof.

(c) The termination or cancellation of this Agreement for any reason by either party shall not in and of itself void the liability of Crossroads to NFHLP for fees earned up to and including the date of termination. For purposes of the foregoing sentence, fees earned up to the date of termination shall include payroll and direct costs and expenses through the date

of termination if fees are based on expenses or sales revenue received to the date of termination if NFHLP's fees are based upon sales.

(d) Except as for the obligations contained in Section 12, upon termination of this Agreement neither party shall be liable to the other by reason thereof either for compensation or for damages of any kind or character based upon loss of prospective profits or commissions on sales or anticipated sales.

14. Additional Provisions.

(a) Insurance. The rights and obligations of the parties with respect to insurance are set forth in the Lease.

(b) Affirmative Action Plan. NFHLP agrees to implement the Affirmative Action Plan.

(c) Lease. Except with respect to the matters specifically provided for in this Agreement, this Agreement is not intended to, and does not, modify, amend, alter, or otherwise supersede the Lease.

(d) Fiscal Year. Fiscal Year shall mean the fiscal year of Crossroads which initially is September 1 of one calendar year until the following August 31.

(e) Notices. All notices, requests, demands and other communications required or permitted under this Agreement shall be in writing and shall be deemed to have been duly given, in the case of personal delivery, upon delivery, in the case of telexes, upon receipt of the correct answerback, in the case of telecopies upon transmission, and in the case of mailings, upon the date seven days after mailing (certified or registered mail) in each case to

the address, telex number or rapifax number shown in this Agreement or designated in writing hereafter by such party in accordance with this Section:

If to NFHLP: Niagara Frontier Hockey, L.P.
Memorial Auditorium
140 Main Street
Buffalo, New York 14202
Attn: President and Chief Executive Officer

With a copy to:
Cohen Swados Wright Hanifin
Bradford & Brett
70 Niagara Street
Buffalo, New York 14202

If to Crossroads: Crossroads Arena LLC
Memorial Auditorium
140 Main Street
Buffalo, New York 14202
Attn: Executive Vice President

(f) Subcontract/ Assignment. NFHLP, without the consent of Crossroads, may subcontract the services to be provided for hereunder to any other party or Affiliate of NFHLP, but any such subcontract shall not relieve NFHLP of its obligations hereunder. This Agreement may not be assigned by NFHLP.

(g) Non-disturbance. So long as NFHLP shall not be in default or breach of any of the covenants and obligations provided for herein, it shall be entitled to the undisturbed right to enjoy the privileges granted hereunder.

(h) Severability. If any terms or conditions of this Agreement shall at any time be held to be void, invalid, or unenforceable, such terms or conditions shall be construed as severable and shall not affect any other term or condition of this Agreement, which shall remain in full force and effect.

(i) Governing Law. The parties agree that all matters with respect to the validity, construction, or interpretation of this Agreement shall be governed by the internal laws of the State of New York.

(j) Entire Agreement. This Agreement constitutes the entire understanding of the parties with respect to the subject matter hereof and may not be modified except by an instrument in writing and signed by the parties. This Agreement supersedes all previous agreements or arrangements between the parties relating to the subject matter hereof. This Agreement shall be binding and inure to the benefit of the parties hereto, their respective heirs, executors, administrators, successors, and assigns.

(k) Confidentiality. Each party shall use reasonable efforts to avoid disclosure to any third party (other than their respective attorneys, accountants and consultants pursuant to confidential relationships) of any non-public financial information pertaining to the business of the other or personnel information obtained from the other, except as required by law, without the prior written approval of the other party.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the 10th day of May, 1995.

CROSSROADS ARENA LLC

By: Arena, Inc., Its Member

By: _____
Lawrence Quinn
Title: Executive Vice-President

NIAGARA FRONTIER HOCKEY, L.P.

By: Niagara Frontier Hockey Management Corp., its Managing General Partner

By: _____
Title: Vice President of Finance

MARKETING AND ADVERTISING AGREEMENT

THIS MARKETING AND ADVERTISING AGREEMENT ("Agreement") is effective the 10th day of May, 1995, by and between ***NIAGARA FRONTIER HOCKEY, L.P.***, a Delaware limited partnership, ("NFHLP") and ***CROSSROADS ARENA LLC***, a New York limited liability company ("Crossroads").

Introduction

Crossroads is the developer and operator of The Crossroads, a sports and entertainment complex located in Buffalo, New York (the "Arena"), and pursuant to the Sabres Lease has the exclusive right to sell certain advertising at the Arena. NFHLP is the primary tenant of the Arena pursuant to a Lease dated May 10, 1995, (hereinafter the "Lease"). NFHLP has a marketing and sales work force and has expertise in promoting, marketing, and selling in-arena advertising. Crossroads is desirous of appointing NFHLP, and NFHLP is desirous of acting as the exclusive agent for Crossroads, to promote, market, and sell in-arena advertising at the Arena.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein, the parties hereto agree as follows:

1. Definitions. All definitions included on Schedule A of the Lease are hereby incorporated by referenced as though fully set forth herein.

2. Appointment. Subject to the terms and conditions set forth in this Agreement, Crossroads appoints NFHLP, and NFHLP hereby accepts the appointment, as Crossroads' sole and exclusive, representative to market, promote, and solicit orders for the posting or exhibiting of any signs, advertisements, show bills, lithographs, posters, cards of any description, the scoreboard(s), video and graphic production of all advertising material, or any other advertising matter in or on any portion of the Arena (the "In-Arena Advertising Venues") and which shall include, but not be limited to, the scoreboard(s), videoscreen(s), message boards, interior and exterior signage, concourse and pavilion signage panels, public address system, ice surface, ice resurfacing equipment, and dasherboards at the Arena. The grant of agency by this Agreement shall be subject to any and all rights reserved by Crossroads or NFHLP in the Lease with respect to In-Arena Advertising Venues including, without limitation, the grant of exclusive use at no charge to NFHLP of five (5) backlit sign panels in the main concourse and three (3) in the arena bowl for direct promotional use and NFHLP's rights pursuant to Section 11.1 of the Lease and shall further be subject to NHL Rules relating to marketing programs and advertising.

3. Relationship of Parties. For purposes of this Agreement, NFHLP shall be considered an independent contractor. NFHLP shall have the express authority to negotiate contracts on behalf of Crossroads for any of the In-Arena Advertising Venues covered by this Agreement, but shall not be authorized to execute any such contract, express or implied, or incur any indebtedness or liability that is binding upon Crossroads with respect to the services to be performed by NFHLP pursuant to this Agreement.

4. Duties and Obligations of NFHLP.

(a) NFHLP shall in a professional and competent manner in accordance with Quality Arena Standards, market, identify specific prospects, promote, and solicit requests for advertising and sponsorship opportunities for the In-Arena Advertising Venues, including negotiating on behalf of Crossroads of initial agreements and any extensions and renewals thereof. All such agreements shall be subject to approval and execution by Crossroads before they become binding on Crossroads.

(b) Crossroads shall with the advice of NFHLP establish pricing schedules for the In-Arena Advertising Venues and may modify the same from time to time during the term hereof; Crossroads shall give reasonable advance notice to NFHLP of any change in pricing schedules.

(c) NFHLP, on behalf of Crossroads, shall be responsible for the collection of all deposits and payments from such advertising agreements and shall deposit such amounts in Crossroads's accounts as directed by Crossroads . NFHLP shall provide Crossroads, on a monthly basis, a detailed schedule of anticipated receipts for the upcoming month and past due accounts as of the date of the report.

(d) NFHLP shall, at its own expense, maintain a work force adequately staffed with marketing capabilities to promote, market, and sell the In-Arena Advertising. NFHLP shall from time to time communicate and meet with customers and potential customers in an effort to promote and maintain good customer relations in accordance with Quality Arena Standards.

(e) NFHLP will keep Crossroads fully informed of its efforts and progress through periodic reports from time to time on a quarterly basis as Crossroads may otherwise reasonably request. Such reports shall include, among other items, the names of potential customers contacted, the status of negotiations, and the current unsold In-Arena Advertising Venues.

(f) Without the express authorization from Crossroads NFHLP shall not modify, amend, extend, renew, reduce, or compromise any agreement previously executed by Crossroads.

5. Duties and Responsibilities of Crossroads. Crossroads shall provide reasonable assistance and support to NFHLP which shall include, but not be limited to the following, (provided that this shall not absolve NFHLP of any of its obligations and responsibilities set forth in this Agreement):

(a) Crossroads shall from time to time provide to NFHLP information sufficient for promotional and marketing needs and such marketing literature as it shall, in its sole discretion, determine as being helpful in procuring agreements.

(b) Crossroads shall from time to time, in accordance with NFHLP's needs and provided that no reasonable request shall be denied, make available the Arena for marketing and promotional efforts of NFHLP under this Agreement.

(c) Crossroads shall promptly communicate to NFHLP any and all inquiries it receives from prospective parties for In-Arena Advertising.

(d) Crossroads shall carry out the terms of any advertising or promotional agreements entered into by Crossroads pursuant to this Agreement, including, for example with respect to the backlit panels sold by NFHLP, the maintenance of such panels.

(e) Crossroads shall provide or shall reimburse NFHLP for all actual costs and expenses associated with all sales materials (printing, postage and other similar costs), all signs, backlit panels and other mediums pursuant to which any advertising is displayed at The Arena or Arena Events

6. Cooperation. Not later than July 1 during each year of the term of this Agreement, NFHLP shall submit to Crossroads a proposed marketing plan for the upcoming Fiscal Year which will include proposed posted rates for all In-Arena Advertising and all other advertising products (including, without limitation, rates for television and radio advertising), a marketing strategy, and a budget of costs and expenses attributable to such proposed marketing plan. The parties shall consult with each other as to the acceptability of such marketing plan and such marketing plan shall be subject to the reasonable approval of Crossroads. Once approved, NFHLP shall be responsible for carrying out the terms of such marketing plan, subject to the other provisions of this Agreement. NFHLP and Crossroads shall from time to time consult with each other as to marketing plans and techniques concerning the In-Arena Advertising. Under all circumstances, Crossroads shall have the final right of approval of the marketing plan, which plan, as so approved, shall govern NFHLP's performance of its duties and obligations under this Agreement for the period covered by such plan.

7. Terms for Sale of In-Arena Advertising Venues. Crossroads shall determine all terms and conditions for the In-Arena Advertising Venues provided, however,

that such terms and conditions shall be consistent with the provisions of the Lease to the extent applicable.

8. Fees Payable to NFHLP.

(a) NFHLP shall be entitled to a fee for the services rendered by NFHLP in connection with this Agreement, in an amount equal to the lesser of either:

(i) (A) the payroll costs directly incurred by NFHLP in connection with its services pursuant to this Agreement relating to the marketing, promotion, and selling of the In-Arena Advertising Venues at the rate of actual payroll expense multiplied by 1.35; plus

(B) direct costs and expenses incurred by NFHLP in connection with its performance of services pursuant to this Agreement, including, by way of example but not limited to, material costs, printing expenses, entertainment expenses, supplies, and special equipment rental (not otherwise paid by Crossroads directly); or

(ii) an amount equal to 20 percent of the gross amount of such In-Arena Advertising Venue revenues received by Crossroads during each Fiscal Year or portion thereof that this Agreement is in effect.

NFHLP shall not be entitled to reimbursement for office overhead, office furniture, office equipment or office supplies, nor shall NFHLP be entitled to any reimbursement for rent paid under the Lease.

9. Payments to NFHLP.

(a) Prior to the beginning of each Fiscal Year covered by this Agreement, Crossroads and NFHLP shall mutually agree upon the estimated annual fee hereafter expected to be earned by NFHLP pursuant to Section 7 above ("Estimated Annual Fee"). Such Estimated Annual Fee shall be supported by a statement of projected payroll costs and direct costs and expenses and/or estimated annual sales utilizing historical information and data, if applicable. The Estimated Fee may not be increased or decreased by more than 20% over the Prior Fiscal Year's Actual Fee without substantiation that the change is based upon actual cost. Crossroads shall pay to NFHLP in equal monthly installments one-twelfth (1/12th) of the Estimated Annual Fee. Such installments shall be paid on or before the first day of each month. The Estimated Annual Fee may be adjusted from time to time during any year during the term of this Agreement with the mutual consent of the parties.

(b) Within thirty days after the end of each Fiscal Year during the term of this Agreement, NFHLP shall provide to Crossroads a detailed accounting of the actual fees due NFHLP for the preceding Fiscal Year (hereinafter "Actual Fees") certified by NFHLP's Chief Financial Officer. Such detailed statement shall show the computation of fees due NFHLP and shall also show the amount of the Estimated Annual Fee paid by Crossroads with respect to the Fiscal Year then concluded. If the amount of the Actual Fees is greater than the Estimated Annual Fees paid by Crossroads with respect to such concluded Fiscal Year, Crossroads shall make a lump sum payment for the amount due within fifteen (15) days after its receipt of Agent's statement. If the amount of the Actual Fees is less than the Estimated Annual Fees paid with respect to such concluded Fiscal Year, Crossroads at its option may either (i) demand a payment from NFHLP within fifteen (15) days; or (ii) reduce the monthly installments of the then existing Estimated Annual Fee on a basis mutually satisfactory to the

parties until the amount of the difference between Estimated Fees and Actual Fees for such concluded Fiscal Year has been paid.

(c) For a period of twelve (12) months after Crossroads' receipt of Agent's detailed statement, each party shall have the right to review the other's relevant books and records that support and substantiate the charges made and payments received pursuant to this section. In the event Crossroads disputes any statement furnished by NFHLP, Crossroads, upon forty-eight (48) hours written notice to NFHLP, may review NFHLP's records relating to the disputed statement during normal business hours. NFHLP shall make such records available to Crossroads during NFHLP's normal business hours and NFHLP may limit the reviewed records to those related to the disputed statement. If Crossroads and NFHLP are unable to resolve any such dispute, either party may submit such dispute to resolution in accordance with Article XXV of the Lease.

10. Confidentiality. Each party shall use reasonable efforts to avoid disclosure to any third party (other than their respective attorneys, accountants and consultants pursuant to confidential relationships) of any non-public financial information pertaining to the business of the other or personnel information obtained from the other, except as required by law, without the prior written approval of the other party.

11. Indemnification. Each party shall save, defend and hold the other harmless from and against any and all claims, losses, damages and liabilities to third parties, including incidental damages and claims, losses and liability for costs, attorneys' fees, and expenses arising out of the performance or non-performance by such party of this Agreement. The provisions of this Section 11 shall survive termination of this Agreement.

12. Term; Termination.

(a) This Agreement shall commence as of the date hereof and shall continue in full force and effect so long as the Lease remains in effect, including any renewals and extensions, unless otherwise terminated in accordance with paragraph (b) next following. All disputes arising under this Agreement shall be resolved in the manner prescribed by Article XXV of the Lease.

(b) Unless otherwise agreed to by the parties or determined by an arbitrator pursuant to Article XXV of the Lease, this Agreement shall automatically terminate upon the expiration, or earlier termination, of the Lease (including termination due to Events of Default) including any renewals and extensions thereof.

(c) The termination or cancellation of this Agreement for any reason by either party shall not in and of itself void the liability of Crossroads to NFHLP for fees earned up to and including the date of termination. For purposes of the foregoing sentence, fees earned up to the date of termination shall include payroll and direct costs and expenses through the date of termination if fees are based upon expenses or sales revenues received to the date of termination if Agent's fees are based upon sales.

(d) Except as for the obligations contained in Section 11, upon termination of this Agreement neither party shall be liable to the other by reason thereof either for compensation or for damages of any kind or character whatsoever, whether on account of the loss by either party of present or prospective profits or commissions on sales or anticipated sales, or expenditures, investments, or commitments made in connection therewith or in

connection with the establishment, development, or maintenance of the business of either, or on account of any other cause or thing whatsoever.

13. Representations and Warranties of Crossroads.

Crossroads hereby represents and warrants that:

(i) It is a duly organized and validly existing limited liability company in good standing under the laws of the State of New York and has made all required filings to effect and maintain its status;

(ii) It has full power and authority to execute and deliver this Agreement, consummate the transactions provided for herein, and perform its obligations hereunder in a full and timely manner. No consent of any other person or entity and no license, permit, approval, authorization, exemption, notice, report, registration, filing, or declaration is required by any governmental authority in connection with Crossroads' execution and delivery of this Agreement and/or Crossroads' performance hereunder except for such consents have been obtained prior to the date hereof;

(iii) The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all necessary action on the part of Crossroads, and this Agreement constitutes a valid, legal and binding obligation of Crossroads, enforceable according to its terms;

(iv) The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby do not and will not conflict with or result in a breach of or default or loss of any benefit under any provision of Crossroads' organizational documents, bylaws or other governing charter documents, or any material agreement, instrument or obligation to which Crossroads is bound which would have an adverse effect upon or give any other party the right to terminate or modify the rights or benefits granted to NFHLP pursuant to this Agreement;

(v) There are no orders, judgments or decrees outstanding or any claim, action, suit or legal, administrative, arbitration or other proceeding or governmental investigation pending or, to the best of Crossroads' knowledge, threatened, against or affecting Crossroads which would prevent the consummation of the transactions contemplated by this Agreement or which would materially impair Crossroads' ability to perform under this Agreement.

13.2 Representations and Warranties of NFHLP.

NFHLP represents and warrants that:

(i) NFHLP is a limited partnership duly organized and validly existing under the laws of the State of Delaware, is qualified to do business in New York, and has made all required filings to effect and maintain its status;

(ii) NFHLP has full power and authority to execute and deliver this Agreement, consummate the transactions provided for herein, and perform its respective obligations hereunder in a full and timely manner. No consent of any other person or entity and no license, permit, approval, authorization, exemption, notice, report, registration, filing or declaration is required by any governmental authority in connection with NFHLP's execution and delivery of this Agreement and/or NFHLP's performance hereunder except for such consents as have been obtained prior to the date hereof.

(iii) The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all necessary corporate or other action on the part of NFHLP, and this Agreement constitutes a valid, legal and binding obligation of NFHLP, enforceable according to its terms;

(iv) The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby do not and will not conflict with or result in a breach of or default or loss of any benefit under any provision of NFHLP's partnership agreement, or any material agreement, instrument or obligations to which

NFHLP is bound which would have an adverse effect upon or give any other party the right to terminate or modify the rights or benefits granted to Crossroads pursuant to this Agreement;

(v) There are no orders, judgments or decrees outstanding or any claim, action, suit or legal, administrative, arbitration or other proceeding or governmental investigation pending or, to the best of NFHLP's knowledge, threatened, against or affecting NFHLP which would prevent the consummation of the transactions contemplated by this Agreement, or which would materially impair NFHLP's ability to perform under this Agreement;

14. Additional Provisions.

(a) Insurance. The rights and obligations of the parties with respect to insurance set forth in the Lease are hereby incorporated by reference.

(b) Affirmative Action Plan. NFHLP agrees to implement the Affirmative Action Plan.

(c) Lease. Except with respect to the matters specifically provided for in this Agreement, this Agreement is not intended to, and does not, modify, amend, alter, or otherwise supersede the Lease.

(d) Fiscal Year. Fiscal Year shall mean the fiscal year of Crossroads which initially is September 1 of one calendar year until the following August 31.

(e) Notices. All notices, requests, demands and other communications required or permitted under this Agreement shall be in writing and shall be deemed to have been duly given, in the case of personal delivery, upon delivery, in the case of telexes, upon receipt of the correct answerback, in the case of telecopies upon transmission, and in the case of mailings, upon the date seven days after mailing (certified or registered mail) in each case to the address, telex number or rapifax number shown in this Agreement or designated in writing hereafter by such party in accordance with this Section:

If to Crossroads:
Crossroads Arena LLC
Memorial Auditorium
140 Main Street
Buffalo, New York 14202

Attn: Lawrence Quinn, Executive Vice President
Facsimile: (716) 856-7351

If to NFHLP:
Niagara Frontier Hockey, L.P.
Memorial Auditorium
140 Main Street
Buffalo, New York 14202

Attn: Douglas G. Moss, President
Facsimile: (716) 856-7352

With a copy to:
Robert O. Swados, Esq.
Helen A. Drew, Esq.
Memorial Auditorium
140 Main Street
Buffalo, New York 14202
Facsimile: (716) 856-3992

or such other address as the parties may instruct by notice from time to time.

(f) Subcontract/Assignment. NFHLP may, without the consent of Crossroads, subcontract for the services rendered hereunder to any other third party or Affiliate; provided, however, that such subcontract shall not relieve NFHLP of its obligations hereunder. The parties acknowledge that NFHLP intends to subcontract to Empire Sales Joint Venture, its Affiliate, to perform some of the services hereunder, but no such subcontracting shall relieve NFHLP of its obligations hereunder. This Agreement may not be assigned by Crossroads without the prior consent of NFHLP, except that Crossroads may assign its revenues hereunder to lenders to Crossroads.

(g) Severability. If any terms or conditions of this Agreement shall at any time be held to be void, invalid, or unenforceable, such terms or conditions shall be construed as severable and shall not affect any other term or condition of this Agreement, which shall remain in full force and effect.

(h) Non-disturbance. So long as NFHLP shall not be in default of any of the covenants and obligations provided herein, it shall be entitled to the undisturbed right to enjoy the privileges granted hereunder.

(i) Governing Law. The parties agree that all matters with respect to the validity, construction, or interpretation of this Agreement shall be governed by the internal laws of the State of New York.

(j) Entire Agreement. This Agreement constitutes the entire understanding of the parties with respect to the subject matter hereof and may not be modified except by an instrument in writing and signed by the parties. This Agreement shall be binding and

inure to the benefit of the parties hereto, their respective heirs, executors, administrators, successors, and assigns.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the 10th day of May, 1995.

CROSSROADS ARENA LLC

By: Arena, Inc., Its Member

By: _____
Lawrence Quinn,
Title: Executive Vice President

NIAGARA FRONTIER HOCKEY, L.P.

By: Niagara Frontier Hockey Management Corp., its Managing General Partner

By: _____

Title: Vice President of Finance

NON-COMPETITION AGREEMENT

THIS AGREEMENT is dated as of this 10th day of May, 1995 by the City of Buffalo, New York ("City"), in favor of Crossroads Arena LLC ("CALLC") and Niagara Frontier Hockey, L.P. ("NFHLP").

Recitals:

WHEREAS, the City currently owns and operates a sports and entertainment complex known as Memorial Auditorium located in Buffalo, New York (the "Aud"); and

WHEREAS, there has been recognized a public need for a new sports and entertainment complex in Buffalo; and

WHEREAS, the City, BURA, the County of Erie (the "County"), the Erie County Industrial Development Agency ("ECIDA"), the New York State Urban Development Corporation (collectively, the "Public Sector Participants") and CALLC have entered, contemporaneously with the execution and delivery of this Agreement, a Development and Construction Agreement, Operating Agreement and other collateral documents pursuant to which there is intended to be constructed and operated in the City of Buffalo, New York, a new multi-purpose, year round sports and entertainment complex to be known as The Crossroads Arena ("The Crossroads"); and

WHEREAS, NFHLP is intended to be a prime tenant of The Crossroads pursuant to a Lease Agreement executed contemporaneously herewith; and

WHEREAS, in order to induce the parties hereto, and certain private lending institutions providing financing to this project, namely Marine Midland Bank, Key Bank, N.A., Shawmut Bank, N.A., and Fleet Bank (collectively, "Lenders"), to enter into all of the agreements relating to the development, construction, operation, and financing of The Crossroads Arena, CALLC, NFHLP, and the Lenders have requested the City to enter into this Agreement;

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, receipt of which is acknowledged, the parties hereto agree as follows:

1. (a) During the initial term of the Operating Agreement, each of the City and BURA, jointly and severally, covenants and agrees with each of CALLC and NFHLP

(i) to forebear from utilizing, or from permitting the use of, the Aud for any event which could be held in the seating bowl of The Crossroads whether or not any charge or fee may be imposed, including, without limitation and by way of example only, any professional or amateur sporting event, show, concert, convention, public assembly, display, entertainment event or other public gathering (but not including redevelopment of the Aud as a museum, single or multi-purpose facilities for recreational activities in which no admission is charged other than a user fee which would ordinarily be charged for the use of city facilities, bingo hall, casino, farmers market, visitors information center or other office, retail, hotel or residential uses which may be developed pursuant to Article V of the Operating Agreement); and

(ii) not to (A) use or permit the use of any surface parking now or hereafter existing on the parcel bounded by Main Street, Scott Street, Lower Terrace Street and Pearl Street unless the rates charged are at least equal to the rates charged by The Crossroads Parking Facilities, and (B) completely or partially convert the Aud to, or should the Aud be demolished, construct at the aforesaid parcel, a covered parking structure unless and only to the extent that such parking the demand for which is reasonably created by improvements constructed on the aforesaid parcel in connection with Article V of the Operating Agreement.

Notwithstanding any provision to the contrary in this Agreement, the City may utilize or permit the use of the Aud for restaurant, retail and, except as provided for in paragraph (a)(ii) above, parking purposes.

(b) The City covenants and agrees with the County, CALLC and NFHLP not to sell, transfer, or otherwise assign any interest in or to the Aud unless such transferee agrees in writing prior to such sale, transfer, or assignment to be bound by the terms and conditions of this Agreement.

(c) The parties to this Agreement agree that (a) if the City breaches any provision of Section 1 of this Agreement, the damage to CALLC and NFHLP will be substantial, although difficult to ascertain, and money damages will not afford them an adequate remedy, and (b) if the City is in breach of Section 1 of this Agreement, or threatens a breach of Section 1 of this Agreement, CALLC and NFHLP shall be entitled, to injunctive and other equitable relief to prevent or restrain a breach of this Agreement.

Subject to the parties obligations in subparagraph (a), (b) and (c) above, the parties hereto (i) recognize that the future use, development and redevelopment of the Aud is at the present time speculative; (ii) recognize that maximization of the future use,

development or redevelopment of the Aud is an element of the planning objectives described in Article V and Exhibit C to the Operating Agreement and the economic development objectives of the City; and (iii) agree to cooperate in formulating a plan as provided in Article V of the Operating Agreement so as to achieve these objectives.

2. Each party hereto hereby consents to the jurisdiction of the Courts of the State of New York and/or the United States District Court for the Western District of New York (with Buffalo, New York as the venue for any action or proceeding) in any action or proceeding pursuant to this Agreement, and each agrees to service of process by certified mail, return receipt requested, postage prepaid, to its address as set forth in Section 6 of this Agreement, or such other address as may be designated by written notice to the other parties. Each party hereto agrees not to institute suit against any other in a court in any jurisdiction, except as stated above, without the other parties' consent. The parties further agree that all matters with respect to the validity, construction, or interpretation of this Agreement shall be governed by the internal law of the State of New York.

3. The term of this Agreement shall be co-extensive with the Operating Agreement among the parties hereto dated the date hereof, including any and all extensions and renewals thereof.

4. All notices, requests, and other communications hereunder shall be in writing and shall be delivered personally or deposited in the U.S. Mails, postage prepaid, return receipt requested, for express or "next day" delivery, together with a contemporaneous telefax transmission to the addressee, addressed as follows:

If to the City:

Mayor
201 City Hall
Buffalo, New York 14202
Telefax: (716) 851-4360

With a copy to:

Corporation Counsel
1101 City Hall
Buffalo, New York 14202
Telefax: (716) 851-4105

If to CALLC:

Crossroads Arena LLC
140 Main Street
Buffalo, New York 14202
Telefax: (716) 856-7351

With a copy to:

Cohen Swados Wright Hanifin Bradford & Brett
70 Niagara Street
Buffalo, New York 14202
Telefax: (716) 856-2950

If to NFHLP:

Legal Department
Niagara Frontier Hockey, L.P.
140 Main Street
Buffalo, New York 14202
Telefax: (716) 856-7351

With a copy to:

Cohen Swados Wright Hanifin Bradford & Brett
70 Niagara Street
Buffalo, New York 14202
Telefax: (716) 856-2950

If to any party,
copies to:

Marine Midland Bank
One Marine Midland Center
Buffalo, New York 14202
Telefax: (716) 841-4199
Attn: Mr. Bartels

Fleet Bank
10 Fountain Plaza
Buffalo, New York 14202
Telefax: (716) 847-7244
Attn: Mr. Larry

Shawmut Bank, N.A.
One Federal Street
Boston, MA 02211
Telefax: (617) 292-3241
Attn: Mr. Splaine

Key Bank of New York
50 Fountain Plaza
Buffalo, New York 14202
Telefax: (716) 847-7879
Attn: Mr. Rykowski

or to such other address as a party may have furnished to the others by written notice in the manner provided in this section. Any such notice, request, consent, or other communication shall be deemed received at such time as it is personally delivered or actually received, as the case may be.

5. ADDITIONAL PROVISIONS.

(a) Construction and Interpretation. The headings or titles of the sections of this Agreement are intended for ease of reference only and shall have no effect whatsoever on the construction or interpretation of any provision of this Agreement. The use in this Agreement of the words "including", "such as", and words of similar import following any general statement, term, or matter shall not be construed to limit such statement, term, or matter in any manner, whether or not language of non-limitation (such as "without limitation" or "but not limited to") is used in connection therewith, but rather shall be deemed to refer to all other items or matters that could reasonably fall within the scope of the general statement, term, or matter. All provisions of this Agreement have been negotiated at arm's length and this Agreement shall not be construed for or against any party by reason of the authorship or alleged authorship of any provision hereof.

(b) Waiver. Failure of CALLC and/or NFHLP at any time to require performance of any provision of this Agreement shall not limit their rights to enforce such provision thereafter, nor shall any waiver of any breach of any provision of this Agreement constitute a waiver of any succeeding breach of such provision or a waiver of such provision itself. Any waiver of any provision of this Agreement shall be effective only if set forth in writing and signed by CALLC and/or NFHLP, as applicable.

(c) Severability. Except as provided elsewhere in this Agreement, if any term or provision of this Agreement or the application thereof to any person or circumstance shall to any extent be held to be invalid or unenforceable, the remainder of this Agreement and the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby, and each term

or provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

(d) Binding Effect. The covenants and restrictions set forth in this Agreement shall be binding upon each of the parties hereto and their respective successors and assigns including specifically, with respect to CALLC and NFHLP, the Lenders.

(e) Amendments. This Agreement may not be modified, amended or terminated except by the written agreement of CALLC, NFHLP, the Lenders, New York and Sportservice, Inc., or any of their successors as provided herein.

(f) Provisions Concerning Lenders. The Lenders and New York Sportservice, Inc. shall be deemed to be third-party beneficiaries of this Agreement. The City acknowledges that the rights of CALLC and NFHLP may be collaterally assigned to the Lenders and consent to said assignment. Effective upon notice by any Lender to the City that said Lender has exercised its rights under such collateral assignment, Section 3 hereof will be inoperative as to said Lender and its successors and assigns, and the term of this Agreement shall be deemed to be thirty years from the date hereof.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of this 10th day of May, 1995.

THE CITY OF BUFFALO

By: _____
ANTHONY M. MASIELLO
MAYOR

Approved as to Form

_____
Edward D. Peace
Corporation Counsel

Agreed to and accepted this 10th day of May, 1995:

CROSSROADS ARENA LLC
By Arena Inc., Its Member

By: _____

NIAGARA FRONTIER HOCKEY, L.P.
By Niagara Frontier Hockey Management Corp., Its General Partner

By: _____

AGREEMENT MADE BY NFHLP, CALLC AND NFHMC TO INDUCE THE PUBLIC SECTOR PARTICIPANTS TO ENTER INTO THE FINANCING PARTICIPANTS AGREEMENT

THIS INDUCEMENT AGREEMENT (the "Agreement"), made and entered into effective as of the 10th day of May, 1995, by and among the **CITY OF BUFFALO**, a municipal corporation of the State of New York with principal offices located at City Hall, Buffalo, New York 14202 ("City"), the **CITY OF BUFFALO URBAN RENEWAL AGENCY**, a public benefit corporation of the State of New York with principal offices located at City Hall, Buffalo, New York 14202 ("BURA"), the **NEW YORK STATE URBAN DEVELOPMENT CORPORATION,** a corporate governmental agency of the State of New York constituting a political subdivision and public benefit corporation with principal offices located at 1515 Broadway, New York, New York 10036 ("UDC"), the **COUNTY OF ERIE**, a municipal corporation of the State of New York with principal offices located at 95 Franklin Street, Buffalo, New York 14202 ("County"), **NIAGARA FRONTIER HOCKEY, L.P.**, a Delaware limited partnership with offices located at 140 Main Street, Buffalo, New York 14202 ("NFHLP"), **CROSSROADS ARENA LLC,** a Delaware limited liability company with offices located at 140 Main Street, Buffalo, New York 14202 ("CALLC") and **NIAGARA FRONTIER HOCKEY MANAGEMENT CORP.**, a New York corporation with offices located at 140 Main Street, Buffalo, New York 14202 ("NFHMC").

RECITALS

WHEREAS, NFHLP is the owner of the Buffalo Sabres National Hockey League ("NHL") membership and associated franchise (the "Buffalo Sabres" or the "Franchise"); and

WHEREAS, NFHMC is the general partner of NFHLP; and

WHEREAS, the City, BURA, UDC and County (collectively, the "Public Sector Participants") have all undertaken various obligations and/or advanced funds pursuant to the Development and Construction Agreement, as described in the agreement (the "Financing Participants Agreement"), of even date herewith, by and among the Public Sector Participants, the Erie County Industrial Development Agency, Marine Midland Bank, Key Bank of New York, Shawmut Bank, N.A., Fleet Bank, New York Sportservice, Inc., Sportservice Corporation, Buffalo Sabres Concession LLC, CALLC and NFHLP; and

WHEREAS, for the purpose of constructing the Crossroads Arena, a sports and entertainment complex in Buffalo, New York, to be the Buffalo Sabres' permanent home arena ("Crossroads Arena"), NFHLP is cognizant of the community support for and steps taken in reliance upon the continuing presence of its NHL Franchise in the Crossroads Arena; and

WHEREAS, NFHLP has contemporaneously with the execution of this Agreement executed a lease with CALLC for use of the Crossroads Arena (the "Sabres Lease"); and

WHEREAS, NFHLP and the Public Sector Participants have executed a Public Sector Non-Relocation Agreement of even date

herewith pursuant to which certain restrictions are placed on the ability of NFHLP to relocate the Buffalo Sabres; and

WHEREAS, the Public Sector Participants are unwilling to execute and deliver the Financing Participants Agreement unless NFHLP makes certain additional representations and warranties to the Public Sector Participants, and undertakes certain additional obligations to the Public Sector Participants; and

WHEREAS, in order to induce the Public Sector Participants to execute and deliver the Financing Participants Agreement, NFHLP desires to make those additional representations and warranties, and to undertake those additional obligations to the Public Sector Participants, all as more fully described in this Agreement.

NOW, THEREFORE, in consideration of the premises recited above and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, CALLC and NFHLP hereby covenant to the City, BURA, the County and UDC and agree as follows:

1. **Definition of Certain Terms**. The following terms shall have the following meanings in this Agreements:

A. "Related Person" means, with respect to any person, firm or entity (a "Person"), any other Person related to such first Person by reason of (i) ownership or control of 10% or more of the shares of, or partnership interests or membership interests, in such first Person; (ii) such first Person owning or

controlling 10% or more of the shares of, or partnership interests or membership interests in, such other Person; (iii) a third Person owning or controlling 10% or more of the shares of, or partnership interests or membership interests in, both the first Person and such other Person; or (iv) such Person being a spouse, child, parent, grandparent or grandchild of such Person. With respect to CALLC, "Related Person" shall specifically include: (1) NFHLP; (2) NFHMC; (3) Arena, Inc., a New York corporation; (4) BSC and (5) Empire Sports Sales Joint Venture.

B. "Construction Lenders" has the same meaning as used in the Financing Participants Agreement.

C. "Construction Loan" has the same meaning as used in the Financing Participants Agreement.

D. "Foreclosure" means the foreclosure or other acquisition of the leasehold mortgage securing the Construction Loan by the Construction Lenders or any nominee or Related Person of any such entity.

E. "Private Lenders" means Marine Midland Bank, Key Bank of New York, Shawmut Bank, N.A., Fleet Bank or any successor or assign of any such entity.

F. "Project Sublease" has the same meaning as used in the Financing Participants Agreement.

G. All capitalized words used herein and not otherwise defined herein shall have the meaning ascribed to them in the Public Sector Non-Relocation Agreement.

2. **Covenant to Enforce Obligations of CALLC**. If as a result of or following a Foreclosure there is a transfer of all or substantially all of the interest of CALLC as tenant in the Project Sublease to (a) one or more of the Private Lenders or any nominee or Related Person of any such entity, or (b) a purchaser, assignee or other transferee as a result of such Foreclosure (each and every entity described in subsections "2(a)" and "2(b)" is hereinafter referred to as an "Acquiring Lessee"), NFHLP agrees to diligently take, and to advise the Public Sector Participants in writing that NFHLP has taken, any and all actions which are or may be required or allowed under the Sabres Lease and which are or may become necessary to enforce the obligations of such Acquiring Lessee to perform all obligations of the landlord arising under or in connection with the Sabres Lease all in accordance with the terms, covenants and conditions of the Sabres Lease.

3. **Waiver of Obligations of CALLC**. In the event a Related Person of NFHLP is an Acquiring Lessee, NFHLP as tenant of the Sabres Lease agrees to and shall waive any default by the landlord under the Sabres Lease to the extent that such default would, if not waived, entitle NFHLP to relocate or seek to relocate from the Crossroads Arena pursuant to Section 2.2.2 or 6.4 of the Public Sector Non-Relocation Agreement; provided, however, that in the event of a force majeure event or any other event outside of the control of NFHLP or the Related Person which renders the Crossroads Arena unsuitable as provided in Section

18.3 of the Sabres Lease, NFHLP shall be entitled to relocate the site of its hockey games from the Crossroads Arena on a temporary basis during the period such event makes the Crossroads Arena inaccessible to NFHLP or unavailable or unsuitable for NHL hockey games in accordance with NHL Rules, provided further, however, that NFHLP shall cause the Related Person to commence and be diligently pursuing all action as is necessary or appropriate to alleviate such condition or conditions, at which time NFHLP shall again be required to play its home NHL hockey games in the Crossroads Arena.

4. **Certain Other Agreements**. In addition to the provisions of Sections 2 and 3 hereof, NFHLP and CALLC hereby agree that, notwithstanding the provisions of the Public Sector Non-Relocation Agreement, in the event NFHLP conspires with CALLC at the time of or in anticipation of a required refinancing to cause a default under the Construction Loan Agreement which causes or results in a foreclosure of the Public Sector Participants' interests in and rights arising under or in connection with the Operating Agreement by either (a) failing to refund all or part of the debt arising under or in connection with the Construction Loan Agreement with cash available or at hand in an amount sufficient to meet the requirements of such refinancing, (b) failure to apply for or diligently pursue a source of refinancing that is readily available on terms and conditions commercially reasonable at the time such refinancing is required (provided, however, that any refinancing that is acceptable to

the Construction Lenders shall be deemed to be readily available on terms and conditions commercially reasonable at the time such refinancing is required), then the Public Sector Participants may seek legal and equitable relief against NFHLP, subject to the terms of the Financing Participants' Cooperation Agreement, and/or against CALLC to prevent any such default under or otherwise to enforce the Operating Agreement in accordance with its terms.

5. **Financing Participants Agreement**. Enforcement of remedies under this Agreement shall be subject to the Financing Participants Agreement and the Financing Participants' Cooperation Agreement.

6. **Binding Effect; Assignability**. This Agreement is binding on the parties and their respective successors and assigns, and may not be modified or amended except by a writing signed by all parties.

7. **Governing Law**. This Agreement shall be governed by and interpreted in accordance with the internal laws of the State of New York, without reference to its conflicts of law or choice of law provisions.

8. **Notices**. All notices required to be delivered hereunder and all communications in respect hereof shall be in writing and shall be deemed given when personally delivered, or

three days after being deposited in the United States mail, registered or certified, return receipt requested, first-class, postage prepaid, to the following addresses:

If to City:

Mayor
201 City Hall
Buffalo, New York 14202
Telefax: (716) 851-4360

With a copy to:

Corporation Counsel
1101 City Hall
Buffalo, New York 14202
Telefax: (716) 851-4105

If to BURA:

Chairman
Buffalo Urban Renewal Agency
920 City Hall
Buffalo, New York 14202
Telefax: (716) 854-0172

With a copy to:

Agency Legal Counsel
920 City Hall
Buffalo, New York 14202
Telefax: (716) 854-0172

If to UDC:

Chairman
New York State Urban Development Corporation
1515 Broadway, 53rd Floor
New York, New York 10036
Telefax: (212) 930-0196

With a copy to:

General Counsel
New York State Urban Development Corporation
1515 Broadway, 53rd Floor
New York, New York 10036
Telefax: (212) 930-0196

If to County:

Erie County Executive
95 Franklin Street
Buffalo, New York 14202
Telefax: (716) 858-8411

With a copy to:

Erie County Attorney
69 Delaware Avenue, Suite 300
Buffalo, New York 14202
Telefax: (716) 852-2281

If to NFHLP:

Legal Department
Niagara Frontier Hockey, L.P.
140 Main Street
Buffalo, New York 14202
Telefax: (716) 856-7351

With a copy to:

Cohen, Swados, et al.
70 Niagara Street
Buffalo, New York 14202
Telefax: (716) 856-5228

If to CALLC:

Legal Department
Niagara Frontier Hockey, L.P.
140 Main Street
Buffalo, New York 14202
Telefax: (716) 856-7351

With a copy to:

Cohen, Swados, et al.
70 Niagara Street
Buffalo, New York 14202
Telefax: (716) 856-5228

If to NFHMC:

Legal Department
Niagara Frontier Hockey, L.P.
140 Main Street
Buffalo, New York 14202
Telefax: (716) 856-7351

With a copy to:

Cohen, Swados, et al.
70 Niagara Street
Buffalo, New York 14202
Telefax: (716) 856-5228

or addressed to such other address or to the attention of such other individual as the addressee shall have specified in a notice delivered pursuant to this subsection.

9. **Counterparts**. This Agreement may be executed in one or more counterparts, each of which shall constitute an original, but all of which taken together shall constitute one and the same instrument.

10. **Savings Clause**. In case any one or more of the provisions contained in this Agreement shall be found to be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

11. **Merger**. This Agreement contains the entire agreement of the parties with respect to the subject matter herein and supersedes all other representations, warranties, agreements and understandings, oral or otherwise, among the parties with respect to the subject matter hereof.

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

CITY OF BUFFALO

DATE: _____, 1995

By _____
Name: Anthony M. Masiello
Title: Mayor

Approved as to Form:

_____
Edward D. Peace,
Corporation Counsel

BUFFALO URBAN RENEWAL AGENCY

DATE: _____, 1995

By _____
Name: Anthony M. Masiello
Title: Chairman

NEW YORK STATE URBAN DEVELOPMENT CORPORATION

DATE: _____, 1995

By _____
Name:
Title:

COUNTY OF ERIE

DATE: _____, 1995

By _____
Name:
Title:

Approved as to Form:

_____
County Attorney

Approved as to Content:

_____
Commissioner of Department
of Environment and Planning

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

CITY OF BUFFALO

DATE: _____, 1995 By _____
Name: Anthony M. Masiello
Title: Mayor

Approved as to Form:

_____
Edward D. Peace,
Corporation Counsel

BUFFALO URBAN RENEWAL AGENCY

DATE: _____, 1995 By _____
Name: Anthony M. Masiello
Title: Chairman

NEW YORK STATE URBAN DEVELOPMENT CORPORATION

DATE: _____, 1995 By _____
Name:
Title:

COUNTY OF ERIE

DATE: _____, 1995 By _____
Name:
Title:

Approved as to Form:

_____
County Attorney

Approved as to Content:

_____
Commissioner of Department
of Environment and Planning

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

CITY OF BUFFALO

DATE: _____, 1995 By _____
Name:
Title:

BUFFALO URBAN RENEWAL AGENCY

DATE: _____, 1995 By _____
Name:
Title:

NEW YORK STATE URBAN DEVELOPMENT CORPORATION

DATE: _____, 1995 By _____
Name: Peter V. Waldt
Title: Vice President

COUNTY OF ERIE

DATE: _____, 1995 By _____
Name:
Title:

NIAGARA FRONTIER HOCKEY, L.P.
By Niagara Frontier Hockey Management Corporation, General Partner

DATE: May 17, 1995

By _____
Name:
Title:

CROSSROADS ARENA, LLC
By Arena, Inc., Its Member

DATE: May 20, 1995

By _____
Lawrence Quinn, Executive Vice President

NIAGARA FRONTIER HOCKEY MANAGEMENT CORP.

DATE: May 17, 1995

By _____
Name:
Title:

39022.2

NON-RELOCATION AGREEMENT (PUBLIC SECTOR)

THIS AGREEMENT, effective as of the 10th day of May, 1995, by and among the **CITY OF BUFFALO**, a municipal corporation of the State of New York with principal offices located at City Hall, Buffalo, New York 14202 ("City"), the **NEW YORK STATE URBAN DEVELOPMENT CORPORATION**, a public benefit corporation of the State of New York with offices at 1515 Broadway, New York, New York 10036 ("UDC") and the **COUNTY OF ERIE**, a municipal corporation of the State of New York with principal offices located at 95 Franklin Street, Buffalo, New York 14202 ("County") and **NIAGARA FRONTIER HOCKEY, L.P.**, a Delaware limited partnership with offices located at 140 Main Street, Buffalo, New York 14202 ("NFHLP") and **NIAGARA FRONTIER HOCKEY MANAGEMENT CORP.**, a New York corporation with offices located at 140 Main Street, Buffalo, New York 14202 ("NFHMC").

RECITALS

WHEREAS, NFHLP is the owner of the Buffalo Sabres National Hockey League membership and associated franchise (the "Buffalo Sabres" or the "Franchise"); and

WHEREAS, NFHMC is the general partner of NFHLP; and

WHEREAS, the City, UDC and the County have all undertaken various obligations and/or advanced funds pursuant to certain of the Operative Agreements, as that term is defined in the Financing Participants' Cooperation Agreement; and

WHEREAS, the Operative Documents have been entered into for the purpose of constructing the Crossroads Arena, a sports and entertainment arena complex in Buffalo, New York, to be the Buffalo Sabres' permanent home arena (the "Crossroads Arena"), and NFHLP is cognizant of the community support for and steps taken in reliance upon the continuing presence of the Franchise in the Crossroads Arena; and

WHEREAS, NFHLP has, contemporaneously with the execution of this document, executed a lease with CALLC for use of the Crossroads Arena; and

NOW, THEREFORE, in consideration of the premises recited above and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each of the parties hereto hereby covenants and agrees as follows:

SECTION 1 - DEFINITIONS

For purposes of this Agreement, the following terms shall have the definitions contained in this Section:

1.1 "Aud Lease" shall mean the Buffalo Sabres Lease for Memorial Auditorium dated February 11, 1970 by and between NFHLP and the City of Buffalo, as heretofore or hereafter amended or extended.

1.2 "Championship Games," "exhibition games," "home games," "Member Club," "playoff games," "regular season games," and "Stanley Cup Playoff Games" shall have the meanings ascribed thereto by the NHL Rules.

1.3 "Financing Participants' Cooperation Agreement" shall mean the letter of even date herewith from the NHL to the Financing Participant(s).

1.4 "Franchisee" shall mean NFHLP and any Permitted Assign.

1.5 "NHL" shall mean the National Hockey League and any successor thereto.

1.6 "NHL Rules" shall mean the NHL Constitution and Agreements as defined in the Financing Participants' Cooperation Agreement.

1.7 "Permitted Assign" shall mean any purchaser, successor, assignee, transferee or other party or entity that, in compliance with NHL Rules, succeeds to the ownership of substantially all of the assets of NFHLP, including the Franchise, or any entity that succeeds to the operation of the Franchise. Notwithstanding the foregoing, Permitted Assign shall not include any entity that succeeds to the ownership of the Franchise or substantially all of the assets of NFHLP or succeeds to the operation of the Franchise as a result of action taken by the NHL, including without limitation any action taken by the NHL pursuant to Sections 3.9 and 3.10 of the NHL Constitution (or any successor sections).

1.8 "Sabres Lease" shall mean the lease dated the date hereof by and between CALLC and NFHLP for the Crossroads Arena.

1.9 "Term of this Agreement" shall mean the period beginning on the date of this Agreement and ending on the date this Agreement terminates pursuant to Section 6.2 of this Agreement.

1.10 Whenever used herein any references to consent by the City shall mean approval by the Common Council and the Mayor as required by the City Charter.

1.11 Whenever used herein any references to consent by the County shall mean approval by the County Executive and the County Legislature.

1.12 All capitalized words used herein and not otherwise defined herein shall have the meaning ascribed to them in the Financing Participants' Cooperation Agreement.

SECTION 2 - COVENANT REGARDING USE OF THE AUD AND CROSSROADS ARENA

2.1 Non-Relocation of Home Games

Subject only to the exceptions described in Section 2.2 below, NFHLP agrees and covenants that, for the Term of this Agreement, any and all exhibition games, Championship Games and Stanley Cup Playoff games constituting Buffalo Sabres home games shall be played in Memorial Auditorium (during the remainder of the term of the Aud Lease) and from the Commencement Date (as that term is defined in the Sabres Lease) in the Crossroads Arena, unless each of the City, County, and UDC shall have given its prior written consent to the playing of specified home games at a different location or locations, which consent may be withheld in the sole and absolute discretion of each of the City, County and UDC. Notwithstanding anything to the contrary contained in this Agreement, each of the City, County and UDC acknowledge and agree that nothing contained in this Agreement in any way limits the rights of the NHL to bring disciplinary proceedings against a Franchisee or to terminate or relocate the Franchise pursuant to the NHL Rules and, in any such instance, such actions shall not constitute a breach of this Agreement by a Franchisee.

2.2 Exceptions

Notwithstanding the provisions of Section 2.1, NFHLP shall have the right:

2.2.1 To play exhibition games, Championship Games and Stanley Cup Playoff Games constituting Buffalo Sabres home games at any location other than Memorial Auditorium or the Crossroads Arena, as applicable, to the extent required by NHL Rules or permitted by the Aud Lease or the Sabres Lease as applicable.

2.2.2 To play any exhibition games, Championship Games or Stanley Cup Playoff Games which constitute Buffalo Sabres home games at a facility other than Memorial Auditorium or the Crossroads Arena, as applicable, if a force majeure event or any other event or action outside the direct control of NFHLP, including without limitation, any event of default under the Sabres Lease or any action taken or any failure to act by any of the Financing Participant(s) renders Memorial Auditorium or the Crossroads Arena, as applicable, inaccessible to NFHLP, or unavailable or unsuitable for NHL hockey games in accordance with NHL Rules, the Aud Lease or the Sabres Lease, provided that NFHLP shall promptly furnish notice to each of the City, County and UDC in the event of the occurrence of any such event, which notice

shall identify the event, the resulting condition and number of days and games expected to be played elsewhere.

2.3 **Continuous Operations of NFHLP**

NFHLP agrees and covenants with each of the City, County and UDC: (a) not to effect, allow to occur, or allow to continue any material default in the performance of any of NFHLP's obligations which causes or which might cause a termination or forfeiture of the Franchise under NHL Rules or otherwise, (b) not to terminate or forfeit the NFHLP Franchise, (c) to provide an NHL team to play all of NFHLP's games in accordance with NHL Rules, (d) in all other respects, to continuously operate an NHL hockey team in Buffalo, New York in accordance with NHL Rules.

SECTION 3 - COVENANT REGARDING LOCATION OF NFHLP'S PLACE OF BUSINESS

NFHLP agrees and covenants that the principal place of business and the principal offices of NFHLP shall be located within the City of Buffalo, subject to a temporary relocation within Erie County necessitated by a force majeure event as provided in the Aud Lease or the Sabres Lease, as applicable, provided that such temporary relocation shall not exceed a period of time as reasonably agreed to by NFHLP and each of the City, the County and UDC.

SECTION 4 - BINDING EFFECT

4.1 **Successors**

The rights and covenants of and restrictions on NFHLP set forth in this Agreement, and all remedies set forth herein available to the City, the County and UDC, shall be binding upon and enforceable against a Franchisee.

4.2 **Transfer of Franchise**

(a) Subject to NHL Rules, NFHLP may sell, assign or otherwise transfer the Franchise or of any of its interest in the Franchise to a Permitted Assign only upon the condition that the terms and conditions of any such sale, assignment or other transfer shall include an express covenant and agreement whereby the proposed Permitted Assign specifically assumes and agrees to perform and be bound by all of the covenants and restrictions contained herein.

(b) At least ten (10) days prior to the consummation of any sale, assignment or other transfer of the Franchise or of any interest of NFHLP in the Franchise by NFHLP to a Permitted Assign, NFHLP shall deliver to each of the City, the County and UDC the written certificate of the proposed Permitted Assign by which it agrees to be bound by the terms of this Agreement and to assume and perform all of NFHLP's obligations and covenants hereunder.

SECTION 5 - REMEDIES

In the event of a breach or threatened breach of this Agreement by Franchisee, the City, the County and UDC may suffer damages compensable by the payment of money and also damages which the City, the County and UDC believe may not be compensable by money but which may be irreparable. Accordingly, the City, the County and UDC shall have the following rights:

5.1 Compensable Damages

In the event of a breach or threatened breach of this Agreement by Franchisee, each of the City, the County and UDC shall be entitled to claim all damages of any kind and or nature whatsoever in the forum selected by the City, the County and UDC as provided in Section 5.5.

5.2 Damages Not Compensable by Money

Since in the event that Franchisee breaches or threatens a breach of this Agreement some or all of the damages which may be suffered by each of the City, the County and UDC as a result of such breach or threatened breach may not be adequately compensated by an award of money damages, then and in any of such events, subject to proof or evidence satisfactory to a court of competent jurisdiction which shall establish their entitlement to such relief, each of the City, the County and UDC shall be entitled to equitable relief, such as in the form of a decree of specific performance and/or temporary or permanent injunctive relief, or both, with respect to the performance of the obligations of Franchisee.

5.3 Cross-Default

Any breach by Franchisee of any obligation on its part under this Agreement shall also constitute an event of default by Franchisee under the Sabres Lease and the Public Construction Guaranty.

5.4 All Remedies

Upon a breach or threatened breach of this Agreement by Franchisee, each of the City, the County and UDC shall be entitled to pursue in any forum selected by them all legal and

equitable remedies against the Franchisee, whether or not such remedies are specifically set forth in this Agreement. All remedies are cumulative and may be exercised concurrently, successively, or in any order.

5.5 Jurisdiction and Governing Law

Each party hereto hereby consents to the jurisdiction of the Courts of the State of New York and/or the United States District Court for the Western District of New York (with Buffalo, New York as the venue for any action or proceeding) in any action or proceeding pursuant to this Agreement, and each agrees to service of process by certified mail, return receipt requested, postage prepaid, to its address as set forth in Section 6.10 of this Agreement, or such other address as either may designate by written notice to the other party. Each party hereto agrees not to institute suit against the other in a court in any jurisdiction, except as stated above, without the other party's consent. The parties further agree that all matters with respect to the validity, construction or interpretation of this Agreement shall be governed by the internal law of the State of New York, without reference to any conflict of laws provision.

SECTION 6 - GENERAL PROVISIONS

6.1 Representations and Warranties

Each of the parties hereto hereby represents to each of the other parties that this Agreement has been duly authorized and executed and is a valid and binding obligation of such party enforceable against such party in accordance with its terms. NFHLP represents to all of the other parties to this Agreement that it has furnished notice of this Agreement to each of its general and limited partners and will notify any new partners of the existence of this Agreement.

6.2 Termination of Agreement

This Agreement shall terminate upon the expiration or earlier termination of the term of the Sabres Lease, including any Renewal Lease Terms as provided in the Sabres Lease. Notwithstanding the foregoing, if the Crossroads Arena is not completed for any reason (other than the default of NFHLP pursuant to this Agreement), this Agreement shall terminate upon the expiration or earlier termination of the term of the Aud Lease. The City and NFHLP agree to extend the term of the Aud Lease upon terms and conditions presently in effect if the Agent grants an extension of the Outside Completion Date as provided in section 8.2 of the Financing Participants Agreement (as such terms are defined therein); such extension of the Aud Lease to be coterminous with the extension of the Outside Completion Date. This Agreement shall also terminate upon an event of default by CALLC under the Sabres Lease entitling NFHLP to terminate the Sabres Lease in accordance with its terms.

6.3 **Amendment**

This Agreement may not be modified or amended except by the written agreement of each of the City, the County, UDC, and NFHLP; it being understood that any such amendments or modifications shall require the prior written approval of the NHL.

6.4 **Further Assurances**

After completion of the Crossroads Arena and commencement of the term of the Sabres Lease, NFHLP agrees that it will not apply to the NHL to relocate the Franchise to a playing site other than the Crossroads Arena and that it will not initiate or pursue proposals to relocate the Franchise prior to the expiration of the 27th Lease Year or in the event the Lease Term has been extended pursuant to Article XXVIII of the Sabres Lease prior to the expiration of the third year of any such Renewal Lease Term. After the foregoing dates, NFHLP may explore and make inquiries, discuss relocation, apply to the NHL, if necessary and if necessary make agreements to relocate the Franchise, but in no event shall NFHLP relocate prior to the expiration of the Term of this Agreement.

6.5 **NHL Rules and Conflicts**

NFHLP represents and warrants to each of the City, County and UDC that it has delivered to each of the City, the County and UDC true and correct copies of the NHL Constitution and By-laws existing on the date hereof and hereby undertakes to deliver to each of the City, County and UDC, within 10 days after its receipt thereof, copies of amendments to such Constitution and By-laws, upon the express condition that such deliveries are made in confidence and may only be used by each of the City, County and UDC in connection with this Agreement.

It is acknowledged, understood and agreed that: (1) this Agreement is subject to the NHL Rules; and (2) in the event of any conflict between the terms of the NHL Rules and this Agreement, the terms of the NHL Rules shall prevail; provided, however, and except as may be set forth in the Financing Participants' Cooperation Agreement, nothing in the preceding clauses (1) and (2) is intended to nullify NFHLP's obligations under Sections 2.1 and 2.2 hereof not to apply to the NHL for a voluntary relocation of the Franchise except as may otherwise be contemplated therein.

In the event that there is or appears to be any apparent or seeming conflict between the provisions of this Agreement and NHL Rules by reason of a change, amendment, modification, deletion or addition to said Rules after the execution of this Agreement, NFHLP shall use its best efforts with the NHL to resolve such a conflict so that NFHLP is able to perform its obligations under this Agreement. In the event such a conflict cannot be resolved, NFHLP shall consult with each of the City, the County and UDC to reach an agreement which will

implement the intent of this Agreement and the benefits accruing to each of the City, the County and UDC by this Agreement.

6.6 **Construction and Interpretation**

The headings or titles of the sections of this Agreement are intended for ease of reference only and shall have no effect whatsoever on the construction or interpretation of any provision of this Agreement. The use in this Agreement of the words "including," "such as," and words of similar import following any general statement, term or matter shall not be construed to limit such statement, term or matter in any manner, whether or not language of non-limitation (such as "without limitation" or "but not limited to") is used in connection therewith, but rather shall be deemed to refer to all other items or matters that could reasonably fall within the scope of the general statement, term or matter. All obligations of the parties hereto are limited in duration to the Term of this Agreement.

6.7 **Waiver**

Failure of any of the City, the County or UDC, as applicable, at any time to require performance of any provision of this Agreement shall not limit the rights of any of the City, the County or UDC, as applicable, to enforce such provision thereafter, nor shall any waiver of any breach of any provision of this Agreement constitute a waiver of any succeeding breach of such provision or a waiver of such provision itself. Any waiver of any provision of this Agreement shall be effective only if set forth in writing and signed by each of the City, the County or UDC, as applicable.

6.8 **Severability**

If any term or provision of this Agreement or the application thereof to any person or circumstance shall to any extent be invalid or unenforceable, the remainder of this Agreement and the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby, and each term or provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

6.9 **Opinion of NFHLP**

Cohen Swados Wright Hanifin Bradford & Brett, counsel to NFHLP, shall deliver to each of the City, the County and UDC its opinion substantially in the form of Exhibit A attached hereto.

6.10 **Notices**

All notices, requests and other communications hereunder shall be in writing and shall be delivered personally or deposited in the U.S. Mails, postage prepaid, return receipt requested, for express or "next day" delivery, together with a contemporaneous telefax transmission to the addressee, addressed as follows:

If to the City:

Mayor
201 City Hall
Buffalo, New York 14202
Telefax: (716) 851-4360

With a copy to:

Corporation Counsel
1101 City Hall
Buffalo, New York 14202
Telefax: (716) 851-4105

If to NFHLP:

Legal Department Niagara Frontier Hockey, L.P.
140 Main Street
Buffalo, New York 14202
Telefax: (716) 856-7351

With a copy to:

Cohen, Swados, et al.
70 Niagara Street
Buffalo, New York 14202
Telefax: (716) 856-5228

If to the County:

Erie County Executive
95 Franklin Street
Buffalo, New York 14202
Telefax: (716) 858-8411

With a copy to:

Erie County Attorney
69 Delaware Avenue
Suite 300
Buffalo, New York 14202
Telefax: (716) 858-2281

If to the New York State Urban Development Corporation:

General Counsel
New York State Urban Development Corporation
1515 Broadway, 53rd Floor
New York, New York 10036
Telefax: (212) 930-0196

or to such other address as may be furnished to the others by written notice in the manner provided in this Section 6.10. Any such notice, request, consent or other communication shall be deemed received at such time as it is personally delivered or actually received, as the case may be.

6.11 **Counterparts**

This Agreement may be executed in any number of counterparts, each of which shall be an original but all of which together shall constitute one instrument.

6.12 **Execution by NFHMC**

NFHMC hereby executes this Agreement and agrees to be bound by each of its terms, conditions, restrictions and obligations and agrees, as general partner of NFHLP, not to cause NFHLP to take any action, or omit to take any action, required by NFHLP under the terms of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day first written above.

Approved as to Form:

Edward D. Peace
Corporation Counsel

APPROVED AS
TO FORM ONLY

MAY 22 1995

MICHAEL L. McCARTHY
LEGAL COUNSEL

CITY OF BUFFALO

By: _____
Anthony M. Masiello, Mayor

CITY OF BUFFALO URBAN RENEWAL AGENCY

By: _____
Anthony M. Masiello, Chairman

NIAGARA FRONTIER HOCKEY, L.P.

BY: NIAGARA FRONTIER HOCKEY MANAGEMENT CORPORATION Its Managing General Partner

By: _____
Robert O. Swados, Vice Chairman

NIAGARA FRONTIER HOCKEY MANAGEMENT CORPORATION

By: _____
Robert O. Swados, Vice Chairman

FROM COUNGTON & BURLING 05.15.1995 12:02 P.13

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day first written above.

CITY OF BUFFALO

Approved as to Form:

By:_____
Anthony M. Masiello, Mayor

_____
Edward D. Peace
Corporation Counsel

CITY OF BUFFALO URBAN RENEWAL AGENCY

By:_____
Anthony M. Masiello, Chairman

NIAGARA FRONTIER HOCKEY, L.P.

BY: NIAGARA FRONTIER HOCKEY MANAGEMENT CORPORATION Its Managing General Partner

By:_____
Robert O. Swados, Vice Chairman

NIAGARA FRONTIER HOCKEY MANAGEMENT CORPORATION

By:_____
Robert O. Swados, Vice Chairman

FROM COUINGTON & BURLING 05.15.1995 12:02 P.13

NEW YORK STATE URBAN DEVELOPMENT CORPORATION

By: _____

COUNTY OF ERIE

Approved as to Form:

_____
County Attorney

By: _____
Dennis T. Gorski, County Executive

Approved as to Content:

_____
Commissioner of Department
of Environment and Planning

FROM COUINGTON & BURLING 05.15.1995 12:02 P.14

NEW YORK STATE URBAN DEVELOPMENT CORPORATION

By:_____

COUNTY OF ERIE

Approved as to Form:

_____ By:_____

County Attorney Dennis T. Gorski, County Executive

Approved as to Content:

_____

Commissioner of Department
of Environment and Planning

FROM COUINGTON & BURLING 05.15.1995 12:02 P.14

Exhibit A

Cohen Swados Opinion

STATE OF NEW YORK)
COUNTY OF ERIE) SS.:
CITY OF BUFFALO)

On this 23 day of May, 1995 before me, the subscriber personally came **Anthony M. Masiello**, to me known, who, being by me duly sworn, did depose and say that he resides in Buffalo, New York, that he is the Mayor of the City of Buffalo, the corporation described in, and which executed the within instrument; and that he signed his name thereto as authorized by a resolution of the City of Buffalo Common Council.

Joanne Cavalieri
Notary Public

JOANNE CAVALIERI
Notary Public, State of New York
Qualified in Erie County
My Commission Expires Jan. 31, 1997

STATE OF NEW YORK)
COUNTY OF ERIE) SS.:
CITY OF BUFFALO)

On this 23 day of May, 1995 before me, the subscriber personally came **Anthony M. Masiello**, to me known, who, being by me duly sworn, did depose and say that he resides in Buffalo, New York, that he is the Chairman of the City of Buffalo Urban Renewal Agency, the corporation described in, and which executed the within instrument; and that he signed his name thereto as authorized by a resolution of the Members of said corporation.

Joanne Cavalieri
Notary Public

JOANNE CAVALIERI
Notary Public, State of New York
Qualified in Erie County
My Commission Expires Jan. 31, 1997

FROM COUNGTON & BURLING 05.15.1995 12:03 P.17

STATE OF NEW YORK)
COUNTY OF ERIE) SS.:
CITY OF BUFFALO)

On this 22nd day of May, 1995 before me, the subscriber personally came **Robert O. Swados**, to me known, who being by me duly sworn, did depose and say that he resides in Williamsville, New York, that he is the Vice Chairman of Niagara Frontier Hockey Management Corporation, the corporation described in, and which executed the within instrument as the managing general partner of Niagara Frontier Hockey, L.P.; and that he signed his name thereto by order of the Board of Directors of said corporation.

Mary Ann Tumiel
Notary Public

MARY ANN TUMIEL
Notary Public, State of New York
Qualified in Erie County
My Commission Expires Feb. 3, 19 96

STATE OF NEW YORK)
COUNTY OF ERIE) SS.:
CITY OF BUFFALO)

On this 22nd day of May, 1995 before me, the subscriber personally came **Robert O. Swados**, to me known, who being by me duly sworn, did depose and say that he resides in Williamsville, New York, that he is the Vice Chairman of Niagara Frontier Hockey Management Corporation, the corporation described in, and which executed the within instrument; and that he signed his name thereto by order of the Board of Directors of said corporation.

Mary Ann Tumiel
Notary Public

MARY ANN TUMIEL
Notary Public, State of New York
Qualified in Erie County
My Commission Expires Feb 3, 19 96

FROM COUINGTON & BURLING 05.15.1995 12:03 P.18

STATE OF NEW YORK)
COUNTY OF ERIE) SS.:
CITY OF BUFFALO)

On this 22 day of May, 1995 before me, the subscriber personally came **Dennis T. Gorski**, to me known, who, being by me duly sworn, did depose and say that he resides in Buffalo, New York, that he is the County Executive of the County of Erie, the corporation described in, and which executed the within instrument; and that he signed his name thereto as authorized by a resolution of the Erie County Legislature.

Whitney K. Reed
Notary Public

WHITNEY K. REED
Notary Public, State of New York
No. 01RE5002610
Qualified in Monroe County
Certificate Filed in Ontario County
Commission Expires Oct. 5, 1996

STATE OF NEW YORK)
COUNTY OF ERIE) SS.:
CITY OF BUFFALO)

On this _____ day of May, 1995 before me, the subscriber personally came _____, to me known, who, being by me duly sworn, did depose and say that he resides in Buffalo, New York, that he is the _____ of the New York State Urban Development Corporation, the corporation described in, and which executed the within instrument; and that he signed his name thereto by order of the Board of Directors of said corporation.

_____
Notary Public

FROM COUDINGTON & BURLING 05.15.1995 12:03 P.19

STATE OF NEW YORK)
COUNTY OF ERIE) SS.:
CITY OF BUFFALO)

On this _____ day of May, 1995 before me, the subscriber personally came **Dennis T. Gorski**, to me known, who, being by me duly sworn, did depose and say that he resides in Buffalo, New York, that he is the County Executive of the County of Erie, the corporation described in, and which executed the within instrument; and that he signed his name thereto as authorized by a resolution of the Erie County Legislature.

_____
Notary Public

STATE OF NEW YORK)
COUNTY OF ERIE) SS.:
CITY OF BUFFALO)

On this 23rd day of May, 1995 before me, the subscriber personally came Peter V. Wallace, to me known, who, being by me duly sworn, did depose and say that he resides in Buffalo, New York, that he is the Vice President of the New York State Urban Development Corporation, the corporation described in, and which executed the within instrument; and that he signed his name thereto by order of the Board of Directors of said corporation.

Mary Ann Tumiel
Notary Public

MARY ANN TUMIEL
Notary Public, State of New York
Qualified in Erie County
My Commission Expires Feb. 3, 19 96

FROM COUNINGTON & BURLING 05.15.1995 12:03 P.19

NON-RELOCATION AGREEMENT (CONSTRUCTION LENDERS)

THIS AGREEMENT, effective as of the 10th day of May, 1995, by and among **NIAGARA FRONTIER HOCKEY, L.P.**, a Delaware limited partnership with offices located at 140 Main Street, Buffalo, New York 14202 ("NFHLP"); **NIAGARA FRONTIER HOCKEY MANAGEMENT CORP.**, a New York corporation with offices located at 140 Main Street, Buffalo, New York 14202 ("NFHMC"); **MARINE MIDLAND BANK**, a banking corporation organized under the laws of the State of New York, with offices c/o Real Estate Finance Department, One Marine Midland Center, Fifteenth Floor, Buffalo, New York 14203 ("Marine Midland"); and **KEY BANK OF NEW YORK**, a banking corporation organized under the laws of the State of New York, with offices at 50 Fountain Plaza, Buffalo, New York 14202 ("Key Bank") (Marine Midland and Key Bank, collectively, the "Lenders").

RECITALS

WHEREAS, NFHLP is the owner of the Buffalo Sabres National Hockey League membership and associated franchise (the "Buffalo Sabres" or the "Franchise"); and

WHEREAS, NFHMC is the general partner of NFHLP; and

WHEREAS, the Lenders have each undertaken various obligations and/or have advanced or will advance funds pursuant to certain of the Operative Agreements, as that term is defined in the Financing Participants' Cooperation Agreement; and

WHEREAS, the Operative Documents have been entered into for the purpose of constructing the Crossroads Arena, a sports and entertainment arena complex in Buffalo, New York, to be the Buffalo Sabres' permanent home arena (the "Crossroads Arena"), and NFHLP is cognizant of the community support for and steps taken in reliance upon the continuing presence of the Franchise in the Crossroads Arena; and

WHEREAS, NFHLP has, contemporaneously with the execution of this document, executed a lease with CALLC for use of the Crossroads Arena; and

NOW, THEREFORE, in consideration of the premises recited above and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each of the parties hereto hereby covenants and agrees as follows:

FROM COUINGTON & BURLING 05.25.1995 15:25 P.05

SECTION 1 - DEFINITIONS

For purposes of this Agreement, the following terms shall have the definitions contained in this Section:

1.1 "Aud Lease" shall mean the Buffalo Sabres Lease for Memorial Auditorium dated February 11, 1970 by and between NFHLP and the City of Buffalo, as heretofore or hereafter amended or extended.

1.2 "Championship Games," "exhibition games," "home games," "Member Club," "playoff games," "regular season games," and "Stanley Cup Playoff Games" shall have the meanings ascribed thereto by the NHL Rules.

1.3 "Financing Participants' Cooperation Agreement" shall mean the letter of even date herewith from the NHL to the Financing Participants.

1.4 "Franchisee" shall mean NFHLP and any Permitted Assign.

1.5 "NHL" shall mean the National Hockey League and any successor thereto.

1.6 "NHL Rules" shall mean the NHL Constitution and Agreements as defined in the Financing Participants' Cooperation Agreement.

1.7 "Permitted Assign" shall mean any purchaser, successor, assignee, transferee or other party or entity that, in compliance with NHL Rules, succeeds to the ownership of substantially all of the assets of NFHLP, including the Franchise, or any entity that succeeds to the operation of the Franchise. Notwithstanding the foregoing, Permitted Assign shall not include any entity that succeeds to the ownership of the Franchise or substantially all of the assets of NFHLP or succeeds to the operation of the Franchise as a result of action taken by the NHL, including without limitation any action taken by the NHL pursuant to Sections 3.9 and 3.10 of the NHL Constitution (or any successor sections).

1.8 "Sabres Lease" shall mean the lease dated the date hereof by and between CALLC and NFHLP for the Crossroads Arena.

1.9 "Term of this Agreement" shall mean the period beginning on the date of this Agreement and ending on the date this Agreement terminates pursuant to Section 6.2 of this Agreement.

1.10 All capitalized words used herein and not otherwise defined herein shall have the meaning ascribed to them in the Financing Participants' Cooperation Agreement.

FROM COUINGTON & BURLING 05.25.1995 15:25 P.06

SECTION 2 - COVENANT REGARDING USE OF THE AUD AND CROSSROADS ARENA

2.1 Non-Relocation of Home Games

Subject only to the exceptions described in Section 2.2 below, NFHLP agrees and covenants that, for the Term of this Agreement, any and all exhibition games, Championship Games and Stanley Cup Playoff games constituting Buffalo Sabres home games shall be played in Memorial Auditorium (during the remainder of the term of the Aud Lease) and from the Commencement Date (as that term is defined in the Sabres Lease) in the Crossroads Arena, unless each of the Lenders shall have given its prior written consent to the playing of specified home games at a different location or locations, which consent may be withheld in the sole and absolute discretion of each of the Lenders. Notwithstanding anything to the contrary contained in this Agreement, each of the Lenders acknowledge and agree that nothing contained in this Agreement in any way limits the rights of the NHL to bring disciplinary proceedings against a Franchisee or to terminate or relocate the Franchise pursuant to the NHL Rules and, in any such instance, such actions shall not constitute a breach of this Agreement by a Franchisee.

2.2 Exceptions

Notwithstanding the provisions of Section 2.1, NFHLP shall have the right:

2.2.1 To play exhibition games, Championship Games and Stanley Cup Playoff Games constituting Buffalo Sabres home games at any location other than Memorial Auditorium or the Crossroads Arena, as applicable, to the extent required by NHL Rules or permitted by the Aud Lease or the Sabres Lease as applicable.

2.2.2 To play any exhibition games, Championship Games or Stanley Cup Playoff Games which constitute Buffalo Sabres home games at a facility other than Memorial Auditorium or the Crossroads Arena, as applicable, if a force majeure event or any other event or action outside the direct control of NFHLP, including without limitation, any event of default under the Sabres Lease or any action taken or any failure to act by any of the Financing Participant(s) renders Memorial Auditorium or the Crossroads Arena, as applicable, inaccessible to NFHLP, or unavailable or unsuitable for NHL hockey games in accordance with NHL Rules, the Aud Lease or the Sabres Lease, provided that NFHLP shall promptly furnish notice to each of the Lenders in the event of the occurrence of any such event, which notice shall identify the event, the resulting condition and number of days and games expected to be played elsewhere.

FROM COUNGTON & BURLING 05.25.1995 15:25 P.07

2.3 Continuous Operations of NFHLP

NFHLP agrees and covenants with each of the Lenders: (a) not to effect, allow to occur, or allow to continue any material default in the performance of any of NFHLP's obligations which causes or which might cause a termination or forfeiture of the Franchise under NHL Rules or otherwise, (b) not to terminate or forfeit the NFHLP Franchise, (c) to provide an NHL team to play all of NFHLP's games in accordance with NHL Rules, (d) in all other respects, to continuously operate an NHL hockey team in Buffalo, New York in accordance with NHL Rules.

SECTION 3 - COVENANT REGARDING LOCATION OF NFHLP'S PLACE OF BUSINESS

NFHLP agrees and covenants that the principal place of business and the principal offices of NFHLP shall be located within the City of Buffalo, subject to a temporary relocation within Erie County necessitated by a force majeure event as provided in the Aud Lease or the Sabres Lease, as applicable, provided that such temporary relocation shall not exceed a period of time as reasonably agreed to by NFHLP and each of the Lenders.

SECTION 4 - BINDING EFFECT

4.1 Successors

The rights and covenants of and restrictions on NFHLP set forth in this Agreement, and all remedies set forth herein available to the Lenders, shall be binding upon and enforceable against a Franchisee.

4.2 Transfer of Franchise

(a) Subject to NHL Rules, NFHLP may sell, assign or otherwise transfer the Franchise or of any of its interest in the Franchise to a Permitted Assign only upon the condition that the terms and conditions of any such sale, assignment or other transfer shall include an express covenant and agreement whereby the proposed Permitted Assign specifically assumes and agrees to perform and be bound by all of the covenants and restrictions contained herein.

(b) At least ten (10) days prior to the consummation of any such sale, assignment or other transfer of the Franchise or of any interest of NFHLP in the Franchise by NFHLP to a Permitted Assign, NFHLP shall deliver to each of the Lenders the written certificate of the proposed Permitted Assign by which it agrees to be bound by

FROM COUNSTON & BURLING 05.25.1995 15:26 P.08

the terms of this Agreement and to assume and perform all of NFHLP's obligations and covenants hereunder.

SECTION 5 - REMEDIES

In the event of a breach or threatened breach of this Agreement by Franchisee, the Lenders may suffer damages compensable by the payment of money and also damages which the Lenders believe may not be compensable by money but which may be irreparable. Accordingly, the Lenders shall have the following rights:

5.1 Compensable Damages

In the event of a breach or threatened breach of this Agreement by Franchisee, each of the Lenders shall be entitled to claim all damages of any kind and or nature whatsoever in the forum selected by the Lenders as provided in Section 5.5.

5.2 Damages Not Compensable by Money

Since in the event that Franchisee breaches or threatens a breach of this Agreement some or all of the damages which may be suffered by each of the Lenders as a result of such breach or threatened breach may not be adequately compensated by an award of money damages, then and in any of such events, subject to proof or evidence satisfactory to a court of competent jurisdiction which shall establish their entitlement to such relief, each of the Lenders shall be entitled to equitable relief, such as in the form of a decree of specific performance and/or temporary or permanent injunctive relief, or both, with respect to the performance of the obligations of Franchisee.

5.3 All Remedies

Upon a breach or threatened breach of this Agreement by Franchisee, each of the Lenders shall be entitled to pursue in any forum selected by them all legal and equitable remedies against the Franchisee, whether or not such remedies are specifically set forth in this Agreement. All remedies are cumulative and may be exercised concurrently, successively, or in any order.

5.4 Jurisdiction and Governing Law

Each party hereto hereby consents to the jurisdiction of the Courts of the State of New York and/or the United States District Court for the Western District of New York (with Buffalo, New York as the venue for any action or proceeding) in any action or proceeding pursuant to this Agreement, and each agrees to service

FROM COUNGTON & BURLING 05.25.1995 15:26 P.09

of process by certified mail, return receipt requested, postage prepaid, to its address as set forth in Section 6.10 of this Agreement, or such other address as either may designate by written notice to the other party. Each party hereto agrees not to institute suit against the other in a court in any jurisdiction, except as stated above, without the other party's consent. The parties further agree that all matters with respect to the validity, construction or interpretation of this Agreement shall be governed by the internal law of the State of New York, without reference to any conflict of laws provision.

SECTION 6 - GENERAL PROVISIONS

6.1 Representations and Warranties

Each of the parties hereto hereby represents to each of the other parties that this Agreement has been duly authorized and executed and is a valid and binding obligation of such party enforceable against such party in accordance with its terms. NFHLP represents to all of the other parties to this Agreement that it has furnished notice of this Agreement to each of its general and limited partners and will notify any new partners of the existence of this Agreement.

6.2 Termination of Agreement

This Agreement shall terminate upon the earlier to occur of (i) payment in full of the Construction Loan and (ii) the expiration or earlier termination of the term of the Sabres Lease, including any Renewal Lease Terms as provided in the Sabres Lease. Notwithstanding the foregoing, if the Crossroads Arena is not completed for any reason (other than the default of NFHLP pursuant to this Agreement), this Agreement shall terminate upon the expiration or earlier termination of the term of the Aud Lease. Subject to obtaining the agreement of the City, NFHLP agrees to extend the term of the Aud Lease upon terms and conditions presently in effect if the Agent grants an extension of the Outside Completion Date as provided in section 8.2 of the Financing Participants Agreement (as such terms are defined therein); such extension of the Aud Lease to be coterminous with the extension of the Outside Completion Date. This Agreement shall also terminate upon an event of default by CALLC under the Sabres Lease entitling NFHLP to terminate the Sabres Lease in accordance with its terms.

6.3 Amendment

This Agreement may not be modified or amended except by the written agreement of each of the Lenders and NFHLP; it being

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understood that any such amendments or modifications shall require the prior written approval of the NHL.

6.4 **Further Assurances**

After completion of the Crossroads Arena and commencement of the term of the Sabres Lease, NFHLP agrees that it will not apply to the NHL to relocate the Franchise to a playing site other than the Crossroads Arena and that it will not initiate or pursue proposals to relocate the Franchise prior to the expiration of the 27th Lease Year or in the event the Lease Term has been extended pursuant to Article XXVIII of the Sabres Lease prior to the expiration of the third year of any such Renewal Lease Term. After the foregoing dates, NFHLP may explore and make inquiries, discuss relocation, apply to the NHL, if necessary and if necessary make agreements to relocate the Franchise, but in no event shall NFHLP relocate prior to the expiration of the Term of this Agreement.

6.5 **NHL Rules and Conflicts**

NFHLP represents and warrants to each of the Lenders that it has delivered to each of the Lenders true and correct copies of the NHL Constitution and By-laws existing on the date hereof and hereby undertakes to deliver to each of the Lenders, within 10 days after its receipt thereof, copies of amendments to such Constitution and By-laws, upon the express condition that such deliveries are made in confidence and may only be used by each of the Lenders in connection with this Agreement.

It is acknowledged, understood and agreed that: (1) this Agreement is subject to the NHL Rules; and (2) in the event of any conflict between the terms of the NHL Rules and this Agreement, the terms of the NHL Rules shall prevail; provided, however, and except as may be set forth in the Financing Participants' Cooperation Agreement, nothing in the preceding clauses (1) and (2) is intended to nullify NFHLP's obligations under Sections 2.1 and 2.2 hereof not to apply to the NHL for a voluntary relocation of the Franchise except as may otherwise be contemplated therein.

In the event that there is or appears to be any apparent or seeming conflict between the provisions of this Agreement and NHL Rules by reason of a change, amendment, modification, deletion or addition to said Rules after the execution of this Agreement, NFHLP shall use its best efforts with the NHL to resolve such a conflict so that NFHLP is able to perform its obligations under this Agreement. In the event such a conflict cannot be resolved, NFHLP shall consult with each of the Lenders to reach an agreement which will implement the intent of this Agreement and the benefits accruing to each of the Lenders by this Agreement.

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6.6 Construction and Interpretation

The headings or titles of the sections of this Agreement are intended for ease of reference only and shall have no effect whatsoever on the construction or interpretation of any provision of this Agreement. The use in this Agreement of the words "including," "such as," and words of similar import following any general statement, term or matter shall not be construed to limit such statement, term or matter in any manner, whether or not language of non-limitation (such as "without limitation" or "but not limited to") is used in connection therewith, but rather shall be deemed to refer to all other items or matters that could reasonably fall within the scope of the general statement, term or matter. All obligations of the parties hereto are limited in duration to the Term of this Agreement.

6.7 Waiver

Failure of any of the Lenders, as applicable, at any time to require performance of any provision of this Agreement shall not limit the rights of any of the Lenders, as applicable, to enforce such provision thereafter, nor shall any waiver of any breach of any provision of this Agreement constitute a waiver of any succeeding breach of such provision or a waiver of such provision itself. Any waiver of any provision of this Agreement shall be effective only if set forth in writing and signed by each of the Lenders, as applicable.

6.8 Severability

If any term or provision of this Agreement or the application thereof to any person or circumstance shall to any extent be invalid or unenforceable, the remainder of this Agreement and the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby, and each term or provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

6.9 Opinion of NFHLP

Cohen Swados Wright Hanifin Bradford & Brett, counsel to NFHLP, shall deliver to each of the Lenders its opinion substantially in the form of Exhibit A attached hereto.

6.10 Notices

All notices, requests and other communications hereunder shall be in writing and shall be delivered personally or deposited

in the U.S. Mails, postage prepaid, return receipt requested, for express or "next day" delivery, together with a contemporaneous telefax transmission to the addressee, addressed as follows:

If to Marine Midland:

Marine Midland Bank
c/o Regional Commercial Banking Department
One Marine Midland Center Lobby Level
Buffalo, New York 14203
Telecopier No.: 716-855-0384

With a copy to:

Phillips, Lytle, Hitchcock, Blaine & Huber
3400 Marine Midland Center
Buffalo, New York 14203
Attn: Raymond H. Seitz and James H. Watz
Telecopier No.: 716-852-6100

If to Key Bank:

Key Bank of New York
50 Fountain Plaza
Buffalo, New York 14203
Attn: James L. Rykowski
Telecopier No.: 716-847-7879

With a copy to:

Phillips, Lytle, Hitchcock, Blaine & Huber
3400 Marine Midland Center
Buffalo, New York 14203
Attn: Raymond H. Seitz and James H. Watz
Telecopier No.: 716-852-6100

If to NFHLP:

Legal Department Niagara Frontier Hockey, L.P.
140 Main Street
Buffalo, New York 14202
Telefax: (716) 856-7351

With a copy to:

Cohen, Swados, et al.
70 Niagara Street
Buffalo, New York 14202

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Telefax: (716) 856-5228

or to such other address as may be furnished to the others by written notice in the manner provided in this section 6.10. Any such notice, request, consent or other communication shall be deemed received yet at such time as it is personally delivered or actually received, as the case may be.

6.11 **Counterparts**

This Agreement may be executed in any number of counterparts, each of which shall be an original but all of which together shall constitute one instrument.

6.12 **Execution by NFHMC**

NFHMC hereby executes this Agreement and agrees to be bound by each of its terms, conditions, restrictions and obligations and agrees, as general partner of NFHLP, not to cause NFHLP to take any action, or omit to take any action, required by NFHLP under the terms of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day first written above.

NIAGARA FRONTIER HOCKEY, L.P.

By: NIAGARA FRONTIER HOCKEY MANAGEMENT CORPORATION Its Managing General Partner

By: _____
Robert O. Swados, Vice Chairman

NIAGARA FRONTIER HOCKEY MANAGEMENT CORPORATION

By: _____
Robert O. Swados, Vice Chairman

MARINE MIDLAND BANK,

By: Eilert F Bartels

Name: Eilert F. Bartels

Title: Senior Vice President

KEY BANK OF NEW YORK

By: James L. Rykowski

Name: James L. Rykowski

Title: Vice President

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Exhibit A

Cohen Swados Opinion

See Document 67

STATE OF NEW YORK)
COUNTY OF ERIE) SS.:
CITY OF BUFFALO)

On this 26 day of May, 1995 before me, the subscriber personally came **Robert O. Swados**, to me known, who being by me duly sworn, did depose and say that he resides in 186 WEDGEWOOD WILLIAMSVILLE, New York, that he is the Vice Chairman of Niagara Frontier Hockey Management Corporation, the corporation described in, and which executed the within instrument as the managing general partner of Niagara Frontier Hockey, L.P.; and that he signed his name thereto by order of the Board of Directors of said corporation.

Gregory Ivancic
Notary Public

GREGORY F. IVANCIC
Notary Public, State of New York
Qualified in Erie County
My Commission Expires Dec. 31, 19 95

STATE OF NEW YORK)
COUNTY OF ERIE) SS.:
CITY OF BUFFALO)

On this 26 day of May, 1995 before me, the subscriber personally came **Robert O. Swados**, to me known, who being by me duly sworn, did depose and say that he resides in 186 WEDGEWOOD WILLIAMSVILLE, New York, that he is the Vice Chairman of Niagara Frontier Hockey Management Corporation, the corporation described in, and which executed the within instrument; and that he signed his name thereto by order of the Board of Directors of said corporation.

Gregory Ivancic
Notary Public

GREGORY F. IVANCIC
Notary Public, State of New York
Qualified in Erie County
My Commission Expires Dec. 31, 19 95

STATE OF NEW YORK)
COUNTY OF ERIE) SS.:
CITY OF BUFFALO)

On this 2 day of ~~May~~ June, 1995 before me, the subscriber personally came Elert F. Barkis, to me known, who, being by me duly sworn, did depose and say that he resides in E. Amherst, New York, that he is the Senior Vice President of Marine Midland Bank, the corporation described in, and which executed the within instrument; and that he signed his name thereto by order of the Board of Directors of said corporation.

Kelly K. McCormack
Notary Public

KELLY K. McCORMACK
Notary Public, State of New York
Qualified in Erie County
My Commission Expires 5/20/19 97

STATE OF NEW YORK)
COUNTY OF ERIE) SS.:
CITY OF BUFFALO)

On this 2 day of ~~May~~ June, 1995 before me, the subscriber personally came James L. Rykowski, to me known, who, being by me duly sworn, did depose and say that he resides in Orchard Park, New York, that he is the Vice President of Key Bank of New York, the corporation described in, and which executed the within instrument; and that he signed his name thereto by order of the Board of Directors of said corporation.

Kelly K. McCormack
Notary Public

KELLY K. McCORMACK
Notary Public, State of New York
Qualified in Erie County
My Commission Expires 5/20/19 97

INTERIM NON-RELOCATION AGREEMENT

see Item #12

Attached is the final NHL Cooperation Agreement. The NHL has advised that it will be circulating new signature pages for execution so that the signature pages will be in numerical order. Upon re-execution by all parties, the NHL has advised that it will deliver original signatures.

NATIONAL HOCKEY LEAGUE
1251 Avenue of the Americas, New York, NY 10020-1198
(212) 789-2000 FAX (212) 789-2020

May 10, 1995

Niagara Frontier Hockey, L.P.
Memorial Auditorium
140 Main Street
Buffalo, New York 14202
Attn: President & Chief Executive Officer

Buffalo Sabres Concession, LLC
Crossroads Arena, LLC
c/o Arena, Inc.
140 Main Street
Buffalo, New York 14202
Attn: Mr. Lawrence Quinn,
Executive Vice President

Sportservice Corporation
438 Main Street
Buffalo, New York 14202
Attn: Burt Greenspon, Esq.

New York Sportservice, Inc.
c/o Delaware North Companies
438 Main Street
Buffalo, New York 14202
Attn: Ms. G. Gail Edwards,
Vice President & Treasurer

Shawmut Bank, N.A.
One Federal Street
Boston, MA 02211
Attn: Mr. David A. Splaine,
Managing Director

Fleet Bank of New York
10 Fountain Plaza
Buffalo, New York 14202
Attn: Mr. John J. Larry,
Vice President

Marine Midland Bank
c/o Regional Commercial Banking
Department
One Marine Midland Center
Lobby Level
Buffalo, New York 14203
Attn: Manager

RECYCLED PAPER

SENT BY: 6- 2-95 ; 12:22 ; 6626295 ; # 2/ 3
RECEIVED 06/02 12:35 1995 AT 6626295 PAGE 2 (PRINTED PAGE 2)]

Key Bank of New York
50 Fountain Plaza
Buffalo, New York 14203
Attn: Mr. James L. Rykowski,
Vice President

Buffalo Urban Renewal Agency
920 City Hall
Buffalo, New York 14202
Attn: Mr. Dan Bicz,
Commissioner of Community Development

City of Buffalo
65 Court Street
City Hall
Buffalo, New York 14202
Attn: Mayor Anthony M. Masiello

County of Erie
Department of Environment & Planning
County Office Building, 10th Floor
95 Franklin Street
Buffalo, New York 14202
Attn: Commissioner Richard Tobe.

Erie County Industrial Development Agency
424 Main Street
300 Liberty Building
Buffalo, New York 14202
Attn: Mr. Al Culliton,
Chief Lending Officer
Dr. Ronald Coan,
Executive Director

New York State Urban Development
Corporation
1515 Broadway, 53rd Floor
New York, New York 10035
Attn: Steven J. Matlin, Esq.

Ladies and Gentlemen:

Reference is hereby made to the following documents and to the transactions to be consummated in accordance with the terms thereof:

Construction Loan Documents

(a) the Building Loan Contract (the "Construction Loan Agreement"), dated as of May 10, 1995, by and between Crossroads Arena LLC (the "Construction Borrower") and

Marine Midland Bank ("Marine"), as collateral agent for the benefit of itself, Key Bank of New York ("Key") and any future lenders or participants which are or may become a party thereto subject to the terms and conditions of this Letter Agreement (collectively, Marine, Key, and any such other future lenders or participants shall be referred to herein as the "Construction Lenders"; Marine, in its capacity as lender and as agent for the Construction Lenders, shall be referred to in this Letter Agreement as the "Construction Agent"), pursuant to which the Construction Lenders shall loan the Construction Borrower not more than $35.0 million (the "Construction Loan");

(b) the Guaranty of Payment (the "Construction Guaranty"), dated as of May 10, 1995, executed and delivered by Niagara Frontier Hockey, L.P., a Delaware limited partnership doing business as the Buffalo Sabres (the "Club"), to the Construction Agent, pursuant to which the Club guaranties repayment of up to $12.0 million of the Construction Borrower's obligations under the Construction Loan Agreement (i) prior to the completion of the Crossroads Arena facility (the "Project"), which guaranty shall terminate on the earlier of repayment of the Construction Loan, conversion of the Construction Loan to a permanent loan as provided for in the Construction Loan Agreement and completion of the Project, and (ii) after the completion of the Project, only if the Club breaches its obligations under the Construction Non-Relocation Agreement (defined below), which guaranty shall terminate on the earlier of repayment of the Construction Loan and termination of the Non-Relocation Agreement except as provided in the Construction Guaranty;

(c) (i) the Security Agreement, dated as of May 10, 1995, by the Club in favor of the Construction Agent, pursuant to which the Club, in order to secure its obligations under the Construction Guaranty, has granted to Construction Agent a security interest in an amount not to exceed $12.0 million plus up to, but not in excess of, an additional $1.0 million for interest, fees, costs and expenses and unpaid rent (if and only if the Construction Lenders become the landlord under the Crossroads Lease) accrued during the Standstill Period (defined below) (the "Construction Additional Amount," which together with the Revolving Additional Amount (defined below) and the Concession Additional Amount (defined below) shall not exceed $1.0 million in the aggregate) in substantially all of the Club's assets (the "Pledged Club Construction Assets"), including, without limitation: (A) the National Hockey League (the "NHL" or the "League") franchise for the team known as the "Buffalo Sabres" (the "Franchise"); and (B) all equipment, fixtures, inventory, accounts, chattel

paper, documents, instruments and general intangibles, now owned or hereafter acquired, (ii) the Ticket Proceeds Account Security Agreement, dated as of May 10, 1995, by the Club in favor of the Construction Lenders in an amount not to exceed $750,000 (the "Pledged Ticket Proceeds"), and (iii) Bank Account Assignment of the Ticket Proceeds Account, dated as of May 10, 1995, by the Club in favor of the Construction Lenders (the documents described in subsections (i) through (iii) above, collectively, the "Club Construction Security Documents");

(d) (i) the Security Agreement, dated as of May 10, 1995, by the Construction Borrower in favor of the Construction Agent, (ii) the Building Loan Mortgage, dated as of May 10, 1995, by the Construction Borrower, the Erie County Industrial Development Agency ("ECIDA"), the Buffalo Urban Renewal Agency (the "BURA") and the County of Erie, New York (the "County"), in favor of the Construction Agent, (iii) the Bank Account Assignments, dated as of May 10, 1995, by the Construction Borrower in favor of the Construction Agent, (iv) the Assignment of Leases and Rents, dated as of May 10, 1995, by the Construction Borrower in favor of the Construction Agent, (v) the Assignment of Project Documents, dated as of May 10, 1995, by the Construction Borrower in favor of the Construction Agent, pursuant to which the Construction Borrower, in order to secure its obligations under the Construction Loan Agreement, has granted to the Construction Agent a security interest in substantially all of the Construction Borrower's assets (together with (vi) below, the "Pledged Construction Borrower Assets"), including, without limitation, the Construction Borrower's leasehold interest in the Project, all equipment (other than concession equipment), fixtures, inventory, accounts, chattel paper, documents, instruments and general intangibles of the Construction Borrower, now owned or hereafter acquired, and (vi) the Security Agreement, dated as of May 10, 1995, by ECIDA, the Construction Borrower, the Concession Borrower and the Club in favor of the Construction Agent, granting the Construction Lenders a second lien, subordinate to the Concession Secured Parties' first lien, in the concession equipment (the documents described in subsections (i) through (vi) above, collectively, the "Construction Borrower Security Documents");

(e) the Non-Relocation Agreement, dated as of May 10, 1995, by and between the Club and the Construction Lenders (the "Construction Non-Relocation Agreement");

(f) the Building Loan Note of the Construction Borrower to Marine in the amount of $17.5 million and the Building Loan Note of the Construction Borrower to Key in

the amount of $17.5 million, each dated as of May 10, 1995 (collectively, the "Construction Promissory Notes");

(g) the Lease Agreement, dated as of May 10, 1995, by and between the Construction Borrower and the Club (the "Crossroads Lease");

Public Financing Documents

(a) the Development and Construction Agreement (the "Public Financing Agreement"), dated as of May 10, 1995, by and among the Construction Borrower, the City of Buffalo (the "City"), the County, New York State Urban Development Corporation ("UDC"), BURA and ECIDA (collectively, the "Public Sector Participants"; UDC, in its capacity as a financing participant and as agent for the Public Sector Participants, shall be referred to in this Letter Agreement as the "Public Agent"), which sets forth the rights and obligations of the Public Sector Participants and the Construction Borrower with respect to the Crossroads Arena Project (the "Project");

(b) the Subordinated Guaranty (the "Public Construction Guaranty"), dated as of May 10, 1995, executed and delivered by the Club to the City, County and UDC, pursuant to which the Club guaranties payment of up to $12.0 million in the aggregate for the benefit of the Project if the Construction Lenders fail to advance such amount under the Construction Loan Agreement, which guaranty shall be reduced dollar for dollar to the extent funds are advanced pursuant to the Construction Loan Agreement;

(d) the Promissory Note (the "UDC Promissory Note"), dated as of May 10, 1995, executed and delivered by the Construction Borrower to UDC in the amount of up to $25.0 million, repayment of which is accelerated if the Club breaches its obligations under the Public Sector Non-Relocation Agreement or the NHL terminates NFHLP's ownership interest in the Franchise and a substitute NHL club does not play its home games at the Project;

(e) the NFHLP Guaranty (the "Unsecured Non-Relocation Guaranty"), dated as of May 10, 1995, executed and delivered by the Club to UDC, pursuant to which the Club guaranties to repay the Construction Borrower's obligations under the UDC Promissory Note;

(f) the Non-Relocation Agreement, dated as of May 10, 1995, by and between the Club, on the one hand, and the City, BURA, the County and UDC, on the other (the "Public Sector Non-Relocation Agreement");

Concession Loan Documents

(a) the Interim and Term Concession Loan Agreement (the "Concession Loan Agreement"), dated as of May 10, 1995, by and among Buffalo Sabres Concession LLC (the "Concession Borrower" and together with the Construction Borrower, the "Borrower"), on the one hand, and Shawmut Bank, N.A., Fleet Bank, and the various other lenders which are or may become a party thereto subject to the terms of this Letter Agreement, on the other (collectively, the "Concession Secured Parties"; Shawmut Bank, N.A., in its capacity as lender and as agent for the Concession Secured Parties shall be referred to in this Letter Agreement as the "Concession Agent"), pursuant to which the Concession Secured Parties shall loan the Concession Borrower not more than $32.5 million (the "Concession Loan");

(b) the Promissory Notes of the Concession Borrower to each of the Concession Secured Parties in the total aggregate amount of $32.5 million, dated as of May 10, 1995 (the "Concession Promissory Notes");

(c) the Guaranty and Agreement (the "Concession Guaranty"), dated as of May 10, 1995, executed and delivered by the Club to the Concession Secured Parties, pursuant to which the Club covenants not to relocate from the Project under certain circumstances and guaranties repayment of the Concession Loan and payment of certain other obligations;

(d) the Security Agreement, dated as of May 10, 1995, by the Club in favor of the Concession Secured Parties together with item (g) below (the "Club Concession Security Documents"), pursuant to which the Club, (i) in order to secure its obligations under the Concession Guaranty, has granted to Concession Secured Parties a security interest in an amount not to exceed $12.0 million plus up to, but not in excess of, an additional $1.0 million for interest, fees, costs and expenses accrued during the Standstill Period (the "Concession Additional Amount," which together with the Revolving Additional Amount (defined below) and the Construction Additional Amount shall not exceed $1.0 million in the aggregate) in the Franchise and all equipment, general intangibles, accounts and inventory, now owned or hereafter acquired, and (ii) in order to secure the Club's obligations under the Concession Loan Agreement has assigned its interest in the Concession Lease, the Concession Sublease, the Aud Lease and the Auditorium Concession Sublease (all as defined below) and its rights to certain rents thereunder ((i) and (ii), collectively the "Pledged Club Concession Assets");

(e) (i) the Security Agreement, dated as of May 10, 1995, by the Concession Borrower in favor of the Concession Secured Parties, (ii) the two Leasehold Mortgage, Security Agreement and Fixture Financing Statements, dated as of May 10, 1995, by the Concession Borrower in favor of the Concession Secured Parties, (iii) the Collateral Assignment of Leases and Rents, dated as of May 10, 1995, by the Concession Borrower in favor of the Concession Secured Parties, (iv) the Collateral Assignment and Security Agreement in Regard to Contracts, Licenses, Permits, Agreements, Warranties and Approvals, dated as of May 10, 1995, by the Concession Borrower in favor of the Concession Secured Parties, and (v) Collateral Assignment of Leases, by the Concession Borrower in favor of the Concession Secured Parties (the documents described in subsections (i) through (v) above, collectively, the "Concession Borrower Security Documents"), pursuant to which the Concession Borrower, in order to secure its obligations under the Concession Loan Agreement, has granted to the Concession Agent a security interest in substantially all of the Concession Borrower's assets (the "Pledged Concession Borrower Assets," and together with the Pledged Borrower Construction Assets, the "Pledged Borrower Assets"), including, without limitation, the leasehold interest of the Concession Borrower under the Concession Lease with the Club (as defined in the Concession Loan Agreement), and all accounts, inventory, equipment, general intangibles and inventory, now owned or hereafter acquired;

(f) the Security Agreement, dated as of May 10, 1995, from ECIDA, the Construction Borrower, the Club and the Concession Borrower to the Concession Secured Parties, granting the Concession Secured Parties a security interest in the Club's leasehold interest in the concession equipment (the "Club Concession Equipment Leasehold Interest");

(g) the Collateral Assignment of Leases and Rents (the "Concession Collateral Assignment"), dated as of May 10, 1995, from the Club to the Concession Secured Parties pursuant to which the Club has assigned, among other things, its rights to receive rents under the Concession Lease, the Concession Sublease, the Aud Lease and the Auditorium Concession Lease (all as defined below) (the "Club Concession Collateral");

(h) the Crossroads Arena Concession Lease and Agreement, dated as of May 10, 1995, by and between the Club and the Concession Borrower, on the one hand, and New York Sportservice, Inc. ("NY Sportservice") and Sportservice Corporation ("Sportservice Corp." and together with NY Sportservice, "Sportservice"), on the other hand (the "Concession Sublease");

(i) the NFHLP and BSCLLC Concession Lease and Agreement, dated as of May 10, 1995, by and between the Club and the Concession Borrower (the "Concession Lease");

(j) the Aud Club Concession Lease, dated as of May 10, 1995, by and between the Club and New York Sportservice, Inc. (the "Aud Lease");

(k) the Auditorium Concession Agreement, dated as of July 10, 1970, as amended by letter dated July 10, 1970 and by amendments dated October 1, 1990 and August 10, 1994, by and between the Club and Sportservice (the "Auditorium Concession Lease").

Revolving Credit Facility

(a) (i) the demand note, dated as of May 10, 1995, executed by the Club payable to Marine (Marine, in its capacity as lender thereunder, shall be referred to in this Letter Agreement as the "Revolving Credit Lender," and together with the Construction Agent, the Public Agent and the Concession Agent, the "Agents"), and (ii) the line letter from the Revolving Credit Lender to the Club dated May 10, 1995 (the documents described in subsections (i) and (ii) above, collectively, the "Revolving Credit Facility"); provided, however, that at no time shall the amount available under the Revolving Credit Facility, whether used or unused, exceed $12.0 million, including interest, cost and expenses, plus up to, but not in excess of, an additional $1.0 million for interest, fees, costs and expenses accrued during the Standstill Period (the "Revolving Additional Amount," which together with the Concession Additional Amount and the Construction Additional Amount shall not exceed $1.0 million in the aggregate); and provided, further, that the Revolving Credit Facility may be substituted in its entirety or in part, or supplemented, by a facility (the "League-Wide Credit Facility") that shall be secured by, and repaid solely from: (w) the Club's pro rata rights in and to the FOX, ESPN, Molson and Satellite Sports Network contracts, as well as any other national media contracts to which the League, on behalf of its NHL member clubs, is or becomes a party (the "National Media Contracts"), including, without limitation, the Club's rights to receive its per capita portion (currently 1/26th) of the revenues under the National Media Contracts; (x) the Club's pro rata rights in and to any international broadcast agreements or contracts to which the League, on behalf of its member clubs, is or becomes a party (the "International Broadcast Contracts"), including, without limitation, the Club's rights to receive its per capita portion (currently 1/26th) of the revenues received under the International Broadcast Contracts; (y) the Club's rights to receive its

per capita portion (currently 1/26th) of the fees collected by the League for broadcasts by NHL member clubs of games beyond their respective local territories; and (z) the Club's rights to receive its per capita portion (currently 1/26th) of any expansion franchise fees, the foregoing collateral described in subsections (w) through (z) inclusive shall be collectively referred to herein as the "Broadcast Collateral"), provided that at no time shall (A) the sum of (1) the total amount available, including interest, costs and expenses, under the Revolving Credit Facility, whether used or unused, and (2) the principal amount available under the League-Wide Credit Facility, whether used or unused, exceed $15.0 million in the aggregate, plus the Revolving Additional Amount, which together with the Concession Additional Amount and the Construction Additional Amount shall not exceed $1.0 million in the aggregate, and (B) the amount available under the Revolving Credit Facility, whether used or unused, exceed $12.0 million, including interest, costs and expenses, plus the Revolving Additional Amount, which together with the Concession Additional Amount and the Construction Additional Amount shall not exceed $1.0 million in the aggregate; and provided further that the Construction Lenders, the Concession Secured Parties and the Revolving Credit Lender hereby agree to release any and all interests they may have in the Broadcast Collateral if and when the Club decides to participate in the League-Wide Credit Facility; and provided further that any such substitution or supplementation shall be subject to the NHL's further consent;

(b) (i) the Amended and Restated Collateral Security Agreement, dated as of May 10, 1995, by and between the Club and the Revolving Credit Lender (the "Revolving Credit Security Documents"), pursuant to which the Club, in order to secure its obligations under the Revolving Credit Facility, has granted to Revolving Credit Lender a security interest in substantially all of the Club Assets including, without limitation, the Franchise and all equipment, fixtures, inventory, accounts, chattel paper, documents, instruments and general intangibles now owned or hereafter acquired (the "Pledged Club Facility Assets," and together with the Pledged Club Construction Assets and the Pledged Club Concession Assets, the "Pledged Club Assets").

Other Documents

(a) the Financing Participants Agreement (the "Financing Participants Agreement"), dated as of May 10, 1995, by and among the Public Sector Participants, Marine, individually and as agent, Key, the Concession Secured Parties, New York Sportservice, Inc., Sportservice

Corporation, the Concession Borrower, the Construction Borrower and the Club; and

(b) the Non-Disturbance and Attornment Agreement, dated as of May 10, 1995, by and among the Public Sector Participants, the Construction Lenders, the Concession Secured Parties, the Club, the Borrower, and Sportservice.

In addition to the terms otherwise defined herein, the following terms shall have the following meanings for purposes of this Letter Agreement:

(a) "Club Collateral" shall mean the Pledged Club Assets, Pledged Ticket Proceeds in excess of $750,000 annually and any and all other assets of, or direct or indirect ownership interests in, the Club which may at any time secure (including after a judgment lien) the Obligations (but expressly excluding the Construction Borrower and the Concession Borrower and their assets, but not the membership or other interests in the Construction Borrower and the Concession Borrower owned by the Club);

(b) "Financing Participant(s)" shall mean collectively and individually the Agents and all other banks, lending institutions or other persons (excluding the NHL) from time to time providing financing or having rights as party to, or assignee thereof, or in any other manner under, any Operative Document (including, without limitation, those banks and lending institutions that may participate in any syndication of the indebtedness evidenced or secured by any Operative Document or may become a party to any Operative Document subsequent to the date thereof, whether as additional lenders, by way of assignment or otherwise), and any and all agents thereof; provided, however, that other than the sale of participating interests, for which no consent shall be required, no rights may be assigned or otherwise transferred or pledged under any Operative Document without the consent of the NHL, which consent may be withheld at the NHL's sole discretion; provided, however, that if the Financing Participant(s) propose to assign or otherwise transfer or pledge a right, whether contemplated to occur automatically or otherwise under the Operative Documents, to a commercial bank or insurance company regularly engaged in the business of commercial lending with capital, surplus and undivided profits of at least $500 million, and one of the original parties hereto remains the agent for the lending group of which such assignee, transferee or pledgee (the "Assignee") becomes a party, no consent of the NHL shall be required, provided that the Assignee agrees in writing to be bound be each and every term and condition set forth in this Letter Agreement as if it were a signatory hereto. Furthermore, no consent shall

be required for an assignment, transfer or pledge of any right under the Operative Documents, whether contemplated to occur automatically or otherwise, (i) among parties who are already Financing Participant(s); provided, however, that no assignment, transfer or pledge by the Concession Secured Parties, the Club or any other Financing Participant shall be made to Sportservice Corporation or New York Sportservice, Inc., whether pursuant to the Financing Participants Agreement, the Concession Lease, the Concession Sublease, the Aud Lease, the Sportservice Guaranty, dated as of May 10, 1995, by Sportservice Corporation in favor of the Concession Secured Parties, the Refinancing Agreement, dated as of May 10, 1995, by and among the Club, the Concession Borrower, Sportservice and the Concession Secured Parties, the Sportservice Takeout Agreement dated as of May 10, 1995, by Sportservice Corporation in favor of the Concession Secured Parties, the Concession Loan Agreement or otherwise, unless Jeremy Jacobs, members of his family, or trusts for the benefit of him or his family, own a majority interest in and control, directly or indirectly, through Delaware North Companies Incorporated or otherwise, Sportservice Corporation and/or New York Sportservice, Inc., as appropriate, or (ii) by UDC of its rights under the Operative Documents to another public sector benefit corporation of the State of New York; provided, however, that in each case ((i) or (ii)) such assignee, transferee or pledgee agrees in writing to be bound by each and every term and condition set forth in this Letter Agreement as if it were a signatory hereto.

(c) "NHL Constitution and Agreements" shall mean (i) the NHL Constitution, including, without limitation, Article 3.5 (Transfer of Ownership), Articles 3.9 through 3.12 (concerning involuntary termination by the NHL and disposition of any franchise) and any amendments thereto that may be adopted from time to time by the NHL or the Commissioner of the NHL, (ii) the NHL By-Laws, including, without limitation, By-Law 35 (Transfer of Membership or Ownership Interest in Franchise), By-Law 36 (Transfer of Franchise Location), and By-Law 37 (Admission of New Members), and any amendments thereto that may be adopted from time to time by the NHL or the Commissioner of the NHL, (iii) such other rules, regulations, resolutions and policies as the NHL, the NHL Board of Governors or the NHL Commissioner may adopt from time to time, (iv) all agreements (including, without limitation, this Letter Agreement and collective bargaining agreements), consent decrees and settlement agreements presently or hereafter in effect or entered into between or among the NHL and its member clubs and/or their lenders or the NHL and any other persons in furtherance of NHL business or interests or as otherwise authorized, directly or indirectly, by the NHL

Board of Governors, the NHL Constitution or By-Laws or the NHL Commissioner and (v) the Commissioner's interpretation of any of the foregoing.

(d) "Obligations" shall mean any indebtedness or other obligations owing to the Financing Participant(s) under any Operative Document, the promissory notes executed in connection therewith, or otherwise that is guarantied, incurred or assumed, directly or indirectly, by, or secured by any assets of, or direct or indirect ownership interests in, the Club and any amendments, modifications, extensions or refinancing thereof; and

(e) "Operative Documents" shall mean the Construction Loan Agreement, the Construction Guaranty, the Club Construction Security Documents, the Construction Borrower Security Documents, the Construction Non-Relocation Agreement, the Construction Promissory Notes, the Crossroads Lease, the Public Financing Agreement, the Public Construction Guaranty, the UDC Promissory Note, the Unsecured Non-Relocation Guaranty, the Public Sector Non-Relocation Agreement, the Concession Loan Agreement, the Concession Promissory Notes, the Concession Guaranty, the Club Concession Security Documents, the Concession Borrower Security Documents, the Concession Lease, the Aud Lease, the Concession Sublease, the Auditorium Concession Lease, the Revolving Credit Facility, the Revolving Credit Security Documents and the Financing Participants Agreement, together with any related note, pledge, security and mortgage agreements, guaranties, assignments of contracts, and any and all other documents in connection therewith, as may hereafter be modified or amended from time to time as permitted by and in accordance with this Letter Agreement.

The Club Collateral, including the Franchise and all right, title and interest of the Club thereto, are, and at all times will be, subject to and bound by the provisions of the NHL Constitution and Agreements.

In consideration of the foregoing premises, the NHL's agreement to permit the Club's pledges of the Club Collateral to the Financing Participant(s) pursuant to the Operative Documents to secure up to, but not in excess of, $36,000,000 of the Obligations plus up to, but not in excess of, an additional $1.0 million for interest, fees, unpaid rent, costs and expenses accrued during the Standstill Period (defined below) (except for such amount secured by the Club Concession Collateral under the Concession Collateral Assignment), and the mutual covenants and agreements contained herein, the NHL, on the one hand, and the Financing Participant(s), on the other hand, agree as follows:

1. Subject to the limitations and provisions set forth herein, the NHL consents:

(a) with respect to each of (i) the Construction Lenders, jointly, (ii) the Concession Secured Parties, jointly, and (iii) the Revolving Credit Lender, individually ((i), (ii) and (iii) each a "Secured Lender"), to the Club pledging and granting the security interests in and to the Club Collateral and the Club Concession Equipment Leasehold Interest as set forth above to each Secured Lender and agrees that it will recognize such liens and security interests of such Secured Lender in the Club Collateral; provided that such Secured Lender, including each member thereof, is and remains in compliance with all of the terms and conditions set forth herein; and provided further that appropriate filings or other acts are consummated to perfect and record such liens or security interests to the extent required under applicable law; and

(b) with respect to the Financing Participant(s), jointly, to the Club agreeing not to relocate the Franchise pursuant to (i) Sections 2.1 and 2.2 of each of the Construction Non-Relocation Agreement and the Public Sector Non-Relocation Agreement and (ii) Section 1.2 of the Concession Guaranty, Section 7.3 of the Concession Lease (subject to Section 7.4 thereof), Sections 7.3 and 7.4 of the Concession Sublease (subject to Section 7.5 thereof), and Section 7.3 of the Aud Lease (subject to Section 7.4 thereof) (the "Non-Relocation Covenants"); provided, however, that if any action by any Financing Participant affects the Club's ability to exercise any Indicia of Ownership (defined below), other than permitted action under Section 7(b)(v)(D) hereof, the Non-Relocation Covenants shall terminate and shall be of no further force and the Club shall be free to apply to the NHL for and to pursue a voluntary relocation of the Franchise in accordance with the NHL Constitution and Agreements; provided further that if the NHL determines (i) that any such action by less than all of the Financing Participant(s) is susceptible of being remedied by any of the other Financing Participant(s) and (b) that the NHL's interests and rights could not be materially and adversely affected by any action taken by the Financing Participant(s) to restore the Club's ability to exercise its Indicia of Ownership, the NHL shall allow the Financing Participant(s) a period of thirty (30) days (or such other period as the NHL may deem appropriate in order to protect its interests and rights) to remedy such breach, during which period the NHL in its sole discretion may temporarily relocate the Club to another forum.

The NHL agrees to execute, deliver and file such other instruments and documents as the Financing Participant(s) shall

reasonably request to evidence and confirm the NHL's acknowledgement and consent as herein given, all at the Financing Participant(s)' expense.

2. The Financing Participant(s) and the NHL agree that if the NHL commences proceedings under Article 3.9 of the NHL Constitution, or otherwise takes an action that would have a material adverse impact on the security interests and/or liens of the Financing Participant(s) in the Club Collateral (an "Adverse Proceeding"), the NHL shall furnish notice of the Adverse Proceeding to the Financing Participant(s). To the extent permitted by applicable law and provided the NHL determines (a) that any breach or default by the Club resulting in the Adverse Proceeding is such that is susceptible of being remedied by the Financing Participant(s) and (b) that the NHL's interests and rights could not be materially and adversely affected by any action taken by the Financing Participant(s) to remedy such breach or default, the NHL shall allow the Financing Participant(s) a period of thirty (30) days (or such other period as the NHL may deem appropriate in order to protect its interests and rights) to remedy such breach. If the Financing Participant(s) elect to cure such breach or default, they shall notify the NHL as soon as practicable, but in no event later than ten (10) days after receiving the notice from the NHL of the Adverse Proceeding, of the action that the Financing Participant(s) propose to take in respect of the Club's breach or default under the NHL Constitution and Agreements or other agreement between such party and the NHL, in which event the NHL agrees not to enforce its rights and remedies with respect to the breach during the period of time described in the second sentence of this paragraph. Any failure by the Financing Participant(s) to notify the NHL of their election to cure such breach within such ten (10) day period shall be deemed a waiver by the Financing Participant(s) of their rights under this paragraph. Without limiting the foregoing, if the NHL proposes to relocate the Franchise from Buffalo, New York, the NHL shall give notice of such proposed relocation to the Financing Participant(s), and, prior to taking any final action, the NHL shall afford the Financing Participant(s) an opportunity to be heard on the proposed relocation; provided, however, that such notice and opportunity to be heard shall be on such terms and conditions as the NHL, in its sole discretion, shall deem appropriate; and provided further that neither the NHL nor its member clubs shall incur any liability whatsoever for any failure on the part of the NHL to give such notice or to allow any of the Financing Participant(s) an opportunity to be heard on the proposed relocation, nor shall any of the Financing Participant(s) have any rights whatsoever, whether legal or equitable, as a result of any such failure.

3. The Financing Participant(s) (other than the City, the County and UDC) hereby represent to the NHL that the Club's

respective pledges and assignments of the Club Collateral to the Financing Participant(s) are intended to be a customary granting of a security interest within the meaning of the Uniform Commercial Code and not a present conveyance to the Financing Participant(s), which would entitle the Financing Participant(s) to any present ownership interest (other than such customary security interest) in or with respect to the Club, the Club Collateral or the NHL.

4. Notwithstanding anything in this Letter Agreement to the contrary, except as provided in the definition of Financing Participant(s), no interest in the Club Collateral, whether present or future, contingent or unconditional (including, without limitation, any interest in the Club), may be sold, pledged, or otherwise transferred, and no contingent or conditional assignment may be made currently effective to convey a current ownership interest therein, at any time without the prior written consent of such of the NHL and the NHL member clubs as may be applicable under the NHL Constitution and Agreements, which consent may be withheld in the NHL's sole discretion, and the parties hereto hereby agree that any proposed sale, pledge or other transfer without such prior written consent shall be deemed void ab initio and of no force or effect.

5. The Financing Participant(s) agree that (a) with respect to the Operative Documents to which it is a party, the Financing Participant(s)' liens and security interests in the Club Collateral, if any, and the enforcement thereof, as well as any rights the Financing Participant(s) may have, directly or indirectly, with respect thereto, and (b) any agreements by the Club not to relocate the Franchise, including, without limitation, the Non-Relocation Covenants, are subject to and subordinate to the NHL Constitution and Agreements, including, without limitation, Constitution Articles 3.5 and 3.9 through 3.12, By-Laws 35 through 37, and this Letter Agreement; and the Financing Participant(s) each agree, in exercising their respective rights with respect to such liens, security interests and agreements, (x) to abide by the NHL Constitution and Agreements, (y) not to take or support any positions or actions (i) which may be inconsistent with any NHL obligations or the NHL Constitution and Agreements or (ii) which may have a material adverse impact on the NHL or its member clubs, provided that this clause (y)(ii) shall not limit the Financing Participant(s) ability to exercise their respective rights in accordance with the other terms of this Agreement and (z) not to challenge at any time or in any forum any aspect of the NHL Constitution and Agreements. For greater certainty and clarity, notwithstanding anything contained in any Operative Document, whether to the contrary or otherwise, in the event of any conflict or ambiguity between any term or provision contained in the NHL Constitution and Agreements and any Operative Document, the terms of the NHL Constitution and Agreements shall control and all such conflicts

or ambiguities shall be resolved in a manner that will provide the NHL with the maximum protection that may be afforded to it. The Financing Participant(s) further agree to execute, deliver and file such other instruments as the NHL shall reasonably request to evidence and confirm the seniority and priority of the NHL Constitution and Agreements.

6. Each Financing Participant hereby severally agrees that:

(a) It will deliver to the NHL copies of any notices sent by such Financing Participant to any other party to the Operative Documents regarding any (i) "Event of Default" thereunder (and as defined therein), (ii) acceleration, set-off or any other action under the Operative Documents or otherwise that could give rise to any action or claim, whether direct or indirect, against the Club or Club Collateral, (iii) commencement of any action for judgment against the Club or any of its assets, (iv) foreclosure, including deed in lieu thereof, sale or other disposition of any of the Club Collateral or any other conveyance of an interest in the Franchise or any of the other Club Collateral, or (v) other action by such Financing Participant to exercise or take any steps to enforce its rights with respect to the Club Collateral, or to use, dispose of or exercise dominion or control over, or realize upon, any of the Club Collateral, including, without limitation, by commencing an involuntary proceeding or filing an involuntary petition in a court of competent jurisdiction seeking relief under the Bankruptcy Act, as now constituted or hereafter amended, or any other Federal or state bankruptcy, insolvency, receivership or similar law (clauses (ii) through (v) collectively, a "Foreclosure").

(b) There shall be no amendment, supplement or other modification to any provision of any of the Operative Documents in a manner materially adverse to the interests or rights of the NHL (an "Adverse Modification") without the prior written approval of the NHL, which approval may be withheld in the NHL's sole discretion. The parties to the Operative Documents may amend such Operative Documents to the extent any such amendment does not result in an Adverse Modification, provided that the NHL is promptly furnished with a copy of such amendment.

(c) The maximum amount permitted to be secured by the Club and its assets, including the Club Collateral, at any time under the Operative Documents, or otherwise, shall not at any time exceed $39,000,000 plus up to, but not in excess of, an additional $1.0 million for interest, fees, unpaid rent, costs and expenses accrued during the Standstill Period (except for such amount secured by the

Club Concession Collateral under the Concession Collateral Assignment).

(d) In the event that any of the Club Collateral is sold, the proceeds shall first be used to pay all amounts due and owing to the NHL or any other member club, whether in accordance with the terms of the NHL Constitution and Agreements, applicable law or otherwise, and then as required by law.

7. Any proposed Foreclosure shall be subject to the following terms and conditions:

(a) If at any time any Financing Participant shall furnish to any of the Club or the Borrower, or any other party any notice setting forth any Financing Participant's intention to effect Foreclosure, the Financing Participant(s) shall promptly give to the NHL a copy of such notice, and the Financing Participant(s) hereby agree, notwithstanding any provision in the Operative Documents to the contrary, that no such notice shall be effective unless and until given to the NHL in accordance with the provisions of Section 16 hereof.

(b) (i) Notwithstanding any other provision contained herein or in the Operative Documents, the Financing Participant(s) shall not have the right to take any steps to effect Foreclosure unless (A) an "Event of Default" has occurred and is continuing under (and as defined in) the Operative Documents, and (B) the Standstill Period, as defined in the next succeeding subsection (ii), has expired with respect to such Event of Default.

(ii) During the period beginning on the date that any Financing Participant has a right to commence Foreclosure under the Operative Documents and continuing until the date one hundred and eighty (180) days after any such Financing Participant gives notice (a "Default Notice") to the NHL that the Financing Participant(s) have the right and intention to commence Foreclosure forthwith (or, in the event the Club, the Borrower or any other person or entity initiates, within one hundred and twenty (120) days after delivery of said Default Notice, a proceeding to contest the right of the Financing Participant(s) to commence Foreclosure, the date one hundred and eighty (180) days after the date that the Financing Participant(s) give notice to the NHL that the court or other entity having jurisdiction over the matter has made a final non-appealable determination of the right of the Financing Participant(s) to commence Foreclosure), provided that,

if such last day is prior to the final game of the Stanley Cup Finals for that season, then such period shall be extended to the date sixty (60) days after the date on which the Stanley Cup Playoffs for such season have been completed (the "Standstill Period"), the NHL and the Financing Participant(s) agree to reasonably cooperate with each other to find a purchaser for the Club Collateral acceptable to such of the NHL and/or the NHL member clubs as may then be applicable under the NHL Constitution and Agreements; provided, however, that the NHL and the NHL member clubs shall have the exclusive and unrestricted right, without the prior consent of the Financing Participant(s), to select the purchaser to whom the Club Collateral (or any portion thereof) shall be sold and to establish the terms and conditions of any sale that is consummated or agreed upon in writing within that period. Notwithstanding the foregoing, upon receipt of a Default Notice, the NHL, in its sole discretion, may elect to permit the noticing party to pursue one or more of its proposed remedies as set forth in the Default Notice before the expiration of the Standstill Period, in which case (i) the Standstill Period with respect to such Default Notice shall be deemed to have not commenced and (ii) the Financing Participant(s) shall not be able to take any action other than the specific action consented to by the NHL without first providing a new Default Notice in accordance with the immediately preceding sentence. If a voluntary or involuntary bankruptcy proceeding is commenced against the Club by a party other than a Financing Participant, the Standstill Period shall commence on the date the NHL receives notice of such proceeding; provided, however, if such proceeding is dismissed, withdrawn or otherwise terminated without action against the Club, the Standstill Period shall terminate as if it had never commenced, and the Financing Participant(s) shall have to file a Default Notice pursuant to this Section 7(b)(ii) to begin the Standstill Period.

(iii) The Financing Participant(s) shall have no right to object to any sale of Club Collateral by the NHL as aforesaid, provided that (A) the Financing Participant(s) shall be paid, in accordance with Section 6(d) hereof, the lesser of (1) all of the outstanding Obligations secured by the Club Collateral (other than the Club Concession Collateral) or (2) $36,000,000 plus up to, but not in excess of, an additional $1.0 million for interest, fees, unpaid rent, costs and expenses accrued during the Standstill Period 1) or (2) being the "Release Price"), or (B) the sale of the Club Collateral to such purchaser

occurs in an arms-length transaction for a price, and on terms, that are reasonable in light of the fair market value of the Club and all other relevant circumstances existing at such time, including, without limitation, the NHL Constitution and Agreements and the interests of the NHL and its member clubs in protecting and enhancing the reputation and integrity of hockey and in preserving and enhancing the value of other member clubs ((A) or (B) being a "Release Event").

(iv) The NHL shall keep the Financing Participant(s) generally informed regarding the NHL's actions and discussions with third parties with respect to the sale of the Club Collateral during the Standstill Period to the extent such disclosure would not be a breach of the NHL's obligations, if any, to keep such information confidential and would not otherwise be detrimental to the NHL's interests. Each Financing Participant shall promptly inform the NHL of any actions or discussions by such Financing Participant with respect to the disposition of the Club Collateral, providing advance notice whenever possible. The NHL and the NHL member clubs shall have the right to reject any prospective purchaser in their sole discretion, whether during the Standstill Period or thereafter.

(v) This subsection (b) shall not prohibit any Financing Participant from, (A) in the event that the Club becomes subject to any proceeding under the Bankruptcy Code, or any similar Federal or state law for the relief of debtors, as a result of any action taken by a party other than (x) such Financing Participant or (y) if such Financing Participant is a Secured Lender, any member of such group, taking any action in such proceeding for the sole purpose of filing, defending or protecting its claim or exercising its rights under statute or rule for the sole purpose of protecting its rights as a creditor in such proceeding; provided, however, that during the Standstill Period, the Financing Participant(s) shall not (1) use, dispose of or exercise dominion or control over, or realize upon, any of the Club Collateral, including, without limitation, by right of set off, or (2) take any action, or cause any action to be taken, which might directly or indirectly (x) result in a sale or other disposition of any of the Club Collateral or any other conveyance of an interest in the Franchise or any of the other Club Collateral or (y) impact the Club's ability to exercise any Indicia of Ownership; and provided further that the Financing Participant(s) agree that their interests in any such proceeding shall

be fully and completely subordinate to the claims and interests of the NHL; and provided further that, during the Standstill Period, the Financing Participant(s) shall not take, or cause to be taken, any action to attempt to lift the automatic stay, (B) taking any action to enforce its rights solely with respect to the Borrower or the Pledged Borrower Assets as permitted under the Operative Documents, including such action under Section 6(a)(ii) against the Pledged Borrower Assets, or action by the Concession Secured Parties to cause Sportservice to set off rents payable by Sportservice to the Club under the Auditorium Concession Lease during the Standstill Period pursuant to the Operative Documents; provided, however, that no such action shall impact the Club's ability to exercise any Indicia of Ownership (defined below), (C) accelerating any Obligation of or demanding any payment from the Club at any time as permitted under the Operative Documents, (D) notwithstanding subsections 5(x) and 5(y) hereof, in the event the Club makes a written application to the NHL for a voluntary relocation, seeking a determination from a court of competent jurisdiction that such action is reasonably likely to constitute a breach of the Club's obligations under such Financing Participant's Non-Relocation Covenant and otherwise satisfies the requirements for injunctive relief under the circumstances, and, if the court makes such a determination, seeking such injunctive relief against NFHLP pursuant to such Non-Relocation Covenant as the court may deem appropriate under the circumstances; provided, however, that the NHL does not hereby consent to the Financing Participant(s) seeking any such determination or relief or to the granting of any such relief, and that the NHL has not waived and expressly reserves any and all rights whatsoever it may have to defend, contest, oppose, challenge or object to any such action by, or the granting of any relief whatsoever to, any or all of the Financing Participant(s). The NHL agrees that it will not enact any NHL Constitution and Agreements that specifically render the Public Sector Non-Relocation Agreement void and or unenforceable, provided that this sentence shall not limit in any way the NHL's rights to consider, act upon, or approve a voluntary application to relocate the Club, subject to the Financing Participant(s)' right to seek injunctive relief as set forth in the preceding sentence. No action or judgment for money damages against the Borrower or foreclosure or setoff against the Pledged Borrower Assets or Pledged Ticket Proceeds up to $750,000 annually shall be deemed to impact the Club's ability to exercise Indicia of Ownership under this Letter Agreement;

provided, however, that a termination of the Crossroads Lease, or any other action by a Financing Participant that renders the Crossroads Arena or the Memorial Auditorium, as appropriate, inaccessible to or unsuitable for the Club to play hockey, shall be subject to the Standstill Period.

This subsection (b) shall not prohibit the Construction Lenders from amending the summons, complaint and notice of pendency (collectively, the "Complaint") in a foreclosure proceeding against the Construction Borrower to name NFHLP, in its capacity as guarantor of up to $12.0 million of the Construction Loan under the Construction Guaranty, solely for the purpose of preserving any rights the Construction Lenders may have with respect to NFHLP under the Construction Guaranty in the event that the foreclosure against the Construction Borrower does not yield sufficient proceeds to satisfy the Construction Borrower's obligations under the Construction Loan; provided, however, that the Construction Lenders shall not name NFHLP in the initial Complaint, and shall not join NFHLP in such proceeding any earlier than is absolutely necessary, as set forth in the written opinion of their counsel, to preserve their rights to seek a deficiency judgment against NFHLP under N.Y. Real Prop. Acts. Law §1371(2) and in no event without at least ninety days notice to the NHL; and provided further that the Construction Lenders shall take no further action against NFHLP or the Club Collateral in any such proceeding during the Standstill Period or until seventy-five (75) days after the sale of the Construction Borrower or its assets has been consummated by delivery of the proper deed of conveyance to the Construction Lenders as required under N.Y. Real Prop. Acts. Law §1371 (the "Motion Period"), whichever period ends later, including, without limitation, filing a motion for a deficiency judgment against NFHLP under N.Y. Real Prop. Acts. Law §1371 (a "Deficiency Judgment Motion"), other than petitioning the court to continue the period for filing a Deficiency Judgment Motion against NFHLP or the Club Collateral until the later of the end of the Standstill Period and the Motion Period (a "Continuation Petition").

If the Continuation Petition is not granted, the Construction Loan has converted to the Permanent Loan, the Project has been completed

(as defined in the Construction Loan Agreement), NFHLP has not agreed by stipulation entered in the foreclosure action to said continuance, and the Construction Lenders have obtained the written opinion of their counsel that making such Deficiency Judgment Motion is necessary to preserve their rights to later obtain a deficiency judgment against NFHLP, the Construction Lenders may make a Deficiency Judgment Motion limited to the enforcement of NFHLP's obligations under the Construction Guaranty, but only on the condition that contemporaneously with the filing or service of such motion, whichever is earlier, (1) an extension of time to submit opposing papers to the motion is granted, through not earlier than until one day after the expiration of the Standstill Period, by written stipulation executed by counsel for the Construction Lenders and promptly delivered to counsel for NFHLP, and (2) the Construction Lenders deliver to NFHLP a stipulation to be entered in the foreclosure action that the Construction Lenders will not enter judgment in such action until at least 90 days after the Standstill Period expires. The Construction Lenders agree that if a judgment is nevertheless ordered during the Standstill Period, the Construction Lenders shall not enter the judgment or seek to enforce the judgment during the Standstill Period and for a period ending 90 days after the expiration of the Standstill Period. For purposes of the Standstill Period described in this and the preceding paragraph in connection with a Construction Borrower foreclosure after the Construction Loan has converted to the Permanent Loan, and subject to the NHL's right to permit the Construction Lenders to pursue one or more of their proposed remedies without commencing such Standstill Period as set forth in Section 7(b)(ii) hereof, the Default Notice shall be deemed given on the date that the Construction Lenders give notice to the NHL that the sale of the Construction Borrower or its assets has been consummated by delivery of the proper deed of conveyance to the Construction Lenders as required under N.Y. Real Prop. Acts. Law §1371 and that a deficiency exists, which notice shall be given in accordance with Section 16 hereof.

In consideration for the consent of the NHL hereto, NFHLP hereby irrevocably assigns to the NHL the right, but not the obligation, to

defend on behalf of NFHLP any Deficiency Judgment Motion commenced by the Construction Lenders during the Standstill Period, including the right to appoint (at NFHLP's expense) counsel with full and complete authority to determine the manner of defense and any legal theories to be raised in the defense of the Deficiency Judgment Motion and to protect the interests of the NHL even if those interests conflict with the interests of NFHLP. Without prejudice to any other rights of the NHL, the foregoing assignment of the right to defend the Deficiency Judgment Motion shall expire upon the later of the expiration of the Standstill Period and the complete and final resolution of any proceeding related to a deficiency Judgment Motion filed during the Standstill Period, including any appeals or collateral proceedings related thereto. If the Construction Lenders violate the terms of this paragraph or the preceding two paragraphs, or cause such terms to be violated, the security interest held by the Construction Lenders in the Club Collateral shall automatically terminate, and the Construction Lenders shall take all steps necessary to evidence such termination;

(vi) Beginning when the Financing Participant(s) have a right to commence Foreclosure or otherwise direct disposition of any of the Club Collateral and prior to the sale of the Club Collateral, the Financing Participant(s), to the extent they have a right to do so under the Operative Documents, shall be permitted to continue as the holders of a security interest in the Club Collateral in accordance with the terms hereof and the Operative Documents until a purchaser for such Club Collateral is obtained; provided, however, that to the extent the occurrence or continuance of any event, including, without limitation, an "Event of Default" under (and as defined in) any of the Operative Documents, that would permit Foreclosure gives or could give any Financing Participant a right to select the management of the Club or otherwise make decisions with regard to the operation of the Club (including, without limitation, by the exercise of any voting rights with respect to any interests in, or the making of any determinations or decisions regarding, any of NHL Enterprises, Inc. or NHL Enterprises Canada, Inc.), such right shall, subject to the provisions of Section 9 hereof, be exercised solely by the NHL or, if the NHL so determines, by a designee of the NHL.

(vii) Unless the Financing Participant(s) have been approved as owners in accordance with the NHL Constitution and Agreements, the Financing Participant(s) will have no rights whatsoever to (A) operate, exercise dominion and control over or otherwise deal in the ordinary course, consistent with past practice, and in accordance with the NHL Constitution and Agreements, with the Club Collateral, or (B) exercise the Club's rights to vote and to give consents, waivers and ratifications as a member of the NHL or as a shareholder of any affiliate of the NHL ((A) and (B) collectively, the "Indicia of Ownership").

(d) If a sale meeting the requirements of subsection (b) above is not agreed upon within the Standstill Period, the NHL and the Financing Participant(s) agree to reasonably cooperate with each other to find a purchaser for the Club Collateral acceptable to such of the NHL and the NHL member clubs as may be applicable under the NHL Constitution and Agreements. The Financing Participant(s) specifically agree and acknowledge that no sale, assignment or other transfer of any of the Club Collateral, or any ownership interest therein, or exercise of any Indicia of Ownership, upon Foreclosure or any action in lieu thereof may be effected without complying with, and any such sale, assignment, exercise or other transfer is subject to, the NHL Constitution and Agreements, including, without limitation, the requirement of approval contained in Article 3.5 of the Constitution and the provision for involuntary termination of a franchise contained in Articles 3.9 through 3.12 of the Constitution.

(e) If the Financing Participant(s) independently locate a prospective purchaser for substantially all of the Club Collateral, the NHL shall consider a written application for the consent of such of the NHL and the NHL member clubs as may be applicable under the NHL Constitution and Agreements to the proposed sale of the Club Collateral. The NHL shall have no obligation to consider an offer to purchase less than all of the Club Collateral.

(f) If the NHL selects or otherwise approves a purchaser of the Club Collateral, the Financing Participant(s) shall (i) release (A) their liens on and any other rights they may have with respect to the Club Collateral, including, without limitation, any or all liens or security interests they may have arising out of the Concession Collateral Assignment as well as any other contractual rights they may have to the Club Collateral (including any contractual rights to be granted liens therein in the future) and (B) any and all rights they may have under the Non-Relocation Covenants with respect to the

Club Collateral, including, without limitation, any rights to follow the Franchise or to challenge the transfer of ownership in or the relocation of the Club Collateral, and (ii) cooperate with the NHL by taking such other steps and executing such other documents as may be requested by the NHL, to permit as promptly as possible the proposed conveyance free and clear of any claims by the Financing Participant(s); provided, however, that no such release shall be required unless a Release Event shall have occurred. For greater certainty and clarity, notwithstanding anything to the contrary in any of the Operative Documents or in any other document executed in conjunction with the transactions contemplated by the Operative Documents, in the event the NHL selects or otherwise approves a purchaser of the Franchise and any of the other Club Collateral, and a Release Event occurs, any entity or entities that succeed to the ownership or operation of the Franchise or any entity or entities that succeed to the ownership of substantially all of the assets of the Club (an "NHL Transferee") shall hold such assets and the Franchise free and clear of any and all liens, encumbrances and other contractual rights of the Financing Participant(s), including, without limitation, the Non-Relocation Covenants and any contractual obligations to grant liens in the future, and shall be free to relocate the Franchise in accordance with the NHL Constitution and Agreements; provided, however, that in the event and only for so long as the NHL Transferee elects to continue to play the Franchise's home games at the Project or the Memorial Auditorium, the Concession Borrower or Sportservice shall retain their respective rights to operate the concession facilities under the Concession Lease, the Aud Lease, the Concession Sublease or the Auditorium Concession Lease, as appropriate. Any NHL Transferee that ceases, at any time, to conduct operations of the Franchise, or any successor or replacement franchise, at the Project or the Memorial Auditorium shall, as of the date such operations cease, have no further obligations under the Concession Lease, the Aud Lease, and the Concession Sublease or the Auditorium Concession Lease, as appropriate, and, upon such date, the Concession Lease, the Aud Lease, the Concession Sublease and the Auditorium Concession Lease shall be deemed null and void and of no further force and effect as to the NHL Transferee.

(g) Subject to Section 7(f), if more than one potential purchaser of the Club Collateral is identified by the Financing Participant(s) and/or the NHL, the Financing Participant(s) shall have no right to object to the selection by the NHL or the NHL member clubs, as the case may be, of any such purchaser, whether or not the purchaser so selected purchases the Club Collateral at a price that

will yield net cash proceeds sufficient to satisfy all of the Obligations then outstanding; provided, however, that in the event that there are two or more prospective purchasers of substantially all of the Club Collateral, the NHL shall select a purchaser that is offering to acquire the Club Collateral at a price that would yield net cash proceeds sufficient to pay the Financing Participant(s) the Release Price, if any, only if such a purchaser has met the NHL's requirements to own an NHL club and is, in the NHL's sole discretion, equally qualified with respect to the other potential purchasers (i) to be an owner of the Club, and (ii)(A) to fully fund the Club's obligations, including any losses that may result from the Club's operations, and (B) to provide a demonstrated ability, backed by a line of working capital comparable to that required of other Clubs, to fund the Club's operations at a realistic level so as to give the Club a reasonable prospect of competitive success.

(h) Without limiting the Financing Participant(s) rights to Foreclosure, in the event of any Foreclosure or proposed Foreclosure, the Financing Participant(s) shall reasonably cooperate with the NHL in preserving the Club's ability to meet its obligations to the NHL and the other NHL member clubs, and the Financing Participant(s) shall reasonably cooperate with the NHL in order to permit the sound operation and maintenance of the Franchise, except as otherwise permitted by Section 7(b)(v) hereof.

Notwithstanding the foregoing, the Financing Participant(s) specifically agree and acknowledge that no sale, assignment or other transfer of any of the Club Collateral, or any ownership interest therein, or exercise of any Indicia of Ownership, upon Foreclosure or any action in lieu thereof, or any other action that would restrict or impair the Club's ability to exercise any Indicia of Ownership (including following the date when the Financing Participant(s) have a right to commence Foreclosure or otherwise direct disposition of any of the Club Collateral) may be effected without complying with, and any such sale, assignment, exercise, transfer or other action is subject to, the NHL Constitution and Agreements, including, without limitation, the requirement of approval contained in Article 3.5 of the Constitution and the provision for involuntary termination of a franchise contained in Articles 3.9 through 3.12 of the Constitution.

8. By its acceptance hereof, each Financing Participant severally acknowledges and agrees that:

(a) Without the NHL's prior written consent, which consent will not be unreasonably withheld or delayed, the Financing Participant(s) will not subordinate their security interests and/or liens in and to any of the Club

Collateral to any other person, firm, company, institution or entity. Nothing contained herein shall be or be construed or deemed to be a subordination by the NHL of the NHL's rights to receive payments on account of indebtedness or liabilities now or hereafter owing to it or the NHL's member clubs by the Club or to defer distribution for NHL purposes (the NHL's rights to receive such payments being senior in all respects to the Financing Participant(s)' rights to receive payment of the Obligations), or to constitute consent by the NHL to a relocation of the Franchise to a different territory or waiver by the NHL of its rights to sell, terminate or relocate the Franchise under the NHL Constitution and Agreements.

(b) The NHL has reviewed certain drafts of the Operative Documents, including the Non-Relocation Covenants, that have been supplied to it by counsel for the Financing Participant(s), the Club and the Borrower only for certain limited purposes, and it is not charged with knowledge of, or deemed to have any independent obligations under, and makes no representation, warranty or covenant as to (and specifically disclaims) the accuracy or completeness of any term or provision of, any of the Operative Documents.

(c) With respect to the subject matter of this consent, the descriptions of the Operative Documents to which such Financing Participant is a party contained herein accurately describe in substance the material obligations to the Financing Participant(s) that are guarantied, incurred or assumed, directly or indirectly, by the Club or secured by any assets of, or direct or indirect ownership interests in, the Club or the Club Collateral.

9. In the event that the NHL or the Financing Participant(s) take steps to enforce any of their respective rights with respect to the Club Collateral and an interim operator is required, or in the event that any Financing Participant at any time has a right to nominate an interim operator, whether pursuant to the Operative Documents or otherwise, the NHL agrees to consult with such Financing Participant and to consider the Financing Participant's views as to the choice of such interim operator pending the ultimate disposition of the Club Collateral, as otherwise contemplated in this Letter Agreement; provided, however, that the Financing Participant(s) agree that, notwithstanding any provision of any Operative Document to the contrary, (a) at all times, the final decision on the selection of an interim operator, and (b) during and prior to the Standstill Period, the decision on whether to appoint an interim operator, rests with the NHL, in its sole discretion.

10. This Letter Agreement shall not be construed in any respect as a guaranty or indemnity by the NHL, or any NHL member club, of any debts, liabilities or obligations whatsoever of the Club, the Borrower or any other party to any of the Operative Documents.

11. Nothing in this Letter Agreement shall in any way limit the rights of the NHL or the Commissioner to exercise their respective remedies or to take disciplinary action against the Club under the NHL Constitution and Agreements (or otherwise), including, without limitation, the termination, sale or relocation of the Franchise.

12. No failure on the part of the NHL or any of its agents to exercise, and no course of dealing with respect to and no delay in exercising any right, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise by the NHL or any of its agents of any right, power or remedy hereunder preclude any other or further exercise thereof or the exercise of any other right, power or remedy.

13. The Financing Participant(s) agree to note on any financing or continuation statements securing the Club Collateral, and in the Operative Documents related to the Obligations, that the lien evidenced or created thereby, as the case may be, and the rights of the Financing Participant(s) to enforce their respective rights and remedies with respect to the Club Collateral, are subject to the rights of the NHL under the NHL Constitution and Agreements, and to furnish the NHL a copy of such Operative Documents after their execution and a copy of such statements upon their filing. The Financing Participant(s) further agree to execute, deliver and file such other instruments as the NHL shall reasonably request to evidence and confirm the seniority and priority of the NHL Constitution and Agreements.

14. The parties hereto (other than the NHL) agree that for so long as the Club plays games at the arena contemplated in the Operative Documents (the "Arena"), the name of the Arena shall not be changed from "The Crossroads" without the consent of the NHL, which consent shall not be unreasonably withheld.

15. The terms of this Letter Agreement may be waived, altered or amended only by an instrument in writing duly executed by the NHL and the Financing Participant(s) and any such amendment or waiver shall be binding upon the NHL and the Financing Participant(s), and their respective successors and assigns. This Letter Agreement shall be governed by and interpreted in accordance with the internal laws of the State of New York, without reference to its conflicts of law or choice of law provisions.

16. All notices required to be delivered hereunder and all communications in respect hereof shall be in writing and shall be deemed given (a) when personally delivered, (b) one (1) business day after sending if delivered by an overnight delivery courier with a national reputation, or (c) three (3) days after being deposited in the United States mail, registered or certified, return receipt requested, first class, postage pre-paid. If sent to a Financing Participant, such notice shall be sent to the address for such party's Agent set forth in the address block of this Letter Agreement and, if sent to the NHL, such notice shall be sent to:

National Hockey League
1251 Avenue of the Americas
47th Floor
New York, New York 10021
Attention: Mr. Gary B. Bettman,
Commissioner
Jeffrey Pash, Esq.,
Senior Vice President
and General Counsel

or addressed to such other address or to the attention of such other individual as the addressee shall have specified in a notice delivered pursuant to this paragraph.

17. This Letter Agreement may be executed in a number of counterparts, each of which shall constitute an original, but all of which taken together shall constitute one and the same instrument. In case any one or more of the provisions contained in this Letter Agreement shall be found to be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

18. Nothing herein is intended to modify or diminish the rights with respect the Club Collateral that the NHL presently holds under the provisions of the NHL Constitution and Agreements.

19. This Letter Agreement is solely for the benefit of and shall bind the Financing Participant(s) and the NHL and their respective successors and assigns, and no other person shall have any right, benefit or priority under or because of this Letter Agreement. The Financing Participant(s) shall have the right to assign and transfer any or all of their interests under the Operative Documents; provided, however, that the assignee(s), including any transferee of a participating interest, agree(s) in writing to be bound by each and every term and condition set forth in this Letter Agreement as fully as if it were a signatory hereto; and provided, further, that the NHL consents to such assignment if required pursuant to the definition of Financing

Participant(s). Notwithstanding anything contained in the Operative Documents, the member clubs of the NHL, including the Club, shall have the right: (a) to amend, modify, rescind or restate all governing, constitutive, operating and other agreements or documents relating to the NHL, NHL Enterprises, Inc. or NHL Enterprises Canada, Inc. and any of their subsidiaries or affiliates, whether now existing or formed in the future, and to liquidate, dissolve or merge any of those entities, (b) to vote in favor of the actions set forth in clause (a) hereof, and (c) to invest or acquire an interest in any entity in which NHL teams or member clubs generally are investing or acquiring interests.

20. It is acknowledged and agreed that the NHL will suffer immediate and irreparable harm in the event of a breach of this Letter Agreement by any other party hereto of any of its obligations hereunder and will not have an adequate remedy at law, and therefore, the NHL shall in addition to any other remedy available to it at law or in equity, be entitled to temporary, preliminary and permanent injunctive relief and a decree for specific performance in the event of a breach or threatened or attempted breach, without the necessity of showing any actual damage or irreparable harm or the posting of any bond or furnishing of any other security. This Letter Agreement shall be interpreted neutrally and without regard to the party that drafted it and, in particular, no rule of construction shall be applied as against any party hereto that would result in the resolution of an ambiguity contained herein against the drafting party.

21. The NHL and its member clubs (other than the Club) shall have no liability whatsoever for actions taken with respect to the subject matter of this Letter Agreement other than for willful misconduct.

22. Notwithstanding anything contained herein or in any Operative Document to the contrary, the NHL shall be under no obligation to fund the operations of the Club at any time, but rather any decision by the NHL to fund the operations of the Club shall be at the sole discretion of the NHL. At the written request of any Financing Participant, the NHL shall advise such Financing Participant of the amount then owing to the NHL by the Club; provided, however, that neither the NHL nor its member clubs shall incur any liability whatsoever for any such disclosure, nor shall the rights hereunder of the NHL or its member clubs be limited in any way by any such disclosure, nor shall any of the Financing Participant(s) have any rights whatsoever, whether legal or equitable, as a result of any such disclosure.

23. The Club agrees, in accordance with the third paragraph of Article 3.5, that all legal fees and costs incurred

by the NHL with respect to the transactions contemplated by this Letter Agreement shall be charged to the Club and shall be the obligation thereof.

24. This Letter Agreement contains the entire agreement of the parties with respect to the subject matter herein and supersedes all other representations, warranties, agreements, and understandings, oral or otherwise, between the parties with respect to the subject matter hereof.

If the foregoing is in accordance with your understanding of our agreement, please sign and return to us the enclosed duplicate hereof, whereupon this Letter Agreement and your acceptance hereof shall constitute a valid and binding agreement between the NHL and the Financing Participant(s).

Very truly yours,

National Hockey League

By: _____
Name: JEFFREY PASH
Title: SENIOR VICE PRESIDENT & GENERAL COUNSEL

The undersigned hereby agree to the foregoing terms and conditions and specifically agree that the method of disposing of the Club Collateral contemplated in this Letter Agreement in the event of foreclosure would not make a sale or other disposition of the Club Collateral commercially unreasonable.

Financing Participant(s):

Marine Midland Bank, on its own behalf and
in its capacity as Agent

By: _____ Date: _____
Name: Eilert F. Bartels
Title: Senior Vice President

Key Bank of New York, on its own behalf

By: _____ Date: _____
Name: James L. Rykowski
Title: Vice President

Shawmut Bank, N.A., on its own behalf and
as Agent for the Concession Secured Parties

By: _____ Date: _____
Name:
Title:

Fleet Bank, on its own behalf

By: _____ Date: _____
Name:
Title:

New York State Urban Development
Corporation, on its own behalf

By: _____ Date: _____
Name:
Title:

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Financing Participant(s):

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in its capacity as Agent

By: _____ Date: _____
Name:
Title:

Key Bank of New York, on its own behalf

By: _____ Date: _____
Name:
Title:

Shawmut Bank, N.A., on its own behalf and
as Agent for the Concession Secured Parties

By: David B. Henderson Date: 6/1/95
Name: DAVID B. HENDERSON
Title: VICE PRESIDENT

Fleet Bank, on its own behalf

By: _____ Date: _____
Name:
Title:

New York State Urban Development
Corporation, on its own behalf

By: _____ Date: _____
Name:
Title:

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Title:

Key Bank of New York, on its own behalf

By: _____ Date: _____
Name:
Title:

Shawmut Bank, N.A., on its own behalf and as Agent for the Concession Secured Parties

By: David B. Henderson Date: 6/1/95
Name: DAVID B. HENDERSON
Title: VICE PRESIDENT

Fleet Bank, on its own behalf

By: John J. Larry Date: 6-1-95
Name: JOHN J. LARRY
Title: VICE PRESIDENT

New York State Urban Development Corporation, on its own behalf

By: _____ Date: _____
Name:
Title:

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in its capacity as Agent

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Key Bank of New York, on its own behalf

By: _____ Date: _____
Name:
Title:

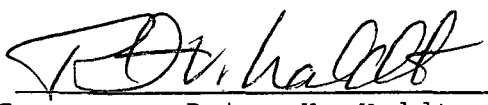
Shawmut Bank, N.A., on its own behalf and
as Agent for the Concession Secured Parties

By: _____ Date: _____
Name:
Title:

Fleet Bank, on its own behalf

By: _____ Date: _____
Name:
Title:

New York State Urban Development
Corporation, on its own behalf

By:  Date: _____
Name: Peter V. Waldt
Title: Vice President

Approved As to Form

Edward D. Peace, Corporation Counsel

City of Buffalo, on its own behalf

By: _____
Name: Anthony M. Masiello
Title: Mayor

Approved As to Form

Michael L. McCarthy, BURA Counsel

Buffalo Urban Renewal Agency,
on its own behalf

By: _____
Name: Anthony M. Masiello
Title: ~~Mayor~~ CHAIRMAN

Marine Midland Bank, on its own behalf
as Revolving Credit Lender

By: _____
Name:
Title:

New York Sportservice, Inc.

By: _____
Name:
Title:

Sportservice Corporation

By: _____
Name:
Title:

Approved As To Form

County Attorney

Approved As To Content

Commissioner, Erie County
Department of Environment
and Planning
Date:

City of Buffalo, on its own behalf

By: _____
Name:
Title:

County of Erie, on its own behalf.

By: _____ Date:
Name: Dennis T. Gorski
Title: County Executive

Buffalo Urban Renewal Agency,
on its own behalf

By: _____ Date:
Name:
Title:

Marine Midland Bank, on its own behalf
as Revolving Credit Lender

By: _____ Date:
Name:
Title:

Acknowledged and Agreed:

Niagara Frontier Hockey, L.P.

By: Niagara Frontier Hockey
Management Corporation,
General Partner

By: _____ Date:
Name:
Title:

Crossroads Arena LLC

By: _____ Date:
Name:
Title:

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City of Buffalo, on its own behalf

By: _____ Date: _____
Name:
Title:

Approved as to form: _____ Date: _____
Name:
Title: City Corporation Counsel

County of Erie, on its own behalf

By: _____ Date: _____
Name:
Title:

Buffalo Urban Renewal Agency,
on its own behalf

By: _____ Date: _____
Name:
Title:

Approved as to form: _____ Date: _____
Name:
Title:

Marine Midland Bank, on its own behalf
as Revolving Credit Lender

By: William H Graser Date: _____
Name: William H. Graser
Title: Vice President

New York Sportservice, Inc.

By: _____ Date: _____
Name:
Title:

Approved As to Form

City of Buffalo, on its own behalf

_____
Edward D. Peace, Corporation Counsel

By: _____
Name: Anthony M. Masiello
Title: Mayor

Approved As to Form

Buffalo Urban Renewal Agency,
on its own behalf

_____
Michael L. McCarthy, BURA Counsel

By: _____
Name: Anthony M. Masiello
Title: Chairman

Marine Midland Bank on its own behalf
as Revolving Credit Lender

By: _____
Name:
Title:

New York Sportservice, Inc.

By: _____
Name: Michael F. Thompson
Title: President

Sportservice Corporation

By: _____
Name: Michael F. Thompson
Title: President

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258310 01

Sportservice Corporation

By: _____ Date: _____
Name:
Title:

Acknowledged and Agreed:

Niagara Frontier Hockey, L.P.

By: Niagara Frontier Hockey
Management Corporation,
General Partner

By: _____ Date: June 1, 1995
Name:
Title:

Crossroads Arena LLC

By: Arena, Inc.

_____ Date: June 1, 1995
Name: Lawrence Quinn
Title: Executive Vice President

Buffalo Sabres Concession LLC

By: Niagara Frontier Hockey
Management Corporation

By: _____ Date: June 1, 1995
Name: Daniel J. DiPofi
Title: Vice President

Document 48

FINANCING PARTICIPANTS AGREEMENT

THE CITY OF BUFFALO,
THE COUNTY OF ERIE,
THE CITY OF BUFFALO URBAN RENEWAL AGENCY,
NEW YORK STATE URBAN DEVELOPMENT CORPORATION,
individually, and as Public Sector Agent,
ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY,
MARINE MIDLAND BANK, individually, and as Agent,
and as Construction Lenders' Agent,
KEY BANK OF NEW YORK,
SHAWMUT BANK, N.A.,
individually, and as Concession Lenders' Agent,
FLEET BANK,
NEW YORK SPORTSERVICE, INC.,
SPORTSERVICE CORPORATION,
BUFFALO SABRES CONCESSION LLC,
CROSSROADS ARENA LLC, and
NIAGARA FRONTIER HOCKEY, L.P.

Dated as of May 10, 1995

Crossroads Arena

Prepared By:

PHILLIPS, LYTLE, HITCHCOCK, BLAINE & HUBER
3400 Marine Midland Center
Buffalo, New York 14203

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Exhibit 1 (§3.1.(b))	-	Request for Advance
Exhibit 2 (§3.1(c))	-	Subcontractor's Lien Release and Subordination
Exhibit 3 (§3.4)	-	Compliance Certificate
Exhibit 4 (§3.5)	-	Approval Certificate
Exhibit 5 (§6.5)	-	Insurance
Exhibit 6 (§11.1)	-	Public Sector Guaranty
Exhibit 7 (§11.1)	-	Construction Loan Guaranty
Exhibit 8 (§11.1)	-	Concession Loan Guaranty
Exhibit 9 (§12.1)	-	UDC Guaranty

FINANCING PARTICIPANTS AGREEMENT

THIS AGREEMENT, dated as of May 10, 1995, among THE CITY OF BUFFALO ("City"), THE COUNTY OF ERIE ("County"), NEW YORK STATE URBAN DEVELOPMENT CORPORATION ("UDC"), MARINE MIDLAND BANK ("Marine"), KEY BANK OF NEW YORK ("Key"), SHAWMUT BANK, N.A. ("Shawmut"), and FLEET BANK ("Fleet") (individually, a "Financing Participant" and collectively, the "Financing Participants"); THE CITY OF BUFFALO URBAN RENEWAL AGENCY ("BURA"), ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY ("ECIDA"); NEW YORK SPORTSERVICE, INC. and SPORTSERVICE CORPORATION (collectively, "Sportservice"); NIAGARA FRONTIER HOCKEY, L.P. ("NFHLP"); CROSSROADS ARENA LLC ("CALLC"), BUFFALO SABRES CONCESSION LLC ("BSCLLC"), and MARINE MIDLAND BANK AS AGENT ("Agent") evidences the agreements among the parties as follows:

SECTION 1 - DEFINITIONS

1.1 Definitions. Capitalized terms not otherwise defined herein including the schedules and exhibits hereto shall have the meanings set forth on the Schedule of Definitions attached hereto.

1.2 UCC Definitions. Unless otherwise as provided in Section 1.1 of this Agreement, capitalized terms shall have the meanings set forth in the Uniform Commercial Code as in effect in the State of New York as of the date of this Agreement.

SECTION 2 - RECITALS

2.1 The Property. The Property is owned in fee by BURA. The Property has been or will be demised by the following leases and subleases (collectively, the "Ground Leases"): (i) Ground Lease dated as of even date herewith, between BURA as landlord and the County as tenant ("BURA Lease"); (ii) County Sublease dated as of even date herewith, between the County as landlord and the City as tenant ("County Sublease #1"); (iii) Sublease dated as of even date herewith, between the City as landlord and the County as tenant ("City Sublease"); (iv) Sublease dated as of even date herewith between the County as landlord and ECIDA as tenant ("County Sublease #2"); and (v) Sublease dated as of even date herewith, between ECIDA as landlord and CALLC as tenant ("Project Sublease"). Memoranda of each of the Ground Leases have been or will be recorded in the Erie County Clerk's Office.

2.2 The Project. On the Property, CALLC proposes to construct the Improvements.

2.3 The Public Agreements. By reason of the Property being located in an urban renewal area and certain funding for

the Project being provided by the Public Sector Participants, CALLC has entered into certain agreements (collectively, the "Public Agreements") with the Public Sector Participants, ECIDA and BURA pertaining to development and operation of the Project, as follows: (i) Development and Construction Agreement, dated as of even date herewith, by and among CALLC, the Public Sector Participants, BURA and ECIDA ("Development and Construction Agreement"); (ii) Operating Agreement, dated as of even date herewith, by and among CALLC, BURA, the Public Sector Participants and ECIDA ("Operating Agreement"); and (iii) Contract for Lease of Land for Redevelopment, dated as of even date herewith, by and among BURA, the City and CALLC ("Land Disposition Agreement").

2.4 Project Budget and Construction and Disbursement Schedule. CALLC has heretofore submitted to the Financing Participants and Sportservice, and the Financing Participants and Sportservice have approved, a line item budget for the Project ("Project Budget and Schedule") setting forth the budget for the Project including a line-item breakdown of hard and soft costs, including a schedule setting forth the schedule for the progress of construction of the Project and the amounts CALLC and/or BSCLLC anticipate requisitioning from time to time from the Financing Participants, and the anticipated dates or uses of such requisitions. The Project Budget and Schedule is dated as of even date herewith and is signed by CALLC, BSCLLC, Construction Lenders' Agent, Concession Lenders' Agent and Public Sector Agent.

2.5 The Operating Leases. The Project, and the concession rights therein, will be operated under the following leases and subleases (collectively, the "Operating Leases"): (a) A certain Lease Agreement dated as of even date herewith, from CALLC, as Landlord, to NFHLP, as Tenant, a memorandum of which has been or will be recorded in the Erie County Clerk's Office, which demises the Improvements to NFHLP for the conduct of hockey events and grants to NFHLP the exclusive possession and control of certain areas including the parking facilities, the concession facilities and the club and restaurant facilities, and the exclusive rights to certain revenues from concessions, catering, parking, club and restaurant operations ("Sabres Space Lease"); (b) A certain Concession Lease, dated as of even date herewith, from NFHLP, as Landlord, to BSCLLC, as Tenant, a memorandum of which has been or will be recorded in the Erie County Clerk's Office, demising certain portions of the Project and granting to BSCLLC all rights of NFHLP to operate certain of the concession, catering, restaurant, club and parking services for events conducted in the Project ("Concession Lease and Agreement"); and (c) Concession Sublease dated as of even date herewith, from BSCLLC, as Landlord, to New York Sportservice, Inc., demising certain portions of the Project and

for operation of certain of the concession, catering, restaurant, club and parking services at the Project ("Concession Sublease"), performance of tenant's obligation under which Concession Sublease is guaranteed by Sportservice Corporation.

2.6 Project Financing.

(a) Sources and Uses of Funds. As set forth in the Project Budget, the amount required for acquisition, construction and development of the Project by CALLC is $127,232,000. The Financing Participants are committed to provide in the aggregate not more than $122,500,000 for costs incurred in construction and development of the Project. CALLC has agreed to commit $3,732,000 to the Project in cash or as an unconditional, irrevocable letter of credit acceptable to the Financing Participants as a funded reserve, subject to the right of withdrawal following Completion of the Project to the extent Project construction and development costs are less than $127,232,000 ("Funded Reserve"). NFHLP has committed the Auditorium Ticket Surcharge Contribution to the Project as additional equity. CALLC and BSCLLC heretofore entered or simultaneously herewith are entering into certain agreements pertaining to the provision of financing for the Project, as follows:

(i) The Construction Loan. CALLC has entered into construction loan arrangements with the Construction Lenders pursuant to which a construction loan in the maximum amount of $35,000,000 (including repayment of a $3,700,000 interim loan from Marine for Project costs, unless previously repaid, and a $3,500,000 debt service reserve) will be made available to CALLC for construction and development of the Project under the terms of the Construction Loan Documents.

(ii) The Concession Loan. BSCLLC has entered into loan arrangements with the Concession Lenders pursuant to which a loan in the maximum amount of $32,500,000 (including repayment of a $3,000,000 interim loan from Sportservice for Project costs, unless previously repaid) will be made available to BSCLLC under the terms of the Concession Loan Documents. BSCLLC agrees to make the proceeds of the Concession Loan available to NFHLP and NFHMC as a distribution on the conditions that (i) NFHLP and NFHMC contribute to CALLC, simultaneously with the making of such distribution by BSCLLC, any and all such amounts; and (ii) CALLC use such amounts so contributed only for construction and development of the Project; and NFHLP and NFHMC have agreed to contribute to CALLC, simultaneously with the making of such distribution, any and all such amounts as a capital contribution to CALLC.

(iii) The City Investment. CALLC has entered into the Development and Construction Agreement whereby BURA and the City will contribute the Site and make available $10,000,000 (of which $9,528,715 has heretofore been advanced and additional $436,971 has been set aside to establish a condemnation reserve) for certain Project construction and development costs.

(iv) The UDC Investment. CALLC has entered into the Development and Construction Agreement, whereby UDC will make available to CALLC $25,000,000.00 for Project development and construction costs.

(v) The County Investment. CALLC has entered into the Development and Construction Agreement, whereby the County will make available $20,000,000.00 for County Eligible Costs.

(b) Construction Loan Collateral. The Construction Loan will be secured by the collateral listed on Schedule A (2.6(b)) hereto.

(c) Concession Loan Collateral. The Concession Loan will be secured by the collateral listed on Schedule B (2.6(c)) hereto.

(d) City Investment; No Lien on or Security Interest in Project. Neither BURA nor the City has any lien on or security interest in the Project or Project Revenues.

(e) County Investment; No Lien on or Security Interest in Project. Neither the County nor ECIDA has any lien on or security interest in the Project or Project Revenues.

(f) UDC Investment; No Lien on or Security Interest in Project. UDC has no lien on or security interest in the Project or Project Revenues.

(g) Guarantys: NFHLP has provided the guarantys listed in Section 11.1 hereof.

2.7 Letter of Credit. As an inducement to NFHLP and BSCLLC to grant to New York Sportservice, Inc., the Concession Sublease, Sportservice has caused credit support to be provided to Shawmut to induce Shawmut to issue a $15,500,000.00 letter of credit (the "Letter of Credit") to the Concession Lenders, who in turn will issue two irrevocable letters of credit, one in the amount of $10,000,000 for the benefit of UDC, and the other in the amount of $5,500,000 for the benefit of the County (the "Public Letters of Credit"). The Letter of Credit will remain as security for the Concession Loan.

2.8 NFHLP Financing. Marine Midland Bank (in such capacity, "Operating Line Lender") is providing to NFHLP an operating line of credit of up to $12,000,000.00 ("Operating Line"). The Operating Line is secured by the collateral described on Schedule C (2.8) hereto ("Operating Line Collateral").

2.9 Nondisturbance and Attornment Agreement. The parties to the Ground Leases, the Construction Lenders, the Concession Lenders, and the parties to the Operating Leases have entered into an agreement requiring the nondisturbance by the lessors and attornment by the lessees in each of the lessor-lessee relationships established by the Ground Leases and the Operating Leases in the event any of the Ground Leases or Operating Leases is terminated.

SECTION 3 - DISBURSEMENT OF THE FACILITIES

3.1 Disbursement Procedures. CALLC, BSCLLC, and the Financing Participants agree that the Facilities will be disbursed in accordance with the following procedures:

(a) Job Meeting. At least thirty (30) days before the date on which CALLC or BSCLLC, as applicable, desires an Advance, CALLC or BSCLLC, as applicable, will give notice to the Financing Participants and Sportservice of the desire of CALLC or BSCLLC to convene a job meeting at which the proposed requisition will be reviewed. The job meeting will take place not less than twenty-one (21) days before the proposed Advance date.

(b) Request for Advance. Not less than twenty (20) days before the date on which an Advance is desired, CALLC and BSCLLC shall submit to the Agent and the Financing Participants and Sportservice a Request for Advance executed by CALLC and BSCLLC, and certified by the General Contractor and the Project Architect, accompanied by a cost breakdown showing the cost of work on, and the cost of materials incorporated into, the Improvements to the date of the requisition. The cost breakdown shall also show the percentage of completion of each line item on the Project Budget and Schedule, which percentage shall be in balance with the Project Budget and Schedule, and shall certify that there are sufficient undisbursed Facility funds, undisbursed Funded Reserve, and unpaid Auditorium Ticket Surcharge Contribution to complete each such line item. The accuracy of the cost breakdown shall be certified by CALLC and BSCLLC, and by the General Contractor (or as to any items not within the scope of a general contract, by the contractors directly responsible for such items). The Request for Advance, cost breakdown, and all supporting documents will be in a form approved by Financing

Participants (initially in the form of Exhibit 1 (3.1(b)) hereto).

(c) Amounts Payable to Contractors and Subcontractors. A Request for Advance which includes amounts to be paid to the General Contractor shall be accompanied by requisitions from the General Contractor (together with invoices relating to items covered by such requisitions if requested by Agent or any Financing Participant or Sportservice), which requisitions shall be in the form of AIA Document G702 (1971 Edition) or such other form as the Financing Participants or Sportservice may from time to time require, and shall also be accompanied by waivers of lien in the form of Exhibit 2 (3.1(c)) hereto. A Request for Advance which includes amounts to be paid to another Contractor shall be accompanied by certificates of such Contractor in the form the Financing Participants may from time to time require. All such requisitions shall show all subcontractors by name and trade, the total amount of such subcontract, the amount theretofore paid to each subcontractor as of the date of the requisition, and the amount to be paid from the proceeds of the requisitions to each subcontractor, and the requisition form shall contain a suitable certificate of the General Contractor of the accuracy of the same. Further, with respect to payments to subcontractors, each such requisition shall be accompanied by executed waivers of lien in the form of Exhibit 2 (3.1(c)) hereto, together with evidence of bonding as contemplated in said Exhibit, as applicable, from each subcontractor for whom payment is requested.

(d) Other Payments. A Request for Advance which includes amounts to be paid to persons other than the General Contractor or a Contractor shall include a statement of the purpose for which the Advance is desired and copies of invoices or receipted bills for each item related to the requested Advance.

(e) Inspecting Engineer Certification. The construction completed to date will be inspected by the Inspecting Engineer, who will certify to the Financing Participants and Sportservice as to the value of completed construction, percentage of completion of the Project and of line items within the Project Budget and Schedule, obtaining of all required municipal and other inspections and approvals then obtainable, compliance with Plans and Specifications, and estimated cost to complete the Project.

(f) Amount of Advance. In consultation with the Public Sector Agent, the Concession Lenders' Agent, the Construction Lenders' Agent, and Sportservice, the Advancing Party will determine the amount of each Advance by (i) adding (aa) the value of completed construction to date (as determined

by the Advancing Party on the basis of their review of the application and cost breakdown and the review and certification of the Inspecting Engineer) and (bb) allowable nonconstruction expenses related to the Project as determined by the Advancing Party, including any unpaid loan fees and expenses and interest accrued, and (ii) subtracting the amounts previously advanced by the Financing Participants. In the event the Advancing Party shall determine the value of completed construction to date to be less than the value as determined by the Inspecting Engineer, the Advancing Party shall notify CALLC or BSCLLC, as applicable, the Public Sector Agent, the Construction Lenders' Agent, the Concession Lenders' Agent, and Sportservice in writing of the reasons for such determination.

(g) Limitations on Advances.

(i) The Financing Participants reserve the right to limit the total amount advanced on the Facilities at any time to an amount which, when deducted from the total amount of the Facilities, the undisbursed Funded Reserve, and the unpaid Auditorium Ticket Surcharge Contribution, leaves a balance to be advanced equal to or greater than the cost of completion of the Improvements and remaining nonconstruction expenses on a line-item-by-line-item basis, all as determined by the Construction Lenders' Agent, the Concession Lenders' Agent and the Public Sector Agent from time to time. The Financing Participants shall not be required to make Advances more than once each month.

(ii) If the County is the Advancing Party, it will not be required to pay or make available for payment any cost or expense for which the proceeds of its bonds issued to provide funds for the County Investment are not County Eligible Costs.

(iii) After Advances not including the City Investment aggregating a maximum of $20,000,000.00 have been made, no further Advances shall be required until the Construction Lenders' Agent, the Concession Lenders' Agent, Sportservice and the Public Sector Agent have received and approved the architectural building permit for the construction of the Arena Improvements.

(h) Advances for Materials. Any Request for Advance which includes a request to pay the cost of construction materials stored on or off the Property prior to their incorporation into the Improvements shall be accompanied by (i) evidence satisfactory to the Advancing Party and Inspecting Engineer that the materials have been suitably identified and marked as owned by CALLC as agent for ECIDA, are securely stored at a location and in a manner approved by the Advancing Party,

and are insured against loss under the insurance policies required hereby; (ii) copies of bills of sale or other equivalent evidence of ownership of and payment for the materials by CALLC as agent for ECIDA, (iii) an agreement by the party storing such material that the material has been segregated from other such material and is being held on behalf of CALLC as agent for ECIDA, subject to the security interest of Construction Lenders' Agent security interest; (iv) evidence that the Construction Lenders' Agent will have a perfected first and only security interest in said materials upon said Advance (if the Advancing Party is a Private Sector Participant), including without limitation financing statements filed in the state and county where the materials are stored. The Financing Participants shall have no obligation to make Advances for the cost of materials stored [on or] off the Property prior to their incorporation into the Improvements in excess of $2,500,000.00 in the aggregate.

3.2 Title Insurance Endorsements. If the Advancing Party is a Private Sector Participant, the Advancing Party shall receive an endorsement to the title insurance policy issued in connection with the Advancing Party's loan, increasing the coverage of said policy to the aggregate amount of advances of said loan, and changing the effective date of said policy to the date of the requested advance, in each case with no change in lien priority, and each other Financing Participant and Sportservice shall receive a copy of said endorsement. If the Advancing Party is a Public Sector Participant, each Financing Participant and Sportservice shall receive a search continuation showing nothing found of record which could materially adversely affect construction of the Project within the Project Budget and Schedule.

3.3 Updated Survey. Each Financing Participant and Sportservice shall receive updated and recertified surveys of the Project, as follows:

(a) with the Request for Advance next following completion of the foundation for the Improvements less the Parking Structure Project, a survey showing said foundation;

(b) with the Request for Advance next following completion of the Parking Structure Project foundation, a survey showing said foundation; and

(c) upon completion of the Project, a survey of the Project as built.

3.4 Compliance Certificates. Not more than seven and not fewer than three Business Days prior to the proposed Advance date, each Financing Participant and Sportservice shall receive from CALLC and BSCLLC executed and currently dated certificates

of compliance with and non-default under the terms and conditions of the Facilities, in the form of Exhibit 3 (3.4).

3.5 Certificates of Other Parties. Not more than seven and not fewer than three Business Days prior to the proposed Advance date, the Agent and the Advancing Party shall receive, as a condition to the Advancing Party's Advance hereunder, unless waived pursuant to Section 3.10 hereof, a currently dated certificate in the form of Exhibit 4 (3.5) ("Approval Certificate") from each of the Public Sector Agent, the Concession Lenders' Agent, the Construction Lenders' Agent and Sportservice, with copies to the other Financing Participants, approving the current Request for Advance and all work on the Project to date and certifying that, to the best knowledge of the certifying party as of the date of such certificate, (a) there is no known Event of Default or Incipient Event of Default under the certifying party's Financing Documents, (b) that, to the best knowledge of the certifying party, construction of the Project to date has been performed in accordance with the certifying party's Financing Documents and (c) all requirements applicable to funding an Advance under the certifying party's Financing Documents have been satisfied or waived. Any information relative to the certified matters not disclosed in the Certificate shall be deemed waived by the certifying party who failed to disclose such information and such certifying party will be estopped from not approving a subsequent Request for Advance, and from subsequently declaring an Event of Default under such Financing Party's Financing Documents, on the basis of the nondisclosed information; however, the certifying party shall have no other liability in connection with its Approval Certificate, and the other Financing Participants shall not have the right to otherwise rely on an Approval Certificate for purposes of adequacy of construction or any other purpose. The foregoing shall not be construed to prohibit the certifying party from later raising for any and all purposes matters which existed on the date of an Approval Certificate if the certifying party did not have actual knowledge of such matters as of the date of the Approval Certificate, provided, however, that all information in each Request For Advance and supporting documentation will be deemed to be within the actual knowledge of the certifying party. Except for approval of the Advance to which the Approval Certificate pertains, no Approval Certificate will create rights in favor of CALLC, BSCLLC or NFHLP.

3.6 Deposit of Amount Approved. Subject to the provisions of Section 3.10 hereof, when the Construction Lenders' Agent, the Concession Lenders' Agent, and the Public Sector Agent have approved a request for Advance in whole or in part, the Advancing Party will deposit the approved amount into the Construction Disbursement Account. Such deposit shall constitute authorization and direction to Agent to immediately disburse the

amount so deposited to or for the account of CALLC or BSCLLC, as applicable, pursuant to the provisions hereof subject to receipt of any other Advancing Party's proportionate share of the Advance, and Agent shall so disburse said amount; provided, however that if said funds are not advanced on the same day as received, Agent will invest such funds for the account of the Advancing Party in such available overnight deposits or vehicles as Agent in its reasonable discretion shall select, subject to any prior instructions from the Advancing Party. Such deposit by the Advancing Party to the Construction Disbursement Account shall also constitute a disbursement of the Advancing Party's loan or investment, as applicable, and any obligation of CALLC or BSCLLC, as applicable, to pay interest to the Advancing Party under the Advancing Party's Financing Documents shall commence upon such deposit. Such funds shall remain the property of the Advancing Party until such funds are advanced by Agent from the Construction Disbursement Account. BSCLLC hereby irrevocably directs the Concession Lenders' Agent to deposit all Concession Loan advances directly into the Construction Disbursement Account for the benefit of CALLC. The obligations of each of the Financing Participants to make such deposits shall be several, not joint, and no Financing Participant shall be obligated either (i) to disburse any other Financing Participant's share of an approved Advance, or (ii) to disburse more than the aggregate amount of its commitment.

3.7 Direct Advances. Regardless of whether CALLC or BSCLLC has submitted a requisition therefor, the Advancing Party may from time to time, following notice to the other Financing Participants and Sportservice, make Advances for amounts contemplated in the Project Budget and Schedule which become due for expenses for which CALLC or BSCLLC is then obligated to pay but has not timely paid, including unpaid interest due to the Construction Lenders or the Concession Lenders upon receipt of a certificate from the Construction Lenders' Agent or the Concession Lenders' Agent (as applicable) that such interest is due and unpaid. Such Advances may be made directly to persons or entities to whom such amounts are due, including any Financing Participant. All such Advances to persons or entities other than CALLC or BSCLLC shall be deemed Advances to CALLC or BSCLLC and shall be secured by the collateral of the Advancing Party (if any) to the same extent as if such Advances were made directly to CALLC or BSCLLC.

3.8 Representations and Warranties. Each submission by CALLC and BSCLLC of a Request for Advance shall constitute the joint and several representation and warranty of CALLC and BSCLLC to the Agent and each of the Financing Participants and Sportservice that as of the date of such Request for Advance: (a) all completed construction is in accordance with the Plans and Specifications, (b) all construction and nonconstruction

costs for the payment of which the Financing Participants have previously advanced funds have in fact been paid, (c) each and every representation of CALLC or BSCLLC contained herein is true and correct, and (d) there exists no Event of Default or Incipient Event of Default under any of the Financing Documents.

3.9 Advances Not Approvals. The making of an Advance shall not constitute any Agent's or Financing Participant's approval or acceptance of the construction theretofore completed. The inspection and approval by Agent or any Financing Participant of the Construction Documents, the construction of the Project, or the workmanship and materials used therein, shall impose no liability of any kind on Agent or any Financing Participant, the sole obligation of the Financing Participants as the result of such inspection and approval being to make Advances if, and to the extent, required by this Agreement and the appropriate Financing Documents.

3.10 Conditions for Sole Benefit of the Financing Participants. All conditions to disbursements are for the sole benefit of Agent, the Financing Participants, and Sportservice, and do not create rights in, nor can they be relied upon by, any other party. Each Financing Participant specifically reserves the right, but incurs no obligation, to waive receipt from any other Financing Participant or Sportservice of the certificates described in Section 3.5 hereof in its sole discretion; provided, however, that without the consent of Sportservice, neither the County, UDC, nor the Concession Lenders will waive such receipt in connection with an Advance secured by the Letter of Credit or the Public Letter of Credit. Each Financing Participant also specifically reserves the right, but incurs no obligation, to make Advances notwithstanding receipt of notice of an Event of Default or Incipient Event of Default under the Financing Documents of another Financing Participant or Sportservice; provided, however, that without the consent of Sportservice neither the County, UDC, nor the Concession Lenders will do so with respect to an Advance secured by the Letter of Credit or the Public Letter of Credit. Such waiver by Agent or any Financing Participant shall not constitute a breach or modification of this Agreement, nor shall any written amendment to this Agreement be required as a result thereof. The Agent and the Financing Participants may also make reasonable changes to the procedures for making Advances following prior written notice to CALLC or BSCLLC, as applicable.

3.11 Advances Not Waivers. By making an Advance, the Advancing Party shall not be deemed to have waived any rights against CALLC, BSCLLC or NFHLP arising out of the existence of an Event of Default or Incipient Event of Default, nor shall any other Financing Participant be deemed to have waived any such rights by virtue of such Advance.

3.12 Availability of City, County, and UDC Funds. The obligation of the Private Sector Participants to make Advances is contingent upon Agent, Construction Lenders' Agent and Concession Lenders' Agent (and Sportservice if the Advance is secured by the Letter of Credit or Public Letter of Credit) having received evidence reasonably satisfactory to them that the amounts committed for Project funding by the City, the County and UDC respectively are unconditionally available through bond issue, appropriation, or other segregated and available source of funds, without the necessity for any other actions or approval.

3.13 Retainage. In no event shall any Advance allocable to a payment on account of any construction contract or subcontract for the Project exceed an amount equal to ninety percent (90%) of the total value of work and materials under such contract theretofore completed, approved and incorporated into the Project, less the sum of all payments theretofore made against such contract. Notwithstanding the foregoing, an Advancing Party may in its discretion and with the consent of the Public Sector Agent, the Concession Lenders' Agent and the Construction Lenders' Agent release prior to the final Advance amounts retained against particular phases or segments of the construction of the Project, including phases or segments covered by individual contracts or subcontracts, upon receipt of evidence satisfactory to said Advancing Party of full and final completion of such phase or segment and the waiver of any right to file a lien for performance of such phase or segment which could take priority over the Advancing Party's Financing Documents (if applicable), and completed AIA Documents G707A (consent of Surety to Reduction in or Partial Release of Retainage). Further, an Advance may be approved hereunder for the purpose of making final payment of any balance due the General Contractor after full and final completion of all construction work on the Project falling within the scope of the Construction Contract with such General Contractor, and delivery to the Financing Participants of such evidence as may be reasonably required to assure the Financing Participants that no claim may thereafter arise on account of such General Contractor's work, which could result in a lien on the Project.

3.14 Compliance With Advancing Party's Requirements. Notwithstanding anything to the contrary in this Agreement, no Financing Participant shall be obligated by this Agreement to make or approve an Advance if such Advance is not required by such Financing Participant's Financing Documents; provided, however, that no Financing Participant will fail to make an Advance or fail to issue approval therefor based upon any event or condition which such Financing Participant either waived or certified had been met for purposes of a prior Approval Certificate to the extent provided in Section 3.5.

3.15 Order of Funding. Subject to the terms and conditions hereof and of each Financing Participant's Financing Documents, funding will be advanced for the Project in the following order, the obligation of each Financing Participant to advance its Facility being contingent on receipt by said Financing Participant of evidence reasonably satisfactory to it of the advance of all funds required hereby to have been advanced previous to or simultaneously with that Financing Participant's funding:

(a) The City. The City shall advance $10,000,000.00 (of which $9,528,715 has been advanced to date), less a $436,971 condemnation reserve to be released in accordance with the Development and Construction Agreement.

(b) UDC. Thereafter, UDC shall advance $25,000,000.00.

(c) The County. Thereafter, the County shall advance $20,000,000.00.

(d) The Concession Lenders (First Phase). Thereafter, the Concession Lenders shall advance $5,500,000.00.

(e) The Construction Lenders and the Concession Lenders (Second Phase). Thereafter, the Construction Lenders shall advance $35,000,000.00 and the Concession Lenders shall advance $10,000,000.00 pari passu.

(f) Concession Lenders (Third Phase). Thereafter, the Concession Lenders shall advance $17,000,000.00.

3.16 Budget Contingency Reserve. The Project Budget and Schedule includes a contingency reserve of $6,309,900.00. No Advances will be made under the contingency line item of the Project Budget and Schedule without the consent of each of the Public Sector Agent, the Concession Lenders' Agent, Sportservice, and the Construction Lenders' Agent.

3.17 Changes to Construction Documents. No changes to the Construction Documents, whether by change order, construction change directive, or any other means, which changes affect the scope or cost of the Project by more than $25,000.00 per change or $300,000.00 in the aggregate will be made without the consent of each of the Public Sector Agent, the Concession Lenders' Agent, Sportservice, and the Construction Lenders' Agent, which consent shall not be unreasonably delayed.

SECTION 4 - USE OF PROJECT REVENUES

4.1 Application of Project Revenues. The Financing Participants, Sportservice, BSCLLC and CALLC agree that Project Revenues shall be applied in the following order of priority, calculated under generally accepted accounting principles consistently applied:

(a) First, payment monthly or when otherwise due of all bona fide operating and maintenance expenses, sales commissions, management compensation and expenses, and other costs of operating, maintaining, managing and marketing of the Project whatsoever including, without limitation, payment of direct or indirect personnel costs, supplies, materials, tools, snow removal, insurance premiums, rubbish removal, sales taxes, if any, commissions, advertising fees, utility, maintenance, capital or non-capital expenses, payments to all trade creditors, including payments to NFHLP for tickets and parking pursuant to the Sabres Space Lease, and principal and interest on any Operating Deficit Loan to which the Construction Lenders' Agent and the Public Sector Agent have given their prior written consent, but not including (i) any tax payable by the members of CALLC or (ii) any expenses for depreciation or other non-cash charges (the "Operating Costs and Expenses");

(b) Second, payment monthly of (i) principal, interest, fees, premiums, and expenses due on the Construction Loan and (ii) payments of Ground Rent (as defined in and payable under the Land Disposition Agreement) on a pro rata basis according to the relationship of the annual payments of each;

(c) Third, payment of any accrued Ground Rent, once annually within one hundred twenty (120) days after the end of each Fiscal Year of CALLC (for purposes of this Section 4.1, "Annually");

(d) Fourth, deposits required to maintain any Construction Loan Debt Service Reserve (as defined in the Construction Loan Documents) at its required level pursuant to the Construction Loan Documents, payable Annually;

(e) Fifth, payment of required deposits to the Renewal and Replacement Reserve Account (as defined in the Construction Loan Documents) as follows: Initially, $200,000.00; thereafter, $200,000.00 increased by 3% per year compounded annually, payable Annually.

(f) Sixth, deposits to the Operating Reserve Account (as defined in the Construction Loan Documents) payable Annually in an amount sufficient to maintain in such account $1.2 million at all times and in the event CALLC reasonably

anticipates the need for an Operating Reserve in excess of $1.2 million, such additional amount as CALLC reasonably determines to be appropriate, provided that the total amount on deposit shall not exceed 30% of the Operating Costs and Expenses for the prior Fiscal Year of CALLC;

(g) Seventh, pari passu to the payment of accrued interest and principal on any Cost Overrun Loan to which the Construction Lender's Agent and, if applicable under the Development and Construction Agreement, the Public Sector Agent, have given their prior written consent, and outstanding eminent domain claims owed to BURA after BURA has paid to or for the benefit of the Project Revenue Account all amounts required under the Development and Construction Agreement, payable Annually;

(h) Eighth, Mandatory additional principal payments on the Construction Loan, payable Annually;

(i) Ninth, Contingency Payments pursuant to Section 9.3 of the Sabres Space Lease, payable Annually;

(j) Tenth, payments in lieu of service charges to Buffalo Place, Inc. in an amount not exceeding $18,000 per Fiscal Year, payable Annually;

(k) Eleventh, Voluntary Prepayments of the Construction Loan, payable Annually;

(l) Twelfth, reimbursement to CALLC of that portion of the Funded Reserve which was required for construction of the Project;

(m) Thirteenth, payment of the Operating Fee as provided in the Operating Agreement, payable Annually; and

(n) Fourteenth, any remainder, after application to the items set forth above, shall be the sole property of CALLC which may be retained, used or disposed of by CALLC as it determines in its sole discretion, without restriction. Any such disposition may include distribution by CALLC to its members.

SECTION 5 - REPRESENTATIONS AND WARRANTIES

5.1 Representations and Warranties of CALLC and BSCLLC. During the period commencing with the execution hereof and ending with Completion of the Project, CALLC, BSCLLC, and as applicable, NFHLP, jointly and severally represent and warrant to each of the other parties to this Agreement as follows:

(a) Project Sublease. The Project Sublease is in full force and effect, CALLC is in compliance with the terms thereof, and no Event of Default or Incipient Event of Default thereunder has been claimed by any party thereto.

(b) The Operating Leases. Each of the Operating Leases is in full force and effect, each of CALLC, BSCLLC and NFHLP as appropriate is in compliance with the terms of each of them, and no Event of Default or Incipient Event of Default under any of them has been claimed by any party thereto.

(c) Architects Agreement. CALLC has entered into an Architects Agreement dated as of even date herewith, with the Architect for preparation of Arena Improvements plans and specifications; making necessary revisions to the same, and supervision and inspection of Arena Improvement construction ("Architects Agreement"). CALLC has delivered a true and complete copy of the Architects Agreement to Agent. The Architects Agreement has been validly executed by the parties thereto and is in full force and effect. CALLC is in full compliance with its obligations under the Architects Agreement, each party thereto has faithfully performed its respective obligations thereunder to the extent such obligations have accrued as of this date, and the Architect has not asserted any claim of delinquency or default thereunder on the part of CALLC.

(d) Construction Documents. CALLC has entered into the following agreements for construction of the Project (collectively, the "Construction Documents"), true and complete copies of each of which CALLC has delivered to Agent. The Construction Documents have been validly executed by the parties hereto and are in full force and effect. CALLC is in full compliance with its obligation under the Construction Documents, each party thereto has faithfully performed its respective obligation thereunder to the extent such obligations have accrued as of this date, and no party has asserted any claim of delinquency or default thereunder on the part of CALLC.

(i) Construction Contract. Agreement dated as of even date herewith between CALLC and General Contractor for construction of the Arena Project.

(ii) Parking Structure Improvements Construction Management Contract. Agreement dated as of even date herewith between CALLC and The Krog Corp. for construction management services in connection with the Parking Structure Improvements.

(e) Permits and Approvals. CALLC has obtained all permits and approvals necessary to permit the Project to be constructed in accordance with the Plans and Specifications and

to be used as a multi-purpose arena with appurtenant areas, as and to the extent shown on the Plans and Specifications, excepting certain permits and approvals for the Parking Structure Project to the extent specifically identified in the certificates delivered to Financing Participants at closing consistent herewith, which permits and approvals shall be obtained by CALLC in adequate time to permit construction and operation of the Project to proceed in a timely manner. All such permits and approvals (i) are in full force and effect, and are subject to no unexpired appeal periods, unfulfilled conditions, or appeals or challenges; and (ii) contain no conditions or terms which have not been fully satisfied or which will not be fully satisfied by completion of the Project if constructed in accordance with the Plans and Specifications.

(f) Representations Concerning the Work. The work to be performed by the General Contractor under the Construction Contract is the work pertaining to the Arena Improvements called for by the Plans and Specifications, and is in full compliance with the requirements of the Public Agreements, the Ground Leases, the Operating Leases, the Construction Loan Documents and the Concession Loan Documents. To the extent that plans have been submitted to governmental authorities in order to induce the issuance of any permits or approvals for the Project, such plans and specifications or relevant portions thereof have been unconditionally approved by such authorities and are in full compliance with all terms and conditions set forth in such permits and approvals, and such plans are the same as the Plans and Specifications, true and complete copies of which have heretofore been furnished to Financing Participants by CALLC.

(g) Compliance with Laws and Regulations. All necessary action has been taken to permit construction of the Arena Improvements according to the Plans and Specifications and full use of the Improvements for their intended purpose under applicable laws, ordinances and regulations, including without limitation, zoning and Environmental Laws and regulations. No notice or claim of violation of law or regulation respecting the Project has been received by or on behalf of CALLC. When completed according to the Plans and Specifications, the Improvements will comply with all applicable laws and regulations, including without limitation the Americans with Disabilities Act.

(h) Roads and Utilities. All utility services necessary for the construction and use of the Improvements are available to the Property or will be available upon completion of construction. All roads necessary for the full use of the Project for its intended purpose have been completed except the reconstruction of Baltimore Street, or the necessary rights-of-

way therefor have been acquired or dedicated, and all necessary steps to date have been taken to insure the completion thereof.

(i) Litigation. There are no proceedings pending or, to the best knowledge of CALLC or BSCLLC, threatened, to enjoin or prevent construction or use of the Improvements or which if decided adversely to CALLC or BSCLLC, would materially impair the ability of CALLC or BSCLLC to perform its obligations hereunder.

(j) The Public Agreements, Ground Leases, Operating Leases, and Financing Documents: CALLC, BSCLLC and NFHLP are each in full compliance with their respective obligations under the Public Agreements, Ground Leases, Operating Leases, and Financing Documents, to the extent such obligations have accrued as of this date, and the other parties to such agreements have not asserted any claim of delinquency or default under the Public Agreements, Ground Leases, Operating Leases, or Financing Documents on the part of CALLC, BSCLLC, or NFHLP, as applicable. CALLC has assumed all obligations of Arena, Inc., in connection with the foregoing Leases and Agreements to the extent Arena, Inc. was a party thereto.

(k) Work to Date. All work performed on the Project to date is in compliance with the Plans and Specifications, the Public Agreements, the Ground Leases, the Operating Leases, the Construction Loan Documents, the Concession Loan Documents, all permits and approvals issued for such work, and applicable law and regulation.

(l) Organization and Existence. Each of CALLC and BSCLLC is duly organized and validly existing as a limited liability company under the laws of the State of New York with all necessary power and authority to own, operate and lease all of its properties and assets and to carry on its business as now being conducted. NFHLP is duly organized and existing as a limited partnership under the laws of the State of Delaware and is duly qualified to conduct business under the laws of the State of New York with all necessary power and authority to own, operate and lease all of its properties and assets and to carry on its business as now being conducted. Each of CALLC, BSCLLC and NFHLP has taken all necessary action to authorize the execution and delivery of this Agreement and the performance of the transactions contemplated hereby.

(m) Binding Effect. This Agreement constitutes the legal, valid and binding obligation of each of CALLC, BSCLLC and NFHLP enforceable against each of CALLC, BSCLLC and NFHLP in accordance with its terms, except as enforceability may be limited by applicable bankruptcy and insolvency laws and public

policy and equitable considerations affecting creditor's rights generally.

(n) Environmental Conditions. Except as disclosed in the Environmental Site Assessments, the Property is, and the Project when constructed will be, free from Hazardous Substances or their effects; no Release of Hazardous Substance has occurred or is threatened from or at the Property; no asbestos or urea formaldehyde foam insulation is located on the Property; no above ground or underground storage tanks now or formerly containing Hazardous Substances are or have been located on the Property; Radon gas is not present in buildings on the Property in concentrations exceeding 4 pCi/1; and CALLC has no reason to believe that any environmental condition exists at the Property or the intended use at the Property which is not in compliance with Environmental Laws or Environmental Permits, or with the passage of time would result in non-compliance with Environmental Laws or Environmental Permits.

5.2 Representations and Warranties of the City, County, ECIDA, BURA and UDC. The City, County, ECIDA, BURA and UDC each, severally and for itself only, represent and warrant to each of the other parties to this Agreement as follows; provided, however, that subsection 5.2(d) shall not apply to ECIDA:

(a) It is duly organized under the laws of the State of New York, is validly existing under the laws of the State of New York, has full power and authority to own its property and assets and to carry on its business as now being conducted by it and to execute, deliver, and perform this Agreement.

(b) There are no actions, suits or proceedings pending, or to its best knowledge threatened, against or affecting it which, if adversely determined, would substantially impair its ability to perform its obligations under this Agreement.

(c) The execution, delivery and performance of this Agreement and the consummation of the transactions herein contemplated have been duly authorized by all requisite action on its part and will not violate any provision of law, any order of any court or agency of government or any indenture, agreement or other instrument to which it is a party or by which it or any of its property is bound, or be in conflict with or result in a breach of or constitute (with due notice and/or lapse of time) a default under any such indenture, agreement or other instrument.

(d) It has approved the Affirmative Action Plan.

(e) No consent, filing, license, approval, or authorization of, or registration, declaration, or filing with, any court, governmental body or authority, or other person or entity is required in connection with its valid execution, delivery or performance of this Agreement, other than filings and recordings which have been obtained and those listed on Schedule E (5.4) hereto.

(f) This Agreement constitutes its legal, valid, and binding obligation, enforceable against it in accordance with its terms, except as enforceability may be limited by applicable bankruptcy and insolvency laws, public policy and equitable considerations affecting creditors' rights generally.

5.3 Additional Representations and Warranties by the City. In addition to its other representations and warranties herein, the City represents and warrants to each of the other parties to this Agreement:

(a) The anticipated use of the Project complies with all applicable City rules and regulations, City building codes, the Land Disposition Agreement, the Urban Renewal Plan, City zoning ordinances and regulations (or appropriate variances have been obtained with regard thereto), and such anticipated use further complies with all restrictive covenants, declarations, agreements and other matters affecting the Project enforceable by and under the jurisdiction of the City. All requirements for such use have been satisfied except for unissued permits and approvals identified on Schedule D (5.3(a)), if any.

(b) All water supply and storm and sanitary sewer facilities necessary for the construction of the Project are available at the Property, and that to the extent such facilities are not available, the City shall make such services available as provided in Exhibit I of the Development and Construction Agreement.

5.4 Additional Representations and Warranties of the Public Sector Participants.

Each Public Sector Participant, severally and for itself only, represents and warrants to each of the other parties to this Agreement that the funds to be advanced by it as described in this Agreement are unconditionally available, through bond issue, appropriation, or other segregated and available source of funds, without the necessity for any other action or approval, except as described on Schedule E (5.4) hereto.

5.5 Representations and Warranties of Sportservice. New York Sportservice, Inc., and Sportservice Corporation jointly

and severally represent and warrant to each of the other parties to this Agreement as follows:

(a) Each is duly organized under the laws of the State of New York, is validly existing under the laws of the State of New York, has full power and authority to own its property and assets and to carry on its business as now being conducted by it and to execute, deliver, and perform this Agreement.

(b) There are no actions, suits or proceedings pending, or to its best knowledge threatened, against or affecting it which, if adversely determined, would impair its ability to perform its obligations under this Agreement.

(c) The execution, delivery and performance of this Agreement and the consummation of the transactions herein contemplated have been duly authorized by all requisite action on the part of each and such actions will not violate any provision of law, any order of any court or agency of government or any indenture, agreement or other instrument to which either is a party or by which either or any of their property is bound, or be in conflict with or result in a breach of or constitute (with due notice and/or lapse of time) a default under any such indenture, agreement or other instrument. The execution and performance of this Agreement will not result in any breach of, violate, or constitute a default under any mortgage, indenture, deed of trust, lease, loan or credit agreement, charter, by-law or other instrument or agreement to which either a party or by which either may be bound or affected except for such violations, breaches or defaults which would not affect its ability to perform its obligations under this Agreement.

(d) No consent, filing, license, approval, or authorization of, or registration, declaration, or filing with, any court, governmental body or authority, or other person or entity is required in connection with the valid execution, delivery or performance of this Agreement, or for the conduct of the business of either as now conducted, other than filings and recordings which have been obtained.

(e) This Agreement constitutes the legal, valid, and binding obligation of each, enforceable against it in accordance with its terms, except as enforceability may be limited by applicable bankruptcy and insolvency laws and public policy and equitable considerations affecting creditors' rights generally.

5.6 Representations and Warranties of the Private Sector Participants.

(a) Marine Midland Bank represents and warrants to each of the other parties to this Agreement as follows:

(i) It is duly organized under the laws of the State of New York, is validly existing under the laws of the State of New York, has full power and authority to own its property and assets and to carry on its business as now being conducted by it and to execute, deliver, and perform this Agreement.

(ii) There are no actions, suits or proceedings pending, or to its best knowledge threatened, against or affecting it which, if adversely determined, would impair its ability to perform its obligations under this Agreement.

(iii) The execution, delivery and performance of this Agreement and the consummation of the transactions herein contemplated have been duly authorized by all requisite action on its part and will not violate any provision of law, any order of any court or agency of government or any indenture, agreement or other instrument to which it is a party or by which it or any of its property is bound, or be in conflict with or result in a breach of or constitute (with due notice and/or lapse of time) a default under any such indenture, agreement or other instrument. The execution and performance of this Agreement will not result in any breach of, violate, or constitute a default under any mortgage, indenture, deed of trust, lease, loan or credit agreement, charter, by-law or other instrument or agreement to which is a party or by which it may be bound or affected except for such violations, breaches or defaults which would not affect its ability to perform its obligations under this Agreement.

(iv) No consent, filing, license, approval, or authorization of, or registration, declaration, or filing with, any court, governmental body or authority, or other person or entity is required in connection with the valid execution, delivery or performance of this Agreement, or for the conduct of its business as now conducted, other than filings and recordings which have been obtained.

(v) This Agreement constitutes its legal, valid, and binding obligation, enforceable against it in accordance with its terms, except as enforceability may be limited by applicable bankruptcy and insolvency laws and public policy and equitable considerations affecting creditors' rights generally.

(vi) The funds to be advanced by it pursuant to this Agreement are available subject to the terms of the Construction Loan Documents, without the necessity for any other action or approval.

(b) Key Bank of New York represents and warrants to each of the other parties to this Agreement as follows:

(i) It is duly organized under the laws of the State of New York, is validly existing under the laws of the State of New York, has full power and authority to own its property and assets and to carry on its business as now being conducted by it and to execute, deliver, and perform this Agreement.

(ii) There are no actions, suits or proceedings pending, or to its best knowledge threatened, against or affecting it which, if adversely determined, would impair its ability to perform its obligations under this Agreement.

(iii) The execution, delivery and performance of this Agreement and the consummation of the transactions herein contemplated have been duly authorized by all requisite action on its part and will not violate any provision of law, any order of any court or agency of government or any indenture, agreement or other instrument to which it is a party or by which it or any of its property is bound, or be in conflict with or result in a breach of or constitute (with due notice and/or lapse of time) a default under any such indenture, agreement or other instrument. The execution and performance of this Agreement will not result in any breach of, violate, or constitute a default under any mortgage, indenture, deed of trust, lease, loan or credit agreement, charter, by-law or other instrument or agreement to which is a party or by which it may be bound or affected except for such violations, breaches or defaults which would not affect its ability to perform its obligations under this Agreement.

(iv) No consent, filing, license, approval, or authorization of, or registration, declaration, or filing with, any court, governmental body or authority, or other person or entity is required in connection with the valid execution, delivery or performance of this Agreement, or for the conduct of its business as now conducted, other than filings and recordings which have been obtained.

(v) This Agreement constitutes its legal, valid, and binding obligation, enforceable against it in accordance with its terms, except as enforceability may be limited by applicable bankruptcy and insolvency laws and public policy and equitable considerations affecting creditors' rights generally.

(vi) The funds to be advanced by it pursuant to this Agreement are available subject to the terms of the Construction Loan Documents, without the necessity for any other action or approval.

(c) Shawmut Bank, N.A., represents and warrants to each of the other parties to this Agreement as follows:

(i) It is duly organized under the laws of the United States of America, is validly existing under the laws of the United States of America, has full power and authority to own its property and assets and to carry on its business as now being conducted by it and to execute, deliver, and perform this Agreement.

(ii) There are no actions, suits or proceedings pending, or to its best knowledge threatened, against or affecting it which, if adversely determined, would impair its ability to perform its obligations under this Agreement.

(iii) The execution, delivery and performance of this Agreement and the consummation of the transactions herein contemplated have been duly authorized by all requisite action on its part and will not violate any provision of law, any order of any court or agency of government or any indenture, agreement or other instrument to which it is a party or by which it or any of its property is bound, or be in conflict with or result in a breach of or constitute (with due notice and/or lapse of time) a default under any such indenture, agreement or other instrument. The execution and performance of this Agreement will not result in any breach of, violate, or constitute a default under any mortgage, indenture, deed of trust, lease, loan or credit agreement, charter, by-law or other instrument or agreement to which is a party or by which it may be bound or affected except for such violations, breaches or defaults which would not affect its ability to perform its obligations under this Agreement.

(iv) No consent, filing, license, approval, or authorization of, or registration, declaration, or filing with, any court, governmental body or authority, or other person or entity is required in connection with the valid execution, delivery or performance of this Agreement, or for the conduct of its business as now conducted, other than filings and recordings which have been obtained.

(v) This Agreement constitutes its legal, valid, and binding obligation, enforceable against it in accordance with its terms, except as enforceability may be limited by applicable bankruptcy and insolvency laws and public policy and equitable considerations affecting creditors' rights generally.

(vi) The funds to be advanced by it pursuant to this Agreement are available subject to the terms of the Concession Loan Documents, without the necessity for any other action or approval.

(d) Fleet Bank represents and warrants to each of the other parties to this Agreement as follows:

(i) It is duly organized under the laws of the State of New York, is validly existing under the laws of the State of New York, has full power and authority to own its property and assets and to carry on its business as now being conducted by it and to execute, deliver, and perform this Agreement.

(ii) There are no actions, suits or proceedings pending, or to its best knowledge threatened, against or affecting it which, if adversely determined, would impair its ability to perform its obligations under this Agreement.

(iii) The execution, delivery and performance of this Agreement and the consummation of the transactions herein contemplated have been duly authorized by all requisite action on its part and will not violate any provision of law, any order of any court or agency of government or any indenture, agreement or other instrument to which it is a party or by which it or any of its property is bound, or be in conflict with or result in a breach of or constitute (with due notice and/or lapse of time) a default under any such indenture, agreement or other instrument. The execution and performance of this Agreement will not result in any breach of, violate, or constitute a default under any mortgage, indenture, deed of trust, lease, loan or credit agreement, charter, by-law or other instrument or agreement to which is a party or by which it may be bound or affected except for such violations, breaches or defaults which would not affect its ability to perform its obligations under this Agreement.

(iv) No consent, filing, license, approval, or authorization of, or registration, declaration, or filing with, any court, governmental body or authority, or other person or entity is required in connection with the valid execution, delivery or performance of this Agreement, or for the conduct of its business as now conducted, other than filings and recordings which have been obtained.

(v) This Agreement constitutes its legal, valid, and binding obligation, enforceable against it in accordance with its terms, except as enforceability may be limited by applicable bankruptcy and insolvency laws and public policy and equitable considerations affecting creditors' rights generally.

(vi) The funds to be advanced by it pursuant to this Agreement are available subject to the terms of the Concession Loan Documents, without the necessity for any other action or approval.

5.7 Continuing Effectiveness. All representations and warranties contained herein shall be deemed reaffirmed by all parties hereto on the date of each Advance.

SECTION 6 - COVENANTS

Each of BSCLLC and CALLC and, to the extent applicable, NFHLP, jointly and severally covenants and agrees from the date of this Agreement until Completion of the Project (except that the covenants and agreements in Section 6.3, 6.4, 6.5, 6.6, 6.7, 6.8, 6.9, 6.10, and 6.11 shall remain in effect so long as the respective leasehold interests of CALLC and BSCLLC under the Project Sublease and the Concession Lease and Agreement, respectively, have not been foreclosed), to:

6.1 Construct Improvements. Diligently prosecute all construction and other work in accordance with the Project Budget and Schedule (including the line-item allocations thereunder) and the Plans and Specifications. With reference to the Project Budget and Schedule, CALLC shall not have the right to utilize funds included in the contingency line item allocation of the Project Budget and Schedule without the prior written approval of the Construction Lenders' Agent, the Concession Lenders' Agent, the Public Sector Agent and Sportservice in their sole discretion in each instance. In any event, Completion of the Project will occur not later than the Outside Completion Date. Without limitation of the foregoing, interruption or delay in construction jeopardizing such completion, whether or not for reasons beyond CALLC's control, shall be a violation of CALLC's obligations under this Section.

6.2 Use of Proceeds. Use the proceeds of the Facilities solely and exclusively for the purposes of constructing the Improvements in accordance herewith and in accordance with the Project Budget and Schedule which CALLC, BSCLLC and Financing Participants have agreed upon and which shall be subject to no change except with the prior written approval of the Public Sector Agent, the Concession Lenders' Agent and the Construction Lenders' Agent, and to pay such fees, closing costs and other nonconstruction expenses relating to the Facilities, the construction of the Improvements, or the discharge of obligations under this Agreement as the Public Sector Agent, the Concession Lenders' Agent, the Construction Lenders' Agent, and Sportservice have approved or may from time to time approve.

6.3 Liens and Encumbrances. Keep the Project free from all liens and encumbrances except the Ground Leases and the Operating Leases and those in favor of Construction Lenders and Concession Lenders or as shown in a schedule hereto; to pay promptly all persons or entities supplying work or materials for the construction of the Improvements; to immediately discharge by bond or otherwise, or make other arrangements acceptable to the Public Sector Agent, the Concession Lenders' Agent, the Construction Lenders' Agent, and Sportservice with respect to, any mechanic's or other lien filed against the Project or the Borrower.

6.4 Fees and Charges. Pay promptly when due and before the accrual of penalties thereon all utility fees and charges in connection with the Project, and to provide Financing Participants with receipted bills therefor if so requested.

6.5 Insurance.

(a) Maintain Insurance. Maintain in effect at all times during the term of this Agreement the insurance policies and coverages required by Exhibit 5 (6.5) hereto, to notify the Financing Participants and Sportservice of any change in the status of such insurance within five (5) days of receipt of notice of any such change and to apply for and use its best efforts to collect all proceeds thereof. CALLC, BSCLLC and NFHLP irrevocably appoint Agent as their attorney-in-fact to make any claim upon, receive payment from, and execute and endorse any documents, checks or other instruments in payment for loss, theft, or damage under any such insurance policy. All insurance coverages with respect to the Project shall be provided by insurance carriers approved by Agent, and at a minimum shall have an A.M. Best's rating of A (Class IX) or better. All of the insurance policies shall be non-cancelable and non-amendable without sixty (60) days prior written notice to the Agent, shall be non-contributory and shall provide 60 days prior written notice to the Agent of any non-renewal, cancellation or material change in coverage; provided, however, that only ten (10) days prior written notice shall be required in the event of any non-renewal or cancellation resulting from non-payment of premiums.

(b) Provide Proof of Payment of Premiums. At all times during the term of this Agreement, provide to the Public Sector Agent, the Concession Lenders' Agent, the Construction Lenders' Agent and Sportservice satisfactory evidence of payment of premiums with respect to all renewals and replacements of insurance policies from time to time required to be in force, together with certificates evidencing such required coverage, not less than ten (10) days prior to the expiration date of the then-current insurance; and deliver certified copies of all policies

to Financing Participants within ninety (90) days after renewal thereof.

6.6 Reports and Notices. Furnish promptly to the Agent, the Financing Participants and Sportservice in writing such information as they may reasonably require concerning any proceeding seeking to enjoin the intended use of the Improvements, any claims or notices of default or purported non-performance by CALLC or others by or from the General Contractor or any Contractor or Subcontractor, and strikes or threatened strikes and any other matters which could reasonably be expected to adversely affect the ability of CALLC or BSCLLC to perform their respective obligations under this Agreement.

6.7 Condemnation. Apply for and use its best efforts to collect all awards by any governmental authority for the acquisition for public purposes of all or any portion of the Project or any interest therein or use thereof, including without limitation all awards for change of grade of streets and for consequential damages, and CALLC and BSCLLC appoint Agent as their attorney-in-fact to make claim for and receive payment of any such award. All such awards shall be turned over to Agent upon receipt for application as required in Section 8 of this Agreement.

6.8 Compliance with Laws and Regulations. Comply at all times with all applicable Federal, State and local laws, regulations, and ordinances.

6.9 Maintain Permits and Approvals. Comply with the terms of and maintain in full force and effect all permits, licenses, consents and approvals necessary for the construction and intended use of the Project.

6.10 Modify Existing Agreements. Not cancel, surrender, or modify in any manner adverse to the interests of any Financing Participant (a) the Project Sublease, (b) any of the Operating Leases, or (c) any of the Financing Documents.

6.11 Compliance with Public Agreements and NHL Cooperation Agreement. Comply at all times with, and fulfill their obligations under, the Public Agreements and the NHL Cooperation Agreement.

6.12 Deposit Deficiencies. Deposit with Agent within ten (10) days of Agent's demand therefor the amount of money equal to the difference between (i) the aggregate amount undisbursed under the Facilities, the undisbursed Funded Reserve and the unpaid Auditorium Ticket Surcharge Contribution, and (ii) the amount which the Construction Lenders' Agent, the Concession Lenders' Agent and the Public Sector Agent determine

is necessary to fully complete the construction of the Improvements free of all liens, including direct and indirect costs and work performed but for which payment has not been made. No Financing Participant shall be under any obligation to make any further Advances until any amount so demanded is so deposited.

SECTION 7 - FACILITY DEFAULTS AND REMEDIES

7.1 Notices Respecting Defaults.

(a) Each Financing Participant which sends or causes to be sent to CALLC, BSCLLC, or NFHLP a notice of default, or any written communication respecting actual, possible or purported defaults under its Financing Documents, will send a copy of such notice or communication to the Agent, the Operating Line Lender, Sportservice, and each of the other Financing Participants using the means of notice provided for in this Agreement.

(b) If the Operating Line Lender sends or causes to be sent to NFHLP a notice of default, or any written communication respecting actual, possible or purported defaults under the documents evidencing or securing the Operating Line, the Operating Line Lender will send a copy of such notice or communication to the Agent, Sportservice, and each of the Financing Participants using the means of notice provided for in this Agreement.

7.2 Consultation Rights. Prior to exercising any rights or remedies under its Financing Documents (other than declaration of default, acceleration, invocation of post-default interest rate, or set-off), the Operating Line Lender and each Financing Participant, as applicable, will call a meeting of all Financing Participants, the Operating Line Lender, Sportservice, and the Agent (which may be held by conference telephone) upon reasonable notice to such other parties, and will consult with such other parties in good faith respecting any proposed exercise of remedies; provided, however, that any Financing Participant may take whatever measures it in good faith deems necessary to preserve and protect its collateral in an emergency situation prior to such a meeting. Following such consultation, each Financing Participant, the Operating Line Lender and Sportservice shall have the right to exercise whatever remedies it deems appropriate, except as otherwise specifically provided herein, and subject to the Nondisturbance and Attornment Agreement.

7.3 Non-interference With Collateral. Each Public Sector Participant, BURA and ECIDA agrees (the obligations of the Public Sector Participants and, BURA, and ECIDA under this

Section 7.3 being several, and for itself alone) that until the Operating Line, the Construction Loan and the Concession Loan are finally and irrevocably paid in full:

(a) It will take no action potentially adversely affecting the rights of the secured party in Operating Line Collateral, Construction Loan Collateral or the Concession Loan Collateral, whether by judicial or non-judicial foreclosure, notification to account debtors, the seeking of the appointment of a trustee or receiver for any portion of CALLC's or BSCLLC's assets or otherwise.

(b) It will not take actual or constructive possession of any of the Operating Line Collateral, the Construction Loan Collateral or the Concession Loan Collateral.

(c) It will not demand, sue for, take or receive from NFHLP, CALLC, BSCLLC, or any successor or assign thereof, including without limitation a debtor-in-possession, receiver, or trustee, any payment from any of the Operating Line Collateral, the Construction Loan Collateral or the Concession Loan Collateral or any proceeds thereof; provided, however, that notwithstanding the foregoing, so long as none of the Construction Lenders or the Concession Lenders has sent a notice of an Event of Default or Incipient Event of Default, and such notice has been received by CALLC or BSCLLC, as appropriate (or, if such a notice has been sent, the default in question has been cured or waived in writing), CALLC and BSCLLC may pay to any Financing Participant, and any Financing Participant may accept and retain from CALLC and BSCLLC, regularly scheduled payments (i.e., not prepayments) of the Operating Fee and Ground Lease Rent made in accordance with the Operating Agreement and the Land Disposition Agreement, as applicable.

(d) In the event it takes possession of any Operating Line Collateral, Construction Loan Collateral or Concession Loan Collateral or in the event any payment is made to it from any Operating Line Collateral, Construction Loan Collateral or Concession Loan Collateral or any proceeds thereof (other than a payment permitted pursuant to the immediately preceding subsection hereof), it will not commingle such collateral, payment, or proceeds but will hold the same in trust for the benefit of the Operating Line Lender, the Construction Lenders or the Concession Lenders, as the case may be, and shall on demand therefor promptly turn over any such payment to the Operating Line Lender, the Construction Lenders or the Concession Lenders, as the case may be, in the form received, except for any necessary endorsement or transfer.

(e) It will not terminate or modify in any manner which adversely affects the Private Sector Participants or

Sportservice any of the Auditorium Leases (until after Completion of the Project), Public Agreements, or Ground Leases, or exercise any other remedy reserved to it under any of them.

(f) It will not initiate (i) any insolvency or bankruptcy case or proceeding, or any receivership, liquidation, reorganization, readjustment, composition or other similar case or proceeding, relative to CALLC, NFHLP and/or BSCLLC, or to their respective assets, or (ii) any proceeding for the liquidation, dissolution, reorganization or winding up of CALLC, NFHLP and/or BSCLLC, whether voluntary or involuntary and whether or not involving insolvency or bankruptcy. In the event any such proceeding is initiated by others, the Public Sector Participants agree that their respective interests in such proceedings shall be fully and completely subordinated to the claims of the Operating Line Lender, the Concession Lenders and the Construction Lenders, and none of the Public Sector Participants, CALLC, NFHLP or BSCLLC shall take any action or give any consent in such proceeding without prior written consent of the Operating Line Lender, the Concession Lenders, Agent and the Construction Lenders' Agent, which consent shall be granted if the same does not adversely impact the rights or interests of said Lenders.

(g) Notwithstanding anything to the contrary contained in this Section 7.3, this Section 7.3 shall not preclude:

(i) One or more actions against NFHLP in law or at equity based upon a breach or alleged breach of the Non-Relocation Agreement; obtaining of a judgment in any such action; enforcement of any injunction, restraining order, or judgment for specific performance obtained in such action; or enforcement of a money judgment obtained in such action against assets of NFHLP (the "Non-Relocation Money Judgment"). The proceeds of collateral granted by NFHLP to secure claims of the Concession Lenders and Construction Lenders shall be first applied to the claims of the Concession Lenders and the Construction Lenders. However, if the Concession Lenders and Sportservice have each not consented or agreed to the relocation or proposed relocation of NFHLP within 180 days after the commencement of any action or proceeding under any Non-Relocation Agreement, the Non-Relocation Money Judgment shall be subordinated to the prior payment in full of the Concession Loan and Construction Loan (and with respect to the Concession Loan and Construction Loan, any Non-Relocation Agreement judgments obtained by the Concession Lender and Construction Lender shall be equal in priority to and pari passu with the portion of sums due under the Concession Loan and Construction Loan not secured by the Concession Loan Collateral or Construction Loan Collateral, as applicable) and shall otherwise be subject to the same terms of subordination as apply to the UDC Guaranty as set forth in Section 12.3 hereof. In the

event there is a relocation approved by the Concession Lenders and Sportservice, then there will be no subordination as provided above, and (A) any Non-Relocation Money Judgment shall be equal in priority and pari passu to the portion of sums then due after such application of proceeds under (x) the Concession Loan if the action for such judgment has caused a default under the Concession Loan Documents and is not waived by the Concession Lenders; and (y) the Construction Loan, and (B) the parties shall also be equal in priority and pari passu as to any asset as to which the Concession Lenders and the Construction Lenders do not have a collateral position;

(ii) One or more actions against CALLC in law or in equity based on breach or alleged breach of the Affirmative Action Plan; obtaining of a judgment in any such action; or enforcement of any injunction, restraining order, or judgment for specific performance obtained in such action or enforcement of a money judgment obtained in such action subject to the limitation of Section 7.3(g)(iv) hereof;

(iii) One or more actions against CALLC at law or in equity based on a breach or alleged breach of any indemnification given by CALLC in any of the Public Agreements or the Project Sublease; obtaining of a judgment in any such action; enforcement of any injunction, restraining order, or judgment for specific performance obtained in such action; or enforcement of a money judgment obtained in such action solely against proceeds of liability insurance (including contract liability insurance applicable to any such indemnification) obtained by CALLC or such indemnitee, and not against any other asset of CALLC (it being understood that no indemnitee will be precluded hereby from maintaining one or more actions directly against any such insurance carrier to compel defense or coverage);

(iv) One or more actions against CALLC in law or in equity based upon breach or alleged breach of obligations by CALLC to pay (aa) Ground Rent, (bb) the Operating Fee, (cc) Excess Proceeds, as defined in the Operating Agreement; (dd) the County Portion of the Ticket Surcharge; (ee) obligations to ECIDA under the Project Lease other than indemnification obligations, or (ff) fines or penalties payable for breach of the Affirmative Action Plan; obtaining of a judgment in any such action; enforcement of any injunction, restraining order, or judgment for specific performance obtained in such action; or enforcement of a money judgment obtained in such action against the Project Revenue Account (but in the case of fines or penalties payable for breach of the Affirmative Action Plan, against any amounts in the Project Revenue Account remaining after payments required by Sections 4.1(a) through (j) only); provided, however, that any action for money damages shall be limited to the actual amount unpaid, without acceleration of

obligations as the result of failure to pay, and provided further that no action otherwise permitted under this subsection (iv) may be taken if the result thereof would be to render CALLC either incapable of performing its obligations under the Construction Documents, or eligible for a voluntary or involuntary bankruptcy proceeding;

(v) Any Public Sector Participant from exercising its governmental or police powers to enforce laws and regulations of general application with respect to protection of the public health, safety or welfare which said party has the responsibility to enforce, including collection of fines and penalties;

(vi) BURA from maintaining any action or proceeding against any party for the purpose of defending its title to the Property;

(vii) Any suit, action, enforcement or recovery against CALLC following payment in full (or accord and satisfaction) of the Construction Loan;

(viii) Any suit, action, enforcement or recovery by the City against NFHLP for rent owed (but excluding accelerated amounts) under the Auditorium Space Lease;

(ix) Any suit, action, enforcement or recovery against NFHLP for amounts distributed to NFHLP by CALLC which amounts would not have been available for distribution by CALLC but for violation by CALLC of Section 4.1 hereof;

(x) Enforcement of rights as landlord under the Sabres Space Lease following a relinquishment of the Construction Lenders' mortgage lien;

(xi) Any defense or counterclaim in any action brought against the defending or counterclaiming party;

(xii) Any action permitted under Section 11.3 hereof; or

(xiii) Exercise by ECIDA of its rights of assignment pursuant to Section 16.2(a) of the Project Sublease.

(h) Any Public Sector Participant taking an action permitted under Section 7.3(g) shall simultaneously notify the Public Sector Agent, the Construction Lenders' Agent and the Concession Lenders' Agent.

7.4 Priorities and Perfection.

(a) Each of the parties hereto acknowledges and agrees that it is estopped from denying that (i) the Operating Line Collateral, the Construction Loan Collateral and the Concession Loan Collateral are duly granted and, wherever applicable, perfected, and (ii) the Public Agreements and the rights of the Public Sector Participants thereunder are and shall be subject and subordinate to the Construction Loan Collateral and the Concession Loan Collateral in accordance with the terms hereof and (iii) the priorities of the parties in such collateral are as listed on Schedule F (7.4).

(b) The respective security interests and priorities in the collateral established in Schedule F (7.4) shall apply irrespective of (i) the time, order or method of attachment or perfection thereof; (ii) the time or manner of filing of respective financing statements, or recording of mortgages, (iii) the possession of any collateral; and (iv) the dating, execution or delivery of any agreement granting the applicable Financing Participants security interests and/or liens in or on any or all of the assets of CALLC, BSCLLC or NFHLP.

(c) Except as permitted in subsections 7.3(g)(i), (iv), (v), (vii), (viii), (ix), (x) and (xii) hereof with respect to the Public Sector Participants and ECIDA, each Financing Participant, BURA, ECIDA, Sportservice and the Operating Line Lenders agree that it will not demand, sue for, take or receive from CALLC, BSCLLC, or NFHLP, or any successor assign thereof, including, without limitation, a debtor-in-possession, receiver or trustee, any payment from any collateral listed in Schedule 7.4 hereof to which another Financing Participant (whether in its own name or through the Agent) or the Operating Line Lender has a prior lien priority in accordance with such schedule, or any proceeds thereof; provided, however, notwithstanding the foregoing, so long as the Agent, any Financing Participant or the Operating Line Lender has not sent a notice of an Event of Default which has been received by CALLC, BSCLLC, or NFHLP (or, if such a notice has been sent, the default in question has been cured or waived in writing), CALLC and BSCLLC, as applicable, may pay to any Financing Participant, or NFHLP may pay to the Operating Line Lender, as the case may be, and any Financing Participant or the Operating Line Lender may accept, regularly scheduled payments (i.e., not discretionary prepayments) on the Facilities made in the ordinary course of business, Voluntary Prepayments on the Construction Loan, Ground Rent, the Operating Fee, the Transmission Fee, the County Portion of the Ticket Surcharge or any payments in the ordinary course of business on the Operating Line.

(d) Except as permitted in subsections 7.3(g)(i), (iv), (v), (vii), (viii), (ix), (x) and (xii) hereof with respect to the Public Sector Participants, in the event any Financing Participant or the Operating Line Lender takes possession of any collateral or any payment is made to any Financing Participant or the Operating Line Lender from collateral or proceeds thereof in which the Agent, any other Financing Participant, or the Operating Line Lender has a prior lien priority in accordance with Schedule F (7.4) (other than a payment permitted pursuant to the immediately preceding subsection hereof), such Financing Participant or the Operating Line Lender will not commingle such payment, collateral or proceeds, but will hold such payment, collateral or proceeds (as the case may be) in trust for the benefit of the Financing Participant or Operating Line Lender which has a prior lien priority therein in accordance with Schedule F (7.4), and shall immediately notify the applicable Financing Participant or the Operating Line Lender of its possession thereof and on demand therefor promptly turn over any such payments to such Financing Participant or Operating Line Lender, as the case may be, in the form received, except for any necessary endorsement or transfer.

(e) All Financing Participants and the Operating Line Lender hereby waive any and all rights to compel any such party to marshall any assets of CALLC, BSCLLC or NFHLP.

7.5 Agreements Respecting the Project Sublease and Land Disposition Agreement.

(a) Construction Lenders agree that during any period while the Construction Lenders or their nominee hold the leasehold interest demised by the Project Sublease, Construction Lenders will pay, or cause to be paid, the rent due for such period under the Land Disposition Agreement, to the extent that Project Revenues net of Construction Lenders' expenses of enforcing and protecting their collateral and the expenses of operating the Project ("Net Project Revenues") are sufficient to pay debt service on the Construction Loan (or, if the Construction Loan indebtedness has been extinguished by foreclosure upon, or otherwise in connection with the acquisition of, said leasehold interest, debt service which would have accrued during said period had such indebtedness not been so extinguished) and said rent for said period. To the extent that Net Project Revenues are insufficient to make both said payments, Construction Lenders will pay as rent under the Land Disposition Agreement, the pro rata share of Net Project Revenues for said period, said pro rata share being the ratio of said rent accruing during said period (without regard to acceleration or default) under the Land Disposition Agreement to (i) debt service payments on the Construction Loan which became due during said period (without regard to acceleration or default) or (ii) if the

Construction Loan indebtedness has been extinguished by foreclosure upon, or otherwise in connection with the acquisition of, said leasehold interest, debt service which would have accrued during said period had such indebtedness not been so extinguished.

(b) Construction Lenders also agree to continue to collect and timely remit to the County the County Portion of the Ticket Surcharge during such period.

(c) BURA agrees to accept as rent under the Land Disposition Agreement, the payments described in Section 7.5(a). If said payments are less than the rent reserved under the Land Disposition Agreement for said period, such deficiency shall be accrued ("Accrued Ground Rent") but failure to pay the full rent reserved under the Land Disposition Agreement shall not be an event of default thereunder if the aforesaid pro rata share of Net Project Revenues is paid.

(d) If the Construction Lenders or their nominee transfer such leasehold interest to a third party following their acquisition of the same, the Construction Lenders will pay from the proceeds of such transfer (net of expenses of operating the Project and preserving, collecting or realizing upon the collateral and enforcing the Construction Loan Documents): (i) principal, interest, and any other amounts due on the Construction Loan (or which would have been due on the Construction Loan had such indebtedness not been extinguished in connection with acquisition of such leasehold interest) without regard to acceleration or default, and (ii) accrued rent under the Land Disposition Agreement (without regard to acceleration or default), pro rata; with any surplus proceeds to be applied pursuant to the relevant provisions of the Operating Agreement (whether or not said Agreement is then in effect).

(e) BURA agrees to accept payment made pursuant to the immediately preceding subsection hereof as payment in full of all rent under the Land Disposition Agreement to the date of such payment.

(f) Each Public Sector Participant which is a party to a Ground Lease and ECIDA and BURA agrees that until the Construction Loan and the Concession Loan have been paid in full and all Project financing arrangements between the Construction Lenders, the Concession Lenders and CALLC and BSCLLC have been terminated, or at such earlier time as Concession Lenders and Construction Lenders have renounced their recourse to the Project it will not terminate or modify any Ground Lease.

7.6 Agreements Respecting Operating Leases. Each party to any of the Operating Leases agree that until the

Construction Loan and the Concession Loan have been paid in full and all Project financing arrangements between the Construction Lenders, the Concession Lenders and CALLC and BSCLLC have been terminated, it will not terminate or modify or exercise any other remedy reserved to it under any of the Operating Leases if such exercise would be materially adverse to the interests of the Construction Lenders or the Concession Lenders.

7.7 Agreements Respecting Funded Reserve.

(a) The Agent shall draw the letter of credit comprising the Funded Reserve (i) in the event the letter of credit is not timely renewed in accordance with its terms or (ii) to the extent necessary to pay the amount determined by Agent by which the costs of construction of the Project exceed $123,500,000, and shall use the proceeds of such draw or draws to pay construction costs in excess of $123,500,000.

(b) If prior to the Completion of the Project the Agent shall receive (i) notice from the Concession Lenders' Agent that an Event of Default has occurred under the Concession Loan or this Agreement, or (ii) notice from the Construction Lenders' Agent that an Event of Default has occurred under the Construction Loan or this Agreement, or (iii) notice from the Public Sector Agent that an Event of Default has occurred under any Public Agreement or this Agreement, which notice includes instructions to do so, the Agent shall draw in full the letter of credit comprising the Funded Reserve and shall deposit the proceeds of such draw in the Construction Disbursement Account. If the Financing Participants acting pursuant to this Agreement determine to proceed with construction of the Project, the proceeds so deposited shall be disbursed from the Construction Disbursement Account to pay Project construction expenses. If the Financing Participants determine to not proceed with construction of the Project, Agent will pay such proceeds to the Financing Participant or Participants which made the last Advances hereunder, such payments to be in reverse order of such Advances and to be applied as a reimbursement of the applicable Advances.

(c) If Agent draws the letter of credit comprising the Funded Reserve, Agent will simultaneously notify CALLC of such draw and that (i) in the determination of Agent, the proceeds of such draw will be necessary to pay costs of construction of the Project; (ii) Agent has received a notice of an Event of Default described in Section 7.7(b) above; or (iii) the letter of credit has not been renewed in accordance with its terms.

(d) If Agent draws the letter of credit comprising the Funded Reserve based upon a notice of default

given pursuant to subparagraph 7.7(b) above, and later receives from the party which gave such notice of default notice that the default in question has been timely cured (and any party giving such notice of default pursuant to subparagraph 7.7(b) above agrees to promptly notify Agent if such default is timely cured), Agent will refund to the Account party or parties any draw proceeds remaining on deposit in the Construction Disbursement Account upon receipt of an unconditional, irrevocable replacement letter of credit in all respects acceptable to Agent in the amount of such refund.

7.8 Agreements Respecting Auditorium Ticket Surcharge Contribution.

(a) CALLC shall cause the Auditorium Ticket Surcharge Contribution to be deposited in a depository account with Marine Midland Bank, in which account Agent shall have a security interest. CALLC shall transfer from said account into the Construction Disbursement Account immediately upon Agent's demand therefor any amounts necessary to comply with CALLC's obligations under Section 6.12 hereof (this agreement not being in limitation of any additional obligations of CALLC under said Section 6.12).

(b) If Agent receives any of the notices specified in Section 7.7(b) hereof and so notifies CALLC, CALLC shall immediately transfer all amounts on deposit in said account into the Construction Disbursement Account, from which disbursements shall be made in accordance with the last two sentences of Section 7.7(b) hereof without limiting the rights of the Financing Participants hereunder, CALLC acknowledges that the Auditorium Ticket Surcharge Contribution shall be disbursed prior to the Funded Reserve.

SECTION 8 - CASUALTY LOSS; CONDEMNATION

8.1 Obligation to Repair. In the event of a casualty loss to the Project or a partial taking thereof by eminent domain, CALLC and BSCLLC shall be obligated to repair all damage caused by said casualty or taking, and, if such casualty or taking occurs prior to Completion of the Project, to diligently prosecute the Project to Completion of the Project.

8.2 Extension of Outside Completion Date. If a casualty loss or taking prevents CALLC and BSCLLC from meeting the requirements of Completion of the Project prior to the Outside Completion Date, the Private Sector Participants shall grant an appropriate extension of the Outside Completion Date if CALLC provides to the Private Sector Participants (i) written assurances from the parties to the Ground Leases, Public

Agreements, Operating Leases, and Facilities that such agreements are not then in default (except as the result of said casualty loss) and shall remain in full force and effect and binding upon the other parties thereto without any right of cancellation resulting from such casualty loss or taking during the repair period, (ii) amendments to the Architectural Agreements and Construction Contracts and such other evidence of the arrangements CALLC has made or proposes to make to accomplish said repairs, (iii) evidence that sufficient funds will be available from insurance proceeds, unadvanced amounts of the Facilities, condemnation proceeds and amounts made available by or through CALLC from other sources to complete such repairs and otherwise complete the Project and pay all costs thereof, (iv) objective evidence (including without limitation business interruption insurance policies) that sufficient funds are available to enable both CALLC and NFHLP to continue their respective business operations and remain solvent during the time necessary to accomplish said repairs, (v) written extensions of the Auditorium Leases permitting NFHLP to continue to use, and New York Sportservice, Inc., to continue to provide concession services in, Memorial Auditorium for a sufficient time beyond the extended Outside Completion Date to prevent interruption in the Buffalo Sabres National Hockey League season, including playoff games (and the City covenants to grant any such necessary extension), and (vi) extensions, if necessary, of the letter of credit comprising the Funded Reserve (the foregoing items (i) through (vi) being sometimes hereinafter collectively called the "Assurances"), and the Private Sector Participants and Sportservice have approved the Assurances, such approval not to be unreasonably withheld or delayed.

8.3 Insurance and Condemnation Proceeds.

(a) All condemnation proceeds and the proceeds of all casualty and business interruption insurance required hereby shall be payable to Agent, except that business interruption insurance with respect to the Concession Lease Agreement will be payable to Concession Lenders' Agent. In the event of a casualty loss or a taking before or after Completion, Agent shall make casualty insurance and condemnation proceeds therefrom available to CALLC or BSCLLC, as applicable, for repair and restoration if (i) Agent receives and the Private Sector Participants and Sportservice approve the Assurances (which approvals the Private Sector Participants and Sportservice agree not to unreasonably withhold or delay) and (ii) any amount by which the cost of such repair and restoration, as reasonably determined by the Private Sector Participants and Sportservice ("Excess Costs"), exceeds casualty insurance proceeds, condemnation proceeds and unadvanced Facility funds is deposited with Agent. In such event Agent shall disburse such proceeds and deposited amounts to CALLC in substantial conformity with Section 3 hereof and the applicable

provisions of the Construction Loan Documents and the Concession Loan Documents as repair and restoration are accomplished, provided however, that Agent may in its discretion advance insurance proceeds in amounts less than $25,000 per occurrence directly to CALLC, and provided further that business interruption insurance proceeds shall be paid over directly to CALLC or BSCLLC, as appropriate.

(b) In the event Agent does not receive the Assurances and the deposit of the Excess Costs following a casualty loss or taking by eminent domain before or after Completion of the Project, Agent shall distribute insurance or condemnation proceeds in its possession (i) first to the Construction Lenders or Term Lenders, as applicable, up to the amount certified to Agent by Construction Lenders to be due and owing to them on the Construction Loan, (ii) then to the Concession Lenders, up to the amount certified to Agent by the Concession Lender to be due and owing to them on the Concession Loan, and (iii) if prior to Completion of the Project, then to the City, the County, UDC and NFHLP in the same proportion as the outstanding balance of advances or contributions certified to Agent by each of the City, the County, UDC and NFHLP to have been made by each of them to the Project in accordance with the Project Budget and Schedule, and (iv) if after Completion, to CALLC for distribution in accordance with Article XIV of the Operating Agreement.

SECTION 9 - TAXES

9.1 Statement of Policy. It is the intent of each Public Sector Participant and ECIDA which is now or may become a taxing authority that there will be levied, imposed or applied against the Project no real property taxes, payments in lieu thereof, admission tax on or against events held at the Project, including without limitation hockey events (whether in the form of a ticket tax, ticket surcharge, gross receipts tax or otherwise), or any other tax, surcharge, assessment, or any other governmental imposition (the foregoing being collectively called "Impositions"), except the following charges being collectively called "Permitted Impositions"):

(a) Buffalo Place assessments not to exceed $18,000.00 per year;

(b) Sales or use taxes or increase in existing sales or use taxes;

(c) Water charges and sewer rent at generally applicable rates;

(d) Generally applicable service-based or usage-based charges;

(e) Compensating use taxes;

(f) The Ticket Surcharge;

(g) The Transmission Fee;

(h) Impositions mandated or caused to be imposed by higher governmental authorities the proceeds of which are either passed on to said higher authorities or offset by a reduction in aid from said authorities; and

(i) (a) Income taxes or (b) franchise taxes such as those imposed by Article 9-A of the New York State Tax Law or similar law for the privilege of doing business in corporate form or otherwise exercising the corporate franchise.

Each Public Sector Participant and ECIDA acknowledges that the absence of Impositions other than Permitted Impositions during the term hereof is a material inducement to CALLC, BSCLLC, NFHLP, the Private Sector Participants and Sportservice to enter into this Agreement.

9.2 Real Property taxes. Each Public Sector Participant, severally and for itself only, agrees that during the term hereof it will not impose or cause to be imposed on the Project any real property taxes or payments-in-lieu thereof.

9.3 Right of Offset and Deferral. In addition to all remedies which CALLC may have at law, equity, or pursuant to this Agreement:

(a) CALLC shall have the right, from time to time, to set off and deduct, from any payments of the Operating Fee owed by CALLC to the entity imposing any (i) admission tax on or against events held at the Project, including without limitation, Hockey Events, whether in the form of a ticket tax, tax surcharge, gross receipts tax or otherwise (except for the Ticket Surcharge) or (ii) any other tax, surcharge, assessment or other governmental imposition, however denominated, against the Project which by its terms or effect is limited exclusively, or which in effect applied primarily to, the Project as distinguished from other property within the City or County, an amount or amounts equal to any and all such taxes or charges. If the County is the entity imposing such taxes or charges, CALLC's right of offset shall apply to the County Portion of the Ticket Surcharge. If the City is the entity imposing such impositions, then to the extent such taxes or charges imposed by the City and paid by CALLC exceed the Operating Fee then payable to the City

(the "Excess Payments"), such Excess Payments shall be deductible from present and future Ground Rent payments. CALLC may seek legal or equitable relief against the party imposing such impositions only if its right to set off or deferral, as the case might be, for any single Fiscal Year has been exhausted.

(b) If the City institutes a new generally applicable Imposition other than a Permitted Imposition, and Project Revenues are insufficient to pay in full Operating Costs and Expenses and debt service payments on the Construction Loan (not including payments due because of acceleration or prepayments) plus such new Imposition, (the amount by which Project Revenues are so insufficient being hereinafter called "the Deficiency"), then BURA shall defer and accrue from the current and, to the extent necessary, future Ground Rent an amount equal to the Deficiency until Project Revenues are sufficient to pay in full Operating Costs and Expenses and said Construction Loan debt service payments. When in any fiscal year of CALLC Project Revenues are sufficient to pay in full Operating Costs and Expenses and said Construction Loan debt service payments, CALLC shall apply additional Project Revenues first to the payment of any amounts owing under the Ground Rent which were deferred pursuant to this Section. If CALLC fails to pay any such deferred and accrued amounts from Project Revenues as soon as practicable as stated in the preceding sentence, in addition to any and all remedies the City may otherwise have at law, equity, under this Section 9 of this Agreement or otherwise, the City shall have no further obligation to defer or accrue any Ground Rent payments pursuant to this Section.

9.4 Forbearance From Collection Remedies.

(a) At all times during the term hereof following the foreclosure or other acquisition by an Acquiring Lessee of the leasehold encumbered by the mortgage securing the Construction Loan, if notwithstanding the agreements set forth in this Section 9 any Impositions other than Permitted Impositions are levied against or imposed on the Project, the levying or imposing party agrees not to exercise any enforcement or collection remedies with respect to said Impositions (including specifically but without limitation sale of tax certificates and foreclosure, but excluding obtaining of a judgment). In the event the foregoing agreement to forebear exercise of remedies is held unenforceable by a court of competent jurisdiction and Impositions are paid by the Acquiring Lessee or its assigns, the amount of such payments will be offset against Ground Rent, if such Impositions are imposed by the City or BURA, or the County Portion of the Ticket Surcharge, if such Impositions are imposed by the County.

(b) In the event any Impositions otherwise eligible for offset and/or deferral under Section 9.3 above exceed the amount of Operating Fee, Ticket Surcharge and Ground Rent against which such Impositions may actually be offset and/or deferred, the first sentence in Section 9.4 (a) above shall apply with respect to any such excess amounts.

SECTION 10 - POST-FORECLOSURE AGREEMENTS

The parties agree that, following the foreclosure of the leasehold mortgage securing the Construction Loan by the Construction Lenders or their nominee for such purpose or the acquisition in any other manner of the leasehold encumbered by said mortgage (such acquiring party being hereinafter called "Acquiring Lessee") and at all times thereafter during the term hereof:

10.1 Completion of Construction. If construction of the Project has not been substantially completed, no Financing Participant shall be obligated to make further advances of its Facility. The Financing Participants and Sportservice shall meet and consult with each other as necessary and appropriate to discuss the advisability of completion of construction. If the Public Sector Participants' Facilities have been fully advanced and the Private Sector Participants elect to complete construction of the Project, such completion shall be in substantial and material compliance with the Plans and Specifications and with the requirements of the Sabres Space Lease, the Concession Lease and Agreement, and the Concession Sublease.

10.2 Insurance. The Acquiring Lessee and its assigns will maintain casualty and liability insurance on the Project in amounts and including coverages which are substantially and materially equivalent to similar buildings and operations nationally and, if NFHLP is not in default under the Sabres Space Lease, which meet the requirements of the Sabres Space Lease, the Concession Lease Agreement and the Concession Sublease. Not less frequently than once every twelve (12) months, the Acquiring Lessee and its assigns will notify the Public Sector Participants of the proposed insurance program for the following year; such insurance program will be subject to the approval of the Public Sector Participants, which approval shall not be unreasonably withheld or delayed.

10.3 Maintenance. The Acquiring Lessee and its assigns will maintain the Project in accordance with first-class sports and entertainment facility national standards, and, if NFHLP is not in default under the Sabres Space Lease, in accordance with the requirements of the Sabres Space Lease, the Concession Lease

Agreement and the Concession Sublease. Not less frequently than once every twelve (12) months, the Acquiring Lessee and its assigns will notify the Public Sector Participants of the proposed maintenance program for the following year; such maintenance program will be subject to the approval of the Public Sector Participants, which approval shall not be unreasonably withheld or delayed.

10.4 Naming Rights Agreements. Any contract for Project naming rights entered into by Acquiring Lessee or its assigns shall be (i) for a term not exceeding the unexpired initial term of the Project Sublease (or any replacement lease) pursuant to the Nondisturbance and Attornment Agreement, and (ii) subject to the approval of the Public Sector Participants with respect only to the proposed name, and which approval may be withheld only if the proposed name is offensive to public morals.

10.5 Retention of Title; Grant of Easements. BURA, the City and the County:

(a) Will not transfer or encumber any of their respective interests in the Project except among themselves and entities controlled by said parties, and subject in all cases to the Ground Leases and this Agreement. No such transfer, however, is permitted hereby if such transfer would cause a violation of Article IX hereof.

(b) Consistent with applicable law, will grant and/or authorize, upon request by the Acquiring Lessee such easements, rights-of-way, permits and licenses as may be reasonably necessary or appropriate for the construction of the Project consistent with the Plans and Specifications and the operation of the Project for the purposes contemplated hereby.

10.6 County Portion of Ticket Surcharge. The Acquiring Lessee and its assigns will continue to impose the County Portion of the Ticket Surcharge, and will pay over such portion to the County as required in the Operating Agreement (whether or not such Agreement is then in effect).

10.7 Suite and Club Seat Revenue. If upon acquisition by the Acquiring Lessee of the leasehold interest under the Ground Leases, CALLC is holding deposits or other payments from contract purchasers or lessees of suites or club seats and NFHLP is not in default under the Sabres Space Lease, the Acquiring Lessee shall apply such deposits and amounts first to the purchase from NFHLP of hockey event tickets and related services as contemplated by Article IX of the Sabres Space Lease.

10.8 Events of Default Under Sabres Space Lease.

(a) After the assumption of the landlord's obligations under the Sabres Space Lease by an Acquiring Lessee, said Acquiring Lessee and its assigns and NFHLP shall send to the Public Sector Participants and the Concession Lenders copies of all notices of, and correspondence regarding any actual or claimed, Event of Default or Incipient Event of Default under the Sabres Space Lease, and the Public Sector Participants and the Concession Lenders shall have the option in their sole discretion, but not the obligation, to cure such Event of Default or Incipient Event of Default within 120 days (or, if by its nature the default can be remedied, but not within said 120 day period, such longer period as is reasonable to cure the default, but not to exceed an additional sixty (60) days) after receipt of such notice any default by an Acquiring Lessee or its assigns which default is grounds for termination of the Sabres Space Lease by NFHLP, provided, however, that during such cure period NFHLP would not be precluded from causing Buffalo Sabres home games to be played at another arena temporarily if the nature of the default prevents such games from being played at the Project. The Acquiring Lessee, for itself and its assigns, hereby grants to the Public Sector Participants and the Concession Lenders, jointly and severally, full authority on behalf of the Acquiring Lessee to perform any covenant or obligation of Landlord under the Sabres Space Lease the non-performance of which is alleged by NFHLP to be a default under the Sabres Space Lease and is grounds for termination of the Sabres Space Lease.

(b) In the event of a sale by an Acquiring Lessee of its interest in the Project, such Acquiring Lessee shall pay over the first proceeds of such sale, up to a maximum of $5,000,000.00 in the aggregate, to reimburse one or more Public Sector Participants and the Concession Lenders for amounts disbursed out-of-pocket by such Public Sector Participants and the Concession Lenders to effectuate cure pursuant to Section 10.8(a) above, and as to which disbursements reasonable evidence is provided to Acquiring Lessee. If the proceeds of such sale include $5,000,000.00 or more in cash, said reimbursement shall be in cash. If said proceeds include less than $5,000,000.00 in cash, said reimbursement shall be in cash and deferred payments in the same ratio as the ratio of cash to deferred payments included in such proceeds, with the deferred portion of said reimbursement to be on the same terms as the deferred portion of such proceeds.

(c) NFHLP agrees that in the event it determines that Acquiring Lessee is in default under the terms of the Sabres Space Lease, NFHLP will not terminate the Sabres Space Lease until it receives written notification from each Public Sector Participant that the default of the Acquired Lessee under the

Sabres Space Lease will not be cured by one or more of the Public Sector Participants or, if no such notice is received, until the expiration of the full cure period provided for in this Section 10.8 to the Public Sector Participants.

(d) The Concession Lenders agree that in the event of a default under the Concession Loan Agreement the Concession Lenders will send to the other Financing Participants copies of all notices of, and correspondence regarding claimed, defaults by BSCLLC under the Concession Loan Agreement and not to remove the Concession Equipment in the event of an "Approved Sabres Relocation" as defined in the Concession Loan Agreement. Further, the Concession Lenders agree that upon such Approved Sabres' Relocation, the Concession Loan Collateral (other than the NFHLP Personal Property) shall be automatically released and the Concession Lenders agree to execute such documents as may be reasonably requested to effectuate such release of the Concession Loan Collateral (other than the NFHLP Personal Property). In addition, the Concession Lenders' Agent will provide to the Public Sector Agent and the Construction Lenders' Agent at least ninety (90) days prior notice of any auctions or removal of the Concession Equipment. In the event the Concession Lenders have provided notice as set forth above prior to an auction or removal of the Concession Equipment, and Sportservice does not during such period elect to continue the Concession Sublease in accordance with Section 8.2(c) thereof or if Sportservice so elects to continue the Concession Sublease but fails to provide the Concession Equipment in accordance with Section 8.2(c) thereof, the Public Sector Agent or the Construction Lender's Agent may upon thirty (30) days prior written notice, terminate the Concession Sublease; provided, however, that no such termination shall be effective if during such thirty (30) day period Sportservice provides Concession Equipment in accordance with Section 8.2(c) of the Concession Sublease and elects to continue the Concession Sublease in accordance therewith.

(e) Any sale by an Acquiring Lessee of its interest in the Project shall be subject to the rights of the Public Sector Participants and the Concession Lenders under Section 10.8(a) and (b) above as applicable to the transferee of said Acquiring Lessee.

10.9 Operating and Construction and Development Agreements. Except as may be specifically otherwise provided herein or in the Project Sublease, neither the Acquiring Lessee nor its assigns nor their respective interests in the Project shall be subject to the Operating Agreement or the Development and Construction Agreement.

10.10 Project Revenues. Section 4 hereof shall no longer apply.

SECTION 11 - NFHLP GUARANTY OF FACILITIES

11.1 Terms of Guaranty. Payment of certain of the Facilities will be guaranteed by NFHLP as follows: (a) NFHLP will guarantee to the Public Sector Participants funding of up to $12,000,000 of the Construction Loan, as set forth in the guaranty attached hereto as Exhibit 6 (11.1) ("Public Sector Guaranty"); (b) the Construction Loan shall be guaranteed by the NFHLP guaranty in the form of Exhibit 7(11.1) hereto ("Construction Loan Guaranty"); and (c) the Concession Loan shall be guaranteed by the NFHLP guaranty and agreement in the form of Exhibit 8(11.1) hereto ("Concession Loan Guaranty").

11.2 Agreements Concerning Public Sector Guaranty. Each of the Public Sector Participants agrees that:

(a) the Public Sector Guaranty will not be amended or modified without the prior written consent of each of the Construction Lenders and the Concession Lenders;

(b) the obligations of NFHLP under the Public Sector Guaranty shall be unsecured and no Public Sector Participant shall request, demand, take, accept or receive, directly or indirectly, any security for the Public Sector Guaranty.

11.3 Public Sector Guaranty.

(a) The Public Sector Participants will not, unless and until the Construction Loan and the Concession Loan and all costs and expenses related thereto and in connection therewith (including, without limitation, actual attorneys' fees and expenses) have been finally and irrevocably paid in full and all Project financing arrangements by and between the Construction Lenders and CALLC and the Concession Lenders and BSCLLC have terminated, initiate or participate with others in commencing any bankruptcy, reorganization or insolvency proceeding against NFHLP.

(b) In the event of any recovery under and in accordance with the terms of the Public Sector Guaranty (to the extent the same is in effect) or the Concession Loan Guaranty said recovery will be shared by the Concession Lenders and the Public Sector Agent pro rata in proportion to their respective unsecured claims under said guarantys.

SECTION 12 - NFHLP GUARANTY OF UDC INVESTMENT

12.1 Terms of Guaranty. Payment of the UDC Investment will be guaranteed by the NFHLP guaranty in the form of Exhibit 9(12.1) hereof ("UDC Guaranty").

12.2 Agreements Concerning UDC Guaranty. UDC agrees that:

(a) the UDC Guaranty cannot be amended or modified without the prior written consent of all of the Construction Lenders and the Concession Lenders;

(b) the obligations of NFHLP under the UDC Guaranty shall be unsecured and UDC shall not request, demand, take, accept or receive, directly or indirectly, any security for the Public Sector Guaranty.

12.3 Subordination of UDC Guaranty.

(a) UDC will not, unless and until the Construction Loan and the Concession Loan and all costs and expenses related thereto and in connection therewith (including, without limitation, actual attorneys' fees and expenses) have been finally and irrevocably paid in full and all Project financing arrangements by and between the Construction Lenders and the Concession Lenders and CALLC have terminated:

(i) Demand, request, take, accept, or receive, directly or indirectly, from or on behalf of NFHLP with respect to the UDC Guaranty, in any manner, including, without limitation, by setoff or otherwise, any monies in payment of the indebtedness or obligations covered by the UDC Guaranty (whether on principal, interest, rental obligations, fees, costs or expenses or any other obligation covered thereby);

(ii) Initiate or participate with others in any suit, action, or proceeding against NFHLP with respect to the UDC Guaranty until such time as the Construction Lenders or the Agent have commenced any suit, action or proceeding against NFHLP with respect to the Construction Loan Guaranty, or the Concession Lenders have commenced any suit, action or proceeding against NFHLP with respect to the Concession Loan Guaranty;

(iii) Initiate or participate with others in commencing any bankruptcy, reorganization or insolvency proceeding against NFHLP; or

(iv) Set off against the UDC Guaranty any monies owed to NFHLP, CALLC or any affiliates or subsidiaries thereof by UDC.

(b) If UDC shall take any actions against NFHLP with respect to the UDC Guaranty in violation of this Agreement, any of the Concession Lenders, the Construction Lenders or the Agent may interpose as a defense to such actions the terms and conditions of this Agreement, and the Concession Lenders, the Construction Lenders or the Agent may intervene and interpose such defense in its name or in the name of NFHLP.

(c) In the event of default in the payment of all or any part of the principal of, interest on, or fees or expenses due under, the Construction Loan or the Concession Loan when due, whether by acceleration or otherwise, and in addition to having the right to continue the subordination of the UDC Guaranty, the Concession Lenders, the Construction Lenders or the Agent may, but shall not be obligated to: (i) demand, collect, compromise and receive payment on the UDC Guaranty or any part thereof; (ii) to the extent permitted by law, make, prove and vote any and all claims arising under the UDC Guaranty in any proceeding (formal or informal) with respect to the bankruptcy, reorganization, arrangement, adjustment of debts, insolvency or liquidation of NFHLP, regardless of the existence or value of any collateral held by the Concession Lenders, the Construction Lenders or the Agent as security for payment of the Construction Loan or the Concession Loan, as applicable, including, without limitation, voting such claims at any meeting of creditors of NFHLP and voting such claims for or against any proposed plan in any such proceeding, all as the Construction Lenders or the Concession Lenders deem appropriate to protect their interest; provided, however, to the extent not so permitted by law, UDC covenants to make, prove and vote such claims in a manner consistent with the provisions of this Agreement governing collateral and subordination; (iii) receive any and all payments or dividends on such claims and apply the same, first, to payment of the recovering party's expenses incurred in exercising any of their rights or remedies hereunder (including, without limitation, actual attorneys' fees and legal expenses) and then to the payment of the recovering party's indebtedness, with any excess proceeds paid to NFHLP or CALLC, as applicable.

(d) UDC authorizes the Concession Lenders, the Construction Lenders, and the Agent without notice or demand and without affecting UDC's obligations or rights hereunder, from time to time: (i) to renew, extend, increase, accelerate or otherwise change the time for payment of the terms of, or the interest on, the Construction Loan, the Concession Loan, or any part thereof; (ii) to take from any party and hold collateral for the payment of the Construction Loan, the Concession Loan, or any part thereof, and to exchange, enforce or release such collateral or any part thereof; (iii) to accept and hold any indorsement or guaranty of payment of the Construction Loan, the Concession Loan, or any part thereof and to release or substitute any such

indorser or guarantor, or any party who has given any security interest in any collateral as security for the payment of the Construction Loan, the Concession Loan, or any part thereof, or any other party in any way obligated to pay the Construction Loan, the Concession Loan, or any part thereof; and (iv) to direct the order or manner of the disposition of any and all other collateral and the enforcement of any and all indorsements and guaranties relating to the Construction Loan, the Concession Loan, or any part thereof as the Construction Lenders, the Concession Lenders, and the Agent in their sole discretion, may determine.

(e) If UDC accepts or receives any payment or distribution on the UDC Guaranty in violation of this Agreement, UDC shall hold such payment or distribution in trust for the benefit of the Concession Lenders, the Construction Lenders, and the Agent and shall immediately deliver such payment or distribution to the Concession Lenders, the Construction Lenders, and the Agent in precisely the same form received (except for necessary endorsements or assignments by UDC) for application to the Concession Loan and Construction Loan, as applicable.

(f) By execution of this Agreement, NFHLP hereby acknowledges receipt of a copy of the UDC Guaranty, and agrees to make no payments on or under the UDC Guaranty (whether on principal, interest, rental obligations, fees, costs or expenses or any other obligation covered thereby) so long as there is any indebtedness outstanding to the Construction Lenders, the Concession Lenders or their respective successors or assigns, in connection with the Construction Loan or the Concession Loan.

(g) Nothing herein is intended to limit UDC's rights to seek one or more actions against NFHLP, at law or in equity, for damages based upon a breach or alleged breach of the Non-relocation Agreement pursuant to Section 7.3(g)(i) hereof, but without regard to the UDC Guaranty.

SECTION 13 - AGENT

13.1 Appointment and Authorization. Each Financing Participant hereby appoints Marine Midland Bank to act as Agent for the purpose specified herein, and for such purpose irrevocably authorizes the Agent to take such action and to exercise such rights, powers and discretions as are specifically delegated to the Agent in this Agreement, together with all rights, powers and discretions as are reasonably incidental thereto. The Agent may perform any of its functions and duties under this Agreement by or through any agents or any of its directors, officers or employees. In performing any of its functions and duties under this Agreement, the Agent shall not be

deemed to be acting as a trustee for or partner of, any Financing Participant or to have assumed any relationship of agency, trust or partnership with or for CALLC, BSCLLC, or NFHLP. CALLC, BSCLLC and NFHLP specifically acknowledge that no act, approval or consent of Agent will supersede the necessity for compliance with any requirement contained in any Financing Document or Public Agreement with respect to obtaining such consent or approval.

13.2 General Duties and Liabilities of Agent. The Agent shall have no duties or obligations other than those expressly provided for in this Agreement. Neither the Agent nor its directors, officers, employees or agents shall be liable for any action taken or omitted to be taken in connection with this Agreement, unless directly resulting from the Agent's or the Agent's directors', officers' employees' or agents' gross negligence or willful misconduct. The duties of the Agent shall be mechanical and administrative in nature; and the Agent and the Financing Participants shall not by reason of this Agreement have a fiduciary relationship with respect to any Financing Participant. Nothing in this Agreement expressly or impliedly is intended, or shall be construed to, impose upon Agent any obligations under this Agreement except as expressly set forth herein or in such documents.

13.3 Specific Duties of Agent. The Agent shall (i) promptly forward to each Financing Participant, BURA, ECIDA and Sportservice a copy of any notice or document received by the Agent from CALLC, BSCLLC, NFHLP, Sportservice, or any Financing Participant pursuant to the Financing Documents, to the extent not otherwise herein required to be sent directly by CALLC or BSCLLC; and (ii) promptly notify each Financing Participant and Sportservice of the occurrence of any event of default under the Financing Documents of which Agent has actual knowledge.

13.4 Certain Rights of Agent.

(a) If the Agent shall request instructions from the Public Sector Agent, the Construction Lenders' Agent, the Concession Lenders' Agent or Sportservice with respect to any act or action (including failure to act) in connection with this Agreement, the Agent shall be entitled to refrain from such act or taking such action unless and until the Agent shall have received instructions from each of said parties; and the Agent shall not incur liability to any Financing Participant, BURA, ECIDA, Sportservice or CALLC, BSCLLC, NFHLP or any other person by reason of so refraining. The Agent shall be fully justified in failing or refusing to take any action hereunder (i) if such action would, in the opinion of the Agent, be contrary to law or the terms of this Agreement; (ii) if it shall not receive such advice or concurrence of the Financing Participant or CALLC as it

deems appropriate; or (iii) if it shall not first be indemnified to its satisfaction by the Financing Participants against any and all liability and expense which may be incurred by it by reason of taking or continuing to take any such action. Without limiting the foregoing, no Financing Participant shall have any right of action whatsoever against the Agent as a result of the Agent acting or refraining from acting hereunder in accordance with the instruction of the Required Participants.

(b) The Agent may, without liability to the Financing Participants (i) rely, and shall be fully protected in relying, upon any writing, resolution, notice, consent, certificate, affidavit, letter, cablegram, telegram, telecopy, telephone notice, facsimile transmission, telex, statement, order or other document or conversation believed by Agent to be genuine and correct and to have been signed, sent or made by the person or persons by whom it purports to have been communicated or signed, and (ii) employ in Agent's sole discretion and rely on the advice and opinions received by Agent from any professional advisor, including without limitation, legal counsel, independent accountants or other experts, whether or not such professional advisor was selected by the Agent, and each Financing Participant hereby waives any claim or action it may have against the Agent arising out of, or resulting from, such employment or reliance.

(c) The Agent and its affiliates may make loans to, accept deposits from and generally engage in any kind of business with CALLC, BSCLLC, NFHLP, and any of their subsidiaries, affiliates, members and partners as though the Agent were not the Agent hereunder. With respect to the Construction Loan, the Agent shall have the same rights and powers under this Agreement as any Financing Participant and may exercise its rights as though it were not the Agent.

13.5 Indemnification and Succession of Agent.

(a) Each Financing Participant, BURA, and Sportservice agrees severally and for itself only to exculpate and indemnify the Agent (to the extent not reimbursed by CALLC) ratably according to their respective percentages of total project funding from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses and disbursements of any kind or nature whatsoever which may at any time be imposed on, incurred by, or asserted against the Agent in any way relating to, or arising from this Agreement or any action taken or omitted by the Agent under or in connection with the same; provided, however, that neither any Financing Participant, BURA nor Sportservice shall be liable for the payment of any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments,

suits, costs, expenses or disbursements resulting solely from the Agent's gross negligence or willful misconduct.

(b) The foregoing provision shall survive the payment of the Facilities and the termination of this Agreement.

(c) Following written notice to all Financing Participants, the Agent (i) may resign at any time and (ii) shall resign upon payment in full of the Construction Loan. Upon any such resignation, the Financing Participants shall have the right to appoint a successor Agent. If no successor Agent shall have been so appointed by the Financing Participants and shall have accepted such appointment within thirty (30) days after the retiring Agent's giving of notice or resignation, then the retiring Agent may, on behalf of the Financing Participants, appoint a successor Agent which shall be a commercial bank organized under the laws of the United States of America or any State thereof and such commercial bank shall have a combined capital and surplus of at least $50,000,000.00. Upon the acceptance of any appointment as Agent hereunder by a successor Agent, such successor Agent shall thereupon succeed to and become vested with all of the rights, powers, privileges and duties of the retiring Agent, and the retiring Agent shall be discharged from its duties and obligations under this Agreement. After any retiring Agent's resignation, the indemnity provisions of this Agreement shall inure to its benefit as to any actions taken by it while it was Agent under this Agreement.

13.6 Waiver of Liability of Agent. The Agent shall not have any liability or, as the case may be, any duty or obligation:

(a) To any party on account of any failure of any Financing Participant to perform, or the delay of any Financing Participant in the performance of, any of their respective obligations under this Agreement or any of the Financing Documents.

(b) To any Financing Participant on account of the failure or delay in performance by CALLC, BSCLLC or NFHLP of any of its obligations under the Financing Documents or any of the other documents in connection therewith.

(c) To any Financing Participant for (a) the accuracy of any written or oral statements furnished or made by or on behalf of CALLC, BSCLLC or NFHLP; (b) the accuracy of any representation, warranty or statement made by CALLC, BSCLLC or NFHLP in or pursuant to the Financing Documents or any of the other documents in connection therewith; or (c) the legality, validity, effectiveness, enforceability or sufficiency of the

Financing Documents or any other document in connection therewith.

(d) To any Financing Participant to provide either initially or on a continuing basis (except as expressly required hereby) any information with respect to the Project, CALLC, BSCLLC or NFHLP, their respective subsidiaries, affiliates, members or partners, or the condition of any of the foregoing, or for analyzing or assessing or omitting to analyze or assess the status, creditworthiness or prospects of the Project, CALLC, BSCLLC or NFHLP, their respective subsidiaries, affiliates, members or partners.

(e) To any Financing Participant to investigate whether or not any default under the Financing Documents has occurred (and the Agent may assume that, until Agent shall have actual knowledge to the contrary, no such default has occurred).

(f) To any Financing Participant to account for any sum or profit or any property of any kind received by Agent arising out of any present or future banking or other relationship with CALLC, BSCLLC, or NFHLP, or any of their subsidiaries, affiliates, partners or members except the relationship established pursuant to the Financing Documents.

(g) To take any action or refrain from taking any action other than as expressly required by this Agreement.

(h) To commence any legal action or proceeding arising from or in connection with this Agreement until Agent shall have been indemnified to Agent's satisfaction against any and all costs, claims and expenses (including, but not limited to, attorneys' fees and expenses) in respect of such legal action or proceeding.

SECTION 14 - ADDITIONAL CURE RIGHTS RESPECTING SABRES SPACE LEASE

14.1 Prior to declaring a default under the Sabres Space Lease, NFHLP and CALLC shall also send to the Public Sector Participants and the Concession Lender the notices required by Section 10.8(a)(i), and with the consent of the Construction Lenders' Agent and the Concession Lenders' Agent, which shall not be unreasonably withheld, the Public Sector Participants and the Concession Lender, jointly and severally, may exercise the rights of cure provided in Section 10.8(a)(i); provided, however that (aa) such cure shall be accomplished at the sole cost and expense of the entity or entities making such cure without expectation of or a claim for reimbursement whatsoever therefor pursuant to Section 10.8(b) or otherwise; (bb) neither CALLC, NFHLP nor the

Construction Lenders shall incur any liability therefor to the entity or entities making such cure; and (cc) the provisions of Section 10.8(c) shall apply thereto, but read to apply to a default of CALLC rather than the default of an Acquiring Lessee. If the Sabres Space Lease default being cured pursuant to this subsection is an Event of Default or Incipient Event of Default under the Construction Loan Documents or the Concession Loan Documents, the Construction Lenders and the Concession Lenders, as applicable, shall forbear from exercising remedies with respect to that Event of Default or Incipient Event of Default under the Construction Loan Documents and Concession Loan Documents, as applicable, to permit cure under this subsection; provided, however, that neither the Construction Lenders nor the Concession Lenders shall be precluded from exercising any remedies with respect to any other Event of Default or Incipient Event of Default (including specifically but without limitation, those related to the payment of money) which may exist during such cure period.

SECTION 15 - OTHER PROVISIONS

15.1 Term. This Agreement shall expire upon the later of (a) expiration of the initial term of the Project Sublease, or (b) expiration of the initial term of any lease which becomes effective in lieu of the Project Sublease pursuant to the Nondisturbance and Attornment Agreement or the mortgage securing the Construction Loan.

15.2 Reliance. The provisions of this Agreement are intended solely to address the relative rights, preferences, and priorities of the parties hereto with respect to the subject matter hereof for the benefit of the Agent, BURA, ECIDA, Sportservice and the Financing Participants except for the rights of CALLC and BSCLLC under Sections 3 and 9 hereof. No other party shall be entitled to rely on any such provision or assert any such provisions in a claim, or as a defense, against the Agent or any Financing Participant. CALLC, BSCLLC, and NFHLP consent to and agree to be bound by this provision as indicated by their signatures on this Agreement. This Agreement shall inure to the benefit of and bind the successors and permitted assigns of the parties hereto.

15.3 Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of New York without regard to principles of conflicts of law.

15.4 Modifications. No modifications, amendments or changes to this Agreement shall be valid unless the same is in writing and signed by all parties.

15.5 Exclusivity. Except as otherwise specifically provided herein, this Agreement contains the entire agreement between the parties relating to its subject matter, and all prior or contemporaneous agreements, understandings and statements, oral or written, are merged herein.

15.6 Termination.

(a) In the event of a default hereunder by any party, the other parties shall be entitled to exercise any right or remedy available at law or in equity, including specifically but without limitation specific performance and injunctive relief, but no party shall have the right to terminate this Agreement or its obligations thereunder as the result of such default.

(b) This Agreement shall remain in full force and effect notwithstanding the filing of a petition for relief by or against CALLC, BSCLLC or NFHLP under the bankruptcy, insolvency or similar laws or regulations of the United States or any state or territory thereof and shall apply with full force and effect with respect to all of the Construction Loan Collateral, Concession Loan Collateral, and Operating Line Collateral and Ticket Surcharge thereafter acquired by CALLC or BSCLLC, as applicable, and to all additional indebtedness incurred by CALLC or BSCLLC under the Facilities or replacements thereof (including without limitation any debtor-in-possession financing), as applicable, subsequent to the date of said petition.

15.7 Counterparts. This Agreement may be executed in two or more counterparts, each of which may be executed by one of the parties hereto, but all of which, when taken together, shall constitute a single agreement.

15.8 Notice. All notices, elections or demands permitted or required herein shall be in writing, signed by the party giving such notice, election or demand, and given personally, by facsimile transmission by nationally recognized courier service, or by mail, addressed to the appropriate party at the address designated for such party in Schedule G (15.8) hereof, or such other address in the continental United States as the party who is to receive such notice may designate by notice to the other party. Notice by mail shall be by registered or certified United States mail, addressed to the party to be notified, and with the proper amount of postage affixed thereto. The effective date of any proper notice, election or demand shall be the date of receipt. Rejection or other refusal to accept, or inability to deliver because of a change of address of which no proper notice was given, shall be deemed to be receipt of the notice, election or demand sent.

15.9 Financial Recourse Against ECIDA. No provision, covenant or agreement contained in this agreement or any obligation herein imposed upon ECIDA, or the breach thereof, shall constitute or give rise to or impose upon ECIDA a pecuniary liability or a charge upon its general credit. All covenants, stipulations, promises, agreements and obligations of ECIDA contained herein shall be the covenants, stipulations, promises, agreements and obligations of ECIDA and not of any member, director, employee, officer or agent of ECIDA in his or her individual capacity, and no recourse shall be had for any claim hereunder against any member, director, officer, employee or agent of ECIDA.

15.10 Proprietary Capacities. In entering into this Agreement, each Public Sector Participant is acting in a proprietary capacity rather than a governmental capacity. Nothing contained herein shall limit any Public Sector Participant from exercising its governmental or police powers with respect to protection of the public health, safety or welfare.

IN WITNESS WHEREOF, the parties have duly executed this agreement as of the date first written above.

Approved as to Form

Edward D. Peace
Corporation Counsel

THE CITY OF BUFFALO

By _____
Anthony M. Masiello
Mayor

Approved as to Form:

THE COUNTY OF ERIE

_____
County Attorney

By _____
Dennis T. Gorski
Erie County Executive

Approved as to Content:

_____
Commissioner, Department
of Environment and Planning

ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

By _____
Ronald W. Coan
Executive Director

THE CITY OF BUFFALO URBAN RENEWAL AGENCY

By _____
Anthony M. Masiello
Chairman

NEW YORK STATE URBAN DEVELOPMENT CORPORATION, individually and as Public Sector Agent

By _____
(Title)

IN WITNESS WHEREOF, the parties have duly executed this agreement as of the date first written above.

THE CITY OF BUFFALO

By _____
Anthony M. Masiello
Mayor

Approved as to Form:

_____
County Attorney

THE COUNTY OF ERIE

By _____
Dennis T. Gorski
Erie County Executive

Approved as to Content:

_____
Commissioner, Department
of Environment and Planning

ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

By _____
Ronald W. Coan
Executive Director

THE CITY OF BUFFALO URBAN RENEWAL AGENCY

By _____
Anthony M. Masiello
Chairman

NEW YORK STATE URBAN DEVELOPMENT CORPORATION, individually and as Public Sector Agent

By _____
(Title)

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THE CITY OF BUFFALO

By _____
Anthony M. Masiello
Mayor

Approved as to Form:

_____
County Attorney

THE COUNTY OF ERIE

By _____
Dennis T. Gorski
Erie County Executive

Approved as to Content:

_____
Commissioner, Department
of Environment and Planning

ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

By _____
Ronald W. Coan
Executive Director

THE CITY OF BUFFALO URBAN RENEWAL AGENCY

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Chairman

NEW YORK STATE URBAN DEVELOPMENT CORPORATION, individually and as Public Sector Agent

By _____
(Title)

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THE CITY OF BUFFALO

By _____
Anthony M. Masiello
Mayor

Approved as to Form:

_____
County Attorney

THE COUNTY OF ERIE

By _____
Dennis T. Gorski
Erie County Executive

Approved as to Content:

_____
Commissioner, Department
of Environment and Planning

ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

By _____
Ronald W. Coan
Executive Director

THE CITY OF BUFFALO URBAN RENEWAL AGENCY

By _____
Anthony M. Masiello
Chairman

NEW YORK STATE URBAN DEVELOPMENT CORPORATION, individually and as Public Sector Agent

By _____ Vice President
(Title)

[Signature Page to Document 48]

MARINE MIDLAND BANK, individually, and as Agent, and as Construction Lenders' Agent

By _____
Eilert F. Bartels
Senior Vice President

KEY BANK OF NEW YORK

By _____
James L. Rykowski
Vice President

SHAWMUT BANK, N.A., individually, and as Concession Lenders' Agent

By _____
David A. Splaine
Managing Director

FLEET BANK

By _____

NEW YORK SPORTSERVICE, INC.

By _____
Michael F. Thompson
President

SPORTSERVICE CORPORATION

By _____
Michael F. Thompson
President

CROSSROADS ARENA LLC

By ARENA, INC., its Member

By _____
Lawrence Quinn
Executive Vice President

MARINE MIDLAND BANK, individually, and as Agent, and as Construction Lenders' Agent

By _____
William H. Graser
Vice President

KEY BANK OF NEW YORK

By _____
James L. Rykowski
Vice President

SHAWMUT BANK, N.A., individually, and as Concession Lenders' Agent

By _____
David A. Splaine
Managing Director

FLEET BANK

By _____

NEW YORK SPORTSERVICE, INC.

By _____
Michael F. Thompson
President

SPORTSERVICE CORPORATION

By _____
Michael F. Thompson
President

CROSSROADS ARENA LLC

By ARENA, INC., its Member

By _____
Lawrence Quinn
Executive Vice President

[Signature Page to Document 48]

BUFFALO SABRES CONCESSION LLC

By NIAGARA FRONTIER HOCKEY
MANAGEMENT CORPORATION,
its member

By _____
Robert O. Swados
Vice Chairman

NIAGARA FRONTIER HOCKEY, L.P.

By NIAGARA FRONTIER HOCKEY
MANAGEMENT CORPORATION, its
Managing General Partner

By _____
Robert O. Swados
Vice Chairman

[Signature Page to Document 48]

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Schedule of Definitions

"Acquiring Lessee" - as defined in the preamble to Section 10 hereof.

"Advance" - the disbursement of a portion of a Facility.

"Advancing Party" - with respect to an Advance, any Financing Participant then making or having been requested to make the applicable Advance.

"Affirmative Action Plan" - the "Crossroads Arena Corporation Affirmative Action/Equal Opportunity Hiring Plan" dated 10/13/94 and filed with the Buffalo City Clerk on that date.

"Agent" - Marine Midland Bank, in its capacity as Agent for the benefit of itself, the other Financing Participants and any of their future co-lenders and participants.

"Approval Certificate" - as defined in Section 3.5 hereof.

"Architect" - with respect to the Arena Improvements, Ellerbe Becket Architect and Engineer P.C.; with respect to the Parking Structure Improvements, The Krog Corp.

"Architects Agreement" - as defined in Section 5.1(e) hereof.

"Arena Improvements" - the Improvements other than the Parking Structure Improvements.

"Auditorium Leases" - the following agreements respecting use of Memorial Auditorium, 140 Main Street, Buffalo, New York:

(a) "Auditorium Space Lease" dated as of February 11, 1970, as amended, between the City as landlord and NFHLP as tenant, demising portions of Memorial Auditorium, and

(b) "Auditorium Concession Agreement" dated as of July 10, 1970, as amended, between NFHLP and New York Sportservice, Inc., for operation of Memorial Auditorium concession, catering, club and parking services.

"Auditorium Ticket Surcharge Contribution" - an equity contribution of at least $1,000,000.00 to be paid from surcharges collected on tickets sold for events at Memorial Auditorium, such collected amounts to be made available for Project costs and expenses in four installments as follows: (i) On or before the

date of this Agreement; (ii) At the end of the 1994-1995 Buffalo Sabres season; (iii) When half the 1995-1996 Buffalo Sabres scheduled home games have been played, and (iv) At the end of the 1995-1996 home Buffalo Sabres season.

"Building Loan Contract" - the building loan contract of even date herewith between CALLC, Construction Lenders and Agent pursuant to which the Construction Lenders will provide the Construction Loan.

"BURA Lease" - as defined in Section 2.1.

"CALLC Personal Property" - all personal property of whatever description or type owned by CALLC or owned by ECIDA and leased to CALLC from time to time (including without limitation naming rights contracts, rate protection agreements, and documents and agreements pertaining to the Project) other than the Concession Equipment.

"City Sublease" - as defined in Section 2.1.

"Completion of the Project" - the occurrence or existence of the following:

(a) Construction of the Project is substantially completed in accordance with the Plans and Specifications, the requirements of the Public Agreements, the Ground Leases, the Operating Leases, the permits and approvals issued therefor, and the Financing Documents;

(b) all construction and development related obligations and other costs of the Project have been paid in full, and there are no outstanding mechanics or materialmen's liens affecting the Project or rights to file same (or lien bonds are in effect with respect to such liens in such a manner that no exception is taken therefor on the title policies insuring Construction Lenders or Concession Lenders);

(c) there have been delivered to the Public Sector Agent, the Concession Lenders' Agent and the Construction Lenders' Agent certificates of completion from the Project Architect, the Inspecting Engineer, and the General Contractor, all in form and substance reasonably satisfactory to the Public Sector Agent, the Concession Lenders' Agent, and the Construction Lenders' Agent;

(d) an unconditional certificate of use and occupancy for the Project, including an unconditional certificate of use and occupancy for areas which are to be occupied or used in connection with the Concession Leases, shall have been issued;

(e) BURA shall have issued a certificate of compliance for the Improvements pursuant to the Land Disposition Agreement;

(f) evidence satisfactory to the Public Sector Agent, the Concession Lenders' Agent, and the Construction Lenders' Agent that the respective leased premises have been accepted by the tenants under each of the Operating Leases shall have been delivered to Agent, the Concession Lenders' Agent, and the Construction Lenders' Agent;

(g) the conduct of a hockey event open to the public under the Sabres Space Lease shall have occurred (if the other conditions set forth in this definition shall occur during a hockey season, including exhibition and playoff games); and

(h) there shall not exist an Event of Default or Incipient Event of Default under any Financing Document.

"Concession Equipment" - the equipment at the Project owned by CALLC or owned by ECIDA and leased to CALLC located in the areas and used for the purposes covered by the Concession Sublease.

"Concession Lease" - as defined in Section 2.5 hereof.

"Concession Lenders" - Fleet and Shawmut and any future co-lenders and participants in the Concession Loan.

"Concession Lenders' Agent" - Shawmut.

"Concession Loan" - the $32,500,000.00 credit facility to be provided to BSCLLC by the Concession Lenders pursuant to the Concession Loan Agreement.

"Concession Loan Agreement" - the Interim and Term Concession Loan Agreement between Concession Lenders and BSCLLC pursuant to which the Concession Lenders will provide the Concession Loan.

"Concession Loan Collateral" - the collateral securing the Concession Loan, as listed on Schedule B (2.6(c)) hereto.

"Concession Loan Documents" - the applicable loan, collateral and guaranty documents to be executed and delivered in connection with the Concession Loan.

"Concession Loan Guaranty" - as defined in Section 11.1 hereof.

"Concession Revenue" - rental payments on the Concession Lease and Concession Sublease.

"Concession Sublease" - as defined in Section 2.5 hereof.

"Construction Contract" - [collectively,] the Construction Contract between the General Contractor and CALLC dated as of May 10, 1995, covering construction of the Arena Improvements, and the Construction Management Agreement between The Krog Corp. and CALLC dated as of May 10, 1995, covering construction of the Parking Structure Improvements.

"Construction Disbursement Account" - the deposit account maintained by Agent for purposes of Sections 3.6 and 7.7 hereof.

"Construction Documents" - as defined in Section 5.1(d) hereof.

"Construction Lenders" - during the Construction Loan Term (as defined in the Building Loan Contract) of the Construction Loan, Marine and Key; during the Permanent Loan Term (as so defined), Marine, Key, Shawmut and Fleet; and any future co-lenders and participants in the Construction Loan.

"Construction Lenders' Agent" - Marine.

"Construction Loan" - the $35,000,000.00 credit facility to be provided to CALLC by the Construction Lenders pursuant the Building Loan Contract. As the context requires "Construction Loan" shall include the Permanent Loan Term.

"Construction Loan Collateral" - the collateral securing the Construction Loan, as listed on Schedule A (2.6(b)) hereto.

"Construction Loan Documents" - the applicable loan, collateral and guaranty documents to be executed and delivered in connection with the Construction Loan.

"Construction Loan Guaranty" - as defined in Section 11.1 hereof.

"Cost Overrun Loan" - as defined in the Development and Construction Agreement.

"County Eligible Costs" - all costs of the acquisition, installation, construction or equipping of the Project including, without limitation, original furnishings, equipment or apparatus (but excluding costs of acquiring the Property or defending the

title thereto - "the exclusion") (for purposes of this definition the "Crossroads Acquisition"), which shall include the cost of preparing the Plans and Specifications therefor (including any preliminary studies or planning of the Project); preparing maps, surveys and estimates with respect thereto and holding hearings with respect thereto; architectural, engineering, testing, supervisory services with respect thereto; any expenses of enforcing any contract or subcontract with respect to the Crossroads Acquisition (subject to the exclusion set forth above); the cost of the premiums for all insurance maintained with respect to the Project until the completion thereof; all legal, accounting and other fees, costs and expenses incurred in connection with the preparation, reproduction, printing and authorization of documents with respect to the Crossroads Acquisition (subject to the exclusion set forth above), all as included within the categories of the Project Budget and Schedule; provided, however, that County Eligible Costs shall not, under any circumstances include costs not directly related to the Crossroads Acquisition and the County's investment therein (subject to the exclusion set forth above) for, as example, interest on loans provided by other participants loaning money with respect to the Project, overhead or working capital of any entity or costs of marketing, sales and promotion or the like. Notwithstanding the foregoing, "County Eligible Costs" shall be determined in a manner consistent with Section 5.02(a) of the Development and Construction Agreement.

"County Portion of the Ticket Surcharge" - one-quarter of one percent (.025%) of the stated purchase price of each ticket sold for all events held at the Project.

"County Sublease #1" - as defined in Section 2.1.

"County Sublease #2" - as defined in Section 2.1.

"Debt Service Reserve Account" - an account maintained with Agent to pay annually amounts due on the Construction Loan for which insufficient funds are available from Project Revenue.

"Development and Construction Agreement" - the Development and Construction Agreement dated of even date herewith between CALLC, the Public Sector Participants, BURA and ECIDA.

"Environmental Laws" - all federal, state and local environmental, land use, development, environmental quality, zoning, health, chemical use, safety and sanitation laws, statutes, ordinances and codes relating to the protection of human health or the Environment and/or governing the use, storage, treatment, generation, transportation, processing, handling, production or Disposal of Hazardous Substances and the

rules, regulations, policies, guidelines, interpretations, decisions, orders and directives of federal, state and local governmental agencies and authorities with respect thereto.

"Environmental Permits" - all licenses, permits, approvals, authorizations, consents applications or registrations required by any applicable Environmental Law and all applicable judicial and administrative orders, decrees, directives or other mandates in connection with the ownership, use and/or operation of the Property, for the storage, treatment, generation, transportation, processing, handling, removal, cleanup, maintenance, production or disposal of Hazardous Substances, or for the sale, transfer or conveyance of the Project.

"Environmental Site Assessments" - the reports listed on Schedule G hereto.

"Event of Default" - an event of default or default as defined in the document to which the term pertains.

"Facility" and "Facilities" - individually, or collectively, the Construction Loan, the Concession Loan, the City Investment, the UDC Investment and the County Investment.

"Financing Document" or "Financing Documents" - individually, or collectively, the applicable loan, collateral and guaranty document or documents executed and delivered in connection with the Facilities.

"Financing Participants" - the Public Sector Participants, the Concession Lenders, the Construction Lenders, and any of their future co-lenders and participants.

"Franchises" - the memberships and related franchises for the operation of hockey clubs of NFHLP in the National Hockey League and the American Hockey League or any successor leagues.

"Funded Reserve" - as defined in Section 2.6(a).

"General Contractor" - with respect to the Arena Improvements Huber, Hunt & Nichols, Inc.; with respect to the Parking Structure Improvements, The Krog Corp.

"Ground Leases" - collectively, the BURA Lease, County Sublease #1, the City Sublease, County Sublease #2, and the Project Sublease, and any substitute or replacement leases granted pursuant to the Nondisturbance and Attornment Agreement or the Construction Loan Documents.

"Ground Rent" - as defined in the Land Disposition Agreement.

"Hazardous Substance" - any flammable explosives, radon, radioactive materials, asbestos, asbestos-containing materials, urea formaldehyde foam insulation, lead-based paints, polychlorinated biphenyls, petroleum and petroleum products, methane, hazardous materials, hazardous wastes, hazardous or toxic substances or related materials as defined in or subject to the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. Sections 9601, et seq.), the Hazardous Materials Transportation Act, as amended (49 U.S.C. Sections 1801, et seq.), the Resource Conservation and Recovery Act, as amended (42 U.S.C. Sections 6901, et seq.), the Clean Water Act, as amended (33 U.S.C. Sections 1251, et seq.), The Safe Drinking Water Act (42 U.S.C. Sections 300f, et seq.), The Clean Air Act (42 U.S.C. Sections 7401, et seq.), Articles 15 and 27 of the New York State Environmental Conservation Act or any other applicable Environmental Law and in the regulations adopted pursuant thereto.

"Improvements" - a community sports and entertainment center, including approximately 80 private suites and approximately 2,500 premium seats, a premium seat club, sports bar, restaurant, concession facilities which will be sufficient to accommodate National Hockey League hockey, basketball, indoor soccer, indoor lacrosse, concerts, family shows and other events and seat approximately 19,400 for hockey and up to 21,500 for concerts and include approximately 1,909 parking spaces (approximately 1,125 of which will be included in the Parking Structure Improvements with the remainder on surface lots) plus related site improvements, as more particularly described in the Development and Construction Agreement and in accordance with the Construction Documents.

"Incipient Event of Default" - any condition or event, which with the giving of notice or the passage of time, or both, could become an Event of Default under the document to which the term pertains.

"Inspecting Engineer" - Merrit and Harris, Inc.

"Land Disposition Agreement" - the Contract for Lease of Land for Redevelopment among BURA, the City and CALLC dated as of even date herewith pertaining to the Project.

"Letter of Credit" - as defined in Section 2.7 hereof.

"Net Project Revenue" - as defined in Section 7.5(a) hereof.

"NFHLP Personal Property" - all personal property of every description or type, from time to time owned by NFHLP,

including without limitation the Franchises, but excluding Ticket Proceeds and the Ticket Proceeds Account.

"NFHMC" - Niagara Frontier Hockey Management Corp., a member of BSCLLC.

"NHL Cooperation Agreement" - Letter Agreement among the National Hockey League, BURA, the Financing Participants, NFHLP, CALLC, and BSCLLC.

"Nondisturbance and Attornment Agreement" - as described in Section 2.9 hereof.

"Non-relocation Agreement" - the agreement or agreements by NFHLP with the Financing Participants to cause substantially all Buffalo Sabres NHL home games to be played at the Project in accordance with the terms of such agreements.

"Operating Agreement" - as defined in Section 2.3 hereof.

"Operating Costs and Expenses" - as defined in Section 4.1(a).

"Operating Fee" - as defined in the Operating Agreement.

"Operating Leases" - as defined in Section 2.5 hereof.

"Operating Line" - an operating line of credit provided by Operating Line Lender in an amount up to $12,000,000.00, which may be increased to $15,000,000.00 after (i) Completion of the Project, (ii) no Event of Default or Incipient Event of Default exists under the Construction Loan Documents or the Concession Loan Documents, and (iii) approval by the Construction Lender's Agent and the Concession Lender's Agent of an appraisal establishing the fair market value of NFHLP's National Hockey League Franchise to be at least $65,000,000.00.

"Operating Line Collateral" - the collateral securing the Operating Line, as listed on Schedule C (2.8) hereto.

"Operating Line Lender" - Marine, in its capacity of providing the Operating Line to NFHLP, or any successor to Marine in such capacity.

"Outside Completion Date" - March 1, 1997.

"Owner's Representative" - Cannon Design, Inc.

"Parking Structure Improvements" - that portion of the Improvements consisting of two parking structures with a total of not less than 1,125 spaces.

"Plans and Specifications" - the plans and specifications for the Project, as listed on Schedule H hereto, and those for the Parking Structure Improvements, once completed and approved.

"Private Sector Participants" - collectively, the Construction Lenders and the Concession Lenders.

"Project" - the Property and the Improvements.

"Project Budget and Schedule" - the line item budget prepared by CALLC and accepted by the Financing Participants and Sportservice.

"Project Revenue" - gross income and revenues, of whatever description or type derived from the Project, other than (i) Concession Revenue and (ii) the County Portion of the Ticket Surcharge.

"Project Revenue Account" - the pledged account into which CALLC will deposit Project Revenue.

"Project Sublease" - as defined in Section 2.1 hereof.

"Property" - the real property and appurtenances described on Schedule I hereto.

"Public Agreements" - the Development and Construction Agreement, the Operating Agreement, and the Land Disposition Agreement.

"Public Letter of Credit" - as defined in Section 2.7 hereof.

"Public Sector Agent" - UDC.

"Public Sector Guaranty" - as defined in Section 11.1 hereof.

"Public Sector Participants" - the City, the County, and UDC.

"Release" - as defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986 (42 U.S.C. Sections 9601, et seq.) and the regulations promulgated thereunder. The term "Release" also includes

Disposal but is not conditioned by an exclusion for acts done in full compliance with an Environmental Permit.

"Renewal and Replacement Reserve Account" - an account maintained to fund capital additions, repairs and replacements and to which CALLC will make annual deposits from Project Revenue, to the extent available, as described in Article VII of the Operating Agreement.

"Request for Advance" - as defined in Section 3.1 (b) hereof.

"Retainage" - 10% of direct costs of then-completed construction, as further described in Section 3.13 hereof.

"Sabres Space Lease" - as defined in Section 2.5 hereof.

"Site Assessment Reports" - The reports identified on Schedule J hereto.

"Ticket Proceeds" - gross revenue from the sale of all luxury suite and premium seat tickets sold for all events held at the Project, less $45.00 per ticket.

"Ticket Proceeds Account" - the pledged account into which NFHLP will deposit Ticket Proceeds.

"Ticket Surcharge" - 2.25% of the stated purchase price of each ticket sold for all events held at the Project.

"Title Company" - Ticor Title Guaranty Company.

"Transmission Fee" - as defined in the Operating Agreement.

"UDC Guaranty" - as defined in Section 12.1 hereof.

"Voluntary Prepayments" - payments of principal on the Construction Loan, which may be made from Net Project Revenue without the prior approval of the Public Sector Participants if the average of the cumulative Operating Fee received by the Public Sector Participants prior to and including the Fiscal Year of the Voluntary Prepayment equals not less than $1,000,000 per year for each Fiscal Year, provided, however, that the first three Fiscal Years shall be excluded for purposes of the foregoing computation. Voluntary Prepayments shall be permitted in the first three Fiscal Years, provided that the Operating Fee paid with respect to the Fiscal Year in which the Voluntary Prepayment is made is at least $1,000,000.

SCHEDULE A (§2.6(b))

CONSTRUCTION LOAN COLLATERAL

- CALLC Personal Property
- Concession Equipment (subordinate to Concession Lenders' security interest)
- Debt Service Reserve Account
- CALLC's interest in the Ground Leases
- NFHLP Personal Property (Secures Construction Loan Guaranty)
- Project Revenue and Project Revenue Account
- Renewal and Replacement Account
- Ticket Proceeds and Ticket Proceeds Account
- Proceeds of the above

(All whether now owned or hereafter acquired)

SCHEDULE B (§2.6(c))

CONCESSION LOAN COLLATERAL

- Concession Equipment
- BSCLLC's interest in the Concession Lease and Concession Sublease and the Auditorium Lease and any other similar leases entered into in substitution therefor
- Concession Revenues
- NFHLP Personal Property (Secures Concession Loan Guaranty)
- $15,500,000 Standby Letter of Credit issued by Shawmut for the account of Sportservice
- Assignment of Concession Sublease by BSCLLC
- Proceeds of the above

(All whether now owned or hereafter acquired)

SCHEDULE C (§2.8)

OPERATING LINE COLLATERAL

- NFHLP Personal Property
- Proceeds of the above

(Whether now owned or hereafter acquired)

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SCHEDULE D (§5.3(a))
UNISSUED PERMITS

ITEM	SOURCE	SECURED BY
Fire Protection (sprinkler) review	Insurance Underwriter	Contractor
Curb Cut Permit	City of Buffalo	Contractor
Sidewalk Permit	City of Buffalo	Contractor
Water Connection Permit	City of Buffalo	Contractor
Sewer Connection Permit	City of Buffalo	Contractor
Use or other Special Fees, Permits, Taxes and Service Changes	City of Buffalo	Contractor
Certificate of Occupancy	City of Buffalo	Contractor
Public Assembly Certification	City of Buffalo	Owner
Fire Alarm Inspection and Certification	City of Buffalo Insurance Underwriter	Contractor Owner
Fire Prevention Inspection & Cert.	City of Buffalo Insurance Underwriter	Contractor Owner
Electrical Inspection	City of Buffalo	Contractor
Plumbing Inspection	City of Buffalo	Contractor
Restaurant License	City of Buffalo	Operator
Health License	State of New York	Operator
Catering License	City of Buffalo	Operator-Sportservice
Liquor License	State of New York	Operator-Sportservice
Architectural Building Permit	City of Buffalo	Contractor
Site Plumbing	City of Buffalo	Contractor
New York Energy Code Approval*	State of New York	Contractor
Vendor Permits	City of Buffalo	Vendors
County Health Dept. Approval for Food Concession Operation	County of Erie	Concessionaires

*NYS Energy Office is scheduled to be closed.
Additional information regarding this approval is being sought.

SCHEDULE D (§ 5.3(a) (Continued)

SCHEDULE OF UNISSUED PERMITS FOR THE PARKING STRUCTURE

ITEM	SOURCE	SECURED BY
Building Permit	City of Buffalo	Contractor
Plumbing Permit	City of Buffalo	Contractor
Water Connection Permit	City of Buffalo	Contractor
Sewer Connection Permit	City of Buffalo	Contractor
Electrical Permit	City of Buffalo	Contractor
Electrical Inspection	City of Buffalo	Contractor
Plumbing Inspection	City of Buffalo	Contractor
Certificate of Occupancy	City of Buffalo	Contractor

SCHEDULE E (§5.4)

CONDITIONS TO THE AVAILABILITY OF
COUNTY FUNDS FROM BORROWING

The availability of the County's funds from the proceeds of the issuance of the County's general obligation bonds to be issued for the purposes of the County's investment in the Project is subject to the following procedural steps (the necessary bond resolution of the County Legislature having been adopted and the statutory estoppel period having run): (a) making of the appropriate determinations by the County's Chief Fiscal Officer (the Comptroller) with respect to the issuance of the bonds; (b) mailing of the County's Preliminary Official Statement; (c) appropriate submittal (by the County) and approval of the New York State Comptroller with respect to the negotiated sale of the bonds in accordance with established rules and guidelines; (d) pricing of the bond issue by the underwriters and the County Comptroller, execution of a bond purchase agreement by the County Comptroller on behalf of the County and the bond purchasers, and delivery to the bond purchasers of a final official statement; and (e) funding and closing of the bond purchase sale.

Conditions to the Availability of City and UDC Funds from Borrowing

None

SCHEDULE F (§7.4)

PRIORITIES

Unless otherwise expressly set forth in this Schedule F (7.4), the lien priorities established in this Schedule F (7.4) shall secure any and all indebtedness and liabilities of CALLC, BSCLLC and NFHLP to the referenced Financing Participant whether now existing or hereafter incurred. To the extent the priorities set forth in this Schedule F (7.4) are limited to a specific loan and maximum principal amount, the specified loan, except as set forth in category VII. below, shall include interest thereon and fees, costs and expenses (including, without limitation, actual attorneys' fees and expenses), all in accordance with the applicable Financing Document or documentation evidencing the Operating Line.

The collateral described in this Schedule F (7.4) shall include all proceeds and products thereof in any form (including, without limitation, proceeds of insurance), all parts, accessories, attachments, special tools, additions, replacements, substitutions and accessions thereto and therefor, and in all increases or profits received therefrom.

To the extent there is only one party listed under the categories of collateral set forth below, such party shall have the first and only lien on such collateral.

I. CALLC PERSONAL PROPERTY

- First lien priority - Agent, for itself and on behalf of the Construction Lenders.

II. CONCESSION LEASE AND CONCESSION SUBLEASE

- First lien priority - Concession Lenders.

III. CONCESSION EQUIPMENT

- First lien priority - Concession Lenders, to the extent of the Concession Loan, not to exceed $32,500,000.00 of principal.
- Second lien priority - Agent, for itself and on behalf of the Construction Lenders, to the extent of the Construction Loan, not to exceed $35,000,000.00 of principal.

IV. CONCESSION REVENUES

- First lien priority - Concession Lenders.

V. DEBT SERVICE RESERVE ACCOUNT

- First lien priority - Agent, for itself and on behalf of the Construction Lenders and Term Lenders.

VI. CALLC INTEREST IN GROUND LEASES

- First lien priority - Agent, for itself and on behalf of the Construction Lenders and Term Lenders.

VII. NFHLP PERSONAL PROPERTY

- First lien priority - Operating Line Lender to the extent of $12,000,000, including interest, fees, cost and expenses, plus up to an additional $1,000,000 ("Additional Amount") for interest, costs and expenses.

- Co-equal second lien priority - (i) Agent, for itself and on behalf of the Construction Lenders and (ii) Concession Lenders, both to the extent of $12,000,000 with respect to the Construction Loan Guaranty and Concession Loan Guaranty.

- Third lien priority - Agent, for itself and on behalf of the Construction Lenders, for any rental or lease payments that NFHLP may from time to time owe Secured Party in connection with the Sabres Space Lease and which may accrue during a Standstill Period as defined in the NHL Cooperation Agreement ("Accrued Rent"), to the extent a balance remains on the Additional Amount after application to interest, fees, costs and expenses relating to the Operating Line.

- Co-equal fourth lien - (i) Agent, for itself and on behalf of the Construction Lenders and (ii) Concession Lenders, both for interest, fees, costs and expenses with respect to their respective guarantys, to the extent a balance remains on the Additional Amount after application to interest, fees, costs and expenses relating to the Operating Line and Accrued Rent.

VIII. PROJECT REVENUES AND PROJECT REVENUES ACCOUNT

- First lien priority - Agent, for itself and on behalf of the Construction Lenders and Term Lenders.

IX. RENEWAL AND REPLACEMENT RESERVE ACCOUNT

- First lien priority - Agent, for itself and on behalf of the Construction Lenders and Term Lenders.

X. $15,500,000 STANDBY LETTER OF CREDIT

- First lien priority - Concession Lenders.

XI. TICKET PROCEEDS AND TICKET PROCEEDS ACCOUNT

- First Lien Priority - Agent, for itself and on behalf of the Construction Lenders and Term Lenders.

SCHEDULE G (§ 15.8)

NOTICE ADDRESSES

CITY OF BUFFALO

ANTHONY M. MASIELLO
MAYOR
CITY OF BUFFALO
65 COURT STREET
CITY HALL
BUFFALO, NEW YORK 14202
TEL: (716) 851-4841
FAX: (716) 851-4360

CC: EDWARD D. PEACE, ESQ.
CORPORATION COUNSEL
CITY OF BUFFALO
65 NIAGARA STREET
CITY HALL, ROOM 1101
BUFFALO, NEW YORK 14202
TEL: (716) 851-4334
FAX: (716) 851-4105

CC: KAVINOKY & COOK
ARNOLD B. GARDNER, ESQ.
LAURENCE K. RUBIN, ESQ.
120 DELAWARE AVENUE
BUFFALO, NEW YORK 14202
TEL: (716) 845-6000
FAX: (716) 845-6474

ERIE COUNTY

COMMISSIONER RICHARD TOBE
COUNTY OF ERIE
DEPARTMENT OF ENVIRONMENT & PLANNING
COUNTY OFFICE BUILDING, 10TH FLOOR
95 FRANKLIN STREET
BUFFALO, NEW YORK 14202
TEL: (716) 858-6716
FAX: (716) 858-7248

CC: RICHARD J. SCHECHTER, ESQ.
ASSISTANT COUNTY ATTORNEY
69 DELAWARE AVENUE.
SUITE 300
BUFFALO, NEW YORK 14202
TEL: (716) 858-2200
FAX: (716) 858-2281

CC: NIXON, HARGRAVE, DEVANS & DOYLE
CHARLES P. JACOBS, ESQ.
1600 MAIN PLACE TOWER
BUFFALO, NEW YORK 14202
TEL: (716) 853-8100
FAX: (716) 853-8109

NEW YORK STATE URBAN DEVELOPMENT CORPORATION

STEVEN J. MATLIN, ESQ.
NEW YORK STATE URBAN DEVELOPMENT CORPORATION
1515 BROADWAY, 53RD FLOOR
NEW YORK, NEW YORK 10035
TEL: (212) 930-0218
FAX: (212) 930-0196

BUFFALO URBAN RENEWAL AGENCY

ATTN: DAN BICZ
COMMISSIONER OF COMMUNITY DEVELOPMENT
BUFFALO URBAN RENEWAL AGENCY
920 CITY HALL
BUFFALO, NEW YORK 14202
TEL: (716) 851-5016
FAX: (716) 854-0172

CC: MICHAEL L. MCCARTHY, ESQ.
BURA GENERAL COUNSEL
510 CITY HALL
BUFFALO, NEW YORK 14202
TEL: (716) 851-5053
FAX: (716) 854-0172

ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

AL CULLITON
CHIEF LENDING OFFICER
ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
424 MAIN STREET
300 LIBERTY BUILDING
BUFFALO, NEW YORK 14202
TEL: (716) 856-6525
FAX: (716) 856-6754

DR. RONALD COAN
EXECUTIVE DIRECTOR
ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
424 MAIN STREET
SUITE 300 LIBERTY BUILDING
BUFFALO, NEW YORK 14202
TEL: (716) 856-6525
FAX: (716) 856-6754

CC: HURWITZ & FINE
CHRISTOPHER J. HURLEY, ESQ.
1300 LIBERTY BUILDING
BUFFALO, NEW YORK 14202
TEL: (716) 849-8900
FAX: (716) 855-0874

NIAGARA FRONTIER HOCKEY, L.P.

NIAGARA FRONTIER HOCKEY, L.P.
MEMORIAL AUDITORIUM
ATTN: PRESIDENT & CHIEF EXECUTIVE OFFICER
140 MAIN STREET
BUFFALO, NEW YORK 14202
TEL: (716) 856-8585
FAX: (716) 856-7352

CC: LEGAL DEPARTMENT
MEMORIAL AUDITORIUM
140 MAIN STREET
BUFFALO, NEW YORK 14202
TEL: (716) 856-8585
FAX: (716) 856-3992

CC: COHEN, SWADOS, WRIGHT, HANIFIN, BRADFORD & BRETT
ATTN: ROBERT O. SWADOS, ESQ.
JANE F. CLEMENS, ESQ.
70 NIAGARA STREET
BUFFALO, NEW YORK 14202
TEL: (716) 856-4600
FAX: (716) 856-5228

CROSSROADS ARENA LLC & BUFFALO SABRES CONCESSION LLC

C/O ARENA, INC.
LAWRENCE QUINN, EXECUTIVE VICE PRESIDENT
CAROLYN HOYT, PROJECT DIRECTOR
HELEN A. DREW, ESQ., ASSOCIATE COUNSEL
CROSSROADS ARENA, LLC
140 MAIN STREET
BUFFALO, NEW YORK 14202
TEL: (716) 856-8585; (716) 856-7300
FAX: (716) 856-7351

CC: COHEN SWADOS WRIGHT HANIFIN BRADFORD & BRETT
ATTN: ROBERT O. SWADOS, ESQ.
JANE F. CLEMENS, ESQ.
70 NIAGARA STREET
BUFFALO, NEW YORK 14202
TEL: (716) 856-4600
FAX: (716) 856-5228

CC: LIPPES, SILVERSTEIN, MATHIAS & WEXLER
GERALD S. LIPPES, ESQ.
WILLIAM E. MATHIAS, II ESQ.
700 GUARANTY BUILDING
BUFFALO, NEW YORK 14202
TEL: (716) 853-5100
FAX: (716) 853-5199

CC: JAMES HADDAD, TREASURER
RICH PRODUCTS CORPORATION
1150 NIAGARA STREET
BUFFALO, NEW YORK 14213
TEL: (716) 878-8000
FAX: (716) 878-8524

CC: GEORGE STRAWBRIDGE
C/O RICHARD WILD, ESQ.
DECHERT, PRICE & RHOADS
4000 BELL ATLANTIC TOWER
1717 ARCH STREET
PHILADELPHIA, PA 19103
TEL: (215) 994-2670
FAX: (215) 994-2222

NATIONAL HOCKEY LEAGUE

DAVID ZIMMERMAN, ESQ.
ASSOCIATE GENERAL COUNSEL
47TH FLOOR
1251 AVENUE OF THE AMERICAS
NEW YORK, NEW YORK 10020
TEL: (212) 789-2118
FAX: (212) 789-2050

CC: JOHN A. HURVITZ, ESQ.
COVINGTON & BURLING
1201 PENNSYLVANIA AVENUE, NW
P.O. BOX 7566
WASHINGTON, D.C. 20044
TEL: (202) 662-5319
FAX: (202) 778-5319

HELEN A. DREW, ESQ.
THE BUFFALO SABRES
MEMORIAL AUDITORIUM
140 MAIN STREET
BUFFALO, NEW YORK 14202
TEL: (716) 856-7300 (EXT. 425)
FAX: (716) 856-3992

NEW YORK SPORTSERVICE, INC.

G. GAIL EDWARDS
VICE PRESIDENT & TREASURER

JANICE R. TRYBUS, ESQ.
ASSISTANT GENERAL COUNSEL
DELAWARE NORTH COMPANIES
438 MAIN STREET
BUFFALO, NEW YORK 14202
TEL: (716) 858-5143
FAX: (716) 858-5264

BURT GREENSPON, ESQ.
SPORTSERVICE CORPORATION
438 MAIN STREET
BUFFALO, NEW YORK 14202
TEL: (716) 858-5143
FAX: (716) 858-5264

CC: PHILIP J. SZABLA, ESQ.
ALBRECHT, MAGUIRE, HEFFERN & GREGG
2100 MAIN PLACE TOWER
BUFFALO, NEW YORK 14202
TEL: (716) 853-1521
FAX: (716) 852-2609

SHAWMUT BANK, N.A

DAVID A. SPLAINE
MANAGING DIRECTOR
SHAWMUT BANK, N.A.
ONE FEDERAL STREET
BOSTON, MA 02211
TEL: (617) 292-2000
FAX: (617) 482-2201

CC: JORDAN P. KRASNOW, ESQ.
GOULSTON & STORRS
400 ATLANTIC AVENUE
BOSTON, MA 02110
TEL: (617) 482-1776
FAX: (617) 574-4112

FLEET BANK

JOHN J. LARRY
VICE PRESIDENT
FLEET BANK OF NEW YORK
10 FOUNTAIN PLAZA
BUFFALO, NEW YORK 14202
TEL: (716) 847-7332
FAX: (716) 847-4491

CC: THOMAS A. PALMER, ESQ.
JAECKLE, FLEISCHMANN & MUGEL
FLEET BANK BUILDING
12 FOUNTAIN PLAZA
BUFFALO, NEW YORK 14202
TEL: (716) 856-0600
FAX: (716) 856-0432

MARINE MIDLAND BANK

MARINE MIDLAND BANK
C/O REGIONAL COMMERCIAL BANKING DEPARTMENT
ONE MARINE MIDLAND CENTER
LOBBY LEVEL
ATTN: MANAGER
BUFFALO, NEW YORK 14203
TEL: (716) 841-2558
FAX: (716) 855-0384

CC: PHILLIPS, LYTLE, HITCHCOCK, BLAINE & HUBER
RAYMOND H. SEITZ, ESQ.
JAMES H. WATZ, ESQ.
3400 MARINE MIDLAND CENTER
BUFFALO, NEW YORK 14203
TEL: (716) 847-8400
FAX: (716) 852-6100

KEY BANK OF NEW YORK

JAMES L. RYKOWSKI, VICE PRESIDENT
KEY BANK OF NEW YORK
50 FOUNTAIN PLAZA
BUFFALO, NEW YORK 14203
TEL: (716) 843-4412
FAX: (716) 847-7879

CC: JOE R. CAVAN, ESQ.
210 ELLICOTT SQUARE BUILDING
BUFFALO, NEW YORK 14203
TEL: (716) 852-8222
FAX: (716) 852-2829

ELLERBE BECKET ARCHITECTS

CARL A. YAEGER
PROJECT MANAGER/ARCHITECTURAL
ELLERBE BECKET ARCHITECTS
605 WEST 47TH STREET
SUITE 200
KANSAS CITY, MISSOURI 64112
TEL: (816) 561-4443
FAX: (816) 561-2863

CC: VINCE KING, ESQ.
VICE PRESIDENT/DEPUTY GENERAL COUNSEL
ELLERBE BECKET ARCHITECTS
800 LASALLE AVENUE
MINNEAPOLIS, MINNESOTA 55402
TEL: (612) 376-2162
FAX: (612) 376-2390

ARENA GENERAL CONTRACTOR

WILLIAM F. MULLEN
EXECUTIVE VICE PRESIDENT
HUBER, HUNT & NICHOLS
2450 SOUTH TIBBS AVENUE
P.O. BOX 128
INDIANAPOLIS, INDIANA 46206
TEL: (317) 241-6301
FAX: (317) 243-3461

CC: ALAN GOLDSTEIN, ESQ.
DUTTON OVERMAN GOLDSTEIN & PINKUS
710 CENTURY BUILDING
36 SOUTH PENNSYLVANIA STREET
INDIANAPOLIS, IN 46204
TEL: (317) 633-4000
FAX: (317) 633-1494

SCHEDULE H

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Geotechnical Report	Issued	03/21/94
Wind Loading Study	Issued	04/19/94
Roof Snow Loading Assessment	Issued	04/19/94
Fire Protection Program	Issued	07/07/94

END OF DOCUMENT

DOCUMENT 00014
LIST OF DRAWINGS

GENERAL PROJECT INFORMATION

		STATUS	CURRENT ISSUE DATE
G000 Series			
G001	General Notes/List of Drawings	Revised	12/07/94
CIVIL			
C101	Utility Demolition Plan	Deleted	08/22/94
C102	Utility Plan 1 of 2	Issued	04/18/95
C103	Utility Plan 2 of 2	Issued	04/18/95
C120	Plan Storm Sewer	Deleted	10/25/95
C120.1	Plan Storm Sewer	Issued	04/18/95
C121	Plan Storm Sewer	Deleted	10/25/94
C122	Storm Sewer Profiles	Deleted	10/25/94
C122.1	Storm Sewer Profiles	Issued	04/18/95
C130	Plan Water Line and Sanitary Sewer	Deleted	10/25/94
C131	Sanitary Sewer Profile	Deleted	10/25/94
C132	Water and Sewer Details	Revised	04/18/95
C133	Manhole Details	Issued	04/18/95
C134	Paving and Sidewalk Details	Revised	04/18/95
C135	Parking Lot and Miscellaneous Details	Iss. for Inf	04/18/95
C150	Arena Grading Plan	Iss. for Inf	04/18/95
C151	Parking Lot Site Plan	Iss. for Inf.	04/18/95
C152	Parking Lot Grading Plan	Iss. for Inf.	04/18/95
C153	Parking Lot Profiles	Iss. for Inf	04/18/95
C154	Parking Lot Drainage Plan	Iss. for Inf	04/18/95
C155	Existing Topography & Parking Lot Demolition Plan	Iss. for Inf	04/18/95
LANDSCAPE			
LS Series			
LS1	Survey (1" =60')	Reference Only	08/22/94
LS2	Partial Survey (1" =20')	Ref Only	08/22/94
ARCHITECTURAL			
A000 Series			
A001	Key Notes	Revised	12/07/94
A002	Wall Types	Reissued	12/07/94
A100 Series - Site Drawings			
A101	Site Plan (1" =60')	Rev. for Inf.	12/07/94
A102	Enlarged Site Plan (1" =20')	Rev. for Inf.	12/07/94
A103	Landscape Plan	Iss. for Inf.	04/18/95
A104	Landscape Plan	Iss. for Inf.	04/18/95
A110	Landscape Plan	Iss. for Inf.	04/18/95

		STATUS	CURRENT ISSUE DATE
A200 Series - Floor Plans			
A200	Geometry Plan	Reissued	12/07/94
A201	Event Floor Level	Revised	12/07/94
A202	Main Concourse Level	Revised	12/07/94
A203	Club Level	Revised	12/07/94
A204	Suite Level	Revised	12/07/94
A205	Upper Concourse Level	Revised	12/07/94
A206	Mechanical Level	Revised	12/07/94
A207	Press Level Upper Deck	Revised	12/07/94
A208	Catwalk Plan	Reissued	12/07/94
A209	Roof Plan	Reissued	12/07/94
A211	Event Floor Level Sectant A (1/8" = 1'-0")	Reissued	12/07/94
A212	Event Floor Level Sectant B (1/8" = 1'-0")	Revised	12/07/94
A213	Event Floor Level Sectant C (1/8" = 1'-0")	Reissued	12/07/94
A214	Event Floor Level Sectant D (1/8" = 1'-0")	Revised	12/07/94
A215	Event Floor Level Sectant E (1/8" = 1'-0")	Revised	12/07/94
A216	Event Floor Level Sectant F (1/8" = 1'-0")	Revised	12/07/94
A221	Main Concourse Level-Sectant A (1/8" = 1'-0")	Revised	12/07/94
A222	Main Concourse Level-Sectant B (1/8" = 1'-0")	Revised	12/07/94
A223	Main Concourse Level-Sectant A (1/8" = 1'-0")	Revised	12/07/94
A224	Main Concourse Level-Sectant D (1/8" = 1' = 0")	Revised	12/07/94
A225	Main Concourse Level-Sectant E (1/8" = 1' = 0")	Revised	12/07/94
A226	Main Concourse Level-Sectant F (1/8" = 1' = 0")	Reissued	12/7/94
A231	Club Level Sectant A (1/8" = 1'-0")	Revised	12/07/94
A232	Club Level Sectant B (1/8" = 1'-0")	Revised	12/07/94
A233	Club Level Sectant C (1/8" = 1'-0")	Revised	12/07/94
A234	Club Level Sectant D (1/8" = 1'-0")	Revised	12/07/94
A235	Club Level Sectant E (1/8" = 1'-0")	Reissued	12/07/94
A236	Club Level Sectant F (1/8" = 1'-0")	Revised	12/07/94
A241	Suite Level Sectant A (1/8" = 1'-0")	Revised	12/07/94
A242	Suite Level Sectant B (1/8" = 1'-0")	Revised	12/07/94
A243	Suite Level Sectant C (1/8" = 1'-0")	Revised	12/07/94
A244	Suite Level Sectant D (1/8" = 1'-0")	Issued	12/07/94
A245	Suite Level Sectant E (1/8" = 1'-0")	Issued	12/07/94
A246	Suite Level Sectant F (1/8" = 1'-0")	Revised	12/07/94
A251	Upper Concourse Level Sectant A (1/8" = 1'-0")	Revised	12/07/94
A252	Upper Concourse Level Sectant B (1/8" = 1'-0")	Revised	12/07/94
A253	Upper Concourse Level Sectant C (1/8" = 1'-0")	Issued	12/07/94
A254	Upper Concourse Level Sectant D (1/8" = 1'-0")	Issued	12/07/94
A261	Mechanical Level Sectant A (1/8" = 1'-0")	Reissued	12/07/94
A262	Mechanical Level Sectant B (1/8" = 1'-0")	Reissued	12/07/94
A263	Mechanical Level Sectant C (1/8" = 1'-0")	Reissued	12/07/94
A264	Mechanical Level Sectant D (1/8" = 1'-0")	Reissued	12/07/94

		STATUS	CURRENT ISSUE DATE
A271	Upper Deck/Press Level Sectant A (1/8" = 1'-0")	Reissued	12/07/94
A272	Upper Deck/Press Level Sectant B (1/8" = 1'-0")	Reissued	12/07/94
A273	Upper Deck/Press Level Sectant C (1/8" = 1'-0")	Reissued	12/07/94
A274	Upper Deck/Press Level Sectant D (1/8" = 1'-0")	Reissued	12/07/94
A300 Series - Exterior Elevations and Arena Sections			
A301	Elevations (1/16" = 1'-0")	Reissued	12/07/94
A302	Elevations (1/16" = 1'-0")	Revised	12/07/94
A308	Precast Elevations Sectant A & B	Reissued	12/07/94
A309	Precast Elevations Sectant C & D	Reissued	12/07/94
A310	Building Sections	Reissued	12/07/94
A312	Partial Transverse Section (1/8" = 1'-0")	Revised	12/07/94
A313	Partial Section (1/8" = 1'-0")	Revised	12/07/94
A321	Positive Wind Pressure	Reiss -Ref. Only	12/07/94
A322	Negative Wind Pressure	Reiss Ref. Only	12/07/94
A400 Series - Exterior Wall Sections			
A401	Wall Sections	Reissued	12/07/94
A402	Wall Sections	Revised	12/07/94
A403	Wall Sections	Reissued	12/07/94
A404	Wall Sections	Reissued	12/07/94
A405	Wall Sections	Revised	12/07/94
A406	Wall Sections	Reissued	12/07/94
A407	Wall Sections	Reissued	12/07/94
A408	Wall Sections South Wall & Club	Reissued	12/07/94
A409	Wall Sections - Trash Chute	Reissued	12/07/94
A410	Wall Sections North Elevation	Reissued	12/07/94
A411	Wall Sections	Reissued	12/07/94
A412	Wall Sections	Reissued	12/07/95
A500 Series - Exterior Details			
A501	Exterior Details Precast Walls	Reissued	12/07/94
A502	Exterior Details	Revised	12/07/94
A503	Details	Reissued	12/07/94
A504	Details	Reissued	12/07/94
A510	Exterior Detail North Wall	Revised	12/07/94
A511	Typical Exterior Details (Pavilion)	Revised	12/07/94
A512	Exterior Details	Reissued	12/07/94
A513	Exterior Details West Wall	Reissued	12/07/94
A514	Exterior Details	Reissued	12/07/94
A515	Exterior Details	Reissued	12/07/94
A516	Exterior Details	Reissued	12/07/94
A520	Deck Details	Reissued	12/07/94

		STATUS	CURRENT ISSUE DATE
A521	Deck Details	Reissued	12/07/94
A525	North Bridge Details	Reissued	12/07/94
A530	Roof Details	Reissued	12/07/94
A600 Series - Vertical Circulation and Vertical Transportation			
A601	Stair Plans	Reissued	12/07/94
A602	Stair Plans Sections & Details	Reissued	12/07/94
A610	Elevator Plans and Details - Passenger Elevator #1 & 2, 4 & 5	Reissued	12/07/94
A611	Elevator Plans Freight Elevator #6 & Service Elevator #7	Reissued	12/07/94
A612	Elevator Hoistway Sections - Elevators #1, 2, 3, 4 & 6	Reissued	12/07/94
A620	Escalator Plans Sections & Details	Reissued	12/07/94
A621	Escalator Details and Stair Plans, Sections and Details	Reissued	12/07/94
A640	Stair Details	Reissued	12/07/94
A700 Series - Reflected Ceiling Plans			
A711	Event Floor Sectant Plan A (1/8" = 1'-0")	Revised	12/07/94
A712	Event Floor Sectant Plan B (1/8" = 1'-0")	Revised	12/07/94
A713	Event Floor Sectant Plan C (1/8" = 1'-0")	Revised	12/07/94
A714	Event Floor Sectant Plan D (1/8" = 1'-0")	Reissued	
A715	Event Floor Sectant Plan E (1/8" = 1'-0")	Revised	12/07/94
A716	Event Floor Sectant Plan F (1/8" = 1'-0")	Revised	12/07/94
A721	Main Concourse Sectant Plan A (1/8" = 1'-0")	Reissued	12/7/94
A722	Main Concourse Sectant Plan B (1/8" = 1'-0")	Reissued	12/7/94
A723	Main Concourse Sectant Plan C (1/8" = 1'-0")	Revised	12/07/94
A724	Main Concourse Sectant Plan D (1/8" = 1'-0")	Reissued	12/07/94
A725	Main Concourse Sectant Plan E (1/8" = 1'-0")	Reissued	12/07/94
A726	Main Concourse Sectant Plan F (1/8" = 1'-0")	Reissued	12/07/94
A731	Club Level Sectant Plan A (1/8" = 1'-0")	Revised	12/07/94
A732	Club Level Sectant Plan B (1/8" = 1'-0")	Revised	12/07/94
A733	Club Level Sectant Plan C (1/8" = 1'-0")	Revised	12/07/94
A734	Club Level Sectant Plan D (1/8" = 1'-0")	Revised	12/07/94
A735	Club Level Sectant Plan E (1/8" = 1'-0")	Revised	12/07/94
A736	Club Level Sectant Plan F (1/8" = 1'-0")	Revised	12/07/94
A741	Suite Level Sectant Plan A (1/8" = 1'-0")	Revised	12/07/94
A742	Suite Level Sectant Plan B (1/8" = 1'-0")	Revised	12/07/94
A743	Suite Level Sectant Plan C (1/8" = 1'-0")	Revised	12/07/94
A744	Suite Level Sectant Plan D (1/8" = 1'-0")	Revised	12/07/94
A745	Suite Level Sectant Plan E (1/8" = 1'-0")	Revised	12/07/94
A751	Upper Concourse Sectant Plan A (1/8" = 1'-0")	Reissued	12/07/94
A752	Upper Concourse Sectant Plan B (1/8" = 1'-0")	Revised	12/07/94
A753	Upper Concourse Sectant Plan C(1/8" = 1'-0")	Reissued	12/7/94
A754	Upper Concourse Sectant Plan D (1/8" = 1'-0")	Reissued	12/07/94

		STATUS	CURRENT ISSUE DATE
A773	Press Level Sectant Plan C (1/8" = 1'-0")	Revised	12/07/94
A774	Press Level Sectant Plan D (1/8" = 1'-0")	Revised	12/07/94
A775	Typical Ceiling Details	Revised	12/07/94
A776	Acoustical Banners and Lapidaries	Issued	12/07/94
	A800 Series - Large Scale Interior Elevations and Details		
A800	Typ Mounting Height Schedule	Revised	12/07/94
A801	Int. Elev. Pavilion (Looking North/South	Revised	12/07/94
A801.5	Int. Elev. Pavilion (Looking North/South	Reissued	12/7/94
A802	Interior Elev. at Pavillion	Reissued	12/07/94
A803	Event Floor Typ Public Interior Elevations	Reissued	12/7/94
A804	Sabres Locker Room Enlarged Plan	Revised	12/07/94
A805	Sabres Locker Room Elevations	Revised	12/07/94
A806	Event Level Enlarged Plans/Elevations	Reissued	11/17/94
A807	Event Floor Enlarged Plans/Elevations	Revised	12/07/94
A808	Interior Elevations 2A09 IR45/RS)	Revised	12/07/94
A809	Interior Elevations 2C17 IR29/R21)	Revised	12/07/94
A810	Interior Elevation - Main Concourse (RS/R15)	Revised	12/07/94
A811	Typ. Interior Sections	Revised	12/07/94
A812	Enlerged M.C. Toilets Plans/Elevations	Revised	12/07/94
A813	Typ. Interior Sections	Revised	12/07/94
A814	Interior Elevations - Club Level	Revised	12/07/94
A815	Enlarged Plans/Details - Club Level	Reissued	12/07/94
A816	Interior Elevations - Suite Level	Revised	12/07/94
A817	Interior Elevation - Upper Concourse	Revised	12/07/94
A818	Enlerged Plans/Elevation - Upper Concourse	Revised	12/07/94
A820	Press Level Elevations/Enlarged Plans	Revised	12/07/94
A821	Door/Interior Opening Details	Reissued	12/07/94
A822	Door/Interior Opening Details	Revised	12/07/94
A823	Slab Details	Reissued	12/07/94
A824	Ice Floor Details	Revised	12/07/94
A825	Suite Plan Details	Revised	12/07/94
A826	Suite Details	Reissued	12/07/94
A827	Suite Details	Revised	12/07/94
A831	Column Details	Revised	12/07/94
A832	Column Details	Revised	12/07/94
A850	Casework Details/Elevations	Revised	12/07/94
A851	Casework Details	Reissued	12/07/94
A852	Interior Details, Elevations & Sections	Issued	12/07/94
A871	Event Floor Pattern	Reissued	12/07/94
A872	Floor Patterns - Main Concourse	Reissued	12/07/94
	A900 Series - Spectator Drawings		
A901	Typ. Bowl Quadrant 1/8" (Railing Key Plan)	Reissued	12/7/94
A902	Typ. Bowl Details	Reissued	12/07/94
A903	Typ. Bowl Details	Reissued	12/07/94
A904	Seat Counts 1/16" (Lower Deck/Club)	Reissued	12/07/94
A905	Seat Counts 1/16" (Upper Deck)	Reissued	12/07/94
A906	Bowl Details	Reissued	12/07/94
A907	Hockey Dasher Sheet	Reissued	12/07/94
A910	Seating Sections / Plans	Issued	12/29/94
A911	Seating Sections / Plans	Issued	12/29/94

		STATUS	CURRENT ISSUE DATE
STRUCTURAL			
S001	Structural General Notes	Reissued	12/07/94
S002	Structural Drawing Index, Abbreviations and Symbols	Reissued	12/07/94
S101	Structural Load Key Plans	Reissued	12/07/94
S102	Structural Load Key Plans	Reissued	12/07/94
S103	Structural Load Key Key Plans	Reissued	12/07/94
S104	Structural Load Key Key Plans	Reissued	12/07/94
S105	Structural Load Key Key Plans	Reissued	12/07/94
S211	Event Level Plan - Sectant - 'A"	Reissued	12/07/94
S212	Event Level Plan - Sectant - 'B"	Reissued	12/07/94
S213	Event Level Plan - Sectant - 'C"	Reissued	12/07/94
S214	Event Level Plan - Sectant - 'D"	Reissued	12/07/94
S215	Event Level Plan - Sectant - 'E"	Reissued	12/07/94
S216	Event Level Plan - Sectant - 'F"	Reissued	12/07/94
S221	Main Concourse Framing Plan - Sectant 'A"	Reissued	12/07/94
S222	Main Concourse Framing Plan - Sectant 'B"	Reissued	12/07/94
S223	Main Concourse Framing Plan - Sectant 'C"	Reissued	12/07/94
S224	Main Concourse Framing Plan - Sectant 'D"	Reissued	12/07/94
S225	Main Concourse Framing Plan - Sectant 'E"	Reissued	12/07/94
S226	Main Concourse Framing Plan - Sectant 'F"	Reissued	12/07/94
S231	Club Level Framing Plan - Sectant - 'A"	Reissued	12/07/94
S232	Club Level Framing Plan - Sectant - 'B"	Reissued	12/07/94
S233	Club Level Framing Plan - Sectant - 'C"	Reissued	12/07/94
S234	Club Level Framing Plan - Sectant - 'D"	Reissued	12/07/94
S235	Club Level Framing Plan - Sectant - 'E"	Reissued	12/07/94
S236	Club Level Framing Plan - Sectant - 'F"	Reissued	12/07/94
S241	Suite Level Framing Plan - Sectant - 'A"	Reissued	12/07/94
S242	Suite Level Framing Plan - Sectant - 'B"	Reissued	12/07/94
S243	Suite Level Framing Plan - Sectant - 'C"	Reissued	12/07/94
S244	Suite Level Framing Plan - Sectant - 'D"	Reissued	12/07/94
S245	Suite Level Framing Plan - Sectant - 'E"	Reissued	12/07/94
S246	Suite Level Framing Plan - Sectant - 'F"	Reissued	12/07/94
S251	Upper Concourse Framing Plan - Sectant 'A"	Reissued	12/07/94
S252	Upper Concourse Framing Plan - Sectant 'B"	Reissued	12/07/94
S253	Upper Concourse Framing Plan - Sectant 'C"	Reissued	12/07/94
S254	Upper Concourse Framing Plan - Sectant 'D"	Reissued	12/07/94
S255	Upper Concourse Framing Plan - Sectant 'E"	Reissued	12/07/94
S256	Upper Concourse Framing Plan - Sectant 'F"	Reissued	12/07/94
S261	Mechanical Level Framing Plan-Sectant 'A"	Reissued	12/07/94
S262	Mechanical Level Framing Plan-Sectant 'B"	Reissued	12/07/94
S263	Mechanical Level Framing Plan-Sectant 'C"	Reissued	12/07/94
S264	Mechanical Level Framing Plan-Sectant 'D"	Reissued	12/07/94
S265	Mechanical Level Framing Plan-Sectant 'E"	Reissued	12/07/94
S266	Mechanical Level Framing Plan-Sectant 'F"	Reissued	12/07/94

		STATUS	CURRENT ISSUE DATE
S271	Upper Deck / Press Level Framing Plan - Sectant - 'A'	Revised	12/07/94
S272	Upper Deck / Press Level Framing Plan - Sectant - 'B'	Reissued	12/07/94
S273	Upper Deck / Press Level Framing Plan - Sectant - 'C'	Reissued	12/07/94
S274	Upper Deck / Press Level Framing Plan - Sectant - 'D'	Revised	12/07/94
S281	Gutter Roof Framing Plan Sectant A	Reissued	12/07/94
S282	Gutter Roof Framing Plan Sectant B	Reissued	12/07/94
S283	Gutter Roof Framing Plan Sectant C	Reissued	12/07/94
S284	Gutter Roof Framing Plan Sectant D	Reissued	12/07/94
S290	Bottom Chord Catwalk & Rigging Framing	Reissued	12/07/94
S291	Main Roof Framing Plan	Reissued	12/07/94
S301	Raker Frame Elevations	Revised	12/07/94
S302	Raker Frame Elevations	Revised	12/07/94
S303	Raker Frame Elevations	Revised	12/07/94
S304	Raker Frame Elevations	Reissued	12/07/94
S311	Typical Structural Precast Details	Reissued	12/07/94
S312	Typical Structural Precast Details	Reissued	12/07/94
S321	Structural Slab Reinforcing Key Plans	Reissued	12/07/94
S322	Structural Slab Reinforcing Key Plans	Reissued	12/07/94
S331	Exterior Arch. Wall Connections	Reissued	12/07/94
S341	Structural Elevator Plans	Reissued	12/07/94
S401	Framing Elevations	Reissued	12/07/94
S402	Framing Elevations	Reissued	12/07/94
S403	Framing Elevations	Reissued	12/07/94
S411	Framing Details	Reissued	12/07/94
S412	Framing Details	Reissued	12/07/94
S421	Pavilion Truss Elevations and Details	Reissued	12/07/94
S422	Pavilion Truss Elevations and Details	Reissued	12/07/94
S501	Main Roof Truss Elevations	Reissued	12/07/94
S502	Main Roof Truss Elevations	Reissued	12/07/94
S503	Main Roof Truss Elevations	Reissued	12/07/94
S511	Main Roof Truss Details	Reissued	12/07/94
S512	Main Roof Truss Details	Reissued	12/07/94
S513	Main Roof Truss Details	Reissued	12/07/94
S514	Main Roof Truss Details	Reissued	12/07/94
S515	Main Roof Truss Details	Reissued	12/07/94
S516	Main Roof Truss Details	Reissued	12/07/94
S517	Main Roof Truss Details	Reissued	12/07/94

		STATUS	CURRENT ISSUE DATE
S611	Typical Structural Reinforcement Details	Reissued	12/07/94
S621	Typical Structural Concrete Details	Reissued	12/07/94
S631	Typical Structural Steel Connection Details	Reissued	12/07/94
S632	Typical Structural Steel Connection Details	Reissued	12/07/94
S641	Typical Structural Deck Details	Reissued	12/07/94
S651	Masonry Wall Bracing Plan	Reissued	12/07/94
S652	Masonry Details	Reissued	12/07/94
S711	Pile/Pilecap/Foundation Schedules and Details	Reissued	12/07/94
S712	Event Level/Foundation Sections and Details	Reissued	12/07/94
S713	Event Level/Foundation Sections and Details	Reissued	12/07/94
S714	Event Level/Foundation Sections and Details	Reissued	12/07/94
S721	Main Concourse Sections and Details	Reissued	12/07/94
S722	Main Concourse Sections and Details	Reissued	12/07/94
S723	Main Concourse Sections and Details	Reissued	12/07/94
S724	Main Concourse Sections and Details	Reissued	12/07/94
S731	Club Level Sections and Details	Reissued	12/07/94
S732	Club Level Sections and Details	Reissued	12/07/94
S741	Suite Level Sections and Details	Reissued	12/07/94
S742	Suite Level Sections and Details	Reissued	12/07/94
S751	Upper Concourse Sections and Details	Reissued	12/07/94
S752	Upper Concourse Sections and Details	Reissued	12/07/94
S761	Mechanical Level Sections and Details	Reissued	12/07/94
S771	Upper Deck/Press Level Sections and Details	Revised	12/07/94
S772	Upper Deck/Press Level Sections and Details	Revised	12/07/94
S781	Gutter Roof Sections and Details	Reissued	12/07/94
S782	Catwalk, Platform and Rigging Grid Sections & Details	Reissued	12/07/94
S791	Main Roof Sections and Details	Reissued	12/07/94
S792	Main Roof Sections and Details	Reissued	12/07/94
S811	Column Schedule and Details	Reissued	12/07/94
S812	Column Schedule and Details	Reissued	12/07/94

		STATUS	CURRENT ISSUE DATE
MECHANICAL			
M001	Title Sheet	Reissued	12/07/94
M101	Event Level - Fire Protection	Reissued	12/07/94
M102	Main Course - Fire Protection	Reissued	12/07/94
M103	Club Level - Fire Protection	Reissued	12/07/94
M104	Suite Level - Fire Protection	Reissued	12/07/94
M105	Upper Concourse Level - Fire Protection	Reissued	12/07/94
M106	Mechanical Level - Fire Protection	Reissued	12/07/94
M107	Press Level/Upper Deck - Fire Protection	Reissued	12/07/94
M108	Catwalk Level - Fire Protection	Reissued	12/07/94
M200	Underground - Plumbing	Reissued	01/30/95
M201	Event Floor Level - Plumbing	Reissued	01/30/95
M202	Main Concourse Level - Plumbing	Reissued	01/30/95
M203	Club Level - Plumbing	Reissued	01/30/95
M204	Suite Level - Plumbing	Reissued	01/30/95
M205	Upper Concourse Level - Plumbing	Reissued	01/30/95
M206	Mechanical Level - Plumbing	Reissued	01/30/95
M207	Press Level/Upper Deck - Plumbing	Reissued	01/30/95
M208	Roof Plan - Plumbing	Reissued	12/07/94
M270A	Riser Diagrams - Plumbing	Reissued	12/07/94
M270B	Riser Diagrams - Plumbing	Reissued	12/07/94
M270C	Riser Diagrams - Plumbing	Reissued	12/07/94
M270D	Riser Diagrams - Plumbing	Reissued	12/07/94
M270E	Riser Diagrams - Plumbing	Reissued	12/07/94
M270F	Riser Diagrams - Plumbing	Reissued	12/07/94
M270G	Riser Diagrams - Plumbing	Issued	01/30/95
M270H	Riser Diagrams - Plumbing	Issued	01/30/95
M270J	Riser Diagrams - Plumbing	Issued	01/30/95
M270K	Riser Diagrams - Plumbing	Issued	01/30/95
M270L	Riser Diagrams - Plumbing	Issued	01/30/95
M270M	Riser Diagrams - Plumbing	Issued	01/30/95
M301A	Event Level Sectant 'A' - Piping & Ventilation	Reissued	12/07/94
M301B	Event Level Sectant 'B' - Piping & Ventilation	Reissued	12/07/94
M301C	Event Level Sectant 'C' - Piping & Ventilation	Reissued	12/07/94
M301D	Event Level Sectant 'D' - Piping & Ventilation	Reissued	12/07/94
M301E	Event Level Sectant 'E' - Piping & Ventilation	Reissued	12/07/94
M301F	Event Level Sectant 'F' - Piping & Ventilation	Reissued	12/07/94
M302	Main Concourse Level - Piping & Ventilation	Reissued	12/07/94
M303	Club Level - Piping & Ventilation	Reissued	12/07/94
M304	Suite Level - Piping & Ventilation	Reissued	12/07/94
M305	Upper Concourse Level - Piping & Ventilation	Reissued	12/07/94
M306	Mechanical Level - Piping & Ventilation	Reissued	12/07/94

		STATUS	CURRENT ISSUE DATE
M307	Press Level/Upper Deck - Piping & Ventilation Ventilation	Reissued	12/07/94
M406	Mechanical Level - Piping	Reissued	12/07/94
M407	Press Level/Upper Deck - Piping	Reissued	12/07/94
M501	Chilled and Condenser Water Flow Diagrams	Reissued	12/07/94
M502	Heating Water Flow Diagrams	Reissued	12/07/94
M503	Air Flow Diagrams	Reissued	12/07/94
M601	Details	Reissued	12/07/94
M602	Details	Reissued	12/07/94
ELECTRICAL			
E001	Electrical Title Sheet and Symbols	Reissued	12/07/94
E101	Electrical Site Plan	Reissued	12/07/94
E102	Electrical Partial Site Plan	Reissued	12/07/94
E103	Electrical Underground Conduit Plan	Reissued	12/07/94
E201-A	Event Floor Level Sectant 'A' Power Plan	Reissued	12/7/94
E201-B	Event Floor Level Sectant 'B' Power Plan	Reissued	12/7/94
E201-C	Event Floor Level Sectant 'C' Power Plan	Reissued	12/7/94
E201-D	Event Floor Level Sectant 'D' Power Plan	Reissued	12/07/94
E201-E	Event Floor Level Sectant 'E' Power Plan	Reissued	12/07/94
E201-F	Event Floor Level Sectant 'F' Power Plan	Reissued	12/07/94
E202	Main Concourse Level Power Plan	Reissued	12/07/94
E203	Club Level Power Plan	Reissued	12/07/94
E204	Suite Level Power Plan	Reissued	12/07/94
E205	Upper Concourse Level Power Plan	Reissued	12/07/94
E206	Mechanical Level Power Plan	Reissued	12/07/94
E207-C	Upper Deck/Mech Level Power Plan	Reissued	12/07/94
E207-D	Upper Deck/Mech. Level Power Plan	Reissued	12/07/94
E208	Catwalk Level Power Plan	Reissued	12/07/94
E301-A	Event Floor Level Sectant 'A' Lighting Plan	Reissued	12/07/94
E301-B	Event Floor Level Sectant 'B' Lighting Plan	Reissued	12/07/94
E301-C	Event Floor Level Sectant 'C' Lighting Plan	Reissued	12/07/94
E301-D	Event Floor Level Sectant 'D' Lighting Plan	Reissued	12/07/94
E301-E	Event Floor Level Sectant 'E' Lighting Plan	Reissued	12/07/94
E301-F	Event Floor Level Sectant 'F' Lighting Plan	Reissued	12/07/94
E302	Main Concourse Level Lighting Plan	Reissued	12/07/94
E303	Club Level Lighting Plan	Reissued	12/07/94
E304	Suite Level Lighting Plan	Reissued	12/07/94
E305	Upper Concourse Level Lighting Plan	Reissued	12/07/94
E306	Mechanical Level Lighting Plan	Reissued	12/07/94
E307	Upper Deck/Mech. Level Lighting Plan	Reissued	12/07/94
E308	Catwalk Level Lighting Plan	Reissued	12/07/94

		STATUS	CURRENT ISSUE DATE
E309	Lighting Fixture Schedule	Reissued	12/07/94
E310	Lighting Fixture Schedule	Reissued	12/07/94
E401	Arena Lighting Plan	Reissued	12/07/94
E402	Arena Lighting Schedules and Details	Reissued	12/07/94
E403	Arena Lighting Control Details and Riser Diagram	Reissued	12/07/94
E404	Aisle Lighging Plan and Details	Reissued	12/07/94
E405	Arena Lighting Relay/Dimmer Schedules	Reissued	12/07/94
E501	Event Floor Level Communication Plan	Reissued	12/07/94
E502	Main Concourse Level Communication Plan	Reissued	12/07/94
E503	Club Level Communication Plan	Reissued	12/07/94
E504	Suite Level Communication Plan	Reissued	12/07/94
E505	Upper Concourse Level Communication Plan	Reissued	12/07/94
E506	Mechanical Level Communication Plan	Reissued	12/07/94
E507	Upper Deck/Mech. Level Communication Plan	Reissued	12/07/94
E508	Catwalk Level Communication Plan	Reissued	12/07/94
E601	Communication Riser Diagrams	Reissued	12/07/94
E602	Communication Riser Diagrams	Reissued	12/07/94
E701	Enlarged Electrical Room Details	Reissued	12/07/94
E702	Enlarged Plans and Details	Reissued	12/07/94
E801	Power Riser Diagram	Reissued	12/07/95
E802	Power Riser Diagram	Reissued	12/07/94
E803	Motor and Equipment Schedules	Reissued	12/07/94
E804	Electrical Details	Reissued	12/07/94
E805	Lightning Protection Plan and Details	Reissued	12/07/94
E901	Food Service - Event Level	Reissued	12/07/94
E902	Food Service - Main Concourse	Reissued	12/07/94
E903	Food Service - Club Level	Reissued	12/07/94
E904	Food Service - Suite Level	Reissued	12/07/94
E905	Food Service - Upper Concourse	Reissued	12/07/94
E906	Food Service - Mechanical Level	Reissued	12/07/94
E907	Food Service - Press Level	Reissued	12/07/94

FOOD SERVICE

FS211	General Office and Main Commissary	Issued	10/12/94
FS211-1	General Office and Main Commissary	Issued	10/12/94
FS211-2	General Office and Main Commissary	Issued	10/12/94
FS211-3	General Office and Main Commissary	Issued	10/12/94
FS212	Uniform #1A13	Issued	10/14/94
FS213	Cash Balance #1D04A and Cash Control #1D04	Revised	10/19/94
FS221	Stand #2A03	Issued	09/19/94
FS222	Stands #2A10 and #2A12	Revised	10/19/94
FS222-1	Stands #2A05, #2A10 & #2A12	Issued	10/19/94
FS223	Stand #2A20	Issued	10/19/94
FS224	Stand #2B01	Revised	10/17/94
FS225	Stand #2B08 (#2C11 Opposite Hand)	Issued	09/19/94
FS226	Stand #2B14	Revised	10/19/94

		STATUS	CURRENT ISSUE DATE
FS227	Stands #2C18, 2C19 & 2D12	Revised	10/20/94
FS227-1	Stands #2C18, 2C19 & 2D12	Revised	10/20/94
FS228	Stand #2D08	Revised	10/19/94
FS229	Aud Club Kitchen	Issued	10/12/94
FS229-1	Aud Club Kitchen	Issued	10/12/94
FS231	Pantry/Suite Kitchen #3B08	Issued	09/29/94
FS232	Pantry/Suite Kitchen #3D07	Issued	09/26/94
FS241	Pantry #4B04	Issued	10/04/94
FS242	Cold Food Pantry/Storage #4C02/#4C03	Issued	10/06/94
FS242-1	Cold Food Pantry/Storage #4C03/#4C02	Issued	10/06/94
FS243	Storage #4D02A	Issued	09/29/94
FS244	Pantry/Storage #4D03	Issued	10/04/94
FS251	Stand #5A04	Issued	10/04/94
FS252	Stand #5A11	Issued	09/26/94
FS253	Stand #5B10	Issued	09/29/94
FS253-1	Stand #5B10	Issued	09/29/94
FS254	Stand #5C13	Issued	09/26/94
FS255	Stand #5C17, #5C18 and #5D01	Issued	09/26/94
FS255-1	Stands #5C17, #5C18 and #3D01	Issued	09/26/94
FS256	Vendor Commissary #5D06	Issued	09/29/94
FS271	Stand #7D03	Issued	10/14/94
FS311-1	General Offices/Main Commissary Dim. Util. Plans	Issued	05/05/95
FS311-2	General Offices/Main Commissary Dim. Util. Plans	Issued	05/05/95
FS312	Uniform #1A13 Dim. Util. Plans	Issued	05/05/95
FS321	Stands #2A03, #2A06, #2B01	Issued	12/07/94
FS322	Stands #2A212, #A210, Vendor Commissary #2B14	Issued	12/07/94
FS323	Stands #2B08, #2C11, #2A20, Vendor Commissary #2D08	Issued	12/07/94
FS327	Stands #2D12, #2C18, & #2C19	Issued	12/07/94
FS329	Aud Club Kitchen	Issued	12/07/94
FS341	Pantry #4B04, Stand #7D03 Dim. Util. Plans	Issued	05/05/95
FS342	Cold Food Pantry #4C02/#4D03 Dim. Util. Plans	Issued	05/05/95
FS344	Pantry/Storage #4D03/4D02A Dim. Util. Plans	Issued	05/05/95
FS351	Stand #5A04 Dim. Util. Plans	Issued	05/05/95
FS352	Stand #5A11 Dim. Util. Plans	Issued	05/05/95
FS353	Stand #5B10 Dim. Util. Plans	Issued	05/05/95
FS354	Vendor Commissary #5D06, Stand #5C13	Issued	12/07/94
FS355	Stands #5D01, #5C17, #5C18, Dim. Util. Plans	Issued	05/05/95

SOUND REINFORCEMENT

		STATUS	CURRENT ISSUE DATE
SR100	Symbols, Dwg Schedule and Notes	Issued	12/01/94
SR101	Control System Schematic	Issued	12/01/94
SR102	Control System Schematic	Issued	12/01/94
SR103	Main Sound System Schematic	Issued	12/01/94
SR104	Main Sound System Schematic	Issued	12/01/94
SR105	Delay and Sub Bass Sound System Schematic	Issued	12/01/94
SR106	Crowd Enhancement System Schematic	Issued	12/01/94
SR201	Event Level Plan - System Receptacles, Wire & Conduit	Issued	12/01/94
SR202	Main Concourse - System Receptacles, Wire & Conduit	Issued	12/01/94
SR203	Press Level Plan - System Receptacles, Wire & Conduit	Issued	12/01/94
SR204	Catwalk Level Plan-System Receptacles, Wire & Conduit	Issued	12/01/94
SR301	Sections - Transverse and Functional	Issued	12/01/94
SR401	Cluster Details - Plans and Sections	Issued	12/01/94
SR402	Crowd Enhancement Clusters	Issued	12/01/94
SR801	Plugging Panels - Details	Issued	12/01/94
SR802	Patch Panels - Details	Issued	12/01/94
SR901	Rack Elevations	Issued	12/01/94

DISTRIBUTED SOUND AND INTERCOM SYSTEM

DS101	System Riser Diagrams, Schedules & Notes	Issued	12/06/94
DS102	System Functional Diagram	Issued	12/06/94
DS103	System Functional Diagram & AMPS 1	Issued	12/06/94
DS104	System Functional Diagram & AMPS 2	Issued	12/06/94
DS105	System Functional Diagram & AMPS 3	Issued	12/06/94
DS106	Intercom Functional Diagram	Issued	12/06/94
DS201	Event Level - Loudspeaker Layout	Issued	12/06/94
DS202	Main Concourse - Loudspeaker Layouts	Issued	12/06/94
DS203	Club Level - Loudspeaker Layouts	Issued	12/06/94
DS205	Upper Concourse - Loudspeaker Layouts	Issued	12/06/94
DS206	Conduit Layout - Catwalk Level	Issued	12/06/94
DS207	Press Level - Loudspeaker Layout	Issued	12/06/94
DS208	Catwalk Level - Plan	Issued	12/06/94
DS601	Audio Equipment Room Plan	Issued	01/10/95
DS801	Loudspeaker Details	Issued	12/06/94
DS901	Rack Elevations	Issued	12/06/94

VIDEO AND MATV SYSTEMS

		STATUS	CURRENT ISSUE DATE
TV101	System Riser Diagram, Schedule and Notes	Issued	12/06/94
TV102	System Functional Diagram	Revised	12/06/94
TV103	System Functional Diagram	Revised	12/06/94
TV201	Event Level - TV and Monitor Layouts	Issued	12/06/94
TV202	Main Concourse - TV and Monitor Layouts	Issued	12/06/94
TV203	Club Level - TV and Monitor Layouts	Issued	12/06/94
TV204	Suite Level - TV and Monitor Layout	Issued	12/06/94
TV205	Upper Concourse - TV and Monitor Layouts	Issued	12/06/94
TV207	Press Level - TV And Monitor Layouts	Issued	12/06/94
TV601	Monitor Wall Details	Revised	12/06/94
TV801	Panel Elevations	Revised	12/06/94

BROADCAST CABLE PLAN

SV101	System Riser Diagram, Schedule and Notes	Issued	12/06/94
SV201	Event Level - Camera Connections	Issued	12/06/94
SV202	Main Concourse - Camera Connections	(No date on Dwg.)	
SV203	Club Level - Camera Connections	Issued	10/25/94
SV205	Upper Concourse - Camera Connections	Issued	10/25/94
SV207	Press Level - Camera Connections	Issued	10/25/94
SV208	Catwalk Level - Camera Connections	Issued	12/06/94
SV901	TV Truck Connection Panels	Issued	12/06/94
SV902	Audio Video Connection Panels	Issued	12/06/94
MR101	Loudspeaker Cluster Hoists	Issued	12/06/94
MR101A	Revised Plan Loudspeaker Frames	Issued	01/17/95
MR101B	Revised Winch and Cable Plan	Issued	1/17/95

END OF DOCUMENT

SCHEDULE I

PROPERTY

PARCEL I

ALL THAT TRACT OR PARCEL OF LAND, situate in the City of Buffalo, County of Erie and State of New York, being part of Outer Lots Nos. 76, 77 and 78, bounded and described as follows:

BEGINNING at the intersection of the southerly line of Perry Street (66 feet wide) as it formerly existed and the easterly line of Main Street (99 feet wide); thence southerly along the easterly line of Main Street 328.76 feet to the north line of South Park Avenue (66 feet wide) as presently laid out; thence southeasterly along the said northerly line of South Park Avenue 285.87 feet to an angle point; thence continuing southeasterly at an interior angle of 161° 35' 40" along the said northerly line of South Park Avenue 503.54 feet to the intersection of the said northerly line of South Park Avenue and westerly line of Illinois Street (50 feet wide); thence northerly along the westerly line of Illinois Street 660.35 feet to the intersection of the westerly line of Illinois Street and the southerly line of Perry Street (66 feet wide) as presently laid out; thence westerly along the said southerly line of Perry Street and continuing along the southerly line of Perry Street as it formerly existed 704.93 feet to the point or place of beginning.

TOGETHER with all right, title and interest in Illinois Street to the centerline thereof.

PARCEL II

ALL THAT TRACT OR PARCEL OF LAND, situate in the City of Buffalo, County of Erie and State of New York, being part of Lot No. 75, bounded and described as follows:

BEGINNING at the intersection of the southerly line of Perry Street (66 feet wide) and the easterly line of Mississippi Street (60 feet wide); running thence easterly along the southerly line of Perry Street 195.0 feet to the westerly line of Baltimore Street (40 feet wide); thence southerly along the westerly line of Baltimore Street 672.10 feet to the northerly line of South Park Avenue (66 feet wide); thence westerly along the northerly line of South Park Avenue 195.0 feet to the easterly line of Mississippi Street; thence northerly along the easterly line of Mississippi Street 672.47 feet to the point or place of beginning.

TOGETHER with all right, title and interest in Mississippi Street and Baltimore Street to the centerlines thereof.

PARCEL III

ALL THAT TRACT OR PARCEL OF LAND, situate in the City of Buffalo, County of Erie and State of New York, being part of Lots Nos. 74 and 75, bounded and described as follows:

BEGINNING at the intersection of the southerly line of Perry Street (66 feet wide) and the easterly line of Baltimore Street (40 feet wide); thence easterly along the southerly line of Perry Street 113.68 feet to the westerly line of Columbia Street (50 feet wide); thence southerly along the westerly line of Columbia Street 531.8 feet more or less to the north line of lands of Consolidated Rail Corporation by deed recorded in the Erie County Clerk's Office in Liber 1056 of Deeds at page 293; thence westerly along the said north line of Consolidated Rail Corporation 113.68 feet to the easterly line of Baltimore Street; thence northerly along the easterly line of Baltimore Street 532.02 feet more or less to the southerly line of Perry Street and the point or place of beginning.

TOGETHER with all right, title and interest in Baltimore Street and Columbia Street to the centerlines thereof.

PARCEL IV

ALL THAT TRACT OR PARCEL OF LAND, situate in the City of Buffalo, County of Erie and State of New York, being part of Outer Lots Nos. 74 and 75, bounded and described as follows:

BEGINNING at a point in the westerly line of Columbia Street distant 140 feet northerly along said westerly line of Columbia Street from its intersection with the northerly line of South Park Avenue, which point is also the southeast corner of lands conveyed to Higgins Erectors & Haulers, Inc. by deed recorded in the Erie County Clerk's Office in Liber 8470 of Deeds at page 537; thence southerly along the westerly line of Columbia Street 140 feet to the north line of South Park Avenue; thence westerly along the northerly line of South Park Avenue 113.68 feet more or less to the easterly line of Baltimore Street; thence northerly along the easterly line of Baltimore Street 140 feet to the southwest corner of said lands conveyed to Higgins Erectors & Haulers, Inc. by deed aforesaid; thence easterly along the southerly line of said lands conveyed to Higgins Erectors & Haulers, Inc. 113.68 feet more or less to the point of beginning.

TOGETHER with all right, title and interest in Baltimore Street and Columbia Street to the centerlines thereof.

SCHEDULE J

ENVIRONMENTAL SITE ASSESSMENTS

1. Phase I Environmental Site Assessment, Proposed Crossroads Site, Property Bordered by Main, Perry, Baltimore and South Park Avenue, Buffalo, New York, dated March 7, 1994, prepared by Chopra-Lee Inc.

2. Crossroads Asbestos Survey, dated March 1994, prepared by Chopra-Lee Inc.

3. Phase II Environmental Site Assessment; Proposed Crossroads Arena Site, Property Bordered by Main, Perry, Baltimore and South Park Avenue, Buffalo, New York, dated March 1994, prepared by Chopra-Lee Inc.

4. Letter from Raj Chopra to Lawrence Quinn dated April 13, 1994, with regard to "Additional Soil Samples".

5. Letter from Raj Chopra to Lawrence Quinn dated November 9, 1994, with regard to "Summary of Environmental Investigations" conducted for the Proposed Crossroads Arena Site, Buffalo, New York.

6. Underground Tank Removal Closure Report, Tanks 1-17, proposed Crossroads Arena Location, Buffalo, New York, dated January 19, 1995, prepared by Chopra-Lee Inc.

7. Letter dated February 3, 1995, from Robert N. Leary, P.E., to Timothy Francis regarding "Spill Number 9407845, Crossroads, Tanks 1-17, Buffalo, New York" (NYSDEC comments to No. 6 above).

8. Letter dated February 14, 1994 (sic) from Raj Chopra to Lawrence Quinn regarding "27 Washington Street Soil Sampling".

9. Letter dated February 14, 1994 (sic) from Raj Chopra to Lawrence Quinn regarding "Background Metals Data - Proposed Crossroads Arena Site, Buffalo, New York".

10. Letter dated February 16, 1994 (sic) from Raj Chopra to Lawrence Quinn regarding "Brief Summary of Letter of February 14, 1995, letter regarding Background Metals Data - Proposed Crossroads Arena Site, Buffalo, New York" (summary of No. 9 above).

11. Addendum, Underground Tank Removal Closure Report, Tanks 1-17; Proposed Crossroads Arena Location, Buffalo, New York, dated February 17, 1995, prepared by Chopra-Lee Inc.

12. Underground Tank Removal Closure Report, Tanks 18-19; Proposed Crossroads Arena Location, Buffalo, New York, dated February 27, 1995, prepared by Chopra-Lee Inc.

13. Soil Summary Report prepared by Chopra-Lee Inc. dated December 1994.

14. Environmental Site Assessment Report for 143 Perry Street, prepared by GZA GeoEnvironmental, dated March 18, 1992.

15. Phase II Environmental Report for 143 Perry Street, prepared by GZA GeoEnvironmental, dated March 29, 1993.

16. Construction Issue #1 Specification Volume 3 of 3 (including soil boring logs, geotechnical report, soil profiles).

17. Site Acquisition Map, including locations of Underground Storage Tanks 1 through 19 and removed soils.

18. April 29, 1993, letter to Norm Weller of Higgins Erectors & Haulers, Inc. from Peter Hitchcock of Elmwood Tank & Piping Corporation regarding Tank Closure and Cleanup (cost quotations).

19. May 24, 1993, letter to Norm Weller of Higgins Erectors & Haulers, Inc. from Peter Hitchcock of Elmwood Tank & Piping Corporation regarding Groundwater Contamination at Perry Street Facility.

20. Letter to Peter Buechi, DEC, from Lawrence Quinn dated April 20, 1995, regarding environmental issues at the Crossroads Site, including CES "Proposed Clean-Up Action Plan" dated April 1995.

21. Phase I Environmental Site Assessment, Proposed Crossroads Arena Site, Property Bordered by Main, Perry, Baltimore and South Park Avenue, Buffalo, New York - "Executive Summaries" dated March 7, 1994, prepared by Chopra-Lee Inc (summary of No. 1 above).

22. Phase II Environmental Site Assessment, Proposed Crossroads Arena Site, Property Bordered by Main, Perry, Baltimore and South Park Avenue, Buffalo, New York - "Executive Summary/Conclusions and Recommendations" (summary of No. 3 above).

EXHIBIT 1 (3.1(b))

PROJECT NAME: CROSSROADS ARENA
PROPERTY LOCATION: MAIN ST & PERRY ST, BUFFALO, NY
GENERAL CONTRACTOR: HUBER, HUNT, & NICHOLS

REQUISITION NO: 3
DATE: Mar 95

GROUP NUMBER	DESCRIPTION OF WORK	ORIGINAL BUDGET	CONTRACT COMMITMENT	APPROVED AMEND.	REVISED BUDGET	PRIOR REQUISITION GROSS	PRIOR REQUISITION RETAINED	PRIOR REQUISITION NET	THIS REQUISITION GROSS	THIS REQUISITION RETAINED	THIS REQUISITION NET	TOTAL GROSS	TOTAL RETAINED	TOTAL NET	BALANCE TO COMPLETE	PERCENT COMPLETE
	HARD COSTS:															
1000	GENERAL REQUIREMENTS															
1000	STAFF & FEE (DPE, OH&P)															
2000	EXCAV., SITE IMPR., FOUND															
3000	CONCRETE WORK															
4000	MASONRY															
5000	STEEL & MISC IRON															
6000	WOOD & PLASTICS															
7000	MOISTURE PROTECTION															
8000	DOORS & WINDOWS															
9000	FINISHES															
10000	SPECIALTIES															
11000	EQUIP (SOUND, FOOD SVC)															
12000	FURNISHINGS (SEATS)															
13000	SPECIAL CONSTR (RINK)															
14000	CONVEYING SYSTEMS															
15000	PLUMB & HVAC W/ FIRE PR															
16000	ELECTRICAL															
17000	SPECIAL FINISHES															
18000	PARKING STRUCTURES															
	CHANGE ORDERS															
	VALUE ENGINEERING															
	NON-ESSENTIALS															
	OCIP/BUILDERS RISK															
	OWNER CONTINGENCY															
	CHANGE ORDERS															
	CREDITS															
	SUBTOTAL															
	SOFT COSTS:															
51000	LAND ACQUISITION															
53000	TECHNICAL FEES															
54000	PROJECT MANAGEMENT															
55000	MARKETING															
56000	FINANCING EXPENSE															
57000	LEGAL FEES															
58000	ARCHITECT/ENGINEER															
	SUBTOTAL															
	GRAND TOTAL															
	FUNDING SOURCES:															
	SABRES/CAC															
	CAC TICKET SURCHARGE															
	EARNINGS ON DEPOSITS															
	CITY OF BUFFALO - BURA															
	CONCESSION LOAN															
	STATE OF NEW YORK - UDC															
	COUNTY OF ERIE - ECDC															
	PRIVATE ARENA DEBT															
	TOTAL															
	LETTER OF CREDIT - CONCESSIONAIRE (NYS UDC)															
	LETTER OF CREDIT - CONCESSIONAIRE (NYS UDC)															
	LETTER OF CREDIT - CONCESSIONAIRE (ECDC)															
	BORROWER CERTIFICATION						DATE:									
		LAWRENCE QUINN														

BUFFALO SABRES CONCESSION LLC
By: NIAGARA FRONTIER HOCKEY MANAGEMENT CORPORATION

By: _____
Printed DATE

Certified true and correct by:
HUBER, HUNT & NICHOLS, INC.

By: _____

CANNON DESIGN, INC.

By: _____

CROSSROADS ARENA LLC
By: ARENA, INC.

By: _____

ELLERBE BECKET ARCHITECT & ENGINEER, P.C.

By: _____

THE KROG CORP.

By: _____

REQUISITION #

EXHIBIT 2 (§3.1.(c))

EXHIBIT "SUB"

SUBCONTRACTOR'S LIEN RELEASE AND SUBORDINATION

TO: Marine Midland Bank, Key Bank of New York, Shawmut Bank, N.A. and Fleet Bank (collectively, the "Lenders"), The City of Buffalo, The County of Erie, New York State Urban Development Corporation, the City of Buffalo Urban Renewal Agency, and Erie County Industrial Development Agency (collectively, the "Public Sector"), Crossroads Arena LLC ("CALLC") and Huber, Hunt & Nichols, Inc. (the "General Contractor")

RE: Project - Crossroads Arena in Buffalo, New York

Application For Payment No.: _____

Application For Payment Period Ending: _____

The undersigned warrants, represents and guarantees to each of the above (i) that, except with respect to pending claims filed pursuant to the subcontract between the undersigned and the General Contractor, the Amount Owed set forth below constitutes the entire value of all work performed and services rendered ("work" which term shall include, without limitation, labor, materials and equipment furnished and all other services which would entitle any person to any lien under Article 2 of the Lien Law of the State of New York by, through or under the undersigned with respect to the Project not heretofore paid for up to and including the period covered by the above Application For Payment), (ii) that all work covered by such Application has been incorporated into the Project and title thereto has passed to CA as Agent for Erie County Industrial Development Agency ("ECIDA") or, in the case of materials and equipment stored at the site or at some other location previously agreed to by CA and the Lenders, title will pass to CA as Agent for ECIDA upon receipt of the Amount Owed by the undersigned, in each case free and clear of all liens, claims, security interests or encumbrances; and (iii) that no work covered by such Application will have been acquired subject to an agreement under which any interest therein or an encumbrance thereon is retained by the seller or any other person. These warranties and representations are referred to as the "lien and payments warranties" and are for the sole benefit of the persons named above, but shall not relieve persons claiming under the undersigned from any liability to perform their obligations to the undersigned. Without limiting any other undertaking or agreement, the undersigned agrees to indemnify and hold harmless each and every one of the persons described above against all claims, damages, losses and expenses (including attorneys' fees) resulting from any breach of warranty or misrepresentation in connection with the lien and payment warranties.

If a notice of mechanics lien has been filed by the undersigned, and the undersigned is paid the Amount Owed set forth below, then the undersigned (i) intends that this instrument shall be a certificate within the meaning of Section 19 of the Lien Law of the State of New York that any such lien has been satisfied and dissolving any lien which the undersigned may now have or be entitled to have on account of the Amount Owed, and (ii) hereby subordinates any lien which it may now have or be entitled to have on account of the Amount Owed to the mortgage lien of any mortgage on the Project and to any and all advances hereafter made under any such mortgage. If any sub-subcontractor, materialman, or any person claiming under the undersigned, has filed a notice of mechanics lien on account of the Amount Owed, then also attached hereto is (are) a duly executed bond(s) in the Amount Owed, the costs of which shall be borne by the undersigned (or a person claiming under the undersigned), except in the sole instance of CA's or General Contractor's wrongful failure to make payment, in which case such reasonable costs shall be borne by CA or General Contractor and the Subcontract amount shall be appropriately increased by change order.

If the undersigned is named as a principal on a statutory lien bond, then in addition to and notwithstanding the foregoing, the undersigned waives, relinquishes and discharges any and all lien rights it may now have or be entitled to have on account of the Amount Owed.

Executed under seal as of this ____ day of _____, 199_.

Amount Owed Subcontractor by Contractor as of the end of the period covered by the above Application For Payment

$_____

Subcontractor:

_____.
Duly Authorized

State of _____
County:_____

_____, 199_

Then personally appeared the above-named _____, the _____ of _____, the above-named subcontractor, and acknowledged the foregoing to be his/her free act and deed and the free act and deed of the above-named subcontractor, before me,

_____
Notary Public
My commission expires:

EXHIBIT "SUB"

SUBCONTRACTOR'S LIEN RELEASE AND SUBORDINATION

TO: Shawmut Bank, N.A. and Fleet Bank (collectively, the "Lenders"), Crossroads Arena LLC ("CA") and Huber, Hunt & Nichols, Inc. (the "General Contractor")

RE: Project - Crossroads Arena in Buffalo, New York

Application For Payment No.: _____

Application For Payment Period Ending: _____

The undersigned warrants, represents and guarantees to each of the above (i) that, except with respect to pending claims filed pursuant to the subcontract between the undersigned and the General Contractor, the Amount Owed set forth below constitutes the entire value of all work performed and services rendered ("work" which term shall include, without limitation, labor, materials and equipment furnished and all other services which would entitle any person to any lien under Article 2 of the Lien Law of the State of New York by, through or under the undersigned with respect to the Project not heretofore paid for up to and including the period covered by the above Application For Payment), (ii) that all work covered by such Application has been incorporated into the Project and title thereto has passed to CA as Agent for Erie County Industrial Development Agency ("ECIDA") or, in the case of materials and equipment stored at the site or at some other location previously agreed to by CA and the Lenders, title will pass to CA as Agent for ECIDA upon receipt of the Amount Owed by the undersigned, in each case free and clear of all liens, claims, security interests or encumbrances; and (iii) that no work covered by such Application will have been acquired subject to an agreement under which any interest therein or an encumbrance thereon is retained by the seller or any other person. These warranties and representations are referred to as the "lien and payments warranties" and are for the sole benefit of the persons named above, but shall not relieve persons claiming under the undersigned from any liability to perform their obligations to the undersigned. Without limiting any other undertaking or agreement, the undersigned agrees to indemnify and hold harmless each and every one of the persons described above against all claims, damages, losses and expenses (including attorneys' fees) resulting from any breach of warranty or misrepresentation in connection with the lien and payment warranties.

If a notice of mechanics lien has been filed by the undersigned, and the undersigned is paid the Amount Owed set forth below, then the undersigned (i) intends that this instrument shall be a certificate within the meaning of Section 19 of the Lien Law of the State of New York that any such lien has been satisfied and dissolving any

JUN 01 '95 12:43PM GOULSTON & STORRS P.6

lien which the undersigned may now have or be entitled to have on account of the Amount Owed, and (ii) hereby subordinates any lien which it may now have or be entitled to have on account of the Amount Owed to the mortgage lien of any mortgage on the Project and to any and all advances hereafter made under any such mortgage. If any sub-subcontractor, materialman, or any person claiming under the undersigned, has filed a notice of mechanics lien on account of the Amount Owed, then also attached hereto is (are) a duly executed bond(s) in the Amount Owed, the costs of which shall be borne by the undersigned (or a person claiming under the undersigned), except in the sole instance of CA's or General Contractor's wrongful failure to make payment, in which case such reasonable costs shall be borne by CA or General Contractor and the Subcontract amount shall be appropriately increased by change order.

If the undersigned is named as a principal on a statutory lien bond, then in addition to and notwithstanding the foregoing, the undersigned waives, relinquishes and discharges any and all lien rights it may now have or be entitled to have on account of the Amount Owed.

Executed under seal as of this ____ day of _____, 199_.

Amount Owed Subcontractor by Contractor as of the end of the period covered by the above Application For Payment

$_____

Subcontractor:

_____
Duly Authorized

GS2- 5734-4
6/30/95 12 58 PM

JUN 01 '95 10:43AM GOULSTON & STORRS P.7

State of _____
County:_____ _____, 199_

Then personally appeared the above-named _____, the _____ of _____, the above-named subcontractor, and acknowledged the foregoing to be his/her free act and deed and the free act and deed of the above-named subcontractor, before me,

_____
Notary Public
My commission expires:

P.3
JUN 01 '95 10:44AM GOULSTON & STORRS

EXHIBIT "SUB--FINAL"

SUBCONTRACTOR'S LIEN RELEASE AND SUBORDINATION

TO: Marine Midland Bank, Key Bank of New York, Shawmut Bank, N.A. and Fleet Bank (collectively, the "Lenders"), The City of Buffalo, The County of Erie, New York State Urban Development Corporation, the City of Buffalo Urban Renewal Agency, and Erie County Industrial Development Agency (collectively, the "Public Sector"), Crossroads Arena LLC ("CALLC") and Huber, Hunt & Nichols, Inc. (the "General Contractor")

RE: Project - Crossroads Arena in Buffalo, New York

Application For Payment No.: _____

Application For Payment Period Ending: _____

The undersigned warrants, represents and guarantees to each of the above (i) that the Amount Owed set forth below constitutes the entire value of all work performed and services rendered ("work" which term shall include, without limitation, labor, materials and equipment furnished and all other services which would entitle any person to any lien under Article 2 of the Lien Law of the State of New York by, through or under the undersigned with respect to the Project not heretofore paid for (including, without limitation, all work related to disputed claims, if any, timely given to the General Contractor in writing in accordance with Subcontract between the General Contractor and the undersigned, the aggregate amount of which, if any, is set forth as Disputed Claims below and is described on Exhibit A attached hereto)), (ii) that all work performed by the undersigned has been incorporated into the Project and title thereto has passed to CA as Agent for Erie County Industrial Development Agency ("ECIDA") or, in the case of materials and equipment stored at the site or at some other location previously agreed to by CA and the Lenders, title will pass to CA as Agent for ECIDA upon receipt of the Amount Owed by the undersigned, in each case free and clear of all liens, claims, security interests or encumbrances; and (iii) that no work covered by the Application referenced above will have been acquired subject to an agreement under which any interest therein or an encumbrance thereon is retained by the seller or any other person. These warranties and representations are referred to as the "lien and payments warranties" and are for the sole benefit of the persons named above, but shall not relieve persons claiming under the undersigned from any liability to perform their obligations to the undersigned. Without limiting any other undertaking or agreement, the undersigned agrees to indemnify and hold harmless each and every one of the persons described above against all claims, damages, losses and expenses (including attorneys' fees) resulting from any breach of warranty or misrepresentation in connection with the lien and payment warranties.

JUN 01 '95 10:44AM GOULSTON & STORRS P.5

If a notice of mechanics lien has been filed by the undersigned, and the undersigned is paid the Amount Owed set forth below, then the undersigned (i) intends that this instrument shall be a certificate within the meaning of Section 19 of the Lien Law of the State of New York that any such lien has been satisfied and dissolving any lien which the undersigned may now have or be entitled to have on account of work performed up to and including the period preceding that covered by the above Application For Payment, except (unless covered by the following paragraph) for the Disputed Claims amount, if any, and (ii) hereby subordinates any lien which it may now have or be entitled to have on account of work performed through and including the period covered by such Application, including, without limitation, on account of the Amount Owed, except (unless covered by the following paragraph) for the Disputed Claims amount, if any, to the mortgage lien of any mortgage on the Project and to any and all advances hereafter made under any such mortgage. If any sub-subcontractor, materialman, or any person claiming under the undersigned, has filed a notice of mechanics lien, then also attached hereto is (are) a duly executed bond(s) in the amount(s) of the Disputed Claims, the costs of which shall be borne by the undersigned (or a person claiming under the undersigned), except in the sole instance of CA's or General Contractor's wrongful failure to make payment, in which case such reasonable costs shall be borne by CA or General Contractor and the Subcontract amount shall be appropriately increased by change order.

If the undersigned is named as a principal on a statutory lien bond, then in addition to and notwithstanding the foregoing, the undersigned waives, relinquishes and discharges any and all lien rights it may now have or be entitled to have on account of work performed through and including the period covered by the above Application For Payment, expressly including within this lien waiver, liens on account of any Disputed Claims amount.

Executed under seal as of this ____ day of _____, 199_.

Amount Owed Subcontractor by Contractor as of the end of the period covered by the above Application For Payment

$_____

Subcontractor:

_____
Duly Authorized

Disputed Claims included within Amount Owed, if any:

$_____

JUN 01 '95 10:44AM GOULSTON & STORRS P.10

State of _____
County:_____

_____, 199_

Then personally appeared the above-named _____, the _____ of _____, the above-named subcontractor, and acknowledged the foregoing to be his/her free act and deed and the free act and deed of the above-named subcontractor, before me.

_____
Notary Public
My commission expires:

JUN 01 '95 10:44AM SULLSTON & STORES P.11

EXHIBIT A

[Description of Disputed Amounts]

EXHIBIT "SUB–FINAL"

SUBCONTRACTOR'S LIEN RELEASE AND SUBORDINATION

TO: Shawmut Bank, N.A. and Fleet Bank (collectively, the "Lenders"), Crossroads Arena LLC ("CA") and Huber, Hunt & Nichols, Inc. (the "General Contractor")

RE: Project - Crossroads Arena in Buffalo, New York

Application For Payment No.: _____

Application For Payment Period Ending: _____

The undersigned warrants, represents and guarantees to each of the above (i) that the Amount Owed set forth below constitutes the entire value of all work performed and services rendered ("work" which term shall include, without limitation, labor, materials and equipment furnished and all other services which would entitle any person to any lien under Article 2 of the Lien Law of the State of New York by, through or under the undersigned with respect to the Project not heretofore paid for (including, without limitation, all work related to disputed claims, if any, timely given to the General Contractor in writing in accordance with Subcontract between the General Contractor and the undersigned, the aggregate amount of which, if any, is set forth as Disputed Claims below and is described on Exhibit A attached hereto)), (ii) that all work performed by the undersigned has been incorporated into the Project and title thereto has passed to CA as Agent for Erie County Industrial Development Agency ("ECIDA") or, in the case of materials and equipment stored at the site or at some other location previously agreed to by CA and the Lenders, title will pass to CA as Agent for ECIDA upon receipt of the Amount Owed by the undersigned, in each case free and clear of all liens, claims, security interests or encumbrances; and (iii) that no work covered by the Application referenced above will have been acquired subject to an agreement under which any interest therein or an encumbrance thereon is retained by the seller or any other person. These warranties and representations are referred to as the "lien and payments warranties" and are for the sole benefit of the persons named above, but shall not relieve persons claiming under the undersigned from any liability to perform their obligations to the undersigned. Without limiting any other undertaking or agreement, the undersigned agrees to indemnify and hold harmless each and every one of the persons described above against all claims, damages, losses and expenses (including attorneys' fees) resulting from any breach of warranty or misrepresentation in connection with the lien and payment warranties.

If a notice of mechanics lien has been filed by the undersigned, and the undersigned is paid the Amount Owed set forth below, then the undersigned (i) intends that this instrument shall be a certificate within the meaning of Section 19 of the Lien

JUN 21 '95 12:45PM QUESTION & STORES P.13

Law of the State of New York that any such lien has been satisfied and dissolving any lien which the undersigned may now have or be entitled to have on account of work performed up to and including the period preceding that covered by the above Application For Payment, except (unless covered by the following paragraph) for the Disputed Claims amount, if any, and (ii) hereby subordinates any lien which it may now have or be entitled to have on account of work performed through and including the period covered by such Application, including, without limitation, on account of the Amount Owed, except (unless covered by the following paragraph) for the Disputed Claims amount, if any, to the mortgage lien of any mortgage on the Project and to any and all advances hereafter made under any such mortgage. If any sub-subcontractor, materialman, or any person claiming under the undersigned, has filed a notice of mechanics lien, then also attached hereto is (are) a duly executed bond(s) in the amount(s) of the Disputed Claims, the costs of which shall be borne by the undersigned (or a person claiming under the undersigned), except in the sole instance of CA's or General Contractor's wrongful failure to make payment, in which case such reasonable costs shall be borne by CA or General Contractor and the Subcontract amount shall be appropriately increased by change order.

If the undersigned is named as a principal on a statutory lien bond, then in addition to and notwithstanding the foregoing, the undersigned waives, relinquishes and discharges any and all lien rights it may now have or be entitled to have on account of work performed through and including the period covered by the above Application For Payment, expressly including within this lien waiver, liens on account of any Disputed Claims amount.

Executed under seal as of this ____ day of _____, 199_.

Amount Owed Subcontractor by Contractor as of the end of the period covered by the above Application For Payment

$_____

Subcontractor:

_____
Duly Authorized

Disputed Claims included within Amount Owed, if any:

$_____

JUN 01 '95 10:45AM GOULSTON & STORRS P.14

State of _____
County:_____

_____, 199_

Then personally appeared the above-named _____, the _____ of _____, the above-named subcontractor, and acknowledged the foregoing to be his/her free act and deed and the free act and deed of the above-named subcontractor, before me.

_____
Notary Public
My commission expires:

JUN 31 '55 13:45PM GOULSTON & STORRS P.15

EXHIBIT A

[Description of Disputed Amounts]

JUN 01 '05 16:48 GOULSTON & STORRS P.15

EXHIBIT 3 (§3.4)

COMPLIANCE CERTIFICATE

TO: EACH FINANCING PARTICIPANT AND SPORTSERVICE

SUBJECT: Crossroads Arena, Buffalo, N.Y. ("Project")

1. This certificate is issued pursuant to the Financing Participants Agreement ("FPA") and the Building Loan Contract ("BLC") to the Project, each dated as of May 5, 1995, to which the undersigned is a party. Capitalized terms not otherwise defined herein shall have the same meanings assigned them in the FPA. Rights to rely on this Certificate are solely as specified in Section 3.4 of the FPA and Section 4.1(b) of the BLC.

2. The undersigned certifies to each Financing Participant and Sportservice that:

a. The undersigned has complied with and is in compliance with all the terms, covenants and conditions of the Financing Documents which are binding upon it;

b. There exists no Event of Default or Incipient Event of Default under the Financing Documents; and

c. The representations and warranties of the undersigned contained in the Financing Documents are true and correct with the same effect as though such representations and warranties had been made on the date hereof.

Executed under seal as of this ____ day of _____, 199__.

[CROSSROADS ARENA LLC
or
BUFFALO SABRES CONCESSION LLC
or
NIAGARA FRONTIER HOCKEY, L.P.]

By:_____

By:_____
Name:_____
Title:_____

EXHIBIT 4 (§3.5)

APPROVAL CERTIFICATE

To: _____ ("Advancing Party")
Marine Midland Bank, as Agent

Subject: Crossroads Arena, Buffalo, N.Y. ("Project")
Request for Advance No. _____

1. This Certificate is issued pursuant to the Financing Participants Agreement pertaining to the Project dated as of May 5, 1995 ("FPA"), to which the undersigned is a party. Capitalized terms not otherwise defined herein have the same meanings assigned them in the FPA. Rights to rely on this Certificate are solely as specified in Section 3.5 of the FPA.

2. The undersigned, in its agency capacity as identified below, approves the subject Request for Advance.

3. The undersigned, in said agency capacity, certifies to the Advancing Party that to the best knowledge of the undersigned and except as disclosed in a schedule attached hereto:

a. The Financing Documents identified on Schedule A hereto [and the Public Agreements] have been fully executed by all parties thereto, remain in full force and effect, and have not been amended in any manner adverse to the interests of the addressee hereof except as previously approved by said addressee.

b. All requirements of the Financing Documents of the parties for whom the undersigned is acting as agent [and of the Public Agreements] applicable to the Advance requested by the subject Request for Advance have been satisfied or waived.

c. There is no Event of Default or Incipient Event of Default under the Financing Documents of the parties for whom the undersigned is acting as agent [or the Public Agreements].

d. To the best knowledge of the undersigned, construction of the Project to date has been performed in accordance with the Financing Documents of the parties for whom the undersigned is acting as agent [and the Public Agreements].

Executed and delivered under seal as of _____, 1995.

[BRACKETED LANGUAGE IN SECTION 3 ABOVE IS APPLICABLE ONLY IN CERTIFICATE OF PUBLIC SECTOR AGENT]

IN WITNESS WHEREOF, the parties have duly executed this Certificate as of the date set forth above.

MARINE MIDLAND BANK,
as Construction Lenders' Agent

By:_____

Schedules: A
[list any others]

SHAWMUT BANK, N.A.,
as Concession Lenders' Agent

By:_____

NEW YORK STATE URBAN DEVELOPMENT CORPORATION, as Public Sector Agent

By:_____

NEW YORK SPORTSERVICE, INC.

By:_____

SPORTSERVICE CORPORATION

By:_____

EXHIBIT 5 (§6.5)

INSURANCE

1. Builders Risk Insurance. Coverage to be written on 100% completed value, replacement cost basis during the term of construction of the Project. Such insurance shall cover loss or damage to the project on an "all-risks" basis (to the extent commercially available and as customarily provided).

   Such Builders Risk coverage shall cover buildings, structures, machinery, equipment, and other property which shall become a permanent part of the Project. The coverage shall contain a provision allowing occupancy prior to completion and shall include coverage for debris removal. Coverage shall be included for collapse and increased costs of construction due to enforcement of building laws or ordinance. Any faulty/defective workmanship or materials exclusion shall contain an exception for resulting damage not otherwise excluded.

   The Builders Risk coverage shall provide Delayed Completion Coverage including Soft Costs and Extra Expense subject to a limit of $11,250,000 and Loss of Income (including rental income) subject to a limit of $19,600,000. In addition, Flood and earthquake coverage shall be maintained with limits of at least $25,000,000 as long as such coverage is commercially available at reasonable rates.

   No deductible under this coverage shall exceed $250,000 per claim unless otherwise agreed.

2. Property Insurance. Property insurance shall cover the completed Project and CALLC's, NFHLP's, BSCLLC's and Sportservice's personal property located therein. Such insurance shall be written on an broad "all risks" basis including collapse, the cost of demolition and the increased cost of construction due to the enforcement of building laws or ordinances. The collapse coverage shall not exclude damage resulting from the use of defective materials or methods, faulty workmanship or design. At all times the limit of insurance shall be no less than the 100% replacement cost of the Project (excluding foundations and slabs) and all personal property contained therein in addition to the limits for business interruption including loss of rents and extra expense.

   The Property Insurance shall include business interruption insurance including loss of rents and extra expense on an "actual loss sustained" basis and should be maintained with limits sufficient to provide for complete reconstruction. An endorsement or policy language stating that the

Borrower's business interruption insurance covers the Borrower's loss of income if the Project is damaged or untenantable due to an insured "all risk" catastrophe must be a part of the coverage.

All Property Insurance, including business interruption (including loss of rents and extra expense) shall contain coverage for Flood and Earthquake. The limit of insurance for Flood shall be $25,000,000 per occurrence and $25,000,000 in annual aggregate. The limit for Earthquake shall be $25,000,000 per occurrence and $25,000,000 in annual aggregate. ***NOTE THE LIMITS SHOULD BE NO LESS THAN $25,000,000 PER OCCURRENCE AND IN THE ANNUAL AGGREGATE. THEY SHOULD BE MORE IF ON SITE CONDITIONS WARRANT.***

No deductible under this coverage shall exceed $250,000.

3. Boiler and Machinery Insurance. Coverage to apply to all boilers, pressure vessels, pressure piping and other major components of any centralized heating, air-conditioning and cooling system, and such other additional equipment as the lenders may reasonably require from time to time.

The Boiler Insurance shall include Business Interruption Insurance, written on an actual loss sustained basis, and including loss of rents and extra expense.

No deductible under this coverage shall exceed $250,000 per claim unless otherwise agreed.

4. Commercial General Liability Inc. Coverage shall be written with limits of at least $2,000,000 - General Aggregate, $2,000,000 - Products and Completed Operations Aggregate, $1,000,000 - Personal and Advertising Injury, $1,000,000 per Occurrence and $100,000 Fire Damage. Such coverage shall be written on either an occurrence or claims-made basis. Any claims-made coverage shall be maintained, to the extent feasible, without advancement of any retro-active date and, to the extent available, it shall be maintained for a period of at least three years after termination of this loan agreement, unless tail coverage is purchased in lieu thereof. During the term of construction, coverage shall be afforded under an Owner Controlled Insurance Program (OCIP) covering the Borrower, CA the General Contractor and all Contractors and Subcontractors involved with the project.

Such insurance shall include Contractual Liability, Products and Completed Operations Liability and Personal Injury Liability. Prior to the commencement of Concession operations. Liquor Liability shall also be included. The

Commercial General Liability insurance shall not contain explosion, collapse or underground hazards exclusions and any pollution exclusion shall be amended to specifically insure coverage for bodily injury or property damage claims arising out of a hostile fire.

No deductible under this coverage shall exceed $500,000 per claim unless otherwise agreed, with the understanding that claims occurring within this deductible are to be adjusted and paid by the insurer, which in turn shall charge the insured for the amounts paid in the deductible.

5. Business Auto Liability. Coverage shall be written with a combined single limit for bodily injury and property damage of $1,000,000 per accident.

6. Worker's Compensation and Employer's Liability. In amounts not less than the statutorily required limits.

7 Excess Umbrella Liability. Coverage shall be written with limits of at least $50,000,000 per occurrence and aggregate. Such coverage shall be written on either an occurrence or claims-made basis. Any claims-made coverage shall be maintained, to the extend feasible, without advancement of any retroactive date and, to the extent available, it shall be maintained for a period of at least three years after termination of this loan agreement, unless tail all coverage is purchased in lieu thereof. The policy limits of the primary Commercial General, Business Auto and Employer's Liability policies shall not be less than those stipulated as scheduled underlying limits.

8. Errors and Omissions Insurance. Architects and Engineers for the Project shall maintain errors and omissions liability insurance during the Interim Loan Period. Coverage shall be written with insurers acceptable to the Lenders and such coverage may be written on a claims-made basis.

EXHIBIT 6 (§11.1)

THIS GUARANTY, AND THE RIGHTS OF THE PRINCIPAL PUBLIC PARTICIPANTS HEREUNDER, ARE SUBJECT TO THE TERMS OF THE FINANCING PARTICIPANTS AGREEMENT (AS DEFINED HEREIN)

GUARANTY
[Principal Public Participants]

NIAGARA FRONTIER HOCKEY, L.P.

and

THE CITY OF BUFFALO,
THE COUNTY OF ERIE
AND
NEW YORK STATE URBAN
DEVELOPMENT CORPORATION

Dated as of May 10, 1995

Crossroads Arena

THIS GUARANTY, AND THE RIGHTS OF THE PRINCIPAL PUBLIC PARTICIPANTS HEREUNDER, ARE SUBJECT TO THE TERMS OF THE FINANCING PARTICIPANTS AGREEMENT (AS DEFINED BELOW)

GUARANTY
[Principal Public Participants]

GUARANTY, dated as of May 10, 1995, made by NIAGARA FRONTIER HOCKEY, L.P., a limited partnership organized under the laws of the State of Delaware, whose address is 140 Main Street, Buffalo, New York 14202 ("Guarantor"), in favor of Principal Public Participants (as hereinafter defined).

1. Definitions:

Capitalized terms not otherwise defined herein shall have the meaning set forth in the Financing Participants Agreement (as hereinafter defined):

(a) Agent: Marine, as Collateral Agent for the benefit of Lenders and any future lenders or participants pursuant to an Agency Agreement of even date herewith.

(b) Building Loan Contract: Building Loan Contract of even date herewith between Debtor, Lenders and Agent, governing the Loan, as may be amended, modified or extended from time to time.

(c) Debtor: Crossroads Arena LLC, a limited liability company organized under the laws of the State of New York.

(d) Financing Participants Agreement: Financing Participants Agreement of even date herewith by the City of Buffalo, The County of Erie, The City of Buffalo Urban Renewal Agency, New York State Urban Development Corporation, Erie County Industrial Development Agency, Marine, Key, Shawmut Bank, N.A., Fleet Bank, New York Sportservice, Inc., Buffalo Sabres Concessions LLC, Debtor and Guarantor, as may be amended, modified or extended from time to time.

(e) Key: Key Bank of New York, a banking corporation organized under the laws of the State of New York.

(f) Lenders: Marine, Key and any future lenders under the Building Loan Contract.

(g) Marine: Marine Midland Bank, a banking corporation organized under the laws of the State of New York, whose address is c/o Real Estate Finance Department, One Marine Midland Center, 15th Floor, Buffalo, New York 14203.

(h) Public Sector Financing: Collectively, the City Investment, the UDC Investment and the County Investment.

(i) Principal Public Participants: The City of Buffalo, The County of Erie and New York State Urban Development Corporation.

2. Preliminary Statements:

(a) The Principal Public Participants have entered into a Development and Construction Agreement with Debtor to provide the Public Sector Financing.

(b) It is a condition precedent to the obligation of the Principal Public Participants to provide the Public Sector Financing that Guarantor execute and deliver this Guaranty to the Principal Public Participants.

NOW THEREFORE, in consideration of the premises and in order to induce the Principal Public Participants to provide the Public Sector Financing and for other good and valuable consideration, the receipt of which is hereby acknowledged, Guarantor hereby agrees with Agent as follows:

3. Guaranty:

(a) Provided that (i) each of the Principal Public Participants has made each of its respective Advances requested by Debtor in accordance with the Financing Participants Agreement and (ii) none of the Principal Public Participants has defaulted in the performance of its respective obligations under the Financing Documents, Guarantor guarantees to the Principal Public Participants that (A) if at any time prior to an advance under the Construction Loan, construction of the Project is terminated or suspended for a period of 120 consecutive days, or (B) if the Construction Lender fails to fund up to the first $12,000,000 ("Maximum Amount") of the Construction Loan for a period of 120 days beyond the requested advance date for such funding under the terms of the Financing Participants Agreement, Guarantor will furnish funds to the New York State Urban Development Corporation, as agent for the Principal Public Participants, equal to the Maximum Amount as reduced pursuant to Section 3(b).

(b) This Guaranty is limited to an aggregate amount equal to the Maximum Amount plus all costs and expenses payable pursuant to Section 4 of this Guaranty. The Maximum Amount shall permanently reduce dollar for dollar in the amount of any and all advances made under the Construction Loan, such reduction to become effective immediately at the time any such advance is made without requiring any action on the part of the Guarantor or any other party.

(c) Guarantor acknowledges that valuable consideration supports this Guaranty, including, without limitation, a commitment to make available the Public Sector Financing.

4. Principal Public Participants' Costs and Expenses: Guarantor agrees to pay on demand all costs and expenses of every kind incurred by the Principal Public Participants in enforcing this Guaranty. "Costs and expenses" as used in the preceding sentence shall include, without limitation, the reasonable attorneys' fees and disbursements incurred by or on behalf of the Principal Public Participants in retaining counsel for advice, suit, appeal, any insolvency or other proceedings under the Federal Bankruptcy Code or otherwise, or for any purpose specified in the preceding sentence.

5. Nature of Guaranty: Continuing, Absolute and Unconditional:

(a) This Guaranty is absolute and unconditional and shall not be changed or affected by any representation, oral agreement, act or thing whatsoever, except as herein provided. This Guaranty is intended by Guarantor to be the final, complete and exclusive expression of the agreement between Guarantor and the Principal Public Participants, and Guarantor expressly disclaims any reliance on any oral representation of the Principal Public Participants. No modification or amendment of any provision of this Guaranty shall be effective unless in writing and signed by a duly authorized officer of each of the Principal Public Participants.

6. Termination: This Guaranty shall terminate immediately, and become null and void, without requiring any action on the part of the Guarantor or any other party, at the time $12,000,000 in the aggregate is advanced under the Construction Loan.

7. Miscellaneous:

(a) "Debtor" and "Guarantor" as used in this Guaranty shall include: (i) any successor individual or individuals, association, partnership, limited liability company, or corporation to which all or a substantial part of the business or assets of Debtor or Guarantor shall have been transferred; and (ii) any other entity into or with which Guarantor or Debtor shall have been merged, consolidated, reorganized, or absorbed.

(b) No course of dealing between Debtor or Guarantor and the Principal Public Participants, and no act, delay or omission by the Principal Public Participants in exercising any right or remedy hereunder or by the Principal Public Participants with respect to any Public Sector Financing shall operate as a waiver thereof or of any other right or

remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy. The Principal Public Participants may remedy any default by Debtor under any agreement with Debtor or with respect to any Public Sector Financing in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent default by Debtor. All rights and remedies of the Principal Public Participants hereunder are cumulative.

(c) The Principal Public Participants and Guarantor as used herein shall include the successors or assigns of those parties. The rights and benefits of the Principal Public Participants hereunder shall, if the Principal Public Participants so direct, inure to any party acquiring any interest of the Principal Public Participants in the Public Sector Financing or any part thereof; provided that any assignment of the Principal Public Participants' rights and benefits hereunder are subject to compliance with the provisions of the Financing Participants Agreement relating thereto. If any right of the Principal Public Participants hereunder is construed to be a power of attorney, such power of attorney shall not be affected by the subsequent disability or incompetence of Debtor.

(d) Captions of the sections of this Guaranty are solely for the convenience of the Principal Public Participants and Guarantor, and are not an aid in the interpretation of this Guaranty.

(e) GUARANTOR AGREES THAT ANY ACTION OR PROCEEDING TO ENFORCE OR ARISING OUT OF THIS GUARANTY MAY BE COMMENCED IN THE SUPREME COURT OF NEW YORK IN ERIE COUNTY, OR IN THE DISTRICT COURT OF THE UNITED STATES IN THE WESTERN DISTRICT OF NEW YORK, AND GUARANTOR WAIVES PERSONAL SERVICE OF PROCESS AND AGREES THAT A SUMMONS AND COMPLAINT COMMENCING AN ACTION OR PROCEEDING IN ANY SUCH COURT SHALL BE PROPERLY SERVED AND SHALL CONFER PERSONAL JURISDICTION IF SERVED BY REGISTERED MAIL TO GUARANTOR, OR AS OTHERWISE PROVIDED BY THE LAWS OF THE STATE OF NEW YORK OR THE UNITED STATES.

(f) If any provision of this Guaranty is unenforceable in whole or in part for any reason, the remaining provisions shall continue to be effective.

(g) This Guaranty and the transactions evidenced hereby shall be construed under the internal laws of New York State, without regard to principles of conflicts of law.

(h) In the event of a conflict between any of the provisions of this agreement and the Financing Participants Agreement, to the extent such provisions of the Financing

Participants Agreement specifically relate to this Subordinated Guaranty, the Financing Participants Agreement shall control.

(i) This Guaranty may be executed by one or more parties hereto on any number of separate counterparts and all such counterparts, when executed by the appropriate parties hereto, taken together shall be deemed to constitute one and the same instrument.

(j) **THIS GUARANTY, AND THE RIGHTS OF THE PRINCIPAL PUBLIC PARTICIPANTS HEREUNDER, ARE SUBJECT TO THE TERMS OF THE FINANCING PARTICIPANTS AGREEMENT (AS DEFINED ABOVE).**

NIAGARA FRONTIER HOCKEY, L.P.

By: NIAGARA FRONTIER HOCKEY MANAGEMENT CORPORATION, its Managing General Partner

By: _____
Name: _____
Title: _____

Accepted and agreed to this ____ day of _____, 1995.

THE CITY OF BUFFALO

By: _____
(Title)

THE COUNTY OF ERIE

By: _____
(Title)

Approved as to Form

_____
County Attorney

Approved as to Content

_____
Commissioner of
Department of Environment
and Planning

NEW YORK STATE URBAN DEVELOPMENT CORPORATION

By: _____
(Title)

ACnm
226371

Participants Agreement specifically relate to this Subordinated Guaranty, the Financing Participants Agreement shall control.

(i) This Guaranty may be executed by one or more parties hereto on any number of separate counterparts and all such counterparts, when executed by the appropriate parties hereto, taken together shall be deemed to constitute one and the same instrument.

(j) **THIS GUARANTY, AND THE RIGHTS OF THE PRINCIPAL PUBLIC PARTICIPANTS HEREUNDER, ARE SUBJECT TO THE TERMS OF THE FINANCING PARTICIPANTS AGREEMENT (AS DEFINED ABOVE).**

NIAGARA FRONTIER HOCKEY, L.P.

By: NIAGARA FRONTIER HOCKEY MANAGEMENT CORPORATION, its Managing General Partner

By: _____
Name: _____
Title: _____

Accepted and agreed to this 10 day of May, 1995.

APPROVED
AS TO FORM ONLY

THE CITY OF BUFFALO

By: _____ (Title)

EDWARD D. PEACE
Corporation Counsel
BY _____

THE COUNTY OF ERIE

Approved as to Form

By: _____ (Title)

_____ County Attorney

Approved as to Content

_____
Commissioner of
Department of Environment
and Planning

NEW YORK STATE URBAN DEVELOPMENT CORPORATION

By: _____ (Title)

ACsm
226371

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(i) This Guaranty may be executed by one or more parties hereto on any number of separate counterparts and all such counterparts, when executed by the appropriate parties hereto, taken together shall be deemed to constitute one and the same instrument.

(j) **THIS GUARANTY, AND THE RIGHTS OF THE PRINCIPAL PUBLIC PARTICIPANTS HEREUNDER, ARE SUBJECT TO THE TERMS OF THE FINANCING PARTICIPANTS AGREEMENT (AS DEFINED ABOVE).**

NIAGARA FRONTIER HOCKEY, L.P.

By: NIAGARA FRONTIER HOCKEY MANAGEMENT CORPORATION, its Managing General Partner

By: _____
Name: _____
Title: _____

Accepted and agreed to this
____ day of _____, 1995.

THE CITY OF BUFFALO

By: _____
(Title)

THE COUNTY OF ERIE

By: _____
Dennis T. Gorski (Title)
County Executive

Approved as to Form

_____
County Attorney

Approved as to Content

_____
Commissioner of
Department of Environment
and Planning

NEW YORK STATE URBAN DEVELOPMENT CORPORATION

By: _____
(Title)

ACsm
226371

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(i) This Guaranty may be executed by one or more parties hereto on any number of separate counterparts and all such counterparts, when executed by the appropriate parties hereto, taken together shall be deemed to constitute one and the same instrument.

(j) **THIS GUARANTY, AND THE RIGHTS OF THE PRINCIPAL PUBLIC PARTICIPANTS HEREUNDER, ARE SUBJECT TO THE TERMS OF THE FINANCING PARTICIPANTS AGREEMENT (AS DEFINED ABOVE).**

NIAGARA FRONTIER HOCKEY, L.P.

By: NIAGARA FRONTIER HOCKEY MANAGEMENT CORPORATION, its Managing General Partner

By: _____
Name: _____
Title: _____

Accepted and agreed to this
____ day of _____, 1995.

THE CITY OF BUFFALO

By: _____
(Title)

THE COUNTY OF ERIE

By: _____
(Title)

Approved as to Form

_____
County Attorney

Approved as to Content

_____
Commissioner of
Department of Environment
and Planning

NEW YORK STATE URBAN
DEVELOPMENT CORPORATION

By: R. V. Waldt Vice President
PETER WALDT (Title)

ACsm
226371

NOTARY ACKNOWLEDGMENT

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

On May 22, 1995, before me personally came Joel C Swarts to me known to be the Vice Chairman of NIAGARA FRONTIER HOCKEY MANAGEMENT CORPORATION, the managing general partner of NIAGARA FRONTIER HOCKEY, L.P., the limited partnership described in and which executed the foregoing instrument, and (s)he duly acknowledged to me that (s)he executed the same as Vice Chairman of said general partner of said limited partnership by order of the Board of Directors of said general partner.

Diane W. Capicotto
Notary Public

DIANE W. CAPICOTTO
Notary Public, State of New York
Qualified in Niagara County
My Commission Expires May 31, 1995

Acsm
226371

EXHIBIT 7 (§11.1)

GUARANTY OF PAYMENT

NIAGARA FRONTIER HOCKEY, L.P.

and

MARINE MIDLAND BANK
AS COLLATERAL AGENT

Dated as of May 10, 1995

Crossroads Arena

Prepared By:

PHILLIPS, LYTLE, HITCHCOCK, BLAINE & HUBER
3400 Marine Midland Center
Buffalo, New York 14203

GUARANTY OF PAYMENT

GUARANTY OF PAYMENT, dated as of May 10, 1995, made by NIAGARA FRONTIER HOCKEY, L.P., a limited partnership organized under the laws of the State of Delaware, whose address is 140 Main Street, Buffalo, New York 14202 ("Guarantor"), in favor of Agent (as hereinafter defined).

1. Definitions:

Use of or reference to the following terms herein shall be construed as indicated:

(a) Agent: Marine, as Collateral Agent for the benefit of itself, Key and any future lenders or participants, pursuant to an Agency Agreement of even date herewith.

(b) Building Loan Contract: Building Loan Contract of even date herewith between Debtor and Agent, governing the Loan, as may be amended, modified or extended from time to time.

(c) Cooperation Agreement: Letter Agreement among the National Hockey League, Agent, Lenders and other parties signatories thereto dated of even date herewith, as may be amended from time to time.

(d) Debtor: Crossroads Arena LLC, a limited liability company organized under the laws of the State of New York.

(e) Franchise: As defined in the Non-Relocation Agreement.

(f) Key: Key Bank of New York, a banking corporation organized under the laws of the State of New York.

(g) Lenders: Marine, Key and any future lenders or participants pursuant to an Agency Agreement of even date herewith.

(h) Loan: Loan by Marine and Key to Debtor in the principal amount of $35,000,000.00 for the development of the Project.

(i) Marine: Marine Midland Bank, a banking corporation organized under the laws of the State of New York, whose address is c/o Real Estate Finance Department, One Marine Midland Center, 15th Floor, Buffalo, New York 14203.

(j) Non-Relocation Agreement: Agreement dated of even date herewith by Guarantor in favor of the Lenders and the Agent for the benefit of the Lenders to utilize the Memorial Auditorium, and upon completion, the Crossroads Arena, for substantially all Buffalo Sabres home games as more specifically provided therein.

All capitalized terms used but not defined herein shall have the meanings set forth in the Building Loan Contract.

2. Preliminary Statements:

(a) Agent is a party to the Building Loan Contract.

(b) It is a condition precedent to the obligation of Lenders to make the Loan that Guarantor execute and deliver this Guaranty of Payment to Agent.

NOW THEREFORE, in consideration of the premises and in order to induce the Lenders to make the Loan and for other good and valuable consideration, the receipt of which is hereby acknowledged, Guarantor hereby agrees with Agent as follows:

3. Guaranty of Payment:

(a) Guarantor hereby unconditionally guarantees the full and prompt payment to Agent when due, whether by acceleration or otherwise, of any and all Indebtedness (as hereinafter defined) of Debtor.

(b) As used in this Guaranty, "Indebtedness" shall mean any and all indebtedness and other liabilities of Debtor to Lenders and Agent arising out of (i) the Building Loan Contract; (ii) the Notes, the Mortgage, and the Collateral Documents, all as defined in the Building Loan Contract; and (iii) all extensions, modifications, renewals and replacements of any of the foregoing. "Indebtedness" shall include all indebtedness of every kind, including, without limitation, all unpaid accrued interest thereon and all costs and expenses payable as hereinafter provided, irrespective of whether such Indebtedness (i) is now existing or hereafter incurred; (ii) is direct, indirect, primary, absolute, secondary, contingent, secured, unsecured, matured or unmatured; (iii) is from time to time reduced and thereafter increased, or entirely extinguished and thereafter reincurred; (iv) was originally contracted with Lenders and/or with Agent or with another or others; (v) is evidenced by a negotiable or non-negotiable instrument or any other writing; and (vi) is contracted by Debtor alone or jointly or severally with another or others.

(c) Guarantor acknowledges that valuable consideration supports this Guaranty, including, without limitation, any commitment to lend, extension of credit or other financial accommodation, whether heretofore or hereafter made by Lenders to Debtor; any extension, renewal or replacement of any Indebtedness, any forbearance with respect to any Indebtedness or otherwise; any cancellation of an existing guaranty; any purchase of any of Debtor's assets by Lenders; or any other valuable consideration.

4. Lenders' and Agent's Costs and Expenses: Guarantor agrees to pay on demand all costs and expenses of every kind incurred by Lenders and by Agent on Lenders' behalf in enforcing this Guaranty. "Costs and expenses" as used in the preceding sentence shall include, without limitation, the actual attorneys' fees and disbursements incurred by or on behalf of Lenders or Agent in retaining counsel for advice, suit, appeal, any insolvency or other proceedings under the Federal Bankruptcy Code or otherwise, or for any purpose specified in the preceding sentence.

5. Nature of Guaranty: Continuing, Absolute and Unconditional:

(a) This Guaranty is and is intended to be a continuing guaranty of payment of the Indebtedness (irrespective of the aggregate amount thereof and whether or not the Indebtedness from time to time exceeds the amount of this Guaranty, if limited), independent of and in addition to any other guaranty, indorsement, collateral or other agreement held by Lenders or Agent therefor or with respect thereto, whether or not furnished by Guarantor. Nothing in this Guaranty shall limit Guarantor's obligations under the Non-Relocation Agreement. Guarantor shall have no right of subrogation with respect to any payments made by Guarantor hereunder until all Indebtedness outstanding, or contracted or committed for (whether or not outstanding) is irrevocably paid in full.

(b) This Guaranty is absolute and unconditional and shall not be changed or affected by any representation, oral agreement, act or thing whatsoever, except as herein provided. This Guaranty is intended by Guarantor to be the final, complete and exclusive expression of the agreement between Guarantor and Agent and Guarantor expressly disclaims any reliance on any oral representation of Lenders or Agent. No modification or amendment of any provision of this Guaranty shall be effective unless in writing and signed by a duly authorized officer of Agent.

6. Certain Rights and Obligations:

(a) Guarantor authorizes Lenders and Agent, on Lenders' behalf, without notice, demand or any reservation of rights against Guarantor and without affecting Guarantor's obligations hereunder, from time to time: (i) to renew, extend, increase, accelerate or otherwise change the time for payment of, the terms of or the interest on the Indebtedness or any part thereof; (ii) to accept from any person or entity and hold collateral for the payment of the Indebtedness or any part thereof, and to exchange, enforce or refrain from enforcing, or release such collateral or any part thereof; (iii) to accept and hold any indorsement or guaranty of payment of the Indebtedness or any part thereof, and to discharge, release or substitute any such obligation of any such indorser or guarantor, or any person or entity who has given any security interest in any collateral

as security for the payment of the Indebtedness or any part thereof, or any other person or entity in any way obligated to pay the Indebtedness or any part thereof, and to enforce or refrain from enforcing, or compromise or modify, the terms of any obligation of any such indorser, guarantor, person or entity; (iv) to dispose of any and all collateral securing the Indebtedness in any manner as Lenders or Agent, in their sole discretion, may deem appropriate, and to direct the order or manner of such disposition and the enforcement of any and all endorsements and guaranties relating to the Indebtedness or any part thereof as Lenders or Agent, in their sole discretion, may determine; and (v) to determine the manner, amount and time of application of payments and credits, if any, to be made on all or any part of any component or components of the Indebtedness (whether principal, interest, costs and expenses, or otherwise), including, without limitation, to make any such application to Indebtedness, if any, in excess of the amount of this Guaranty.

(b) (i) Prior to the conversion of the Construction Loan Term to the Permanent Loan Term (as defined in the Notes), if any default shall be made in the payment of any Indebtedness, Guarantor hereby agrees to pay the same in full to the extent of the Maximum Amount (as defined below) plus interest and costs and expenses in accordance herewith; and

(ii) after conversion of the Construction Loan Term to the Permanent Loan Term (as defined in the Notes), Guarantor agrees to pay the Indebtedness to the extent of the Maximum Amount (plus costs and expenses in accordance herewith with respect to (x) below), but only at such time as (x) Guarantor may violate or breach any of Sections 2.1, 2.2, 2.3, 6.2 (with respect to extension of the Aud Lease as defined in the Non-Relocation Agreement) or 6.4 of the Non-Relocation Agreement; or (y) notwithstanding Section 4.2(a) of the Non-Relocation Agreement, Guarantor may violate or breach Section 7.19 of the Building Loan Contract with respect to a sale by Guarantor of the Franchise without consent of the Agent (such consent not to be unreasonably withheld under circumstances set forth in Section 7.19 of the Building Loan Contract) or a Non-Relocation Default (as defined in Section 7(b)) occurs:

(A) without deduction by reason of any setoff, defense or counterclaim of Debtor;

(B) without requiring protest or notice of non-payment or notice of default to Guarantor, to Debtor or to any other person;

(C) without demand for payment or proof of such demand;

(D) without requiring Lenders or Agent to resort first to Debtor (this being a guaranty of payment and not of collection) or to any other guaranty or any collateral which Lenders or Agent may hold;

(E) without requiring notice of acceptance hereof or assent hereto by Lenders or Agent; and

(F) without requiring notice that any Indebtedness has been incurred or of the reliance by Lenders or Agent upon this Guaranty;

all of which Guarantor hereby waives.

(c) Guarantor's obligations hereunder shall not be affected by any of the following, all of which Guarantor hereby waives: (i) any failure to perfect or continue the perfection of any security interest in or other lien on any collateral securing payment of any Indebtedness or Guarantor's obligation hereunder; (ii) the invalidity, unenforceability, propriety of manner of enforcement of, or loss or change in priority of any such security interest or other lien; (iii) any failure to protect, preserve or insure any such collateral; (iv) failure of Guarantor to receive notice of any intended disposition of such collateral; (v) any defense arising by reason of the cessation from any cause whatsoever of liability of the Debtor including, without limitation, any failure, negligence or omission by Lenders or Agent in enforcing their claims against the Debtor; (vi) any release, settlement or compromise of any obligation of Debtor; or (vii) the invalidity or unenforceability of any of the Indebtedness.

7. Termination:

(a) This Guaranty shall remain in full force and effect until the earlier to occur of the following termination events: (i) full and final payment of the Indebtedness ("Payment Termination"), or (ii) fulfillment, to the satisfaction of the Lenders, of the conditions set forth in Article IX of the Building Loan Contract regarding conversion of the Construction Loan Term to the Permanent Loan Term (all as defined in the Notes); provided, however, that notwithstanding the occurrence of the event described in Clause 7(a)(ii), this Guaranty shall remain in full force and effect solely with respect to Section 6(b)(ii) hereof until a Payment Termination with respect to any Indebtedness outstanding. Upon the occurrence of any such termination events, the Agent shall promptly acknowledge in writing to the Guarantor the termination of this Guaranty. If termination of this Guaranty occurs as a result of a Payment Termination and Lenders or Agent are for any reason compelled to surrender any payment on the Indebtedness to any person or entity, because such payment is determined to be void or voidable as a preference, impermissible setoff, or diversion of trust funds, or for any other reason, this Guaranty shall continue in full force notwithstanding any contrary action which may have been taken by or on behalf of Lenders or Agent in reliance upon such payments, and any such contrary action so taken shall be without prejudice to Lenders' and Agent's rights under this Guaranty and shall be deemed to have been conditioned upon such payment having become final and irrevocable.

(b) Guarantor agrees that notwithstanding the termination of the Non-Relocation Agreement or inapplicability of any term, covenant or provision thereof, any termination or relocation of the Franchise resulting from any of the following (i), (ii) or (iii) (each of (i), (ii) or (iii), a "Non-Relocation Default") shall be deemed to constitute a breach of the Non-Relocation Agreement solely for the purposes of Sections 6(b)(ii) of this Guaranty and Section 7.17 of the Building Loan Contract:

(i) (x) a termination or expiration (without renewal) of the Auditorium Space Lease prior to completion of the Project or, following completion of the Project, termination of the Sabres Space Lease (including a termination by Debtor or Guarantor of the Sabres Space Lease and a termination by Agent or Lenders as landlord under the Sabres Space Lease as a result of a NFHLP default thereunder which entitles the landlord to terminate the Sabres Space Lease, but excluding any other termination of the Sabres Space Lease that is caused by or results from, directly or indirectly, any action taken, or failure to act, by Agent or Lenders in breach of the Sabres Space Lease or Non-Disturbance and Attornment Agreement (as defined in the Financing Participants Agreement) including, without limitation, any such failure to act or action that results in a termination by Debtor or Guarantor of the Sabres Space Lease ("Uncovered Agent/Lender Termination")); or (y) pursuant to the Cooperation Agreement due to withdrawal of the consent of the NHL to performance by the Guarantor of the Non-Relocation Agreement because of an action of a party other than the Agent or Lenders or a termination of the Sabres Space Lease under Section 7(b)(i)(x) above (but excluding an Uncovered Agent/Lender Termination or failure to act as required, or other action, by Agent or Lenders which renders the Project inaccessible to Guarantor or unavailable or unsuitable for NHL hockey games in accordance with NHL Rules or the Sabres Space Lease);

(ii) the termination or relocation of the Franchise by the NHL pursuant to Section 2.1 of the Non-Relocation Agreement; or

(iii) if the Project is rendered inaccessible to Guarantor, or unavailable or unsuitable for NHL hockey games in accordance with NHL Rules or the Sabres Space Lease as a result of any event or action outside the direct control of Guarantor under Section 2.2.2 of the Non-Relocation Agreement (including a termination of the Sabres Space Lease under Section 7(b)(i)(x) above, but excluding (a) an Uncovered Agent/Lender Termination or (b) any failure to act as required, or other action taken, by Agent or Lenders which renders the Project inaccessible to Guarantor or unavailable or unsuitable for NHL hockey games in accordance with NHL Rules or the Sabres Space Lease or (c) a temporary force majeure event).

8. Miscellaneous:

(a) "Debtor" and "Guarantor" as used in this Guaranty shall include: (i) any successor individual or individuals, association, partnership, limited liability company, or corporation to which all or a substantial part of the business or assets of Debtor or Guarantor shall have been transferred; (ii) in the case of a partnership Debtor, any new partnership which shall have been created by reason of the admission of any new partner or partners therein or by reason of the dissolution of the existing partnership by voluntary agreement or the death, resignation or other withdrawal of any partner; and (iii) any other corporation or limited liability company into or with which Guarantor or Debtor (if Debtor is a limited liability company or a corporation) shall have been merged, consolidated, reorganized, or absorbed.

(b) Without limiting any other right of Lenders or Agent, whenever Lenders, or Agent on Lenders' behalf, have the right to declare any Indebtedness to be immediately due and payable (whether or not it has so declared), Lenders and Agent, at their sole election, may set off against the Indebtedness any and all moneys then owed to Guarantor by Lenders or by Agent in any capacity, whether or not the Indebtedness or the obligation to pay such moneys owed by Lenders or by Agent is then Lenders' or Agent's, and Lenders and Agent shall be deemed to have exercised such right of setoff immediately at the time of such election even though any charge therefor is made or entered on Lenders' or Agent's records subsequent thereto.

(c) Guarantor's obligation hereunder is to pay the Indebtedness in full when due according to its terms, and shall not be affected by any extension of time for payment by the Debtor resulting from any proceeding under the Federal Bankruptcy Code or any similar law.

(d) No course of dealing between Debtor or Guarantor and Lenders or Agent, on Lenders' behalf, and no act, delay or omission by Agent in exercising any right or remedy hereunder or by Lenders or Agent with respect to any Indebtedness shall operate as a waiver thereof or of any other right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy. Lenders or Agent may remedy any default by Debtor under any agreement with Debtor or with respect to any Indebtedness in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent default by Debtor. All rights and remedies of Agent hereunder are cumulative.

(e) Lenders, Agent and Guarantor as used herein shall include the successors or assigns of those parties. The rights and benefits of Agent hereunder shall, if Agent so directs, inure to any party acquiring any interest in the Indebtedness or any part thereof. If any right of Agent hereunder is construed to be a power of attorney, such power of attorney shall not be affected by the subsequent disability or incompetence of Debtor.

(f) Captions of the sections of this Guaranty are solely for the convenience of Agent and Guarantor, and are not an aid in the interpretation of this Guaranty.

(g) GUARANTOR AGREES THAT ANY ACTION OR PROCEEDING TO ENFORCE OR ARISING OUT OF THIS GUARANTY MAY BE COMMENCED IN THE SUPREME COURT OF NEW YORK IN ERIE COUNTY, OR IN THE DISTRICT COURT OF THE UNITED STATES IN THE WESTERN DISTRICT OF NEW YORK, AND GUARANTOR WAIVES PERSONAL SERVICE OF PROCESS AND AGREES THAT A SUMMONS AND COMPLAINT COMMENCING AN ACTION OR PROCEEDING IN ANY SUCH COURT SHALL BE PROPERLY SERVED AND SHALL CONFER PERSONAL JURISDICTION IF SERVED BY REGISTERED MAIL TO GUARANTOR, OR AS OTHERWISE PROVIDED BY THE LAWS OF THE STATE OF NEW YORK OR THE UNITED STATES.

(h) If any provision of this Guaranty is unenforceable in whole or in part for any reason, the remaining provisions shall continue to be effective.

(i) This Guaranty and the transactions evidenced hereby shall be construed under the internal laws of New York State, without regard to principles of conflicts of law.

Notwithstanding anything to the contrary set forth elsewhere in this Guaranty, this Guaranty is limited to $12,000,000.00 (hereinafter referred to as the "Maximum Amount"), plus the sum of: (a) with respect to Section 6(b)(i) only, all unpaid interest which accrues on the Maximum Amount until payment of the Maximum Amount in full, calculated at the rate provided for in any instrument, document or agreement evidencing or

pertaining to the Indebtedness; and (b) with respect to Sections 6(b)(i) and (ii)(x) only, all costs and expenses payable pursuant to Section 4 of this Guaranty.

IN WITNESS WHEREOF, the undersigned has duly executed this Guaranty as of the date first written above.

NIAGARA FRONTIER HOCKEY, L.P.

By: NIAGARA FRONTIER HOCKEY MANAGEMENT CORPORATION, its Managing General Partner

By: _____
Robert O. Swados
Vice Chairman

[Signature Page to Document 20]

NOTARY ACKNOWLEDGMENT

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

On the 26 day of May, 1995, before me personally came Robert O. Swados to me known who, being duly sworn did depose and say that he resides at 156 Wedgewood Williamsville NY 14221; that he is the Vice Chairman of NIAGARA FRONTIER HOCKEY MANAGEMENT CORPORATION, managing general partner of NIAGARA FRONTIER HOCKEY, L.P., the Delaware limited partnership described in and which executed the foregoing instrument; and that he signed his name thereto as Vice Chairman of the Managing Partner, for and on behalf of said limited partnership.

Gregory T. Ivancic
Notary Public

GREGORY T. IVANCIC
Notary Public, State of New York
Qualified in Erie County
My Commission Expires Dec. 31, 19 95

[Acknowledgment Page to Document 20]

Acen/oc/po
207037.12

CONCESSION LOAN GUARANTY

GUARANTY AND AGREEMENT

This GUARANTY AND AGREEMENT executed as of this 10th day of May, 1995 by NIAGARA FRONTIER HOCKEY, L.P. (the "Guarantor"), a Delaware limited partnership duly organized and existing according to law, the sole general partner of which is Niagara Frontier Hockey Management Corporation, having a mailing address of 140 Main Street, Buffalo, New York, 14202.

WITNESSETH:

The following facts constitute the background to this instrument:

A. The Guarantor owns a 99% interest in each of Buffalo Sabres Concession LLC, a New York limited liability company (the "Borrower") and of Crossroads Arena LLC, a New York limited liability company ("CA").

B. Pursuant to a certain Lease Agreement (the "Sabres Space Lease") from CA, as Landlord, to Guarantor, as Tenant, CA has granted to Guarantor the right to conduct hockey events at the Crossroads Arena (the "Project") in Buffalo, New York, and the right to operate certain concession facilities and exclusively occupy certain areas at the Project.

C. The Project, consisting of a new approximately 700,000 square foot arena containing approximately 21,500 seats for non-hockey events and 19,400 seats for hockey events (including approximately 2,500 seats designated as "Club Seats"), plus approximately 80 private suites, and 2,125 parking spaces together with ancillary improvements, is proposed to be constructed by CA. The project is to be financed in part by an amount not to exceed $32,500,000 (the "Loan Amount") to be contributed by the Borrower to the Guarantor and, in turn, to be contributed by the Guarantor to CA, as more particularly described in a certain Interim and Term Loan Agreement (the "Loan Agreement"), by and among the Borrower, Fleet Bank, Shawmut Bank, N.A., and such other lending institutions as may in the future become parties thereto in accordance with the terms of the Loan Agreement (the "Lenders"). The Loan Agreement reflects a loan (the "Loan") in the Loan Amount from the Lenders to the Borrower, the proceeds of which are to be used for the foregoing contribution.

D. As a condition to their agreement to make the Loan, the Lenders have required the Guarantor to agree, inter alia, to guarantee certain of the obligations of the Borrower under the Loan Documents as well as to agree to certain other terms as more particularly provided herein.

E. In consideration of the benefits to be derived by the Guarantor from construction of the Project and the loan arrangements contemplated by the Loan Agreement and in order to induce the Lenders to make the Loan available to the Borrower, which Loan is evidenced by two certain Promissory Notes of the Borrower of even date herewith (collectively with any additional Notes executed in connection with the addition of additional Lenders, the "Note") and is secured by certain collateral as described in the Loan Agreement, and to induce the Lenders to enter into the Loan Agreement relating to the construction of the Project, the Guarantor has agreed to enter into this Guaranty and Agreement.

All capitalized terms used herein, unless otherwise specifically defined herein, shall have the meanings ascribed to them in the Loan Agreement.

Section 1. Guaranty of Certain Payments and Performance of Certain Obligations: The Guarantor guarantees to the Lenders the following obligations (collectively, the "Guaranteed Obligations"):

1.1 The Guarantor hereby absolutely and unconditionally guaranties to the Lenders the due and punctual payment of the following obligations (the "Payment Obligations"):

1.1.1 The payment not later than the date of the occurrence of one of the conditions in clauses (a), (b), (c) or (d) below of the amount by which the outstanding principal balance of the Loan , together with all unpaid interest thereon and all fees and other amounts due from Borrower under the Note, the Loan Agreement and the other Loan Documents, is greater than $15,500,000: (a) the Term Loan Funding fails to occur on or before the Outside Term Loan Funding Date; or (b) the Construction Lenders accelerate the obligations due under the Construction Loan Documents prior to the Term Loan Funding; or (c) the Construction Lenders or Public Sector Participants cease making advances under the Construction Loan Documents or Public Sector Financing Documents for a period of sixty (60) days and the amount of such requested advances are not deposited by CA, Guarantor or the Borrower with the Disbursing Agent to be used for costs incurred in connection with the Project not later than the date on which funding was requested to be made of the requested Advance; or (d) an Approved Sabres Relocation (as hereinafter defined) occurs subject to payment being made under this Section 1.1.1.

Reference is made to the fact that, upon payment by Guarantor to Lenders in accordance with the terms and conditions of this Section 1.1.1 upon the occurrence of one of the conditions in clauses (a), (b), (c) or (d), the Loan thereafter shall be repayable by Guarantor and Borrower, in accordance with the terms of the NFH Loan Conversion as more particularly described in Section 3.7 of the Loan Agreement;

1.1.2 The full and prompt performance by Borrower of its obligations to repay to the Lenders the principal amount of the Loan, together with interest thereon and all fees and other amounts as and when due (whether by acceleration or otherwise) under the Note, the Loan Agreement and the other Loan Documents upon the occurrence of one of the conditions in clauses (a) or (b) or (c) or (d) or (e) below: (a) the occurrence of the NFH Loan Conversion with respect to the Loan as more particularly described in the Loan Agreement; or (b) the relocation of the operations of the Buffalo Sabres NHL hockey team franchise (the "Sabres") to an arena other than the Project which is not an Approved Sabres Relocation other than a temporary relocation permitted under Sections 1.2.1.1(i)(d) or 1.2.1.2(ii); or (c) the sale, transfer or pledge of interests in Guarantor, the Sabres or Guarantor's interest in its American Hockey League Franchise or the distribution of assets which is not permitted in accordance with Section 1.2.2. of this Guaranty; or (d) the Insolvency of the Borrower or CA and the termination or rejection of the Prime Project Lease, the Sabres Space Lease or the Concession Lease incident to such Insolvency; or (e) the breach by Guarantor of any of its covenants and agreements set forth in this Guaranty.

1.1.3 The payment to Lenders of all amounts due under the Loan including without limitation principal, accrued interest, fees and charges in the event of the relocation of

the Sabres to an arena other than the Project which is not an Approved Sabres Relocation or a temporary relocation permitted under Sections 1.2.1.1(i)(d) or 1.2.1.2(ii) or in the event the consent of the National Hockey League to the provisions of Section 1.2.1 is terminated or withdrawn.

1.1.4. To cause to be paid all fees, costs and expenses incurred by Lenders in attempting to collect or enforce any obligations of Guarantor under this Guaranty and Agreement including, without limitation, attorney's fees.

This Guaranty is an absolute, unconditional and continuing guaranty of the full and punctual payment and performance by the Borrower of the Guaranteed Obligations and not of their collectibility only, and is in no way conditioned upon any requirement that the Lenders first attempt to collect any of the Guaranteed Obligations from the Borrower or resort to any security or other means of obtaining payment of any of the Guaranteed Obligations.

Section 1.2. The Guarantor hereby absolutely and unconditionally agrees with Lenders as follows (collectively, the "Performance Obligations"):

1.2.1 Non-Relocation.

1.2.1.1 Prior to the Completion of the Project, the Guarantor shall not transfer operation of the Sabres from the Memorial Auditorium to an arena other than the Project (the "Relocated Arena Facility"), without the prior written consent of Lenders, which may be withheld in the sole discretion of Lenders. Notwithstanding the foregoing, Guarantor shall be able to so transfer the Sabres operations without such consent under the following circumstances:

(i) one of the conditions set forth in clause (a) or (b) or (c) or (d) or (e) below is met:

(a) Guarantor, Borrower, or any affiliate or successor of either, as landlord therein, and Sportservice or any affiliate and successor, as tenant therein, shall enter into a new concession lease (the "New Concession Sublease") with respect to the Relocated Arena Facility, which agreement shall be on terms and conditions substantially the same as the Concession Sublease and shall at a minimum provide concession revenues to Sportservice which would support a guaranteed rent amount not less than (x) 110% of the amount of the Loan outstanding at the time such operations commence at the Relocated Arena Facility plus any fees and costs, divided by 7; plus (y) interest on such amount payable per annum at the estimated Interest Rate that will be in effect during the Term Loan Period as determined by Lenders in their sole discretion, plus (z) any fees and costs incurred in connection with the Loan or any amendment or modification thereof in connection with such transfer of the Sabres operations. Guarantor shall provide Lenders with a perfected first priority security interest in Guarantor's rental and other proceeds to be received from Sportservice under the New Concessions Sublease on terms and conditions satisfactory to Lenders and substantially equivalent to the terms and conditions of the Mortgages and Collateral Assignments; or

(b) In the event that the Guarantor is unable, after using all means necessary in its control, to provide Sportservice with a concession agreement on the terms outlined in subparagraph (a) above, the Guarantor (or an affiliate or successor) shall (i) provide to Sportservice an alternative income stream of not less than the guaranteed rent (described in (a) above) satisfactory to Lenders, (ii) provide Lenders with a perfected first priority security

interest in the alternative income stream on terms and conditions satisfactory to Lenders and substantially equivalent to the terms and conditions of the Mortgages and Collateral Assignments; or

(c) In the event a relocation occurs but no sale of interests in the Guarantor has occurred, whether or not such sale is permitted under the terms of this Guaranty, and the provisions of (a) or (b) above are not satisfied, (i) the Guarantor shall provide the Lenders with evidence satisfactory to the Lenders in their sole discretion that the Guarantor will produce sufficient cash flow from the Relocated Arena Facility to pay all debt service on the Loan and scheduled debt service on all other debts for borrowed money of Guarantor, which other debt shall not exceed $12,000,000, (ii) the substitute concessionaire and concessions lease in the Relocated Arena Facility shall (x) be subject to the approval of Lenders, (y) shall be on terms no less favorable to Borrower or Lenders than the Concession Sublease and the substitute concessionaire shall execute a Guaranty in favor of the Concession Lenders not less favorable to Borrower or Lenders than the Sportservice Guaranty, and (z) the substitute concessionaire shall have experience reasonably satisfactory to Lenders in operation of concession services in facilities comparable to the Relocated Arena Facility and shall have a financial net worth reasonably acceptable to Lenders, (iii) Guarantor shall provide Lenders with a perfected first priority security interest in Guarantor's rental and other proceeds to be received from the substitute concessionaire on terms and conditions satisfactory to Lenders and substantially equivalent to the terms and conditions of the Mortgages and Collateral Assignments, and (iv) Guarantor shall continue in full force and effect without breach or default the provisions of that certain Security Agreement of even date herewith from Guarantor, as debtor, to Lenders, as secured party, pursuant to which Guarantor has provided Lenders with a perfected security interest in all of its assets, including its NHL franchise, subject only to the Permitted Encumbrances permitted under such Security Agreement; or

(d) a relocation occurs on a temporary basis during repair or reconstruction of the Project prior to Completion and there is no default or breach of condition relating to Borrower's obligations to repair or reconstruct the Project under the Loan Documents and the Ground Leases and the Operating Leases; or

(e) a relocation occurs as a result of a force majeure event or as a result of any action outside the direct control of Guarantor, including, without limitation, any action taken or failure to act by the Financing Participant(s) that renders the Memorial Auditorium and the Project inaccessible to Guarantor or unavailable or unsuitable for NHL hockey games in accordance with the NHL Rules, the Auditorium Space Lease or the Sabres Space Lease; and

(ii) With respect to the occurrence of a condition set forth in clause (a), (b) or (c) above, the Lenders and Sportservice each approve a plan by the Guarantor for the satisfaction of all obligations and anticipated obligations of Guarantor to third parties including, without limitation, obligations arising out of the relocation.

1.2.1.2 From and after Completion of the Project, the Guarantor shall not relocate the operations of the Sabres to an arena other than the Project, including, without limitation, the Auditorium, without the prior written consent of the Lenders, which (i) may be granted or withheld in the Lenders' sole and unfettered discretion in the case of a permanent relocation, (ii) shall be granted in the case of a temporary relocation during repair or

reconstruction of the Project, provided that no default or breach of condition occurs relating to Borrower's obligations to repair or reconstruct the Project under the Loan Documents and the Ground Leases and the Operating Leases, and (iii) shall be granted if, after completion of the Project, the conditions set forth in Section 1.2.1.1.(i)(e) are met.

1.2.1.3 Subject to the provisions of the last sentence of this paragraph, a relocation which meets the conditions set forth in clauses (i)(a) or (b) or (c) and (ii) of Section 1.2.1.1 above or is approved by the Lenders under Section 1.2.1.2 above (excluding any approval granted by Lenders under Section 1.2.1.2(ii) or (iii)) is referred to herein as an "Approved Sabres Relocation". Consistent with the provisions of Sections 1.1.1 and 1.1.2 above of this Guaranty, in the event of an Approved Sabres Relocation (other than an Approved Sabres Relocation permitted under Section 1.2.1.2 with respect to which the terms and conditions shall be determined by the Lenders in the Lenders' sole and unfettered discretion at the time of such approval) (x) the Guarantor shall make payment to Lenders as provided in Section 1.1.1 of this Guaranty, and (y) the Guarantor shall pay to Lenders all sums due from time to time under the Loan when and as due under the NFH Loan Conversion as provided in Section 1.1.2 of this Guaranty. A relocation shall not be considered an Approved Sabres Relocation for any purposes whatsoever unless Guarantor shall make payment to Lenders as provided in Section 1.1.1 of this Guaranty not later than simultaneously with such relocation.

1.2.1.4 The Guarantor or any affiliate or successor shall irrevocably direct the tenant under the New Concession Sublease or the provider of the alternative income stream provided in clause (b) of Section 1.2.1.1 that all payments of rental or income shall be paid on a monthly basis and deposited by tenant or such provider in an account (the "Account") in the name of Borrower maintained at Shawmut Bank, N.A. to be applied by Lenders against Borrower's obligations under the Note.

1.2.1.5 In the event the Guarantor or any affiliate or successor, rather than Borrower, enters into the New Concession Sublease, as landlord therein, as set forth in clause (a) of Section 1.2.1.1 or provides an alternative income stream as set forth in clause (b) of Section 1.2.1.1, or the Auditorium becomes the Relocated Arena Facility under the Auditorium Lease, the Guarantor or such affiliate or successor shall enter into an assignment and assumption agreement with Borrower pursuant to which Guarantor shall assume the obligations of Borrower under the Loan Documents for all purposes jointly and severally with the Borrower, but the foregoing shall not release any obligations of either Borrower or Guarantor under the Loan Documents.

1.2.2 Title to Certain Assets; Absence of Liens; No Distributions.

Consistent with the provisions of Section 1.1.2 of this Guaranty, upon the occurrence of any of the following events without the prior consent of the Lenders, which, except as expressly provided below, may be given or withheld in Lenders sole and unfettered discretion, the Guarantor shall forthwith pay the Lenders all sums then due under the Loan, including without limitation, all principal, interest, and costs and expenses:

1.2.2.1 (a) a transfer of ownership of all or any portion of Guarantor's interest in the Sabres or Guarantor's American Hockey League Franchise; or (b) any sale or transfer of more than six percent (6%) of the equity interest in the Guarantor or more than six percent (6%) of the equity interest in the Guarantor's General Partner, provided, however, that

the Lenders will not unreasonably withhold their consent to any such transfer in the event the following conditions are satisfied: (i) the Guarantor, as it may be constituted subsequent to such transfer, reconfirms the obligations of the Guarantor under this Guaranty and Agreement in form and substance satisfactory to Lenders; (ii) the Guarantor is not in default of any of its obligations or agreements under the Loan Agreement or hereunder; (iii) the operations of the Sabres have not been relocated to an arena other than the Project, whether or not such relocation may constitute an Approved Sabres Relocation; (iv) the National Hockey League has consented to such transfer, in form and substance satisfactory to Lenders; (v) no Event of Default, or event which with the giving of notice or the passage of time would become an Event of Default, has occurred under the Loan Agreement; and (vi) the Concession Lease and the Concession Sublease (or Substitute Concession Sublease) remain in full force and effect in accordance with the terms and conditions of the Loan Agreement.

Without limitation, no payment, dividend, loan or distribution of assets shall be made to any member, partner, shareholder or officer (or any partner or affiliate of any such person) in Guarantor attributable to or derived from, and no use shall be made of the proceeds of, sale or transfer of any interests of Guarantor in the Sabres or the American Hockey League franchises of Guarantor, which is not permitted herein. Provided no Event of Default is in existence, or event which, with the giving of notice or the passage of time or both, would become an Event of Default, distribution of assets may be made by Guarantor to partners of Guarantor in the ordinary course of business after satisfaction of the annual principal and interest payments and other fees due under the Loan.

No approval of Lenders shall be required in connection with a transfer of 6% or less of the equity interests in Guarantor or in Guarantor's general partner or in connection with a transfer of equity interest in Guarantor to Adelphia Communications Corporation and/or John Rigas. The Guarantor shall notify Lenders of any proposed transfer of interests, whether or not permitted hereunder.

1.2.2.2 The grant by Guarantor of any lien upon its interest in the Sabres or its interest in its American Hockey League Franchise, or the grant of any lien upon any other assets of the Guarantor other than a Permitted Indebtedness as set forth in Exhibit A to this Guaranty and Agreement.

1.2.2.3 Prior to Completion of the Project, the Guarantor shall not create, incur, assume, or suffer to exist, or in any manner whatsoever become liable, directly or indirectly with respect to any Indebtedness excepting only the indebtedness entered into in connection with the Loan or referenced in Exhibit A. The Guarantor shall not become or be liable by way of guaranty, surety or other arrangement for the Indebtedness or obligations of any nature of kind of any other Person, except for endorsement of instruments for collection in the ordinary course of business and as referenced in Exhibit A.

1.2.3 Auditorium Lease.

Until Completion of the Project, Guarantor hereby covenants and agrees to maintain in full force and effect that certain Sublease entitled Auditorium Agreement (the "Auditorium Sublease") between Guarantor, as landlord, and New York Sportservice, Inc. ("Tenant"), as tenant, dated July 10, 1970, as amended October 1, 1970, and August 10, 1994, pursuant to which Tenant has the right to operate certain concession facilities at the Memorial

Auditorium (the "Auditorium") in Buffalo, New York. Consistent with the provisions of Section 1.1.1 and Section 1.1.2 (a) of this Guaranty, in the event the circumstances under Section 1.1.1 (a), (b) or (c) of this Guaranty occur and the Sabres continue to use the Auditorium for its home games, the Guarantor agrees to pay to Lenders all sums due under the Loan from time to time when and as due, and Guarantor shall continue in full force and effect without breach or default the provisions of that certain Collateral Assignment of even date herewith from Guarantor, as assignor, to Lenders, as assignee, pursuant to which Guarantor has granted to Lenders a first priority security interest in Guarantor's rental and other proceeds to be received from Sportservice under the Auditorium Sublease.

1.2.4 Demolition of Certain Improvements.

Not later than the earlier of (i) the scheduled date for the making of the 3rd Phase Advance by the Lenders, or (ii) March 15, 1996, Guarantor will cause all improvements on Parcel III of the Site to be demolished and all debris and solid waste to be removed.

1.2.5 The Lenders each hereby agree that nothing contained in this Section 1.2 in any way limits the rights of the NHL to bring disciplinary proceedings against Guarantor or the rights of the NHL to terminate or relocate the Sabres pursuant to NHL Rules and, in any such instance, such actions, including any relocation not in conformance with the provisions of this Section 1.2, shall not constitute a breach of the Performance Obligations under this Section 1.2 by Guarantor. It is acknowledged, understood and agreed that in the event the NHL relocates the operations of the Sabres pursuant to NHL Rules, the covenants, obligations and restrictions of and imposed on Guarantor and the rights granted to the Lenders with respect to Performance Obligations under this Section 1.2 shall be null and void and of no further force or effect, but the foregoing shall not derogate or detract from the Payment Obligations of the Guarantor under Sections 1.1.2 and 1.1.3 of this Guaranty, which shall remain in full force and effect.

1.2.6 The Lenders each hereby agree that nothing in this Section 1.2 prohibits Guarantor from playing exhibition games, Championship Games and Stanley Cup Playoff Games constituting Buffalo Sabres home games at any location other than Memorial Auditorium or the Project, as applicable, to the extent required by NHL Rules or expressly permitted by the Auditorium Lease or the Sabres Space Lease, as applicable.

1.2.7 The reference to Franchisee in Section 5.1 hereof, NHL Rules set forth herein, and Financing Participants Cooperation Agreement in Section 5.6 shall have the meaning given to them in that certain Non-Relocation Agreement dated of even date herewith among Guarantor, the City of Buffalo, the New York State Urban Development Corporation and the County of Erie.

Section 1.3 Guarantor hereby agrees with Lenders that, in the event of the rejection of the Sabres Space Lease by or on behalf of CA upon the bankruptcy of CA, Guarantor shall elect to remain in possession of and exercise and enjoy the benefits of all rights and agreements under the Sabres Space Lease pursuant to Section 365(h) of the United States Bankruptcy Code (or the comparable provision of any law which replaces such Code) in order to enable Borrower to continue its occupancy and use of the demised premises pursuant to the Concession Lease for the entire term thereof, including any renewal term(s) (if any) as provided for therein.

Section 2. Liability of Guarantor Primary. In giving this Guaranty, the Guarantor hereby acknowledges that its liability shall be primary, and that, in the enforcement thereof, the Lenders shall be entitled to look to it for the performance of the Guaranteed Obligations without first commencing any action or proceeding against the Borrower or otherwise exercising any of the rights of the Lenders in respect of the Collateral. The Guarantor further expressly agrees that the validity of this Guaranty and the obligations of the Guarantor hereunder shall not be terminated, affected, or impaired by reason of the granting by the Lenders of any indulgences to the Borrower, or by reason of the assertion by the Lenders against the Borrower of any of the rights or remedies reserved to the Lenders pursuant to the provisions of the Loan Agreement, the Note, the Collateral Assignments, or any document executed incident thereto or by the relief of the Borrower from any of its obligations under such documents by operation of law or otherwise (including, but without limitation, in connection with proceedings under the bankruptcy laws now or hereafter enacted or under so-called usury laws now or hereafter enacted), or by the release (either partial or complete) of any other party from the liability which any such party may assume by a separate instrument in the nature of an indemnity or guaranty of any obligation undertaken in connection with the Guaranteed Obligations, or the obligations of the Borrower under any documents executed in connection with the Loan, the Guarantor hereby waiving all suretyship defenses and defenses in the nature thereof.

Section 3. Waiver of Defenses. Without limiting the generality of the foregoing, the Guarantor hereby further agrees that its obligations hereunder shall not be affected or impaired by, and hereby waives and agrees not to assert or take advantage of any defense based on:

(a) any statute of limitations in any action hereunder or for the collection of the Note or for the payment or performance of any Guaranteed Obligation;

(b) the legal incapacity or lack of authority of the Borrower, or the failure of the Lenders to file or enforce a claim against the estate (either in administration, bankruptcy or in any other proceeding) of the Borrower or the Guarantor;

(c) the dissolution or termination of existence of the Borrower, the Guarantor or Sportservice;

(d) the voluntary or involuntary liquidation, sale or other disposition of all or substantially all of the assets of the Borrower;

(e) the voluntary or involuntary receivership, insolvency, bankruptcy, assignment for the benefit of creditors, reorganization, assignment, composition, or readjustment of, or any similar proceeding affecting, the Borrower or the Guarantor, or any of their respective properties or assets;

(f) the damage, destruction, condemnation, foreclosure or surrender of all or any part of the Project;

(g) any change in the plans relating to the construction of the Project;

(h) any modification of the terms of any contract relating to the construction of the Project or the furnishing of any labor or materials therefor;

(i) the failure of the Lenders to give notice of the existence, creation or incurring of any new or additional indebtedness or obligation or of any action or nonaction on the part of any other person whomsoever in connection with any Guaranteed Obligation;

(j) any failure or delay of the Lenders to commence an action against the Borrower, to assert or enforce any remedies against the Borrower under the Note or the Loan Documents, or to realize upon any security;

(k) any failure of any duty on the part of the Lenders to disclose to the Guarantor any facts it may now or hereafter know regarding the Borrower, whether such facts materially increase the risk to the Guarantor or not;

(l) failure to accept or give notice of acceptance of this Guaranty and Agreement by the Lenders;

(m) failure to make or give notice of presentment and demand for payment of any of the indebtedness or performance of any of the Guaranteed Obligations;

(n) failure to make or give protest and notice of dishonor or of default to the Guarantor or to any other party with respect to the indebtedness or performance of the Guaranteed Obligations;

(o) any and all other notices whatsoever to which Guarantor might otherwise be entitled;

(p) any lack of diligence by the Lenders in collection, protection or realization upon any collateral securing the payment of the indebtedness or performance of the Guaranteed Obligations;

(q) the invalidity or unenforceability of the Note or any of the Loan Documents;

(r) the compromise, settlement, release or termination of any or all of the obligations of the Borrower under the Note or the Loan Documents;

(s) any exculpation of liability contained in the Note or in the Loan Documents;

(t) any transfer by the Borrower of all or any part of the security encumbered by the Loan Documents;

(u) the failure of the Lenders to perfect any security or to extend or renew the perfection of any security; or

(v) to the fullest extent permitted by law, any other legal, equitable or surety defenses whatsoever to which the Guarantor might otherwise be entitled, it being the intention that the obligations of the Guarantor hereunder are absolute, unconditional and irrevocable.

If the Lenders are required by law (including without limitation by bankruptcy law now or hereafter enacted) to refund to the Borrower any payment to the Lenders made pursuant to the Guaranteed Obligations, or to pay over to any other party any such payment, then the obligations

of the Guarantor shall not be treated as having been discharged by reason of the payment to the Lenders giving rise to the obligation of the Lenders to repay the same or to pay the same to any other party, and this Guaranty and Agreement shall be treated as having remained in full force and effect for any such repayment and payments to any other party so made by the Lenders as well as for any amounts not theretofore paid to the Lenders on account of such obligations.

Section 4. Representations and Covenants by Guarantor. The Guarantor further represents and warrants to the Lenders and agrees with the Lenders as an inducement to the Lenders to make the Loan to the Borrower evidenced by the Loan Agreement, as follows:

4.1 (a) There are no judgments filed or actions or proceedings pending or, to the knowledge of Guarantor, threatened against or affecting the Guarantor, which materially adversely affect the ability of the Guarantor to perform its obligations hereunder and under the other Loan Documents to which it is a party, or which are likely to result in the insolvency of the Guarantor or any person or entity directly.

(b) The Guarantor is a Delaware limited partnership duly organized, legally existing and in good standing under the laws of the State of Delaware. The Certificate of Limited Partnership creating the Guarantor was filed with the Delaware Secretary of State on March 14, 1988. The Guarantor owns and controls 99% of the membership interests of the Borrower. True, correct and complete copies of the Certificate of Limited Partnership and the Limited Partnership Agreement, as currently in effect, have been delivered by the Guarantor to the Lenders. The Guarantor has full power and authority to conduct its business as presently conducted and to execute, deliver and perform its obligations under each and every of the Loan Documents to which it is a party. All actions on the part of the Guarantor required for the due authorization, execution, delivery and performance of the Loan Documents to which it is a party and the other documents to be executed, delivered and performed by the Guarantor in connection with the transaction contemplated by the Loan Agreement have been taken, and each Loan Document to be executed by the Guarantor, upon execution thereof, shall constitute the valid, legal and binding obligation of and be valid and enforceable against the Guarantor in accordance with the respective terms thereof.

(c) As of the date of this Guaranty and Agreement, the financial statements of the Guarantor for the fiscal year ended August 31, 1994 were prepared in accordance with generally accepted accounting principles ("GAAP") and fairly present the financial position of the Guarantor as of that date; since August 31, 1994 there has been no material adverse change in the financial condition of the Guarantor, except as disclosed to Lenders in writing; there are not now pending any suits, or proceedings for undischarged judgments against Guarantor or which allege any deficiencies by Guarantor in the performance of its obligations under any written or oral agreement which would materially adversely affect its ability to perform in the aggregate its obligations hereunder and under any of the other Loan Documents, and no federal or state liens have been filed or threatened against the Guarantor which would materially adversely affect its ability to perform in the aggregate its obligations hereunder and under any of the other Loan Documents, nor is the Guarantor in default (or received written notice alleging a default) beyond applicable grace periods under any agreement for borrowed money which would materially adversely affect its ability to perform in the aggregate its obligations hereunder and under any of the other Loan Documents to which it is a party.

(d) The Guarantor has and, after giving effect in the aggregate to the Guaranteed Obligations hereunder and other obligations of the Guarantor under the other Loan Documents, will have, assets (both tangible and intangible) having a fair market value in excess of the amount required to pay the probable liability on its then-existing debts and other obligations (whether matured or unmatured, liquidated or unliquidated, fixed or contingent); the Guarantor has and will have access to adequate capital for the conduct of its business and the discharge of its debts and other obligations incurred in connection therewith as such debts and obligations mature; Guarantor was not insolvent immediately prior to the consummation of the Loan, and immediately after giving effect thereto, the Guarantor will not be insolvent.

(e) No default or breach of condition (beyond applicable cure periods) by the Guarantor shall occur under: (i) that certain Non-Relocation Agreement, of even date herewith, by Guarantor in favor of the Public Sector Participants; (ii) that certain Non-Relocation Agreement, of even date herewith, by Guarantor in favor of the Construction Lenders; or (iii) that certain Guaranty, of even date herewith, by Guarantor in favor the Public Sector Participants, as any of the same may be amended from time to time with the approval of Lenders.

4.2 The Guarantor agrees to provide the Lenders with prompt written notice of any material adverse change in any of the matters which are the subject of the foregoing representations. Without limiting the foregoing notice obligation, the Guarantor agrees and acknowledges that the covenants, warranties and representations made by Guarantor in this Guaranty and Agreement shall be deemed to be restated and confirmed as true and complete as of each date the Borrower submits a requisition for loan funds under the Loan Agreement and as of each date the Borrower accepts an advance made pursuant to such requisitions. The Guarantor hereby authorizes the Lenders, without notice to the Guarantor, to apply all payments and credits received from the Borrower or from the Guarantor or realized from any security in such manner and in such priority as the Lenders shall see fit in their sole discretion.

4.3 Until all of the Guaranteed Obligations to the Lenders have been fully satisfied, and notwithstanding any provision to the contrary provided by applicable law except as otherwise provided in this paragraph, the Guarantor shall not exercise any and all rights it may have at any time to assert any claim against the Borrower on account of payments made under this Guaranty and Agreement including, without limitation, any and all rights or claims for subrogation, contribution, reimbursement, exoneration and indemnity, and further waives any rights to enforce any remedy which the Lenders may have against the Borrower and any benefit of any right to participate in any collateral which may be held by the Lenders. The Guarantor will not claim any set-off or counterclaim against the Borrower in respect of any liability it may have to the Borrower. Guarantor hereby subordinates any and all indebtedness of the Borrower now or hereafter owed to the Guarantor to all indebtedness of the Borrower to the Lenders, and agrees with the Lenders that (a) the Guarantor shall not demand or accept any payment from the Borrower on account of such indebtedness, (b) the Guarantor shall not claim any offset or other reduction of Guarantor's obligations hereunder because of any such indebtedness, and (c) the Guarantor shall not take any action to obtain any interest in any of the security described in and encumbered by the Loan Documents because of any such indebtedness; provided, however, that, if the Lenders so request, such indebtedness shall be collected, enforced and received by the Guarantor as trustee for the Lenders and be paid over to the Lenders on account of the indebtedness of the Borrower to the Lenders, but without reducing or affecting in any manner the liability of the Guarantor under the other provisions of this Guaranty and Agreement except to

the extent the principal amount of such outstanding indebtedness shall have been reduced by such payment.

4.4 The Guarantor agrees that annually, within one hundred twenty (120) days after the expiration of each fiscal year of the Guarantor and at no expense to the Lenders, the Guarantor shall deliver to the Lenders an audited consolidated and unaudited consolidating financial statement for the Guarantor. The audited consolidated financial statement shall be prepared in accordance with GAAP and shall be certified by an independent certified public accountant reasonably acceptable to the Lenders. In addition, Guarantor agrees to deliver to the Lenders quarterly unaudited consolidating financial statements, to be delivered not later than sixty (60) days following the end of each of the first three fiscal quarters, in form reasonably acceptable to the Lenders.

4.5 The Guarantor agrees with the Lenders that it will not terminate or otherwise dispose of all or substantially all of its assets and will not, without the prior consent of the Lenders, consolidate with or merge with or into another entity unless the Guarantor is the surviving entity and the consolidation or merger does not materially adversely affect the net worth of the Guarantor.

4.6 Guarantor hereby further covenants and agrees with the Lenders that until all of the Guaranteed Obligations have been fully and completely satisfied and performed:

(a) Guarantor will, and will cause the Borrower to, do or cause to be done all things necessary (i) to preserve and keep in full force and effect its existence as a limited partnership and as a limited liability company, respectively, and (ii) to the extent necessary to preserve Guarantor's ability to perform its obligations hereunder and under the other Loan Documents, to effect and maintain its rights and franchises, foreign qualifications, licensing, domestication or authorization, and (iii) to comply with all applicable material laws and regulations (including, without limitation, environmental laws);

(b) Guarantor will not, and will cause the Borrower to not, engage in any substantial business other than the business now conducted it;

(c) Guarantor will, and will cause the Borrower to, duly pay and discharge, before the same shall become past due, all taxes, assessments and other governmental charges imposed upon it and its properties, sales or activities, or upon the income or profits therefrom, as well as claims for labor, material, or supplies which if unpaid might become a lien or charge on any of its property; provided that any such tax, assessment, charge or claim need not be paid if the validity or amount thereof shall currently be contested in good faith by appropriate proceedings and if Guarantor or such subsidiary shall have set aside on its books adequate reserves with respect thereto; and provided further that Guarantor or such subsidiary shall pay all such taxes, assessments, charges and claims forthwith upon the commencement of proceedings to foreclose any lien that may have attached as security therefor;

(d) Guarantor will, and will cause the Borrower to, maintain and keep the properties used or deemed by it to be useful in its business in good repair, working order and condition, and make or cause to be made all necessary and proper repairs thereto and replacements thereof to the extent necessary to perform in the aggregate Guarantor's Guaranteed Obligations hereunder and Guarantor's other obligations the Loan Documents to which it is a party;

(e) Guarantor will, and will cause each of Guarantor's subsidiaries to, maintain with financially sound and reputable insurers, insurance with respect to its properties and business against such casualties and contingencies and in such types and amounts as shall be in accordance with sound business practices for companies in similar business similarly situated to the extent necessary to perform in the aggregate Guarantor's Guaranteed Obligations hereunder and Guarantor's other obligations under the Loan Documents to which it is a party;

(f) Guarantor will keep, and will cause the Borrower to keep, complete and accurate records and books of account in which full, true and correct entries will be made in accordance with GAAP consistent with the preparation of the financial statements heretofore delivered to the Lenders;

(g) Not later than sixty (60) days following the end of each of the first three fiscal quarters and one hundred twenty (120) days after the last fiscal quarter for the Guarantor, the Guarantor shall deliver to the Lenders a compliance certificate in the form of Exhibit B attached hereto and made a part hereof, confirming that the Guarantor is in compliance with the foregoing covenants and with the other matters described in such compliance certificate.

(h) The Guarantor will not and will cause CA and Borrower not to initiate (i) any insolvency or bankruptcy case or proceeding, or any receivership, liquidation, reorganization, readjustment, composition or other similar case or proceeding, relative to CA, NFH and/or Borrower or to their respective assets, or (ii) any proceeding for the liquidation, dissolution, reorganization or winding up of CA, NFH and/or Borrower, whether voluntary or involuntary and whether or not involving insolvency or bankruptcy. In the event any such proceeding is initiated by others, Guarantor agrees that its interest in such proceedings shall be fully and completely subordinated to the claims of the Lenders, and none of Guarantor, CA or Borrower shall take any action or give any consent in such proceeding without the prior written consent of Lenders, which consent shall be granted if the same does not adversely impact the rights or interests of the Lenders.

(i) The Guarantor shall provide the Lenders with a copy or copies of any notice alleging the occurrence of any default by Guarantor under the NHL Constitution and Agreements (as defined in the Financing Participants Agreement).

Section 5. Miscellaneous.

5.1 The obligations of the Guarantor shall be binding upon its successors and assigns, and shall inure to the benefit of the Lenders and their respective successors and assigns. The provisions of Section 1.2 shall be binding only upon a Franchisee, including Guarantor. This Guaranty and Agreement is assignable by the Lenders in whole or in part in conjunction with any assignment of the Note or portions thereof, and any assignment hereof or any transfer or assignment of the Note or portions thereof by the Lenders shall operate to vest in any such assignee the rights and powers, in whole or in part, as appropriate, herein conferred upon and granted to the Lenders.

5.2 This Guaranty and Agreement may not be changed orally, and no obligation of the Guarantor hereunder may be released or waived by the Lenders except by an instrument executed by a duly authorized officer of the Agent. This Guaranty and Agreement shall be

irrevocable by the Guarantor until all of the Guaranteed Obligations have been completely performed, but shall terminate upon repayment in full of the Loan.

5.3 Whenever notice is appropriately to be given under the terms of this Guaranty and Agreement, such notice shall be in writing and shall be sent by registered or certified mail, postage prepaid, return receipt requested or by private, express or hand courier, if intended for the Guarantor, addressed to the Guarantor at the mailing address of the Guarantor set out in the first page of this Guaranty and Agreement to the attention of: Daniel J. DiPofi with a copy to Robert O. Swados, Esq., Counsel; and any such notice shall be treated as having been given upon such deposit in the United States mail or upon delivery to a private express carrier. Copies of notices to the Guarantor shall be sent to Robert O. Swados, Esq., Cohen, Swados, Wright, Hanifin, Bradford & Brett. Copies of notices to the Lenders shall be sent to Fleet Bank and Shawmut Bank, N.A. at their respective mailing addresses as set out in the Loan Agreement, and to Jordan P. Krasnow, Esq., Goulston & Storrs, P.C., 400 Atlantic Avenue, Boston, Massachusetts 02110-3333 and to Thomas A. Palmer, Esq., Jaeckle, Fleischmann & Mugel, Fleet Bank Building, 12 Fountain Plaza, Buffalo, New York 14202.

5.4 The Guarantor hereby agrees that, notwithstanding the exercise by the Lenders of any of their rights or remedies under the Loan Agreement, the Note, or any other documents executed incident thereto, the liability of the Guarantor under this Guaranty and Agreement shall continue in full force and effect according to its terms until the obligations of the Borrower under the Loan Documents have been fully satisfied.

5.5 This Guaranty and Agreement is being delivered in Boston, Massachusetts and shall be governed by and construed in accordance with the laws of The Commonwealth of Massachusetts.

5.6 It is acknowledged, understood and agreed that (1) this Guaranty and Agreement is subject to NHL Rules, and (2) in the event of any conflict between the terms of the NHL Rules and this Guaranty and Agreement, the terms of the NHL Rules shall prevail; provided, however, and, except as may be set forth in the Financing Participants Cooperation Agreement, nothing in the preceding clauses (1) and (2) is intended to nullify Guarantors' obligations under Sections 1.2.1.1 and 1.2.1.2 of this Guaranty and Agreement not to transfer the Sabres operations except as may otherwise be contemplated therein, and nothing in this Section shall limit the obligations of the Guarantor for Payment Obligations under Sections 1.1.2 and 1.1.3 hereof.

5.7 The Guarantor agrees that any suit, action or proceeding arising out of or relating to this Guaranty and Agreement may be instituted in any state or federal court in The Commonwealth of Massachusetts, at the option of the Lenders, and the Guarantor hereby waives any objection which it may have to venue of any such suit, action or proceeding, and it irrevocably submits to the jurisdiction of any such court in any such suit, action or proceeding and appoints [C.T. Corporation Systems] as its agent for the service of process in connection with any such proceeding. Guarantor hereby irrevocably and unconditionally waives any and all personal rights under the laws of any state (i) to the right, if any, to trial by jury, (ii) to object to jurisdiction within the Commonwealth of Massachusetts or venue in any particular forum within the Commonwealth of Massachusetts, and (iii) to the extent permitted by applicable law, to the right, if any, to claim or recover any special, exemplary, punitive or consequential damages or any damages other than actual damages.

EXHIBIT A

PERMITTED INDEBTEDNESS

(i) Indebtedness of Guarantor in favor of the Construction Lenders under a guaranty of Guarantor to the Construction Lenders of an aggregate obligation arising out of the Construction Loan not to exceed Twelve Million and 00/100 Dollars ($12,000,000); (ii) All bona fide third party debts and obligations of the Guarantor to the National Hockey League; (iii) All bona fide third party player contracts and collective bargaining agreements pertaining to the Sabres held by Guarantor imposing obligations on Guarantor; (iv) Indebtedness in favor of a line of credit Lender or Lenders or their successors or assigns (in whole or in part) given by Guarantor or the Club Trust (hereinafter defined) for an aggregate amount not to exceed $12,000,000; (v) Indebtedness to Four R Realty Corporation in an original principal amount not exceeding $850,000.00 under certain notes executed in connection with the purchase by Guarantor of Parcel III of the Site; and (vi) indebtedness not to exceed $5,000,000, provided that such indebtedness is subordinated to the obligations of Guarantor and Borrower under the Loan Documents, is unsecured, and is repayable only out of cash flow, if any, received by Guarantor in excess of cash flow projected by Guarantor to be received in the NFH Operating Loss Projection (as defined in the Loan Agreement).

The "Club Trust" shall mean a trust established by Guarantor, ninety percent of the beneficial interest in which will be owned by Guarantor and ten percent of the beneficial interest in which will be owned by a trust established by the National Hockey League.

EXHIBIT B

NIAGARA FRONTIER HOCKEY, L.P.
140 Main Street
Buffalo, New York 14202

NFHLP's COMPLIANCE CERTIFICATE

_____, 1995

Fleet Bank
10 Fountain Plaza
Buffalo, New York 14202

Shawmut Bank, N.A.
One Federal Street
Boston, Massachusetts 02211

Re: Compliance Certificate under Guaranty and Agreement dated as of _____, 1995_____

Ladies and Gentlemen:

The undersigned, _____, the duly elected and qualified _____ of Niagara Frontier Hockey, L.P. (NFHLP), a Delaware limited partnership, hereby certifies on behalf of NFHLP as of the date hereof the following:

1. No defaults. NFHLP is not in default in the performance or observance of any of the covenants, terms or provisions of the Guaranty and Agreement or any of the other Loan Documents to which it is a party.

2. No Material Adverse Changes, Etc. Except as disclosed on Appendix I hereto, since the date of most recent audited financial statements furnished to the Lenders under the Guaranty and Agreement there have occurred no material adverse changes in the financial condition or business of NFHLP as shown on or reflected in the balance sheet of NFHLP as at such date other than (a) changes in the ordinary course of business that have not had any materially adverse effect either individually or in the aggregate on the business or financial condition of NFHLP and (b) changes resulting from the making of the Loan and the transactions contemplated by the Loan Documents.

3. No Material Adverse Contracts, Etc. NFHLP is not subject to any charter, corporate or other legal restriction, or any judgment, decree, order, rule or regulation that has, in

the reasonable judgment of NFHLP's general partner, a material adverse effect on the business, assets or financial condition of NFHLP. NFHLP is not a party to any contract or agreement that has, in the reasonable judgment of the NFHLP's general partner, any material adverse effect on the business, assets of financial condition of NFHLP.

4. Financial Statements. NFHLP has delivered or caused to be delivered all of the financial statements required to be delivered pursuant to the terms of the Guaranty and Agreement.

5. Representations and Warranties. Each of the representations and warranties made by NFHLP in the Guaranty and Agreement remains true and correct and is hereby reaffirmed and remade as of the date hereof.

6. Capitalized Terms. Capitalized terms used in this certificate shall have the meanings ascribed to them in the Guaranty and Agreement to the extent not separately defined herein.

NIAGARA FRONTIER HOCKEY, L.P.

By: Niagara Frontier Hockey Management Corporation, its general partner

By:_____
Its:
Hereunto duly authorized

APPENDIX I

MATERIAL CHANGES

NONE

EXHIBIT 9 (§12.1)

UDC GUARANTY

NFHLP GUARANTY

Guaranty, dated as of May 10, 1995 by **NIAGARA FRONTIER HOCKEY, L.P. ("NFELP")**, a Delaware limited partnership, with offices at 140 Main Street, Buffalo New York 14202, in favor of the **NEW YORK STATE URBAN DEVELOPMENT CORPORATION ("UDC")**, a public benefit corporation of the State of New York, with offices at 1515 Broadway, New York, New York 10036.

WHEREAS, NFHLP is the owner of the Buffalo Sabres National Hockey League membership and associated franchise (the "Sabres") and owns a 99% interest in Crossroads Arena LLC ("CAC"); and

WHEREAS, contemporaneously herewith, CAC and UDC, among others, have entered into a Development and Construction Agreement and an Operating Agreement with respect to the construction, financing and operation of a multi-purpose entertainment complex in Buffalo, New York (the "Crossroads") and, pursuant thereto, UDC has agreed to make a loan to CAC in the sum of Twenty Five Million Dollars ($25,000,000.) (the "Loan" or "UDC Loan"); and

WHEREAS, NFHLP, as tenant, has entered into an Agreement of Lease (the "Lease") with CAC, as landlord, for the use and occupancy of Crossroads for a minimum term of 30 years; and

WHEREAS, UDC funds are made available pursuant to the New York State Sports Facility Assistance Program (Unconsolidated Laws § 6255) and are conditioned upon the primary project occupant entering into an agreement with UDC to repay the Loan under specified conditions; and

WHEREAS, the Sabres shall be the primary occupant of the Crossroads; and

WHEREAS, the UDC Loan is evidenced by a note, dated of even date herewith, made by CAC in favor of UDC (the "UDC Note") that provides, inter alia, for acceleration and repayment of the UDC Loan in the event the Sabres breach the Non-Relocation Agreement; and

WHEREAS, to induce UDC to make the Loan, NFHLP has agreed to guaranty to UDC the repayment of the Loan on the terms hereinafter set forth.

NOW THEREFORE, for and in consideration of the mutual covenants, conditions and agreements herein provided and for other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, CAC and NFHLP hereby agree as follows:

1. **THE GUARANTY**

(a) NFHLP unconditionally and absolutely guarantees to UDC, its successors, assigns and transferees that the unpaid principal balance of the UDC Loan which may be owing by CAC to UDC ("the "Obligations") will be promptly paid in full, together with any and all costs and expenses (including, without limitation, attorney's fees and court costs) incurred by UDC in connection with the enforcement of its rights with respect to the Obligations, upon demand, in the event the entire unpaid balance of the UDC Loan becomes due and payable in accordance with the terms of Section 2 of the UDC Note.

(b) This Guaranty shall remain in full force and effect irrespective of:

(i) the validity, regularity or enforceability of the Loan documents or the Obligations;

(ii) any present or future law, regulation or order of any government or any agency thereof, or any judgment or order of any court, purporting to reduce, amend, restructure or otherwise affect any Obligation or to vary the terms of payment thereof.

(c) As between NFHLP and UDC, the Obligations may be declared to be due and payable for purposes of this Guaranty notwithstanding any stay, injunction or other prohibition which may prevent, delay or vitiate any such declaration as or against CAC.

(d) If any payments made by CAC to UDC with respect to any Obligation is recovered from, or repaid by, UDC, in whole or in part, in any bankruptcy, insolvency or similar proceeding instituted by or against CAC, this Guaranty shall continue to be fully applicable to such Obligation to the same extent as though the payment so recovered or repaid had never been made on such Obligation.

(e) From time to time, without notice to or further consent of NFHLP, the performance or observance by CAC of any term, covenant or condition in any of the Loan documents or any other agreement or instrument governing the Obligations may be waived or the time of performance thereof extended by UDC.

2. CERTAIN WAIVERS

(a) NFHLP waives any requirement that UDC exhaust any right, power or remedy, or proceed against CAC under any of the Loan documents or any other agreement or instrument governing the Obligations, institute any action or other proceeding against CAC, or any other person or party, or that resort be had to any security, as a condition precedent to NFHLP's obligations under this Guaranty.

(b) NFHLP waives presentment, demand for payment, notice of dishonor, protest, notice of protest and all other notices in connection with the delivery, acceptance, performance, default or enforcement of any of the Loan documents, any other agreement or instrument governing the Obligations, or this Guaranty.

3. FURTHER AGREEMENTS

(a) NFHLP agrees that no delay or omission by UDC in exercising any right or remedy hereunder shall operate as a waiver thereof or of any other right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy. All rights and remedies of UDC hereunder are cumulative.

(b) NFHLP agrees that this is a Guaranty of payment and not of collection.

4. REPRESENTATIONS AND WARRANTIES

(a) NFHLP represents that it is a limited partnership duly formed and validly existing under the laws of the State of Delaware; has full legal power and authority to own its properties and carry out its business as now being conducted; has full legal power and authority to execute, enter into, deliver and perform this Guaranty; and that it owns a ninety-nine percent (99%) membership interest in CAC and expects to derive advantage from the making of the Loan.

(b) The financial statement submitted to UDC by NFHLP, for the fiscal year ending August 31, 1994, are complete and correct and fairly presents the financial condition of NFHLP as of such date. There are no liabilities of NFHLP, fixed or contingent, which are material but are not reflected in such financial statement or in the notes thereto, except as has been disclosed to UDC. No information, exhibit or report furnished by NFHLP to UDC in connection with this Guaranty or CAC's application for the Loan contained any material misstatement of fact or omitted to state a material fact or any fact necessary to make the statement contained therein not materially misleading.

(c) NFHLP has title to, or valid leasehold interests in, all of its properties and assets, real and personal, including the properties and assets, and leasehold interests reflected in the financial statements referred to in Section 4(b) (other than any properties or assets disposed of in the ordinary course of business), and none of the properties and assets owned by NFHLP and none of its leasehold interests is subject to any lien, except as disclosed in such financial statements, the Loan documents, the Private Arena Debt Agreements, the Concessionaire Loan Agreements or as may be permitted hereunder.

(d) NFHLP has satisfied all judgments and is not in default with respect to any judgment, writ, injunction, decree, rule or regulation of any court, arbitrator or federal, state, municipal or other governmental authority, commission, board, bureau, agency or instrumentality, domestic or foreign. NFHLP is not in default under any indenture, loan or credit agreement or any lease or other agreement or instrument to which it is a party. NFHLP is not in default in any material respect in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any agreement or instrument material to its business to which it is a party.

(e) This Guaranty is, or when delivered will be, a legal, valid and binding obligation of NFHLP duly authorized by all requisite action on the part of NFHLP, and enforceable against NFHLP in accordance with its terms, except to the extent that such enforcement may be limited by bankruptcy, insolvency and other similar laws affecting creditor's rights generally.

(f) There are no actions, suits or proceedings pending or, to the knowledge of NFHLP, threatened against, or affecting NFHLP before any court, governmental entity or arbitrator, which may, in any one case or in the aggregate, materially adversely affect the financial condition, operations, properties or business of NFHLP, or the ability of NFHLP to perform its obligations under this Guaranty.

5. MISCELLANEOUS

NFHLP agrees as follows:

(a) No modification or amendment of this Guaranty shall be effective unless in writing and signed by the party to be charged.

(b) The terms of this Guaranty shall be governed by and construed in accordance with the laws of the State of New York.

(c) This Guaranty shall be binding upon NFHLP and any of its successors, assigns and transferees as may be permitted by UDC, and shall inure to the benefit of UDC, its successors, assigns and transferees. This Guaranty may be assigned by UDC in whole or in

part without the consent of NFHLP. None of the rights or obligations of NFHLP hereunder may be assigned or otherwise transferred without the prior written consent of UDC.

(d) This Guaranty and the obligations of NFHLP hereunder shall terminate upon termination of the obligations of CAC under the UDC Note pursuant to Section 4 thereof.

(e) Unless the party to be notified otherwise notifies the other party in writing as provided in this Section, and except as otherwise provided in this Guaranty, notices shall be given to UDC and to NFHLP by hand or by certified mail, return receipt requested, addressed to such party at its address set forth below. Notices shall be effective: (a) if given by certified mail, 72 hours after deposit in the mails with first class postage prepaid, addressed as aforesaid; and (b) if given by hand, upon receipt; provided that notices to UDC shall be effective only upon receipt:

Address for notices to UDC:

New York State Urban Development Corporation
1515 Broadway
New York, New York 10036
Attention: Senior Vice President and
General Counsel

Address for notices to NFHLP

Niagara Frontier Hockey, L.P.
140 Main Street
Buffalo, New York 142202
Attention: President

(f) NFHLP shall reimburse UDC on demand for all costs, expenses and charges including, without limitation, court costs and reasonable attorneys' fees incurred by UDC in connection with the performance or enforcement of this Guaranty.

(g) NFHLP irrevocably submits to the jurisdiction of any New York State or United States federal court sitting in New York County or, at UDC's sole discretion, in the county where the principal office of NFHLP is located over any action or proceeding arising out of or relating to this Guaranty, and NFHLP hereby irrevocably agrees that all claims in respect of such action or proceeding may be heard and determined in such New York State or federal court. NFHLP irrevocably consents to the service of any and all process in any such action or proceeding by the mailing of copies of such process to NFHLP at NFHLP address set forth herein. NFHLP agrees that a

final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. NFHLP further agrees that any action against UDC shall be brought only in New York State or United States Federal Court sitting in New York County.

(h) Nothing in this Section shall affect the right of UDC to serve legal process in any other manner permitted by law or affect the right of UDC to bring any action or proceeding against NFHLP or its property in the courts of any other jurisdictions.

(i) NFHLP acknowledges receipt of fully executed copies of the UDC Note, the Development and Construction Agreement, the Operating Agreement and the Non-Relocation Agreement.

IN WITNESS WHEREOF, the Guarantor has duly executed this Guaranty as of the year and day first above written.

NIAGARA FRONTIER HOCKEY, L.P.
By: Niagara Frontier Hockey
Management Corporation, its
managing general partner

By: _____
Vice President of Finance

STATE OF NEW YORK)
: ss.:
COUNTY OF ERIE)

On the 17th day of May __, 1995, before me personally came _ Daniel J. DiPofi, to me known, who, being by me duly sworn, did depose and say that he is the Vice President of Finance of Niagara Frontier Hockey Management Corporation, the corporation described in, and which executed the foregoing instrument and that he signed his name thereto by order of the Board of Directors of said corporation.

sabres.gua

Diane W. Capicotto
DIANE W. CAPICOTTO
Notary Public, State of New York
Qualified in Niagara County
My Commission Expires May 31, 1995

NON-DISTURBANCE AND ATTORNMENT AGREEMENT

THIS NON-DISTURBANCE AND ATTORNMENT AGREEMENT (the "Agreement") is entered into as of this 10th day of May, 1995 by and among the following:

BUFFALO URBAN RENEWAL AGENCY, a public benefit corporation, whose address is 920 City Hall, Buffalo, New York 14202 (hereinafter referred to as "BURA");

CITY OF BUFFALO, a municipal corporation of the State of New York, whose address is 65 Niagara Street, City Hall, Room 110, Buffalo, New York 14202 (hereinafter referred to as the "City");

ERIE COUNTY, a municipal corporation of the State of New York, whose address is County Office Building, 95 Franklin Street, Buffalo, New York 14202 (hereinafter referred to as the "County");

ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY, a corporate governmental agency established by Chapter 293 of the 1970 Laws of New York, as amended, whose address is 300 Liberty Building, Buffalo, New York 14202 (hereinafter referred to as "ECIDA");

CROSSROADS ARENA LLC, a New York limited liability company, whose address is 140 Main Street, Buffalo, New York 14202 (hereinafter referred to as "CA");

NIAGARA FRONTIER HOCKEY, L.P., a limited partnership organized under the laws of the State of Delaware, whose address is 140 Main Street, Buffalo, New York 14202 (hereinafter referred to as "NFH");

BUFFALO SABRES CONCESSION LLC, a New York limited liability company, whose address is 140 Main Street, Buffalo, New York 14202 (hereinafter referred to as "BSC");

NEW YORK SPORTSERVICE, INC., a New York corporation, whose address is 438 Main Street, Buffalo, New York 14202 and SPORTSERVICE CORPORATION, a New York corporation, whose address in 438 Main Street, Buffalo, New York 14202 (hereinafter referred to collectively as "Sportservice");

MARINE MIDLAND BANK, a banking corporation organized under the laws of the State of New York, whose address is c/o Real Estate Finance Division, One Marine Midland Center, Fifteenth Floor, Buffalo, New York 14202 (hereinafter referred to as "Marine" and, collectively with Key and any other participants, co-lenders or successors from time to time, as the "Construction Lenders");

KEY BANK OF NEW YORK, a banking corporation organized under the laws of the State of New York, whose address is 40 Fountain Plaza, Buffalo, New York 14202 (hereinafter referred to as "Key" and, collectively with Marine and any other participants, co-lenders or successors from time to time, as the "Construction Lenders");

SHAWMUT BANK, N.A., a national banking association, whose address is One Federal Street, Boston, Massachusetts 02211 (hereinafter referred to as "Shawmut" and, collectively with Fleet and any other participants, co-lenders or successors from time to time, as the "Concession Lenders"); and

FLEET BANK, a New York corporation, whose address is 10 Fountain Plaza, Buffalo, New York 14202 (hereinafter referred to as "Fleet" and, collectively with Shawmut and any other participants, co-lenders or successors from time to time, as the "Concession Lenders").

ARTICLE 1 - RECITALS

The following statements constitute the background to this Agreement.

Section 1.1 BURA and/or NFH is the owner in fee of certain parcels of land (the "Site") consisting of parcels totaling approximately fifteen (15) acres of land in Buffalo, Erie County, New York. Parcel I of the Site is owned by BURA and is bounded by Main Street, Perry Street, Illinois Street and South Park Avenue; Parcel II of the Site, is owned by BURA and is bounded by Perry Street, Mississippi Street, South Park Avenue and Columbia Street; Parcel III of the Site is owned by NFH and is bounded by Columbia Street, Perry Street, South Park Avenue and Michigan Avenue.

Section 1.2 The parties contemplate and the Leases (hereinafter defined) provide for (i) construction by CA on the Site of a new first-class multi-purpose community sports and entertainment arena containing approximately 700,000 square feet of gross floor area and containing approximately 21,500 seats for non-hockey events and approximately 19,400 seats for hockey events (including approximately 2,500 seats designated as "Premium Seats") plus approximately 80 private suites, a premium seat club, sports bar, restaurant and concession facilities and equipment together with approximately 2,125 parking spaces (consisting of approximately 1,000 parking spaces at grade and 1,125 parking spaces within a parking structure) and other improvements ancillary thereto (collectively, the "Improvements"); (ii) the conduct of sports and entertainment events at the Improvements, including hockey events held by NFH and events held by tenants under other space leases from time to time to be entered into by CA as lessor therein; and (iii) the operation of a concession for catering and parking service (the "Concession") at the Improvements by BSC and by Sportservice, as the sublessee of BSC.

Section 1.3 The parties have entered into the following leases (collectively, the "Leases" and, individually, a "Lease"):

1.3.1 a certain Ground Lease, dated as of May 10, 1995 (the "Ground Lease"), between BURA, as landlord therein, and the County, as tenant therein, a memorandum of which is being recorded with the Erie County Clerk's Office (the "Clerk's Office") simultaneously herewith, which lease demises the Site excluding the portions owned by NFH, which demised premises is more particularly described in Exhibit "A-1" attached hereto and by this reference incorporated herein;

1.3.2 a certain County Sublease No. 1, dated as of May 10, 1995 (the "County Sublease No. 1"), between the County, as landlord therein, and the City, as tenant therein, a memorandum of which is being recorded with the Clerk's Office simultaneously herewith, which lease demises the Site excluding the portions owned by NFH, which demised premises is more particularly described in Exhibit "A-2" attached hereto and by this reference incorporated herein;

1.3.3 a certain City Sublease, dated as of May 10, 1995 (the "City Sublease"), between the City, as landlord therein, and the County, as tenant therein, a memorandum of which is being recorded in the Clerk's Office simultaneously herewith, which lease demises the Site

excluding the portions owned by NFH, which demised premises is more particularly described in Exhibit "A-3" attached hereto and by this reference incorporated herein;

1.3.4 a certain County Sublease No. 2, dated as of May 10, 1995 (the "County Sublease No. 2"), between the County, as landlord therein, and ECIDA, as tenant therein, a memorandum of which is being recorded in the Clerk's Office simultaneously herewith, which lease demises the Site excluding the portions owned by NFH, which demised premises is more particularly described in Exhibit "A-4" attached hereto and by this reference incorporated herein;

1.3.5 a certain Prime Project Lease, dated as of May 10, 1995 (the "Project Sublease"), between ECIDA, as landlord therein, and CA, as tenant therein, a memorandum of which is being recorded with the Clerk's Office simultaneously herewith, which lease demises the Site excluding the portions owned by NFH and materials and equipment to be used in the construction of the Improvements and the operation of the Concession, which demised premises is more particularly described in Exhibit "A-5" attached hereto and by this reference incorporated herein;

1.3.6 a certain Lease Agreement, dated as of May 10, 1995 (the "Sabres Space Lease"), from CA, as landlord therein, to NFH, as tenant therein, a memorandum of which is being recorded in the Clerk's Office simultaneously herewith. The Sabres Space Lease (x) demises to NFH the Improvements on the Site excluding the portions owned by NFH for the conduct of hockey events; and (y) grants to NFH the exclusive possession and control of the Sabres Exclusive Areas (as defined in the Sabres Space Lease), including, in pertinent part, the parking facilities and equipment and the concession facilities and equipment, and the exclusive rights to certain revenues, including, in pertinent part, the Concessions and Catering Revenue and the Parking Revenue (but, in the event an NBA franchise team agrees to play not less than twenty five percent of its home games at the Project, excluding the portion Concessions, Catering and Parking Revenues otherwise payable to NFH and derived from the NBA games conducted at the Project), which demised premises is more particularly described in Exhibit "A-6" attached hereto and by this reference incorporated herein;

1.3.7 a certain Concession Lease Agreement, dated as of May 10, 1995 (the "Concession Lease"), from NFH, as landlord therein, to BSC, as tenant therein, a memorandum of which is being recorded in the Clerk's Office simultaneously herewith, granting to BSC all rights of NFH under the Sabres Space Lease to operate and to use equipment in connection with the operation of the concession, catering, and parking services for events conducted at the Improvements including, without limitation, those under both the Sabres Space Lease and other leases from time to time entered into by CA for the conduct of events at the Improvements and granting to BSC the right to operate parking services on the portion of the Site owned by NFH, which demised premises is more particularly described in Exhibit "A-7" attached hereto and by this reference incorporated herein; and

1.3.8 a certain Concession Lease, dated as of May 10, 1995 (the "Concession Sublease"), from BSC, as landlord therein, to Sportservice, as tenant therein, a memorandum of which is being recorded in the Clerk's Office simultaneously herewith, which lease demises the portion of the Improvements (including facilities and equipment) appropriate for operation of the concession, catering, and parking services at the Improvements, which demised premises is more particularly described in Exhibit "A-8" attached hereto and by this reference incorporated herein.

1.3.9 a certain Crossroads Arena Aud Club Concession Lease and Agreement, dated as of May 10, 1995 (the "Aud Club Concession Sublease") from NFH, as landlord therein, to Sportservice, as tenant therein, a memorandum of which is being recorded in the Clerk's Office

simultaneously herewith, which demised premises is more particularly described in Exhibit "A-9" attached hereto and by this reference incorporated herein.

Section 1.4 Certain of the parties also have entered into the following agreements with respect to development and operation of the Improvements (collectively, the "Public Sector Agreements"):

1.4.1 a certain Contract for Lease of Land for Redevelopment, dated as of May 10, 1995 (the "Land Disposition Agreement") among BURA. the City and CA;

1.4.2 a certain Development and Construction Agreement, dated as of May 10, 1995 (the "Development and Construction Agreement") among the New York State Urban Development Corporation (the "UDC"), BURA, the County, the City, ECIDA, and CA; and

1.4.3 a certain Operating Agreement, dated as of May 10, 1995 (the "Operating Agreement") among the New York State Urban Development Corporation (the "UDC"), BURA, the County, the City, ECIDA, and CA.

Section 1.5 BURA, the City, the County, UDC, ECIDA, Sportservice, the Construction Lenders, the Concession Lenders, CA, NFH and BSC have entered into a certain Financing Participants' Agreement of even date herewith (the "Financing Participants Agreement").

Section 1.6 The Construction Lenders have agreed to make a mortgage loan (the "Construction Loan") to CA, secured by, inter alia, (i) a Construction Mortgage and Security Agreement on the leasehold interest of ECIDA under the County Sublease No. 2 and of CA under the Project Sublease, and (ii) an Assignment of Leases of Rents (collectively, the "Construction Mortgage and Assignment"), pursuant to which CA's right, and interest in and to the Sabres Space Lease has been collaterally assigned to the Construction Lenders.

Section 1.7 The Concession Lenders have agreed to make a mortgage loan (the "Concession Loan") to BSC, secured by, inter alia, (i) two Leasehold Mortgages, Security Agreements and Fixture Financing Statements on the leasehold interest of BSC under the Concession Lease and ECIDA's and BSC's interest in and to the Food Concession Facilities, the Food Service Equipment, the Parking Lots, the Parking Facilities and the Parking Equipment as defined in the Concession Lease, and (ii) a Collateral Assignment of Leases and Rents (collectively, the "Concession Mortgage and Assignment"), pursuant to which BSC's right and interest in and to the Concession Sublease has been collaterally assigned to the Concession Lenders.

Section 1.8 All of BURA, the City, the County and ECIDA are corporate governmental bodies of the State of New York. Both of CA and BSC are affiliates of NFH.

Section 1.9 Each party hereto hereby represents and warrants to the other parties that the recitals set forth in Sections 1.1 through 1.8 to the extent the same relate to the ownership interests or the conduct of such party are true, accurate and complete.

Section 1.10 As a major inducement to each tenant to execute the Lease under which it is a tenant therein and to each of the Construction Lenders and the Concession Lenders to make the loan to which it is a party, the parties hereto are executing this Agreement (a) to directly bind each landlord under a Lease to the terms and conditions of each Subsequent Lease (hereinafter defined) and to create a direct agreement between each landlord under a Lease and the tenant under each Subsequent Lease, and (b) to directly bind each party executing this Agreement and create a direct agreement between each party hereto and each other party hereto, as more fully set forth below.

Section 1.11 CA and NFH have requested that the Construction Lenders enter into a nondisturbance agreement with NFH, and BSC and Sportservice have requested that the Concession Lenders enter into a nondisturbance agreement with Sportservice.

Section 1.12 CA and NFH acknowledge and confirm that this Agreement satisfies the requirements and conditions applicable to a nondisturbance agreement under Section 27.1 of the Sabres Space Lease.

ARTICLE 2 - CERTAIN AGREEMENTS REGARDING LEASES

Section 2.1 Definitions:

2.1.1 "Prior Lease" and "Subsequent Lease" mean:

(a) With respect to the Ground Lease, the term "Subsequent Lease" shall mean the County Sublease No. 1.

(b) With respect to the County Sublease No. 1, the term "Prior Lease" shall mean the Ground Lease and the term "Subsequent Lease" shall mean the City Sublease.

(c) With respect to the City Sublease, the term "Prior Lease" shall mean the County Sublease No. 1 and the term "Subsequent Lease" shall mean the County Sublease No. 2.

(d) With respect to the County Sublease No. 2, the term "Prior Lease" shall mean the City Sublease and the term "Subsequent Lease" shall mean the Project Sublease.

(e) With respect to the Project Sublease, the term "Prior Lease" shall mean the County Sublease No. 2, and, the term "Subsequent Lease" shall mean the Sabres Space Lease.

(f) With respect to the Sabres Space Lease, the term "Prior Lease" shall mean the Project Sublease and the term "Subsequent Lease" shall mean each of the Concession Lease and the Aud Club Concession Sublease.

(g) With respect to the Concession Lease, the term "Prior Lease" shall mean the Sabres Space Lease and the term "Subsequent Lease" shall mean the Concession Sublease.

(h) With respect to the Concession Sublease, the term "Prior Lease" shall mean the Concession Lease.

(i) With respect to the Aud Club Concession Sublease, the term "Prior Lease" shall mean the Sabres Space Lease.

The term "Prior Leases" shall mean, collectively, the Prior Lease and all Leases which are prior in right thereto. The term "Subsequent Leases" shall mean, collectively, the Subsequent Lease and all Leases which are subsequent in right thereto.

From and after the termination of any Lease and the recognition of the rights of a tenant under the Subsequent Lease in accordance with the Section 2.3(c) (i) or (ii) hereof, the term "Prior Lease" shall mean the lease which is the next preceding Prior Lease to the Prior Lease as defined with reference to the Lease which is being terminated, and the term "Subsequent Lease" shall mean the lease which is the next succeeding subsequent lease to the Subsequent Lease as defined with

reference to the Lease which is being terminated. By way of illustration, in the event of termination of the Concession Lease, from and after such termination the term "Prior Lease" with respect to the Concession Sublease shall mean the Sabres Space Lease. Consistent therewith, in the event of termination of the Concession Lease, from and after such termination, the term "Subsequent Lease" with respect to the Sabres Space Lease shall mean the Concession Sublease.

Any reference to any Lease herein shall include any amendments, extensions, renewals, replacements or modifications thereof.

"Bankruptcy Code" means Title 11, United States Code, and any amendments or modifications thereto or extensions or renewals thereof. Any reference to any section or other provision of the Bankruptcy Code shall be deemed to include any provision affording the same or substantially similar rights under any similar law relating to creditors' rights or relief for debtors that may be applicable.

"Construction Lender Lease" means the Ground Lease, the County Sublease No. 1, the City Sublease, the County Sublease No. 2, the Project Sublease or the Sabres Space Lease.

"Concession Lender Lease" means the Sabres Space Lease, the Aud Club Concession Sublease, the Concession Lease or the Concession Sublease.

"Appropriate Lenders" means, with regard to any Construction Lender Lease or party thereto in its capacity as Landlord or Tenant under such Lease, the Construction Lenders and, with regard to any Concession Lender Lease or party thereto in its capacity as Landlord or Tenant under such Lease, the Concession Lenders.

"Lenders" means the Construction Lenders and the Concession Lenders, collectively.

"Appropriate Designee" means the assignee, designee or nominee of the Appropriate Lenders selected at the sole discretion of the Appropriate Lenders.

"Insolvency or Liquidation Proceeding" means (i) any insolvency or bankruptcy case or proceeding, or any receivership, liquidation, reorganization, readjustment, composition or other similar case or proceeding, relative to any Landlord or Tenant under a Lease or to their respective assets, (ii) any proceeding for the liquidation, dissolution, reorganization or winding up of any Landlord or Tenant under a Lease, whether voluntary or involuntary and whether or not involving insolvency or bankruptcy, or (iii) any general assignment by any Landlord or Tenant under a Lease for the benefit of creditors or any other distribution, division, marshaling or application of assets and liabilities of any Landlord or Tenant under a Lease to creditors, voluntary or involuntary and whether or not involving legal proceedings, including, without limitation, any suit related to the Site or any part thereof or the rejection or disaffirmance of any lease.

Section 2.2. In the event of an Insolvency or Liquidation Proceeding of the Landlord under any Lease (for purposes of this section, the "Bankrupt Landlord"), the following shall apply:

Section 2.2(a) Each party hereto shall permit, and take all reasonable steps to support, and not object to or otherwise contest, the Appropriate Lenders' exercising, at their sole option, any and all rights of a successor, assign or mortgagee under Section 365 of the Bankruptcy Code, provided, however, that this Subsection 2.2(a) shall not, and shall not be interpreted to, modify the obligations of any non-Lender party hereto pursuant to Subsection 2.3(a) hereof.

Section 2.2(b) In the event that, pursuant to Section 365 of the Bankruptcy Code, any non-Lender party hereto seeks to offset against any amount payable under such Lease the amount of any damages caused by the nonperformance by such Bankrupt Landlord of such Bankrupt Landlord's obligations under such Lease after rejection or disaffirmance thereof under the Bankruptcy Code or any similar law, such party shall, prior to effecting such offset, notify the Appropriate Lenders of such party's intent to do so, setting forth the amounts proposed to be so offset and the basis therefor. The Appropriate Lenders shall have the right to object to all or any part of such offset, and, in the event of such objection or of a failure of the Appropriate Lenders to respond within ten (10) days to notification from such party, such party shall not effect any such offset. In any case, such party shall indemnify and hold all Lenders harmless from and against any and all claims, demands, actions, suits, proceedings, damages, losses, costs and expenses of every nature whatsoever (including, without limitation, attorneys' fees) arising from or relating to any such offset.

Section 2.2(c) In the event that such Lease is rejected, disaffirmed or terminated, without limiting any other rights or remedies that may be available to each Lender or any obligations of any party hereunder, each party hereto shall, immediately upon the request of the Appropriate Lenders,

i. consent to, permit and take any and all actions necessary to provide that an Appropriate Designee be substituted as the Landlord under such Lease and the Tenant under the Prior Lease of such Lease with all rights and privileges under the terms thereof inuring to such Appropriate Designee, or,

ii. in the event such Lease is terminated, consent to, permit, immediately execute and be bound by any lease replacing such terminated Lease, and/or any recognition thereof or attornment thereto, as the Appropriate Lenders or Designee may propose, such proposed lease providing for such Appropriate Designee to be the Landlord under the Lease and the Tenant under the Prior Lease, but otherwise having terms and provisions substantially similar to those under the terminated Lease, including any renewal terms as provided for therein.

Section 2.2(d) Notwithstanding any provision of this Subsection 2.2(d) to the contrary, the power of attorney described in this Subsection 2.2(d) shall only be exercisable, and the provisions of this Subsection 2.2(d) shall only be applicable and take effect, if the Appropriate Lenders notify in writing each party hereto that they forego their rights under Subsections 2.2(a)-(c) above. In the event of the rejection of the Prior Lease by or on behalf of the landlord under the Prior Lease in an Insolvency or Liquidation Proceeding regarding the landlord under the Prior Lease, and in recognition of the fact that each Lease creates a valid interest in and lease of real property in favor of the tenant thereunder, each tenant under the Prior Lease hereby waives its right to elect and irrevocably grants to each tenant under a Subsequent Lease an irrevocable power of attorney (subject to the condition set forth in the first sentence of this Subsection 2.2(d))to elect on behalf of the tenant under the Prior Lease to remain in possession of and exercise and enjoy the benefits of all rights and agreements of the tenant under the Prior Lease pursuant to Section 365(h) of the Bankruptcy Code in order to enable the tenant under the Prior Lease to retain any and all of its rights thereunder and continue its occupancy and use of the premises demised under such Lease for the entire term thereof, including any renewal term(s) (if any) as provided for therein, and, in turn, to enable the tenants under the Subsequent Leases to retain their rights thereunder and continue their respective occupancies under the respective Subsequent Lease for the entire term thereof, including any renewal terms(s) (if any) as provided for therein as fully as if such Insolvency or Liquidation Proceeding had not occurred. This grant and power of attorney are made in consideration of all parties' agreements herein and in the Leases and are thus coupled with an interest, are self-operative and shall be irrevocable for the entire term of each Lease, including any extensions thereof.

Section 2.3(a) No non-Lender party hereto shall terminate, cancel, sever or surrender, or suffer or fail to act to avoid the termination, cancellation, severance or surrender of, any Lease whether pursuant to or as part of the Insolvency or Liquidation Proceeding of any Landlord or Tenant or otherwise, and any attempt on the part of any such party to exercise any such right without the prior written consent of the Appropriate Lenders shall be void and ineffective. Without limiting the generality of the foregoing, no party hereto shall, without the prior written consent described in the previous sentence, elect to treat such Lease as terminated under Section 365 of the Bankruptcy Code, after rejection or disaffirmance of such Lease by any party (whether as debtor in possession or otherwise) or by any trustee of such party, and any such election made without such consent shall be void and ineffective. In the event of an Insolvency or Liquidation Proceeding of any Landlord or Tenant, each party hereto expressly assigns, releases, relinquishes and surrenders all its right, power and authority to cancel, terminate, treat as terminated, surrender, sever, amend, modify or alter in any respect the terms and provisions of any Lease unto the Appropriate Lenders for such Lease.

Section 2.3(b) In the event (i) there is an Insolvency or Liquidation Proceeding with regard to the Tenant under any Lease (for purposes of this section, the "Bankrupt Tenant"), and (ii) such Lease is rejected, disaffirmed and/or terminated under the Bankruptcy Code or any similar law, without limiting any other rights or remedies that may be available to each Lender or any obligations of any party hereunder, each party to this Agreement hereby consents to and permits an Appropriate Designee to be substituted for the Bankrupt Tenant under such Lease, with all rights and privileges under the terms thereof inuring to such Appropriate Designee. In the event of termination of such Lease, each party hereto hereby consents to and permits, and shall immediately execute and be bound by any lease replacing such terminated Lease, and/or any recognition thereof or attornment thereto, as the Appropriate Lenders or Designee may propose, such proposed lease providing for the Appropriate Designee to be the Tenant, but otherwise having the terms and conditions substantially similar to those under the terminated Lease, including any renewal terms as provided for therein, but excluding any term which would (x) entitle the landlord under such lease to terminate such lease if a replacement lease is required, (y) cause, without further action by such landlord, early termination of the replacement lease, or (z) entitle the landlord under such replacement lease to dispossess the Tenant.

Section 2.3(c) With respect to each Lease, each landlord under each Lease and all parties to this Agreement agree that the Subsequent Lease shall not terminate in the event of the termination of any Lease for any reason, and that, notwithstanding such termination of such Lease, the Subsequent Lease and all other Subsequent Leases shall continue in full force and effect after such termination in accordance with all of the terms, covenants and conditions of the Subsequent Leases for the balance of the term thereof remaining (including, without limitation, any extensions or renewals thereof), provided, however, that, at the sole option of the Appropriate Lenders for any such Subsequent Lease, if the tenant under such Subsequent Lease is the debtor in an Insolvency or Liquidation Proceeding, all parties hereto shall consent to and permit substitution of an Appropriate Designee named by such Appropriate Lenders as tenant under such Subsequent Lease and as landlord under the next Subsequent Lease. The provisions of the following Subsections 2.3(c)(i) and (ii) shall only be applicable and take effect if the Appropriate Lenders shall notify in writing each party hereto that they forego all rights under any other provisions of this Agreement to have an Appropriate Designee substituted as a party to the Lease being terminated or to have a replacement lease for such Lease to which the Appropriate Designee would be party.

(i) Subject to the sentence preceding this Subsection 2.3(c)(i), upon the termination of any Lease as described above, the Subsequent Lease shall continue in full force and effect as

described above, except it shall become a direct lease between the landlord under the terminated Lease and the tenant under the Subsequent Lease. From and after the termination of any Lease, the landlord under such Lease hereby agrees to recognize the tenant's right, title and interest under the Subsequent Lease and further agrees not to disturb, diminish, alter or interfere with the possession and occupancy of the premises demised under the Subsequent Lease by the tenant under the Subsequent Lease; and such tenant's rights or privileges thereunder shall not be diminished or interfered with for any reason, other than one which (1) would entitle the landlord under the Subsequent Lease to terminate the Subsequent Lease under its terms, or (2) would cause, without any further action by landlord under the Subsequent Lease, the termination of the Subsequent Lease, or (3) would entitle the landlord under the Subsequent Lease to dispossess the tenant under the Subsequent Lease from the premises demised under the Subsequent Lease, in accordance with its terms. Such recognition shall be effective and self-operative without the execution of any further instruments on the part of any of the parties to the terminated Lease and the Subsequent Lease immediately upon the termination of the terminated Lease. Without limiting the foregoing, within twenty (20) days after written request therefore from the tenant under the Subsequent Lease, the landlord under the Lease being terminated shall execute an instrument in confirmation of the foregoing provisions, in which the landlord under such Lease shall acknowledge such recognition and shall set forth the terms and conditions of the tenancy of the tenant under the Subsequent Lease or, at the request of the tenant under the Subsequent Lease, shall enter into a new lease with the tenant under the Subsequent Lease on the same terms as the Subsequent Lease.

(ii) Subject to the sentence preceding Subsection 2.3(c)(i), each tenant under each Subsequent Lease agrees that from and after the termination of any Lease, the Subsequent Lease shall continue in full force and effect after such termination in accordance with all of the terms, covenants and conditions of the Subsequent Lease for the balance of the term thereof remaining (including, without limitation, any extensions or renewals thereof) as a direct lease between the landlord under the terminated Lease and the tenant under the Subsequent Lease. From and after the termination of any Lease, the tenant under the Subsequent Lease shall be directly bound to the landlord under the terminated Lease as if the landlord under the terminated Lease were the landlord under the Subsequent Lease. Such attornment shall be effective and self-operative without the execution of any further instruments on the part of any of the parties to the terminated Lease and the Subsequent Lease immediately upon the termination of the terminated Lease. Without limiting the foregoing, within twenty (20) days after written request therefore from the landlord under the Lease being terminated, the tenant under a Subsequent Lease shall execute an instrument in confirmation of the foregoing provisions, in which such tenant under a Subsequent Lease shall acknowledge such attornment and shall confirm the terms and conditions of its tenancy or, at the request of the landlord under the terminated Lease, shall enter into a new lease with the landlord under such Lease on the same terms as the Subsequent Lease.

Section 2.4 Notwithstanding Subsections 2.3 and 2.10(b) hereof, in the event (a) any Appropriate Designee becomes a party to any Lease or replacement thereof pursuant to this Agreement (the "Designee Lease") or (b) a landlord under any Lease which is terminated is required to recognize the rights of a tenant under a Subsequent Lease or enters into a new lease with the tenant under the Subsequent Lease in accordance with Subsection 2.3(c)(i) or (ii), no such landlord or Appropriate Designee nor any Lender shall be (t) liable for any act, omission, neglect or default on the part of any former party to such Designee Lease or of any prior landlord under the Subsequent Lease, (u) responsible for any moneys owing by or on deposit with (i) any prior landlord under the Subsequent Lease to the credit of the tenant under the Subsequent Lease or (ii) any former party to such Designee Lease, (v) subject to any offsets or defenses which any party under such Designee Lease may have against any other party, or which the tenant under the Subsequent Lease might have against any prior landlord under the Subsequent Lease, (w) bound by or liable for any rent or additional rent which the tenant under the Subsequent Lease might have

paid for more than the current month to any prior landlord under the Subsequent Lease or any similar payment under the Designee Lease by or in the name of a party to the Designee Lease, (x) bound by any amendments, extensions or modifications of (i) the Subsequent Lease made without the prior written consent of such landlord under such terminated Lease or (ii) the Designee Lease made without the prior written consent of the Appropriate Lenders, (y) bound by any provision in (i) the Subsequent Lease which obligates the holder of landlord's interest under the Subsequent Lease to erect or complete any building or to perform any construction work in the premises demised under the Subsequent Lease or (ii) the Designee Lease which similarly obligates any former party thereof, or (z) liable for or obligated to make any payments to be made by (i) any prior landlord under the Subsequent Lease arising from or accruing with respect to any time prior to the date on which the landlord described in clause (b) of this Section recognizes the interests of the tenant under the Subsequent Lease or (ii) any prior party to the Designee Lease arising from or accruing with respect to any time prior to the date on which such Appropriate Designee becomes party to such Lease or any replacement thereof.

Section 2.5 Each landlord under a Lease for which such landlord alleges the occurrence of a default (in this Section, such Lease is referred to as the "Lease in Default") agrees to provide to all holders of a tenant's interests under the Subsequent Leases (at the addresses then designated for receipt of notices pursuant to the notice provisions set forth in the Subsequent Leases), the Construction Lenders and the Concession Lenders with a copy or copies of any notice alleging the occurrence of any default by a tenant under the Lease in Default or any of the Public Sector Agreements or notifying the tenant of a casualty or eminent domain event, concurrently with the giving of any such notice(s) to the tenant under the Lease in Default. Each landlord under a Lease in Default hereby agrees that the tenant under any of the Subsequent Leases and/or its mortgagees may elect to cure any monetary default of the tenant under the Lease in Default within the applicable grace period, if any, provided to the tenant under such Lease, and if the tenant under the Lease in Default and/or its mortgagee shall have failed to cure any such monetary default within the applicable grace period, if any, provided to the tenant under the Lease in Default, then the tenants under the Subsequent Leases and their mortgagees (including the Construction Lenders and the Concession Lenders) shall have an additional thirty (30) day period within which to cure such monetary default prior to the exercise by landlord of any of its remedies under the Lease in Default; provided, however, that the tenants under the Subsequent Leases and their mortgagees shall have no obligation, of any kind, to cure such default; provided further, however, that in the event of a monetary default under the Project Sublease, the tenants under the Subsequent Leases and their mortgagees (including the Construction Lenders and the Concession Lenders) shall only have an additional ten (10) day period within which to cure such monetary default prior to the exercise by ECIDA of any of its remedies under the Project Sublease. Each landlord under a Lease in Default further agrees that with respect to any non-monetary defaults of a tenant under such Lease, if the tenant under such Lease shall have failed to cure any such non-monetary default within the applicable grace period, if any, provided to the tenant therein, then the tenants under the Subsequent Leases and their mortgagees shall have an additional thirty (30) day period within which to cure such default, or if such default is not reasonably susceptible to cure within such thirty (30) day period, as long as a tenant under a Subsequent Lease and/or its mortgagee has commenced and is diligently pursuing the remedies required to cure such default, then such tenant and its mortgagee under the Subsequent Lease shall be afforded such additional time beyond said thirty (30) day period as may be reasonably necessary to pursue such remedies prior to the exercise by landlord of any of its remedies under a Lease in Default; provided, however, that a tenant under any Subsequent Lease or its mortgagee shall have no obligation, of any kind whatsoever, to cure such default; provided further, however, that in the event of a non-monetary default under the Project Sublease, the tenants under the Subsequent Leases and their mortgagees (including the Construction Lenders and the Concession Lenders) shall only have an additional thirty (30) day period within which to cure such non-monetary default prior to the exercise by ECIDA of any of its remedies

under the Project Sublease, and the tenants under the Subsequent Leases and their mortgagees (including the Construction Lenders and the Concession Lenders) shall not have any additional time beyond said thirty (30) day period to cure such non-monetary default under the Project Sublease, regardless of the susceptibility of such non-monetary default to cure within such thirty (30) day period. A delay in the pursuit of such remedies caused by a filing under the Bankruptcy Code or any similar law shall not be deemed a failure by a tenant under a Subsequent Lease or its mortgagee to so proceed diligently.

Section 2.6 Each tenant under a Lease agrees to provide all holders of landlord's interests under the Prior Leases, the Construction Lenders and the Concession Lenders with a copy or copies of any notice alleging the occurrence of any default by the landlord under such Lease or any of the Public Sector Agreements or notifying such landlord of a casualty or eminent domain event, concurrently with the giving of any such notice(s) to the landlord under such Lease.

Section 2.7 Without limiting the generality of Sections 2.5 or 2.6 above, each party hereto shall provide immediate written notice to each Lender of any Insolvency or Liquidation Proceeding immediately upon such party's receiving any notice thereof. Such party shall immediately provide copies of all notices, motions, pleadings, correspondence or similar or related documents regarding any such Insolvency or Liquidation Proceeding that it receives, sends, transmits, files or serves, provided, however, that this paragraph shall not be construed as a consent or permission by any Lender for any party to send, transmit, file or serve any such document.

Section 2.8 Each landlord under a Lease represents and warrants that the original term of such Lease will not expire before the end of the original term of the Subsequent Lease, and, upon the exercise by any tenant under a Subsequent Lease of any of its options to renew the Subsequent Lease, each such landlord shall exercise its corresponding renewal options for such Lease and any renewal options under any of the Public Sector Agreements.

Section 2.9 Each tenant under a Lease hereby covenants and agrees that there shall be no further subordination of the interest of such tenant under the Lease to any mortgage, lien or other encumbrance granted by the Landlord under such Lease or by the Landlord under any Prior Lease, excepting the subordination of the County Sublease No. 2, the Project Sublease and the Sabres Space Lease to the liens of the Construction Mortgage and Assignment and the subordination of the Concession Lease and the Concession Sublease to the liens of the Concession Mortgage and Assignment, without the prior written consent of the Construction Lenders and the Concession Lenders. Any purported subordination without such prior written consent shall be null and void, and of no force and effect.

Section 2.10. In the event of an Insolvency or Liquidation Proceeding with regard to any non-Lender party hereto (the "Bankrupt Party") (whether as debtor in possession or otherwise) and in the event that the Bankrupt Party or any trustee of the Bankrupt Party shall decide to reject or disaffirm pursuant to the Bankruptcy Code or any similar law any Lease to which it is a party, the Bankrupt Party shall give each Appropriate Lender at least ten (10) days prior written notice of the date on which application or motion shall be filed with the competent court for authority to reject or disaffirm any such Lease. In that event, or in the event that no affirmative action to assume, reject or disaffirm any such Lease pursuant to the Bankruptcy Code or any similar law shall have been taken within thirty (30) days after the date of the order for relief in, or such other beginning of, any Insolvency or Liquidation Proceeding, then the Appropriate Lenders shall have the right, but not the obligation, to serve upon the Bankrupt Party or such trustee a notice stating that (a) the Appropriate Lenders demand that the Bankrupt Party (whether as debtor in possession or otherwise) or such trustee assume and assign any such Lease to an Appropriate Designee pursuant to Section 365 of the Bankruptcy Code, and (b) the Appropriate Designee covenants (i) to cure, or provide adequate

assurances of prompt cure of, all defaults (though only to the extent a competent court may conclude that other parties to this Agreement have not waived any right they may have had to such cure or assurances of cure under Section 2.4 hereof or otherwise), and (ii) provide adequate assurance of future performance under any such Lease, provided, and only to the extent, that the Bankruptcy Code or any applicable similar law requires the statements described in this Subsection (b). In the event that the Appropriate Lenders serve such notice upon the Bankrupt Party or such trustee, neither the Bankrupt Party (whether as debtor in possession or otherwise) nor such trustee shall seek to reject or disaffirm such Lease and the Bankrupt Party (whether as debtor in possession or otherwise) and such trustee shall comply with such demand within twenty (20) days after such notice shall have been given or within such shorter time period as a competent court may require or order. In the event that the Bankrupt Party (whether as debtor in possession or otherwise) or such trustee shall assume and assign any such Lease to an Appropriate Designee in accordance with the notice provided for in this Section 2.10, the other party to such Lease and all other parties hereto hereby (i) waive any and all right to object to such assumption and assignment of the Lease, (ii) consent to and permit any such assumption and assignment, and (iii) shall continue to be bound under such Lease being assumed and assigned and any and all attornment, non-disturbance, recognition and other agreements related thereto. Except as set forth in the previous sentence, this section shall in no way limit any right of any Lender to serve and file any notice, motion, complaint, answer, objection or any other pleading or document or take any other action in any Insolvency or Liquidation Proceeding.

Section 2.11. In the event of an Insolvency or Liquidation Proceeding with regard to any party, such party hereby assigns, transfers and sets over to the Appropriate Lenders a nonexclusive right to apply to any competent court under Section 365 of the Bankruptcy Code for any order extending the deadline, if any, for the automatic termination, rejection and/or disaffirmance under any provision of the Bankruptcy Code or any similar law of any Lease to which the such party is a party. Notwithstanding the previous sentence, in the event of such an Insolvency or Liquidation Proceeding, the Bankrupt Party shall either (a) assume such Lease pursuant to Section 365 of the Bankruptcy Code or (b) assume and assign such Lease as set forth in Section 2.10 above.

Section 2.12 Without limiting the rights of any Lender under any other provisions hereof, each party hereto recognizes (a) each of the Appropriate Lenders as qualified to assert the rights of a successor, assign or mortgagee under Section 365 of the Bankruptcy Code with regard to any Lease and (b) that each Lease permits each Appropriate Lender to exercise such rights.

Section 2.13 Notwithstanding any other provision of this Agreement, in the event of an Insolvency or Liquidation Proceeding, each non-Lender party (which is not the debtor in such Insolvency or Liquidation Proceeding) hereby grants the Appropriate Lenders as to each of the Leases the right, but such Appropriate Lenders shall have no obligation, to the exclusion of each non-Lender party hereto, exercisable immediately upon notice from such Appropriate Lenders, to conduct and control the litigation in such Insolvency or Liquidation Proceeding (including, without limitation, the right to file and prosecute any proofs of claim, complaints, motions, applications, notices and other documents) with counsel of such Appropriate Lenders' choice. The Appropriate Lenders' right to control litigation as stated in the previous sentence shall be limited to matters regarding or concerning each such non-Lender party's rights in or under any Lease. The Appropriate Lenders may proceed in their own names or in the name of any such non-Lender party in connection with any such litigation, and such non-Lender party agrees to execute any and all powers, authorizations, consents and other documents required by the Appropriate Lenders in connection therewith. Such non-Lender party shall not, without the prior written consent of the Appropriate Lenders or as otherwise permitted or required by this Agreement, commence any action, suit, proceeding or case, or file any application or motion, in respect of any Lease in any such Insolvency or Liquidation Proceeding.

Section 2.14 Notwithstanding any other provision of this Agreement, each non-Lender party to this Agreement (which is not the debtor in an Insolvency or Liquidation Proceeding) hereby unconditionally and irrevocably assigns, transfers, grants and sets over all of the such party's claims and rights to the payment of damages that may hereafter arise as a result of any rejection or disaffirmance of any Lease by any Landlord or Tenant (whether as debtor in possession or otherwise), or by any trustee of such Landlord or Tenant, pursuant to the Bankruptcy Code or any similar law unto the Appropriate Lenders for such Lease; provided, however, for the purposes of this Section only, the Appropriate Lenders for the Sabres Space Lease shall only be the Construction Lenders except with respect to equitable remedies, claims or rights that the Concession Lenders may have in their capacity as a party to or mortgagee of a party to any Subsequent Leases affected by the rejection or disaffirmance of the Sabres Space Lease. The Appropriate Lenders shall have and are hereby irrevocably granted the right to proceed and an irrevocable power of attorney to exercise such rights in their own names or in the name of such party in respect of any claim, suit, action or proceeding relating to the rejection or disaffirmance of such Lease (including, without limitation, the right to file and prosecute, to the exclusion of such party, any proofs of claim, complaints, motions, applications, notices and other documents) in any case in respect of such party under the Bankruptcy Code or any similar law. This assignment constitutes a present, irrevocable and unconditional assignment of the foregoing claims, rights and remedies, and shall continue in effect until all amounts owed the Appropriate Lenders, including all principal, interest, fees, including attorney's fees, and charges, by any non-Lender party hereto shall have been finally and irrevocably satisfied and discharged in full. Any amounts received by the Appropriate Lenders as damages arising out of any such rejection or disaffirmance of such Lease shall be applied to reduce such indebtedness. The granting of these rights and the power of attorney to the Appropriate Lenders as set forth herein are made in consideration of such Lenders' agreements herein and elsewhere and are thus coupled with an interest, are self-operative and shall be irrevocable until the full and complete payment of the indebtedness as described above.

ARTICLE 3 - MORTGAGEE PROVISIONS

Section 3.1 Construction Mortgagee Provisions. Without limiting the provisions of Article 2 hereof, CA, NFH and the Construction Lenders agree for the benefit of each of CA, NFH and the Construction Lenders, as follows:

3.1.1 The Sabres Space Lease and all of the right, title and interest of NFH in and to the premises demised under the Sabres Space Lease are and shall be subject and subordinate to the Construction Mortgage and Assignment, and to all of the terms and conditions contained therein, and to any renewals, modifications, replacements, consolidations and extensions thereof, said subordination to have the same force and effect as if the Construction Mortgage and Assignment, and any renewals, modifications, replacements, consolidations and extensions thereof had been executed, acknowledged, delivered and recorded prior to the Sabres Space Lease or any notice thereof.

3.1.2 In the event of foreclosure of the Construction Mortgage and Assignment, or in the event the Construction Lenders or their nominee, designee or assignee come into possession or acquire title to the premises demised under the Sabres Space Lease as a result of foreclosure of the Construction Mortgage and Assignment, or the exercise of their rights under the Construction Mortgage and Assignment or at law or in equity, or as a result of any other means, the Construction Lenders agree to recognize the right, title and interest of NFH as tenant and further agree not to disturb, diminish, alter or interfere with NFH's possession and occupancy of the premises demised under the Sabres Space Lease and NFH's rights or privileges thereunder shall not be diminished or interfered with for any reason, other than one which (i) would entitle CA to

terminate the Sabres Space Lease under its terms, or (ii) would cause, without any further action by CA, the termination of the Sabres Space Lease, or (iii) would entitle CA to dispossess NFH from the premises demised under the Sabres Space Lease, in accordance with its terms. Such recognition shall be effective and self-operative without the execution of any further instruments on the part of any of the parties hereto immediately upon the Construction Lenders or their nominee, designee or assignee coming into possession, acquiring title to the premises demised under the Sabres Space Lease, or succeeding to the interest of the CA as landlord in the premises demised under the Sabres Space Lease. Without limiting the foregoing, within twenty (20) days after written request from the NFH, the Construction Lenders shall execute an instrument in confirmation of the foregoing provisions, in form and substance reasonably satisfactory to the Construction Lenders, in which the Construction Lenders shall acknowledge such recognition.

3.1.3 In the event the Construction Lenders or their nominee, designee or assignee come into possession or acquire title to the premises demised under the Sabres Space Lease as a result of foreclosure of the Construction Mortgage and Assignment, or the exercise of their rights under the Construction Mortgage and Assignment or at law or in equity, or as a result of any other means, the Construction Lenders or their nominee, designee or assignee and NFH as the tenant under the Sabres Space Lease shall be directly bound to each other under all of the terms, covenants and conditions of the Sabres Space Lease for the balance of the term thereof remaining (including, without limitation, any extensions or renewals thereof), with the same force and effect as if the Construction Lenders or their nominee, designee or assignee were the Landlord under the Sabres Space Lease, and NFH does hereby attorn to the Construction Lenders or their nominee, designee or assignee as its Landlord. Such attornment shall be effective and self-operative without the execution of any further instruments on the part of any of the parties hereto immediately upon the Construction Lenders or their nominee, designee or assignee coming into possession, acquiring title to the premises demised under the Sabres Space Lease, or succeeding to the interest of CA in the premises demised under the Sabres Space Lease. Without limiting the foregoing, upon the election of the Construction Lenders, within twenty (20) days after written request therefore, NFH shall execute an instrument in confirmation of the foregoing provisions, in form and substance satisfactory to the Construction Lenders, in which NFH shall acknowledge such attornment and shall confirm the terms and conditions of its tenancy or, at the request of the Construction Lenders, shall enter into a new lease with the Construction Lenders or their nominee, designee or assignee on the same terms as the Sabres Space Lease.

3.1.4 NFH agrees with the Construction Lenders that if the Construction Lenders or their nominee, designee or assignee shall come into possession of the premises demised under the Sabres Space Lease, or acquire title to the premises demised under the Sabres Space Lease, or otherwise succeed to the interest of Landlord under the Sabres Space Lease, the Construction Lenders and their nominee, designee or assignee shall not be (i) liable for any act, omission, neglect or default on the part of any prior landlord (including CA) under the Sabres Space Lease, (ii) responsible for any moneys owing by or on deposit with any prior landlord (including CA) to the credit of the NFH, (iii) subject to any offsets or defenses which NFH might have against any prior landlord (including CA), (iv) bound by or liable for any rent or additional rent which NFH might have paid for more than the current month to any prior landlord (including CA), (v) bound by any amendments, extensions or modifications of the Sabres Space Lease made without the prior written consent of the Construction Lenders, (vi) bound by any provision in the Sabres Space Lease which obligates CA to erect or complete any building or to perform any construction work in the premises demised under the Sabres Space Lease, (vii) liable for or obligated to make any payments to be made by any prior landlord (including CA) under the Sabres Space Lease arising from or accruing with respect to any time prior to the date on which the Construction Lenders or their nominee, designee or assignee come into possession, acquire title or otherwise succeed to the interest of CA, or (viii) liable to NFH beyond the Construction Lenders' interest in the leasehold interest of CA

under the Project Sublease and the revenues received by the Construction Lenders or their nominee, designee or assignee directly from the leasehold interest of CA under the Project Sublease.

3.1.5 NFH agrees that, notwithstanding any provision hereof or any provision in the Sabres Space Lease to the contrary, the terms of the Financing Participants Agreement shall continue to govern with respect to the disposition of any insurance proceeds or eminent domain awards, and any obligations of Landlord to restore the premises demised under the Sabres Space Lease. NFH further agrees that any and all rights of NFH under the Sabres Space Lease to receive any payments arising out of the termination of the Sabres Space Lease in connection with a fire or other casualty or condemnation are and shall be accrued and subordinated to the rights of the Construction Lenders under the Construction Mortgage and Assignment and the rights of the Concession Lenders under the Concession Mortgage and Assignment and documents executed incident thereto. NFH hereby waives and releases all of its rights to receive or collect any such payments, unless and until the Construction Lenders and the Concession Lenders have received sufficient proceeds from CA's insurance carrier to repay the entire Construction Loan indebtedness and all other amounts secured by the Construction Mortgage and Assignment and the entire Concession Loan indebtedness and all other amounts secured by the Concession Mortgage and Assignment.

3.1.6 NFH agrees to provide the Construction Lenders with a copy or copies of any notice alleging the occurrence of any default by CA as landlord under the Sabres Space Lease, concurrently with the giving of any such notice(s) to CA. NFH hereby agrees that the Construction Lenders may elect to cure any monetary default of CA within the applicable grace period, if any, provided to CA under the Sabres Space Lease, and if CA shall have failed to cure any such monetary default within the applicable grace period, if any, provided to CA under the Sabres Space Lease, then the Construction Lenders shall have an additional thirty (30) day period within which to cover such monetary default; provided, however, that the Construction Lenders shall have no obligation, of any kind, to cure such default. NFH further agrees that with respect to any non-monetary defaults of CA as landlord under the Sabres Space Lease, if CA shall have failed to cure any such non-monetary default within the applicable grace period, if any, provided to CA as landlord in the Sabres Space Lease, then the Construction Lenders shall have an additional thirty (30) day period within which to cure such default, or if such default is not reasonably susceptible to cure within such thirty (30) day period, as long as the Construction Lenders have commenced and are diligently pursuing the remedies required to cure such default, then the Construction Lenders shall be afforded such additional time beyond said thirty (30) day period as may be reasonably necessary to pursue such remedies; provided, however, that the Construction Lenders shall have no obligation, of any kind whatsoever, to cure such default. The pursuit of such remedies by the Construction Lenders may include, without limitation, the commencement and completion of the foreclosure of the Construction Mortgage and Assignment, or the exercise by the Construction Lenders of their other rights and remedies pursuant to the Construction Mortgage and Assignment, or at law or in equity. In such event, the Sabres Space Lease shall not be terminated by NFH while such remedies are being diligently pursued by the Construction Lenders. A delay in the pursuit of such remedies, including, without limitation, the commencement and/or completion of foreclosure proceedings, caused by a filing under the Bankruptcy Code or any similar laws shall not be deemed a failure by the Construction Lenders to so proceed diligently.

3.1.7 NFH hereby covenants and agrees that there shall be no further subordination of the interest of NFH under the Sabres Space Lease to any mortgage, lien or other encumbrance granted by CA or by any landlord under any of the Ground Lease, the County Sublease No. 1, the City Sublease or the Project Sublease without the prior written consent of the Construction Lenders. Any purported subordination without such prior written consent shall be null and void, and of no force and effect.

Sec. 3.2 Concession Mortgagee Provisions. Without limiting the provisions of Article 2 hereof, BSC, Sportservice and the Concession Lenders agree for the benefit of each of BSC, Sportservice and the Concession Lenders, as follows:

3.2.1 The Concession Sublease and all of the right, title and interest of Sportservice in and to the premises demised under the Concession Sublease are and shall be subject and subordinate to the Concession Mortgage and Assignment, and to all of the terms and conditions contained therein, and to any renewals, modifications, replacements, consolidations and extensions thereof, said subordination to have the same force and effect as if the Concession Mortgage and Assignment, and any renewals, modifications, replacements, consolidations and extensions thereof had been executed, acknowledged, delivered and recorded prior to the Concession Sublease or any notice thereof.

3.2.2 In the event of foreclosure of the Concession Mortgage and Assignment, or in the event the Concession Lenders or their nominee, designee or assignee come into possession or acquire title to the premises demised under the Concession Sublease as a result of foreclosure of the Concession Mortgage and Assignment, or the exercise of their rights under the Concession Mortgage and Assignment or at law or in equity, or as a result of any other means, the Concession Lenders agree to recognize the right, title and interest of Sportservice as tenant and further agree not to disturb, diminish, alter or interfere with Sportservice's possession and occupancy of the premises demised under the Concession Sublease and Sportservice's rights or privileges thereunder shall not be diminished or interfered with for any reason, other than one which (i) would entitle BSC to terminate the Concession Sublease under its terms, or (ii) would cause, without any further action by BSC, the termination of the Concession Sublease, or (iii) would entitle BSC to dispossess Sportservice from the premises demised under the Concession Sublease, in accordance with its terms. Such recognition shall be effective and self-operative without the execution of any further instruments on the part of any of the parties hereto immediately upon the Concession Lenders or their nominee, designee or assignee coming into possession, acquiring title to the premises demised under the Concession Sublease, or succeeding to the interest of the BSC as landlord in the premises demised under the Concession Sublease. Without limiting the foregoing, within twenty (20) days after written request from the Sportservice, the Concession Lenders shall execute an instrument in confirmation of the foregoing provisions, in form and substance reasonably satisfactory to the Concession Lenders, in which the Concession Lenders shall acknowledge such recognition.

3.2.3 In the event the Concession Lenders or their nominee, designee or assignee come into possession or acquire title to the premises demised under the Concession Sublease as a result of foreclosure of the Concession Mortgage and Assignment, or the exercise of their rights under the Concession Mortgage and Assignment or at law or in equity, or as a result of any other means, the Concession Lenders or their nominee, designee or assignee and Sportservice as the tenant under the Concession Sublease shall be directly bound to each other under all of the terms, covenants and conditions of the Concession Sublease for the balance of the term thereof remaining (including, without limitation, any extensions or renewals thereof), with the same force and effect as if the Concession Lenders or their nominee, designee or assignee were the Landlord under the Concession Sublease, and Sportservice does hereby attorn to the Concession Lenders or their Appropriate Designee as its Landlord. Such attornment shall be effective and self-operative without the execution of any further instruments on the part of any of the parties hereto immediately upon the Concession Lenders or their Appropriate Designee coming into possession, acquiring title to the premises demised under the Concession Sublease, or succeeding to the interest of BSC in the premises demised under the Concession Sublease. Without limiting the foregoing, upon the election of the Concession Lenders, within twenty (20) days after written request therefore, Sportservice shall execute an instrument in confirmation of the foregoing provisions, in

form and substance satisfactory to the Concession Lenders, in which Sportservice shall acknowledge such attornment and shall confirm the terms and conditions of its tenancy or, at the request of the Concession Lenders, shall enter into a new lease with the Concession Lenders or their Appropriate Designee on the same terms as the Concession Sublease.

3.2.4 Sportservice agrees with the Concession Lenders that if the Concession Lenders or their nominee, designee or assignee shall come into possession of the premises demised under the Concession Sublease, or acquire title to the premises demised under the Concession Sublease, or otherwise succeed to the interest of Landlord under the Concession Sublease, the Concession Lenders and their nominee, designee or assignee shall not be (i) liable for any act, omission, neglect or default on the part of any prior landlord (including BSC) under the Concession Sublease, (ii) responsible for any moneys owing by or on deposit with any prior landlord (including BSC) to the credit of the Sportservice, (iii) subject to any offsets or defenses which Sportservice might have against any prior landlord (including BSC), (iv) bound by or liable for any rent or additional rent which Sportservice might have paid for more than the current month to any prior landlord (including BSC), (v) bound by any amendments, extensions or modifications of the Concession Sublease made without the prior written consent of the Concession Lenders, (vi) bound by any provision in the Concession Sublease which obligates BSC to erect or complete any building or to perform any construction work in the premises demised under the Concession Sublease, (vii) liable for or obligated to make any payments to be made by any prior landlord (including BSC) under the Concession Sublease arising from or accruing with respect to any time prior to the date on which the Concession Lenders or their nominee, designee or assignee come into possession, acquire title or otherwise succeed to the interest of BSC, or (viii) liable to Sportservice beyond the Concession Lenders' interest in the leasehold interest of BSC under the Concession Lease and the revenues received by the Concession Lenders or their nominee, designee or assignee directly from the leasehold interest of BSC under the Concession Lease.

3.2.5 Sportservice agrees that, notwithstanding any provision hereof or any provision in the Concession Sublease to the contrary, the terms of the Financing Participants Agreement shall continue to govern with respect to the disposition of any insurance proceeds or eminent domain awards, and any obligations of Landlord to restore the premises demised under the Concession Sublease. Sportservice further agrees that any and all rights of Sportservice under the Concession Sublease to receive any payments arising out of the termination of the Concession Sublease in connection with a fire or other casualty or condemnation are and shall be accrued and subordinated to the rights of the Concession Lenders under the Concession Mortgage and Assignment and the rights of the Concession Lenders under the Concession Mortgage and Assignment and documents executed incident thereto. Sportservice hereby waives and releases all of its rights to receive or collect any such payments, unless and until the Construction Lenders and the Concession Lenders have received sufficient proceeds from BSC's insurance carrier to repay the entire Construction Loan indebtedness and all other amounts secured by the Construction Mortgage and Assignment and the entire Concession Loan indebtedness and all other amounts secured by the Concession Mortgage and Assignment.

3.2.6 Sportservice agrees to provide the Concession Lenders with a copy or copies of any notice alleging the occurrence of any default by BSC as landlord under the Concession Sublease, concurrently with the giving of any such notice(s) to BSC. Sportservice hereby agrees that the Concession Lenders may elect to cure any monetary default of BSC within the applicable grace period, if any, provided to BSC under the Concession Sublease, and if BSC shall have failed to cure any such monetary default within the applicable grace period, if any, provided to BSC under the Concession Sublease, then the Concession Lenders shall have an additional thirty (30) day period within which to cover such monetary default; provided, however, that the Concession Lenders shall have no obligation, of any kind, to cure such default.

Sportservice further agrees that with respect to any non-monetary defaults of BSC as landlord under the Concession Sublease, if BSC shall have failed to cure any such non-monetary default within the applicable grace period, if any, provided to BSC as landlord in the Concession Sublease, then the Concession Lenders shall have an additional thirty (30) day period within which to cure such default, or if such default is not reasonably susceptible to cure within such thirty (30) day period, as long as the Concession Lenders have commenced and are diligently pursuing the remedies required to cure such default, then the Concession Lenders shall be afforded such additional time beyond said thirty (30) day period as may be reasonably necessary to pursue such remedies; provided, however, that the Concession Lenders shall have no obligation, of any kind whatsoever, to cure such default. The pursuit of such remedies by the Concession Lenders may include, without limitation, the commencement and completion of the foreclosure of the Concession Mortgage and Assignment, or the exercise by the Concession Lenders of their other rights and remedies pursuant to the Concession Mortgage and Assignment, or at law or in equity. In such event, the Concession Sublease shall not be terminated by Sportservice while such remedies are being diligently pursued by the Concession Lenders. A delay in the pursuit of such remedies, including, without limitation, the commencement and/or completion of foreclosure proceedings, caused by a filing under the United States Bankruptcy Code (or any similar creditor's rights laws) shall not be deemed a failure by the Concession Lenders to so proceed diligently.

3.2.7 Sportservice hereby covenants and agrees that there shall be no further subordination of the interest of Sportservice under the Concession Sublease to any mortgage, lien or other encumbrance granted by BSC or by any landlord under any of the Ground Lease, the County Sublease No. 1, the City Sublease, the Project Sublease, the Sabres Space Lease, or the Concession Lease without the prior written consent of the Concession Lenders. Any purported subordination without such prior written consent shall be null and void, and of no force and effect.

3.2.8 Reference is made to the fact that ECIDA and BSC are jointly the mortgagors under the Concession Mortgage and Assignment. In the event of foreclosure of the Concession Mortgage and Assignment, or in the event the Concession Lenders or their nominee, designee or assignee come into possession or acquire title to the premises demised under the Concession Sublease as a result of foreclosure of the Concession Mortgage and Assignment, or the exercise of their rights under the Concession Mortgage and Assignment at law or in equity, or as a result of any other means, the Concession Lenders agree to recognize any right, title and interest of CA and NFH which would have remained in effect had BSC, solely and individually, been the mortgagor under the Concession Mortgage and Assignment, rather than ECIDA and BSC jointly.

ARTICLE 4 - LANDLORD ESTOPPEL PROVISIONS AND AGREEMENTS

Section 4.1 BURA hereby represents, warrants and certifies as of this date, as follows:

4.1.1 The Ground Lease (i) is in full force and effect as of the date hereof; (ii) represents the entire agreement between BURA, as landlord therein, and the County, as tenant therein, with respect to the premises therein described; (iii) has not been modified, altered, supplemented, changed or amended, in any manner whatsoever; and (iv) has been duly executed on behalf of the BURA by a duly authorized representative thereof and constitutes a legally valid instrument, binding and enforceable against BURA in accordance with its terms.

4.1.2 Except as otherwise expressly permitted by this Agreement, BURA hereby agrees not to modify, amend, extend, terminate or otherwise change the Ground Lease without in each instance obtaining the prior written consent of the Construction Lenders and the Concession Lenders.

4.1.3 The term of the Ground Lease commenced on May __, 1995; all conditions to landlord's obligations under the Ground Lease have been satisfied; and the term of the Ground Lease is presently scheduled to expire on August 31 for the year commencing immediately after the thirtieth (30th) anniversary of the Completion Date (as defined in the Ground Lease).

4.1.4 No payment of rent and other charges with respect to the premises demised under the Ground Lease has been payable under the Ground Lease to date; no rent or other amounts payable by the County under the Ground Lease or with respect to the premises demised therein have been paid or will be accepted in advance of the due date thereof; no payment of charges and fees are payable by BURA to the County under the Ground Lease with respect to the premises demised therein.

4.1.5 There are no obligations on the part of BURA under the Ground Lease for the performance of any work; pursuant to any and all of the approval rights of BURA provided for in the Ground Lease, BURA hereby approves the plans and specifications set forth on Exhibit B attached hereto and by this reference incorporated herein.

4.1.6 To the best knowledge of BURA, no uncured default or breach has occurred under the Ground Lease, by either BURA or the County; and, to the best knowledge of the BURA, no event has occurred which, with the passing of time or giving of notice or both, would constitute a default or breach under the Ground Lease by either BURA or the County.

Section 4.2 The County hereby represents, warrants and certifies as of this date, as follows:

4.2.1 The County Sublease No. 1 (i) is in full force and effect as of the date hereof; (ii) represents the entire agreement between the County, as landlord therein, and the City, as tenant therein, with respect to the premises therein described; (iii) has not been modified, altered, supplemented, changed or amended, in any manner whatsoever; and (iv) has been duly executed on behalf of the County by a duly authorized representative thereof and constitutes a legally valid instrument, binding and enforceable against the County in accordance with its terms.

4.2.2 Except as otherwise expressly permitted by this Agreement, the County hereby agrees not to modify, amend, extend, terminate or otherwise change the County Sublease No. 1, without in each instance obtaining the prior written consent of the Construction Lenders and the Concession Lenders.

4.2.3 The term of the County Sublease No. 1 commenced on May __. 1995; all conditions to landlord's obligations under the County Sublease No. 1 have been satisfied; and the term of the County Sublease No. 1 Lease is presently scheduled to expire at midnight of the last day of the thirtieth (30th) Lease Year (as defined in the County Sublease No. 1).

4.2.4 No payment of rent and other charges with respect to the premises demised under the County Sublease No. 1 has been payable under the County Sublease No. 1 to date; no rent or other amounts payable by the City under the County Sublease No. 1 or with respect to the premises demised therein have been paid or will be accepted in advance of the due date thereof; no payment of charges and fees payable by the County to the City under the County Sublease No. 1 with respect to the premises demised therein have been paid to date; no amounts payable by the County to the City under the County Sublease No. 1 or with respect to the premises demised therein have been or will be paid in advance of the due date thereof.

4.2.5 There are no obligations on the part of the County under the County Sublease No. 1 for the performance of any work; pursuant to any and all of the approval rights of the County provided for in the County Sublease No. 1, the County hereby approves the plans and specifications set forth on Exhibit B attached hereto and by this reference incorporated herein.

4.2.6 To the best knowledge of the County, no uncured default or breach has occurred under the County Sublease No. 1, by either the County or the City; and, to the best knowledge of the County, no event has occurred which, with the passing of time or giving of notice or both, would constitute a default or breach under the County Sublease No. 1 by either the County or the City.

Section 4.3 The City hereby represents, warrants and certifies as of this date, as follows:

4.3.1 The City Sublease (i) is in full force and effect as of the date hereof; (ii) represents the entire agreement between the City, as landlord therein, and County, as tenant therein, with respect to the premises therein described; (iii) has not been modified, altered, supplemented, changed or amended, in any manner whatsoever; and (iv) has been duly executed on behalf of the City by a duly authorized representative thereof and constitutes a legally valid instrument, binding and enforceable against the City in accordance with its terms.

4.3.2 Except as otherwise expressly permitted by this Agreement, the City hereby agrees not to modify, amend, extend, terminate or otherwise change the City Sublease, without in each instance obtaining the prior written consent of the Construction Lenders and the Concession Lenders.

4.3.3 The term of the City Sublease commenced on May __. 1995; all conditions to landlord's obligations under the City Sublease have been satisfied; and the term of the City Sublease is presently scheduled to expire at midnight of the last day of the thirtieth (30th) Lease Year (as defined in the City Sublease).

4.3.4 No payment of rent and other charges with respect to the premises demised under the City Sublease has been payable under the City Sublease to date; no rent or other amounts payable by County under the City Sublease or with respect to the premises demised therein have been paid or will be accepted in advance of the due date thereof; no payment of charges and fees are payable by the City to County under the City Sublease with respect to the premises demised therein.

4.3.5 There are no obligations on the part of the City under the City Sublease for the performance of any work; pursuant to any and all of the approval rights of the City provided for in the City Sublease, the City hereby approves the plans and specifications set forth on Exhibit B attached hereto and by this reference incorporated herein.

4.3.6 To the best knowledge of the City, no uncured default or breach has occurred under the City Sublease, by either the City or County ; and, to the best knowledge of the City, no event has occurred which, with the passing of time or giving of notice or both, would constitute a default or breach under the City Sublease by either the City or County.

Section 4.4 The County hereby represents, warrants and certifies as of this date, as follows:

4.4.1 The County Sublease No. 2 (i) is in full force and effect as of the date hereof; (ii) represents the entire agreement between the County, as landlord therein, and ECIDA, as tenant therein, with respect to the premises therein described; (iii) has not been modified, altered, supplemented, changed or amended, in any manner whatsoever; and (iv) has been duly executed on behalf of the County by a duly authorized representative thereof and constitutes a legally valid instrument, binding and enforceable against the County in accordance with its terms.

4.4.2 Except as otherwise expressly permitted by this Agreement, the County hereby agrees not to modify, amend, extend, terminate or otherwise change the County Sublease No. 2, without in each instance obtaining the prior written consent of the Construction Lenders and the Concession Lenders.

4.4.3 The term of the County Sublease No. 2 commenced on May __, 1995; all conditions to landlord's obligations under the County Sublease No. 2 have been satisfied; and the term of the County Sublease No. 2 is presently scheduled to expire at midnight of the last day of the thirtieth (30th) Lease Year (as defined in the County Sublease No. 2).

4.4.4 No payment of rent and other charges with respect to the premises demised under the County Sublease No. 2 has been payable under the County Sublease No. 2 to date; no rent or other amounts payable by ECIDA under the County Sublease No. 2 or with respect to the premises demised therein have been paid or will be accepted in advance of the due date thereof; no payment of charges and fees are payable by ECIDA to the County under the County Sublease No. 2 with respect to the premises demised therein.

4.4.5 There are no obligations on the part of the County under the County Sublease No. 2 for the performance of any work; pursuant to any and all of the approval rights of the County provided for in the County Sublease No. 2, the County hereby approves the plans and specifications set forth on Exhibit B attached hereto and by this reference incorporated herein.

4.4.6 To the best knowledge of the County, no uncured default or breach has occurred under the County Sublease No. 2, by either the County or ECIDA; and, to the best knowledge of the County, no event has occurred which, with the passing of time or giving of notice or both, would constitute a default or breach under the County Sublease No. 2 by either the County or ECIDA.

Section 4.5 ECIDA hereby represents, warrants and certifies as of this date, as follows:

4.5.1 The Project Sublease (i) is in full force and effect as of the date hereof; (ii) represents the entire agreement between ECIDA, as landlord therein, and CA, as tenant therein, with respect to the premises therein described; (iii) has not been modified, altered, supplemented, changed or amended, in any manner whatsoever; and (iv) has been duly executed on behalf of the ECIDA by a duly authorized representative thereof and constitutes a legally valid instrument, binding and enforceable against ECIDA in accordance with its terms.

4.5.2 Except as otherwise expressly permitted by this Agreement, ECIDA hereby agrees not to modify, amend, terminate or otherwise change the Project Sublease, without in each instance obtaining the prior written consent of the Construction Lenders and the Concession Lenders.

4.5.3 The term of the Project Sublease commenced on May __, 1995; any conditions to landlord's obligations under the Project Sublease have been satisfied; and the term of the Project Sublease is presently scheduled to expire at midnight of the last day of the thirtieth (30th) Lease Year (as defined in the Project Sublease).

4.5.4 Pursuant to the Project Sublease, CA is presently obligated to pay, and has commenced paying, rent and other charges to ECIDA, as follows: no rent or other charges with respect to the premises demised under the Project Sublease payable under the Project Sublease have been paid to date; no rent or other amounts payable by CA under the Project Sublease or with respect to the premises demised therein have been paid or will be accepted in advance of the due date thereof; no charges or fees are payable by ECIDA to CA under the Project Sublease with respect to the premises demised therein.

4.5.5 There are no obligations on the part of ECIDA under the Project Sublease for the performance of any work; pursuant to any and all of the approval rights of ECIDA provided for in the Project Sublease, ECIDA hereby approves the plans and specifications set forth on Exhibit B attached hereto and by this reference incorporated herein.

4.5.6 To the best knowledge of ECIDA, no uncured default or breach has occurred under the Project Sublease, by either ECIDA or CA; and, to the best knowledge of ECIDA, no event has occurred which, with the passing of time or giving of notice or both, would constitute a default or breach under the Project Sublease by either ECIDA or CA.

Section 4.6 CA hereby represents, warrants and certifies as of this date, as follows:

4.6.1 The Sabres Space Lease (i) is in full force and effect as of the date hereof; (ii) represents the entire agreement between CA as landlord therein, and NFH, as tenant therein, with respect to the premises therein described; (iii) has not been modified, altered, supplemented, changed or amended, in any manner whatsoever; and (iv) has been duly executed on behalf of the CA by a duly authorized representative thereof and constitutes a legally valid instrument, binding and enforceable against CA in accordance with its terms.

4.6.2 Except as otherwise expressly permitted by this Agreement, CA hereby agrees not to modify, amend, extend, terminate or otherwise change the Sabres Space Lease, without in each instance obtaining the prior written consent of the Construction Lenders and the Concession Lenders.

4.6.3 The term of the Sabres Space Lease has not commenced. The term of the Sabres Space Lease will be scheduled to expire at midnight of the last day of the thirtieth (30th) Lease Year (as defined in the Sabres Space Lease).

4.6.4 No payment of rent and other charges with respect to the premises demised under the Sabres Space Lease has been payable under the Sabres Space Lease to date; no rent or other amounts payable by NFH under the Sabres Space Lease or with respect to the premises demised therein have been paid or will be accepted in advance of the due date thereof; no payment of charges and fees payable by CA to NFH under the Sabres Space Lease with respect to the premises demised therein have been paid to date; no amounts payable by CA to NFH under the Sabres Space Lease or with respect to the premises demised therein have been or will be paid in advance of the due date thereof.

4.6.5 With respect to work heretofore performed by CA under the Sabres Space Lease, all of the obligations on the part of CA under the Sabres Space Lease for the performance of

such work have been fully, completely and satisfactorily performed, free of any defenses and set-offs, and, to the best knowledge of CA, NFH has no claims against CA for incomplete performance or on account of any claimed defect in connection therewith; the improvements on the premises demised under the Sabres Space Lease are free from defects in design, materials and workmanship; pursuant to any and all of the approval rights of CA provided for in the Sabres Space Lease, CA hereby approves the plans and specifications set forth on Exhibit B attached hereto and by this reference incorporated herein.

4.6.6 To the best knowledge of CA, no uncured default or breach has occurred under the Sabres Space Lease, by either CA or NFH; and, to the best knowledge of CA, no event has occurred which, with the passing of time or giving of notice or both, would constitute a default or breach under the Sabres Space Lease by either CA or NFH.

Section 4.7 NFH hereby represents, warrants and certifies as of this date, as follows:

4.7.1 The Concession Lease (i) is in full force and effect as of the date hereof; (ii) represents the entire agreement between NFH, as landlord therein, and BSC, as tenant therein, with respect to the premises therein described; (iii) has not been modified, altered, supplemented, changed or amended, in any manner whatsoever; and (iv) has been duly executed on behalf of the NFH by a duly authorized representative thereof and constitutes a legally valid instrument, binding and enforceable against NFH in accordance with its terms.

4.7.2 Except as otherwise expressly permitted by this Agreement, NFH hereby agrees not to modify, amend, extend, terminate or otherwise change the Concession Lease, without in each instance obtaining the prior written consent of the Concession Lenders.

4.7.3 The term of the Concession Lease has not commenced. The term of the Concession Lease will be scheduled to expire at midnight of the last day of the thirtieth (30th) Lease Year (as defined in the Concession Lease).

4.7.4 No payment of rent and other charges with respect to the premises demised under the Concession Lease has been payable under the Concession Lease to date; no rent or other amounts payable by BSC under the Concession Lease or with respect to the premises demised therein have been paid or will be accepted in advance of the due date thereof; no payment of charges and fees payable by NFH to BSC under the Concession Lease with respect to the premises demised therein have been paid to date; no amounts payable by NFH to BSC under the Concession Lease or with respect to the premises demised therein have been or will be paid in advance of the due date thereof.

4.7.5 With respect to work heretofore performed by NFH under the Concession Lease, all of the obligations on the part of NFH under the Concession Lease for the performance of such work have been fully, completely and satisfactorily performed, free of any defenses and set-offs, and, to the best knowledge of NFH, BSC has no claims against NFH for incomplete performance or on account of any claimed defect in connection therewith; the improvements on the premises demised under the Concession Lease are free from defects in design, materials and workmanship; pursuant to any and all of the approval rights of NFH provided for in the Concession Lease, NFH hereby approves the plans and specifications set forth on Exhibit B attached hereto and by this reference incorporated herein.

4.7.6 To the best knowledge of NFH, no uncured default or breach has occurred under the Concession Lease, by either NFH or BSC; and, to the best knowledge of the NFH, no

event has occurred which, with the passing of time or giving of notice or both, would constitute a default or breach under the Concession Lease by either NFH or BSC.

Section 4.8 BSC hereby represents, warrants and certifies as of this date, as follows:

4.8.1 The Concession Sublease (i) is in full force and effect as of the date hereof; (ii) represents the entire agreement between BSC, as landlord therein, and Sportservice, as tenant therein, with respect to the premises therein described; (iii) has not been modified, altered, supplemented, changed or amended, in any manner whatsoever; and (iv) has been duly executed on behalf of BSC by a duly authorized representative thereof and constitutes a legally valid instrument, binding and enforceable against BSC in accordance with its terms.

4.8.2 Except as otherwise expressly permitted by this Agreement, BSC hereby agrees not to modify, amend, extend, terminate or otherwise change the Concession Sublease, without in each instance obtaining the prior written consent of the Concession Lenders.

4.8.3 The term of the Concession Sublease has not commenced. The term of the Concession Sublease will be scheduled to expire at midnight of the last day of the twentieth (20th) Lease Year (as defined in the Concession Sublease).

4.8.4 No payment of rent and other charges with respect to the premises demised under the Concession Sublease has been payable under the Concession Sublease to date; no rent or other amounts payable by Sportservice under the Concession Sublease or with respect to the premises demised therein have been paid or will be accepted in advance of the due date thereof; no payment of charges and fees payable by BSC to Sportservice under the Concession Sublease with respect to the premises demised therein have been paid to date; no amounts payable by BSC to Sportservice under the Concession Sublease or with respect to the premises demised therein have been or will be paid in advance of the due date thereof.

4.8.5 With respect to work heretofore performed by BSC under the Concession Sublease, all of the obligations on the part of BSC under the Concession Sublease for the performance of such work have been fully, completely and satisfactorily performed, free of any defenses and set-offs, and, to the best knowledge of BSC, Sportservice has no claims against BSC for incomplete performance or on account of any claimed defect in connection therewith; the improvements on the premises demised under the Concession Sublease are free from defects in design, materials and workmanship; pursuant to any and all of the approval rights of BSC provided for in the Concession Sublease, BSC hereby approves the plans and specifications set forth on Exhibit B attached hereto and by this reference incorporated herein.

4.8.6 To the best knowledge of BSC, no uncured default or breach has occurred under the Concession Sublease, by either BSC or Sportservice; and, to the best knowledge of the BSC, no event has occurred which, with the passing of time or giving of notice or both, would constitute a default or breach under the Concession Sublease by either BSC or Sportservice.

ARTICLE 5 - TENANT ESTOPPEL PROVISIONS AND AGREEMENTS

Section 5.1 The County hereby represents, warrants and certifies as of this date, as follows:

5.1.1 The Ground Lease (i) is in full force and effect as of the date hereof; (ii) represents the entire agreement between BURA, as landlord therein, and the County, as tenant therein, with respect to the premises therein described; (iii) has not been modified, altered,

supplemented, changed or amended, in any manner whatsoever; and (iv) has been duly executed on behalf of the County by a duly authorized representative thereof and constitutes a legally valid instrument, binding and enforceable against the County in accordance with its terms.

5.1.2 Except as otherwise expressly permitted by this Agreement, the County hereby agrees not (i) to modify, amend, extend, terminate or otherwise change the Ground Lease, or (ii) to pay any rental amounts to BURA other than in accordance with the provisions of the Ground Lease, or (iii) to make any additions, alterations or improvements to the premises therein described other than in accordance with the provisions of the Ground Lease, without in each instance obtaining the prior written consent of the Construction Lenders and the Concession Lenders.

5.1.3 The term of the Ground Lease commenced on May __, 1995; all conditions to tenant's obligations under the Ground Lease have been satisfied; and the term of the Ground Lease is presently scheduled to expire on August 31 for the year commencing immediately after the thirtieth (30th) anniversary of the Completion Date (as defined in the Ground Lease).

5.1.4 No payment of rent and other charges with respect to the premises demised under the Ground Lease has been payable under the Ground Lease to date; no rent or other amounts payable by the County under the Ground Lease or with respect to the premises demised therein have been or will be paid in advance of the due date thereof; no payment of charges and fees are payable by BURA to the County under the Ground Lease with respect to the premises demised therein.

5.1.5 There are no obligations on the part of BURA under the Ground Lease for the performance of any work; pursuant to any and all of the approval rights of the County provided for in the Ground Lease, the County hereby approves the plans and specifications set forth on Exhibit B attached hereto and by this reference incorporated herein.

5.1.6 To the best knowledge of the County, no uncured default or breach has occurred under the Ground Lease, by either BURA or the County; and, to the best knowledge of the County, no event has occurred which, with the passing of time or giving of notice or both, would constitute a default or breach under the Ground Lease by either BURA or the County. The County has no defenses, offsets, liens, claims, counterclaims or credits against BURA.

5.1.7 The County has received no notice of any prior assignment, sale, hypothecation or pledge by BURA of the Ground Lease or the rents payable thereunder; the County has not assigned the Ground Lease, or sublet the premises demised therein, or any part thereof, except pursuant to the County Sublease No. 1 and County Sublease No. 2; the County has no right, title or interest in any of the Improvements (except as may otherwise be provided in the City Sublease), other than (i) its interest in the premises demised pursuant to the Ground Lease, and (ii) other interests of the County as expressly and specifically set forth in the Ground Lease.

Section 5.2 The City hereby represents, warrants and certifies, as follows:

5.2.1 The County Sublease No. 1 (i) is in full force and effect as of the date hereof; (ii) represents the entire agreement between the County, as landlord therein, and the City, as tenant therein, with respect to the premises therein described; (iii) has not been modified, altered, supplemented, changed or amended, in any manner whatsoever; and (iv) has been duly executed on behalf of the City by a duly authorized representative thereof and constitutes a legally valid instrument, binding and enforceable against the City in accordance with its terms.

5.2.2 Except as otherwise expressly permitted by this Agreement, the City hereby agrees not (i) to modify, amend, extend, terminate or otherwise change the County Sublease No. 1, or (ii) to pay any rental amounts to the County other than in accordance with the provisions of the County Sublease No. 1, or (iii) to make any additions, alterations or improvements to the premises therein described other than in accordance with the provisions of the County Sublease No. 1, without in each instance obtaining the prior written consent of the Construction Lenders and the Concession Lenders.

5.2.3 The term of the County Sublease No. 1 commenced on May _, 1995; all conditions to tenant's obligations under the County Sublease No. 1 have been satisfied; and the term of the County Sublease No. 1 is presently scheduled to expire at midnight of the last day of the thirtieth (30th) Lease Year (as defined in the County Sublease No. 1).

5.2.4 No payment of rent and other charges with respect to the premises demised under the County Sublease No. 1 has been payable under the County Sublease No. 1 to date; no rent or other amounts payable by the City under the County Sublease No. 1 or with respect to the premises demised therein have been or will be paid in advance of the due date thereof; no payment of charges and fees payable by the County to the City under the County Sublease No. 1 with respect to the premises demised therein have been paid to date; no amounts payable by the County to the City under the County Sublease No. 1 or with respect to the premises demised therein have been paid or will be accepted in advance of the due date thereof.

5.2.5 There are no obligations on the part of the County under the County Sublease No. 1 for the performance of any work; pursuant to any and all of the approval rights of the City provided for in the County Sublease No. 1, the City hereby approves the plans and specifications set forth on Exhibit B attached hereto and by this reference incorporated herein.

5.2.6 To the best knowledge of the City, no uncured default or breach has occurred under the County Sublease No. 1, by either the County or the City; and, to the best knowledge of the City, no event has occurred which, with the passing of time or giving of notice or both, would constitute a default or breach under the County Sublease No. 1 by either the County or the City. The City has no defenses, offsets, liens, claims, counterclaims or credits against the County.

5.2.7 The City has received no notice of any prior assignment, sale, hypothecation or pledge by the County of the County Sublease No. 1 or the rents payable thereunder; the City has not assigned the County Sublease No. 1, or sublet the premises demised therein, or any part thereof, except pursuant to the City Sublease; the City has no right, title or interest in any of the Improvements, other than (i) its interest in the premises demised pursuant to the County Sublease No. 1, and (ii) other interests of the City as expressly and specifically set forth in the County Sublease No. 1.

Section 5.3 The County hereby represents, warrants and certifies as of this date, as follows:

5.3.1 The City Sublease (i) is in full force and effect as of the date hereof; (ii) represents the entire agreement between the City, as landlord therein, and County, as tenant therein, with respect to the premises therein described; (iii) has not been modified, altered, supplemented, changed or amended, in any manner whatsoever; and (iv) has been duly executed on behalf of the County by a duly authorized representative thereof and constitutes a legally valid instrument, binding and enforceable against County in accordance with its terms.

5.3.2 Except as otherwise expressly permitted by this Agreement, County hereby agrees not (i) to modify, amend, extend, terminate or otherwise change the City Sublease, or (ii) to pay any rental amounts to the City other than in accordance with the provisions of the City Sublease, or (iii) to make any additions, alterations or improvements to the premises therein described other than in accordance with the provisions of the City Sublease, without in each instance obtaining the prior written consent of the Construction Lenders and the Concession Lenders.

5.3.3 The term of the City Sublease commenced on May __, 1995; all conditions to tenant's obligations under the City Sublease have been satisfied; and the term of the City Sublease is presently scheduled to expire at midnight of the last day of the thirtieth (30th) Lease Year (as defined in the City Sublease).

5.3.4 No payment of rent and other charges with respect to the premises demised under the City Sublease has been payable under the City Sublease to date; no rent or other amounts payable by County under the City Sublease or with respect to the premises demised therein have been or will be paid in advance of the due date thereof; no payment of charges and fees are payable by the City to County under the City Sublease with respect to the premises demised therein.

5.3.5 There are no obligations on the part of the City under the County Sublease No. 1 for the performance of any work; pursuant to any and all of the approval rights of the County provided for in the City Sublease, the County hereby approves the plans and specifications set forth on Exhibit B attached hereto and by this reference incorporated herein.

5.3.6 To the best knowledge of the County, no uncured default or breach has occurred under the City Sublease, by either the City or County; and, to the best knowledge of the County, no event has occurred which, with the passing of time or giving of notice or both, would constitute a default or breach under the City Sublease by either the City or County. County has no defenses, offsets, liens, claims, counterclaims or credits against the City.

5.3.7 The County has received no notice of any prior assignment, sale, hypothecation or pledge by the City of the City Sublease or the rents payable thereunder; County has not assigned the City Sublease, or sublet the premises demised therein, or any part thereof, except pursuant to the County Sublease No. 1 and County Sublease No. 2; County has no right, title or interest in any of the Improvements, other than (i) its interest in the premises pursuant to the City Sublease and the Ground Lease, (ii) its interest in personal property owned by the County and located in the premises demised under the City Sublease and the Ground Lease, and (iii) other interests of County as expressly and specifically set forth in the City Sublease and the Ground Lease.

Section 5.4 ECIDA hereby represents, warrants and certifies as of this date, as follows:

5.4.1 The County Sublease No. 2 (i) is in full force and effect as of the date hereof; (ii) represents the entire agreement between the County, as landlord therein, and ECIDA, as tenant therein, with respect to the premises therein described; (iii) has not been modified, altered, supplemented, changed or amended, in any manner whatsoever; and (iv) has been duly executed on behalf of the ECIDA by a duly authorized representative thereof and constitutes a legally valid instrument, binding and enforceable against ECIDA in accordance with its terms.

5.4.2 Except as otherwise expressly permitted by this Agreement, ECIDA hereby agrees not (i) to modify, amend, terminate or otherwise change the County Sublease No. 2, or (ii) to pay any rental amounts to the County other than in accordance with the provisions of the County

Sublease No. 2, or (iii) to make any additions, alterations or improvements to the premises therein described other than in accordance with the provisions of the County Sublease No. 2, without in each instance obtaining the prior written consent of the Construction Lenders and the Concession Lenders.

5.4.3 The term of the County Sublease No. 2 commenced on May __. 1995; any conditions to tenant's obligations under the County Sublease No. 2 have been satisfied; and the term of the County Sublease No. 2 is presently scheduled to expire at midnight of the last day of the thirtieth (30th) Lease Year (as defined in the County Sublease No. 2).

5.4.4 No payment of rent and other charges with respect to the premises demised under the County Sublease No. 2 has been payable under the County Sublease No. 2 to date; no rent or other amounts payable by ECIDA under the County Sublease No. 2 or with respect to the premises demised therein have been or will be paid by ECIDA in advance of the due date thereof; no payment of charges and fees are payable by the County to ECIDA under the County Sublease No. 2 with respect to the premises demised therein.

5.4.5 There are no obligations on the part of the County under the County Sublease No. 2 for the performance of any work; pursuant to any and all of the approval rights of ECIDA provided for in the County Sublease No. 2, ECIDA hereby approves the plans and specifications set forth on Exhibit B attached hereto and by this reference incorporated herein.

5.4.6 To the best knowledge of ECIDA, no uncured default or breach has occurred under the County Sublease No. 2, by either the County or ECIDA; and, to the best knowledge of the ECIDA, no event has occurred which, with the passing of time or giving of notice or both, would constitute a default or breach under the County Sublease No. 2 by either the County or ECIDA. ECIDA is not aware of any defenses, offsets, liens, claims, counterclaims or credits against the County to the payment by ECIDA of any amounts owing by ECIDA to the County under the County Sublease No. 2.

5.4.7 ECIDA has received no notice of any prior assignment, sale, hypothecation or pledge by the County of the County Sublease No. 2 or the rents payable thereunder; ECIDA has not assigned the County Sublease No. 2, or sublet the premises demised therein, or any part thereof, except pursuant to the Project Sublease and the Construction Mortgage and Assignment; ECIDA has no right, title or interest in any of the Improvements, other than (i) its interest in the premises pursuant to the County Sublease No. 2, (ii) its interest in personal property owned by the ECIDA and located in the premises demised under the County Sublease No. 2 and the Project Sublease, and (iii) other interests of ECIDA as expressly and specifically set forth in the County Sublease No. 2 and the Project Sublease.

Section 5.5 CA hereby represents, warrants and certifies as of this date, as follows:

5.5.1 The Project Sublease (i) is in full force and effect as of the date hereof; (ii) represents the entire agreement between ECIDA, as landlord therein, and CA, as tenant therein, with respect to the premises therein described; (iii) has not been modified, altered, supplemented, changed or amended, in any manner whatsoever; and (iv) has been duly executed on behalf of the CA by a duly authorized representative thereof and constitutes a legally valid instrument, binding and enforceable against CA in accordance with its terms.

5.5.2 Except as otherwise expressly permitted by this Agreement, CA hereby agrees not (i) to modify, amend, terminate or otherwise change the Project Sublease, or (ii) to pay any rental amounts to ECIDA other than in accordance with the provisions of the Project Sublease,

or (iii) to make any additions, alterations or improvements to the premises therein described other than in accordance with the provisions of the Project Sublease, without in each instance obtaining the prior written consent of the Construction Lenders and the Concession Lenders.

5.5.3 The term of the Project Sublease commenced on May __, 1995; all conditions to tenant's obligations under the Project Sublease have been satisfied; and the term of the Project Sublease is presently scheduled to expire at midnight of the last day of the thirtieth (30th) Lease Year (as defined in the Project Sublease).

5.5.4 Pursuant to the Project Sublease, CA is presently obligated to pay, and has commenced paying, rent and other charges to ECIDA, as follows: _____. All rent and other charges with respect to the premises demised under the Project Sublease payable under the Project Sublease have been paid to date; no rent or other amounts payable by CA under the Project Sublease or with respect to the premises demised therein have been or will be paid in advance of the due date thereof; no payment of charges and fees payable by ECIDA to CA under the Project Sublease with respect to the premises demised therein have been paid to date; no amounts payable by ECIDA to CA under the Project Sublease or with respect to the premises demised therein have been paid or will be accepted in advance of the due date thereof.

5.5.5 There are no obligations on the part of the ECIDA under the Project Sublease for the performance of any work; pursuant to any and all of the approval rights of CA provided for in the Project Sublease, CA hereby approves the plans and specifications set forth on Exhibit B attached hereto and by this reference incorporated herein.

5.5.6 To the best knowledge of CA, no uncured default or breach has occurred under the Project Sublease, by either ECIDA or CA; and, to the best knowledge of the CA, no event has occurred which, with the passing of time or giving of notice or both, would constitute a default or breach under the Project Sublease by either ECIDA or CA. CA has no defenses, offsets, liens, claims, counterclaims or credits against ECIDA.

5.5.7 CA has received no notice of any prior assignment, sale, hypothecation or pledge by ECIDA of the Project Sublease or the rents payable thereunder, except as set forth in the Construction Mortgage and Assignment, and documents executed incident thereto; CA has not assigned the Project Sublease, or sublet the premises demised therein, or any part thereof, except pursuant to the Sabres Space Lease and the Construction Mortgage and Assignment; CA has no right, title or interest in any of the Improvements, other than (i) its interest in the premises pursuant to the Project Sublease, (ii) its interest in personal property owned by the CA and located in the premises demised under the Project Sublease, and (iii) other interests of CA as expressly and specifically set forth in the Project Sublease.

Section 5.6 NFH hereby represents, warrants and certifies as of this date, as follows:

5.6.1 The Sabres Space Lease (i) is in full force and effect as of the date hereof; (ii) represents the entire agreement between CA as landlord therein, and NFH, as tenant therein, with respect to the premises therein described; (iii) has not been modified, altered, supplemented, changed or amended, in any manner whatsoever; and (iv) has been duly executed on behalf of the NFH by a duly authorized representative thereof and constitutes a legally valid instrument, binding and enforceable against NFH in accordance with its terms.

5.6.2 Except as otherwise expressly permitted by this Agreement, NFH hereby agrees not (i) to modify, amend, extend, terminate or otherwise change the Sabres Space Lease, or (ii) to pay any rental amounts to CA other than in accordance with the provisions of the Sabres

Space Lease, or (iii) to make any additions, alterations or improvements to the premises therein described other than in accordance with the provisions of the Sabres Space Lease, without in each instance obtaining the prior written consent of the Construction Lenders and the Concession Lenders.

5.6.3 The term of the Sabres Space Lease has not commenced. The term of the Sabres Space Lease will be scheduled to expire at midnight of the last day of the thirtieth (30th) Lease Year (as defined in the Sabres Space Lease).

5.6.4 No payment of rent and other charges with respect to the premises demised under the Sabres Space Lease has been payable under the Sabres Space Lease to date; no rent or other amounts payable by NFH under the Sabres Space Lease or with respect to the premises demised therein have been or will be paid in advance of the due date thereof; no payment of charges and fees payable by CA to NFH under the Sabres Space Lease with respect to the premises demised therein have been paid to date; no amounts payable by CA to NFH under the Sabres Space Lease or with respect to the premises demised therein have been paid or will be accepted in advance of the due date thereof.

5.6.5 With respect to work heretofore performed by CA under the Sabres Space Lease, all of the obligations on the part of CA under the Sabres Space Lease for the performance of such work have been fully, completely and satisfactorily performed, free of any defenses and set-offs, and NFH has no claims against CA for incomplete performance or on account of any claimed defect in connection therewith; the improvements on the premises demised under the Sabres Space Lease are free from defects in design, materials and workmanship; pursuant to any and all of the approval rights of NFH provided for in the Sabres Space Lease, NFH hereby approves the plans and specifications set forth on Exhibit B attached hereto and by this reference incorporated herein.

5.6.6 To the best knowledge of NFH, no uncured default or breach has occurred under the Sabres Space Lease, by either CA or NFH; and, to the best knowledge of the NFH, no event has occurred which, with the passing of time or giving of notice or both, would constitute a default or breach under the Sabres Space Lease by either CA or NFH. NFH has no defenses, offsets, liens, claims, counterclaims or credits against CA.

5.6.7 NFH has received no notice of any prior assignment, sale, hypothecation or pledge by CA of the Sabres Space Lease or the rents payable thereunder, except to the Construction Lenders; NFH hereby consents to the assignment of the Sabres Space Lease, and the rental amounts payable thereunder to the Construction Lenders, in connection with the Construction Loan and agrees to pay all rent and other sums directly to the Construction Lenders upon receipt of notice from the Construction Lenders of the exercise of their rights to receive such amounts; NFH has not assigned the Sabres Space Lease, or sublet the premises demised therein, or any part thereof, except pursuant to the Concession Lease; NFH has no right, title or interest in any of the Improvements, other than (i) its interest in the premises pursuant to the Sabres Space Lease, (ii) its interest in personal property owned by the NFH and located in the premises demised under the Sabres Space Lease, and (iii) other interests of NFH as expressly and specifically set forth in the Sabres Space Lease.

5.6.8 The interest of CA under the Sabres Space Lease is to be assigned to the Construction Lenders solely as security for the purposes specified in the Assignment of Leases and Rents (referred to in Section 1.5 hereof), and the Construction Lenders shall have no duty, liability or obligation of any kind whatsoever, to NFH under the Sabres Space Lease, unless and until the Construction Lenders assume such liability in writing, in accordance with the terms thereof, except as contemplated in Section 3.1.2 and 3.1.3 hereof.

Section 5.7 BSC hereby represents, warrants and certifies as of this date, as follows:

5.7.1 The Concession Lease (i) is in full force and effect as of the date hereof; (ii) represents the entire agreement between NFH, as landlord therein, and BSC, as tenant therein, with respect to the premises therein described; (iii) has not been modified, altered, supplemented, changed or amended, in any manner whatsoever; and (iv) has been duly executed on behalf of the BSC by a duly authorized representative thereof and constitutes a legally valid instrument, binding and enforceable against BSC in accordance with its terms.

5.7.2 Except as otherwise expressly permitted by this Agreement, BSC hereby agrees not (i) to modify, amend, extend, terminate or otherwise change the Concession Lease, or (ii) to pay any rental amounts to NFH other than in accordance with the provisions of the Concession Lease, or (iii) to make any additions, alterations or improvements to the premises therein described other than in accordance with the provisions of the Concession Lease, without in each instance obtaining the prior written consent of the Concession Lenders.

5.7.3 The term of the Concession Lease has not commenced. The term of the Concession Lease is scheduled to expire at midnight of the last day of the thirtieth (30th) Lease Year (as defined in the Concession Lease).

5.7.4 No payment of rent and other charges with respect to the premises demised under the Concession Lease has been payable under the Concession Lease to date; no rent or other amounts payable by BSC under the Concession Lease or with respect to the premises demised therein have been or will be paid in advance of the due date thereof; no payment of charges and fees payable by NFH to BSC under the Concession Lease with respect to the premises demised therein have been paid to date; no amounts payable by NFH to BSC under the Concession Lease or with respect to the premises demised therein have been paid or will be accepted in advance of the due date thereof.

5.7.5 With respect to work heretofore performed by NFH under the Concession Lease, all of the obligations on the part of NFH under the Concession Lease for the performance of such work have been fully, completely and satisfactorily performed, free of any defenses and set-offs, and BSC has no claims against NFH for incomplete performance or on account of any claimed defect in connection therewith; the improvements on the premises demised under the Concession Lease are free from defects in design, materials and workmanship; pursuant to any and all of the approval rights of BSC provided for in the Concession Lease, BSC hereby approves the plans and specifications set forth on Exhibit B attached hereto and by this reference incorporated herein.

5.7.6 To the best knowledge of BSC, no uncured default or breach has occurred under the Concession Lease, by either NFH or BSC; and, to the best knowledge of the BSC, no event has occurred which, with the passing of time or giving of notice or both, would constitute a default or breach under the Concession Lease by either NFH or BSC. BSC has no defenses, offsets, liens, claims, counterclaims or credits against NFH.

5.7.7 BSC has received no notice of any prior assignment, sale, hypothecation or pledge by NFH of the Concession Lease or the rents payable thereunder; BSC has not assigned the Concession Lease, or sublet the premises demised therein, or any part thereof, except pursuant to the Concession Sublease and the Concession Mortgage and Assignment; BSC has no right, title or interest in any of the Improvements, other than (i) its interest in the premises demised pursuant to the Concession Lease, (ii) its interest in personal property owned by BSC and located in the

premises demised under the Concession Lease, and (iii) other interests of BSC as expressly and specifically set forth in the Concession Lease.

Section 5.8 Sportservice hereby represents, warrants and certifies as of this date, as follows:

5.8.1 The Concession Sublease (i) is in full force and effect as of the date hereof; (ii) represents the entire agreement between BSC, as landlord therein, and Sportservice, as tenant therein, with respect to the premises therein described; (iii) has not been modified, altered, supplemented, changed or amended, in any manner whatsoever; and (iv) has been duly executed on behalf of Sportservice by a duly authorized representative thereof and constitutes a legally valid instrument, binding and enforceable against Sportservice in accordance with its terms.

5.8.2 Except as otherwise expressly permitted by this Agreement, Sportservice hereby agrees not (i) to modify, amend, extend, terminate or otherwise change the Concession Sublease, or (ii) to pay any rental amounts to BSC other than in accordance with the provisions of the Concession Sublease, or (iii) to make any additions, alterations or improvements to the premises therein described other than in accordance with the provisions of the Concession Sublease, without in each instance obtaining the prior written consent of the Concession Lenders.

5.8.3 The term of the Concession Sublease has not commenced. The term of the Concession Sublease is scheduled to expire at midnight of the last day of the twentieth (20th) Lease Year (as defined in the Concession Sublease).

5.8.4 No payment of rent and other charges with respect to the premises demised under the Concession Sublease has been payable under the Concession Sublease to date; no rent or other amounts payable by Sportservice under the Concession Sublease or with respect to the premises demised therein have been or will be paid in advance of the due date thereof; no payment of charges and fees payable by BSC to Sportservice under the Concession Sublease with respect to the premises demised therein have been paid to date; no amounts payable by BSC to Sportservice under the Concession Sublease or with respect to the premises demised therein have been paid or will be accepted in advance of the due date thereof.

5.8.5 With respect to work heretofore performed by BSC under the Concession Sublease, all of the obligations on the part of BSC under the Concession Sublease for the performance of such work have been fully, completely and satisfactorily performed, free of any defenses and set-offs, and Sportservice has no claims against BSC for incomplete performance or on account of any claimed defect in connection therewith; the improvements on the premises demised under the Concession Sublease are free from defects in design, materials and workmanship; pursuant to any and all of the approval rights of Sportservice provided for in the Concession Sublease, Sportservice hereby approves the plans and specifications set forth on Exhibit B attached hereto and by this reference incorporated herein.

5.8.6 To the best knowledge of Sportservice, no uncured default or breach has occurred under the Concession Sublease, by either BSC or Sportservice; and, to the best knowledge of Sportservice, no event has occurred which, with the passing of time or giving of notice or both, would constitute a default or breach under the Concession Sublease by either BSC or Sportservice. Sportservice has no defenses, offsets, liens, claims, counterclaims or credits against BSC.

5.8.7 Sportservice has received no notice of any prior assignment, sale, hypothecation or pledge by BSC of the Concession Sublease or the rents payable thereunder, except to the Concession Lenders; Sportservice hereby consents to the assignment of the Concession

Sublease, and the rental amounts payable thereunder to the Concession Lenders, in connection with the Concession Loan and agrees to pay all rent and other sums directly to the Concession Lenders upon receipt of notice from the Concession Lenders of the exercise of their rights to receive such amounts; Sportservice has not assigned the Concession Sublease, or sublet the premises demised therein, or any part thereof; Sportservice has no right, title or interest in any of the Improvements, other than (i) its interest in the premises pursuant to the Concession Sublease, (ii) its interest in personal property owned by the Sportservice and located in the premises demised under the Concession Sublease, and (iii) other interests of Sportservice as expressly and specifically set forth in the Concession Sublease.

5.8.8 The interest of the BSC under the Concession Sublease is to be assigned to the Concession Lenders solely as security for the purposes specified in the Collateral Assignment of Leases and Rents (referred to in Section 1.6 hereof), and the Concession Lenders shall have no duty, liability or obligation of any kind whatsoever, to Sportservice under the Concession Sublease, unless and until the Concession Lenders assume such liability in writing, in accordance with the terms thereof, except as contemplated in Section 3.2.2 and 3.2.3 hereof.

ARTICLE 6 - MISCELLANEOUS

Section 6.1 This Agreement shall bind and inure to the benefit of the parties hereto and their successors and assigns. As used herein, the term "Lessee" or "Tenant" shall include the respective tenant under each of the Leases and its successors and assigns; the term "Lessor" or "Landlord" shall include the respective landlord under each of the Leases and its successors and assigns; the terms "foreclosure" and "foreclosure sale" as used herein shall be deemed to include the acquisition of Landlord's estate in the premises demised under any of the Leases by voluntary deed (or assignment) in lieu of foreclosure; and the term "Mortgagees" shall include (i) the Construction Lenders herein specifically named with respect to the Construction Mortgage and Assignment, all of the other lending institutions which are co-lenders in connection with the Construction Loan, any designee of any or all of the Construction Lenders, and any of their respective successors and assigns, including, without limitation any purchaser of the premises demised under the Project Sublease at a foreclosure sale; and (ii) the Concession Lenders herein specifically named with respect to the Concession Mortgage and Assignment, all of the other lending institutions which are co-lenders in connection with the Concession Loan, any designee of any or all of the Concession Lenders , and any of their respective successors and assigns, including, without limitation any purchaser of the premises demised under the Concession Lease at a foreclosure sale.

Notwithstanding any other provision of this Section 6.1, and except as this Agreement may expressly provide differently in other sections hereof, and except with respect to the exercise by ECIDA of its rights of assignment under Section 16.2(a) of the Project Sublease, no non-Lender party to this Agreement may assign any of its rights or delegate any of its obligations hereunder unless (a) simultaneously (i) all such rights are assigned, and all such obligations are delegated, to the same party, (ii) such party also becomes the assignee of all such assigning party's rights and the delegee of all such assigning party's duties, under any of the Construction Mortgage and Assignment, the Concession Mortgage and Assignment and/or any Lease, provided any such mortgage, assignment and/or lease permits such assignment and delegation, and (iii) such assigning party assigns to such party all of its other rights in or to, and delegates all of its other obligations regarding, all or part of the Site, any improvements thereto, or the Improvements; (b) such assignee agrees to abide by the terms of this Agreement; and (c) each Lender gives its prior written consent thereto, such consent not to be unreasonably withheld. Each non-Lender party to this Agreement hereby covenants that upon any assignment of its interest in or to all or part of the Site, any improvements thereto or the Improvements under any mortgage, lease or otherwise, it shall, as a

condition to such assignment, assign its interest hereunder to such party, and require such party to agree to abide by the terms of this Agreement (and for purposes of an assignment by ECIDA to the County, the County shall be deemed to so agree by execution of this Agreement). For the purposes of this Section 6.1, each reference to a document shall include all amendments, modifications, renewals and extensions thereof.

Section 6.2 Any notice to be delivered hereunder shall be in writing and shall be sent registered or certified mail, return receipt requested, addressed to the parties as follows:

If intended for BURA:

City of Buffalo Urban Renewal Agency
Room 290, City Hall
Buffalo, New York 14202
Attn.: Commissioner of Community Development

with a copy to:

Buffalo Urban Renewal Agency
Room 92, City Hall
Buffalo, New York 14202
Attn.: General Counsel

If intended for the City:

City of Buffalo
Room 201, City Hall
Buffalo, New York 14202
Attn.: Mayor

with a copy to:

Corporate Counsel
Room 1101, City Hall
Buffalo, New York 14202

with a copy to:

Kavinoky & Cook
120 Delaware Avenue
Buffalo, New York 14202
Attn.: Arnold B. Gardner, Esq.

If intended for the County:

County Office Building
95 Franklin Street
Buffalo, New York 14202
Attn.: Commissioner - Department of Environment and Planning

Richard Schechter, Esq.
Assistant County Attorney

69 Delaware Avenue, Suite 300
Buffalo, New York 14202

with a copy to:

Nixon, Hargrave, Devans & Doyle
1600 Main Place Tower
Buffalo, New York 14202
Attn.: Charles P. Jacobs, Esq.

If intended for ECIDA:

Erie County Industrial Development Agency
300 Liberty Building
Buffalo, New York 14202
Attn.: Executive Director and Chief Lending Officer

with a copy to:

Hurwitz & Fine, P.C.
1300 Liberty Building
Buffalo, New York 14202
Attn.: Robert P. Fine, Esq.

If intended for CA:

Crossroads Arena LLC
140 Main Street
Buffalo, New York 14202
Attn.: Executive Vice President, Arena, Inc.

with a copy to:

Robert O. Swados, Esq.
Jane F. Clemens, Atty.
Cohen, Swados, Wright, Hanifin, Bradford & Brett
70 Niagara Street
Buffalo, NY 14202

with a copy to:

Gerald S. Lippes, Esq.
Lippes, Silverstein, Mathias & Wexler
700 Guaranty Building
28 Church Street
Buffalo, NY 14202

If intended for NFH:

Niagara Frontier Hockey, L.P.
140 Main Street
Buffalo, New York 14202

Attn.: President and Chief Executive Officer

with a copy to:

Legal Department
Memorial Auditorium
140 Main Street
Buffalo, New York 14202

with a copy to:

Robert O. Swados, Esq.
Jane F. Clemens, Atty.
Cohen, Swados, Wright, Hanifin, Bradford & Brett
70 Niagara Street
Buffalo, NY 14202

If intended for BSC:

Buffalo Sabres Concession LLC
140 Main Street
Buffalo, New York 14202
Attn.: Executive Vice President, Arena, Inc.

with a copy to:

Robert O. Swados, Esq.
Jane F. Clemens, Atty.
Cohen, Swados, Wright, Hanifin, Bradford & Brett
70 Niagara Street
Buffalo, NY 14202

with a copy to:

William E. Mathias, II, Esq.
Lippes, Silverstein, Mathias & Wexler
700 Guaranty Building
28 Church Street
Buffalo, NY 14202

If intended for Sportservice:

New York Sportservice, Inc.
438 Main Street
Buffalo, New York 14202
Attn.: G. Gail Edwards, Vice President and Treasurer and
Janice R. Trybus, Senior Assistant General Counsel

and

Sportservice, Corporation
438 Main Street

Buffalo, New York 14202
Attn.: President

with a copy to:

Philip J. Szabla, Esq.
Albrecht, Maguire, Heffern & Gregg, P.C.
2100 Main Place Tower
Buffalo, NY 14202

If intended for Marine:

Marine Midland Bank
c/o Regional Commercial Banking Department
One Marine Midland Center, Lobby Level
Buffalo, New York 14203
Attn.: Manager

with a copy to:

James H. Watz, Esq.
Phillips, Lytle, Hitchcock, Blaine & Huber
3400 Marine Midland Center
Buffalo, NY 14203

If intended for Key:

Key Bank of New York
50 Fountain Plaza
Buffalo, New York 14203
Attn.: James L. Rykowski

with a copy to:

Joseph R. Cavan, Esq.
210 Ellicott Square Building
Buffalo, NY 14203

If intended for Shawmut:

Shawmut Bank, N.A.
One Federal Street
Boston, MA 02211
Attn.: David A. Splaine, Managing Director

with a copy to:

Jordan P. Krasnow, Esq.
Goulston & Storrs, P.C.
400 Atlantic Avenue
Boston, MA 02110-3333

If intended for Fleet:

Fleet Bank
10 Fountain Plaza
Buffalo, New York 14202
Attn.: John Larry, Vice President

with a copy to:

Thomas A. Palmer, Esq.
Jaeckle, Fleischmann & Mugel
Fleet Bank Building
12 Fountain Plaza
Buffalo, NY 14202

Section 6.3 In case of any conflict between the terms of this Agreement and of any Lease, the terms of this Agreement shall control.

Section 6.4 This Agreement, excepting Article 3 thereof, may not be modified, changed or amended, except in writing signed (i) by each party then holding Landlord's interest under each of the Leases then in effect; (ii) by each party then holding Tenant's interest under each of the Leases then in effect; (iii) by the Construction Lenders, until the Construction Mortgage and Assignment have been fully released; and (iv) by the Concession Lenders, until the Concession Mortgage and Assignment have been fully released. Section 3.1 of this Agreement may not be modified, changed or amended, except in writing signed by the Landlord and Tenant under the Sabres Space Lease and the Construction Lenders. Section 3.2 of this Agreement may not be modified, changed or amended, except in writing signed by the Landlord and Tenant under the Concession Sublease and the Concession Lenders. Copies of any modifications, changes or amendments to this Agreement shall be forwarded to all parties hereto simultaneously with the execution thereof.

Section 6.5 With respect to ECIDA, it is agreed that ECIDA and its officers, members, employees, agents and directors shall have no personal liability hereunder, nor in their capacity as officers, members, employees, agents and directors. No provision, covenant or agreement contained in this Agreement or any obligation herein imposed upon ECIDA or the breach thereof shall constitute or give rise to or impose upon ECIDA a pecuniary liability or a charge upon its general credit. All covenants, stipulations, promises, agreements and obligations of ECIDA contained herein shall be the covenants, stipulations, promises, agreements and obligations of ECIDA and not of any member, director, employee, officer or agent of ECIDA in his or her individual capacity. Any action required of ECIDA hereunder is specifically conditioned upon any reasonable cost and expense of ECIDA and its counsel, if any, being first paid or provided for to ECIDA's satisfaction.

Section 6.6 If any provision of this Agreement or the application thereof to any party hereto or circumstance shall be invalid or unenforceable to any extent, the remainder of this Agreement and the application, validity and enforceability of such provisions to other parties hereto or circumstances shall not be affected thereby and shall be enforced to the fullest extent permitted by law. In the event a party's actions under, or enforcement or application of, a provision in this Agreement is found to be invalid because of such party's action, such finding shall not affect another party's ability to enforce or apply the same provision.

Section 6.7 In the event of any conflict between the terms of this Agreement and the Financing Participants' Agreement, the terms of the Financing Participants' Agreement shall govern.

Section 6.8 Each party hereto agrees that this Agreement shall be deemed incorporated in each Lease to which such party hereto is either a landlord or a tenant for all purposes as if fully set forth therein.

Section 6.9 In entering into this Agreement, each of BURA, the City, the County and ECIDA is acting in a proprietary rather than a governmental capacity.

Section 6.10 This Agreement shall be construed in accordance with and governed by the laws of the State of New York(without regard to conflicts of laws rules).

Section 6.11 JURISDICTION AND VENUE; WAIVER OF JURY TRIAL. THE PARTIES HERETO HEREBY ACKNOWLEDGE THAT THE TRANSACTION EVIDENCED HEREBY IS A COMMERCIAL TRANSACTION. THE PARTIES HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY (A) SUBMIT TO PERSONAL JURISDICTION IN AND OVER ANY SUIT, ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT, AND (B) WAIVE ANY AND ALL PERSONAL RIGHTS UNDER THE LAWS OF ANY STATE TO OBJECT TO JURISDICTION WITHIN THE STATE OF NEW YORK OR VENUE IN ANY PARTICULAR FORUM WITHIN THE STATE OF NEW YORK. THE PARTIES HERETO AGREE THAT, IN ADDITION TO ANY METHODS OF SERVICE OF PROCESS PROVIDED FOR UNDER APPLICABLE LAW, ALL SERVICE OF PROCESS IN ANY SUCH SUIT, ACTION OR PROCEEDING MAY BE MADE BY CERTIFIED OR REGISTERED MAIL, RETURN RECEIPT REQUESTED, DIRECTED TO ANY PARTY HERETO AT THE ADDRESS SET FORTH ABOVE, AND SERVICE SO MADE SHALL BE COMPLETE FIVE (5) DAYS AFTER THE SAME SHALL BE SO MAILED. INITIATING SUCH SUIT, ACTION OR PROCEEDING OR TAKING SUCH ACTION IN ANY STATE SHALL IN NO EVENT CONSTITUTE A WAIVER OF THE AGREEMENT CONTAINED HEREIN THAT THE LAWS OF THE STATE OF NEW YORK SHALL GOVERN THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER OR THE SUBMISSION HEREIN MADE BY THE PARTIES HERETO TO PERSONAL JURISDICTION WITHIN THE STATE OF NEW YORK. THE PARTIES HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE ANY AND ALL RIGHTS TO A TRIAL BY JURY IN ANY JURISDICTION AND IN ANY COURT WITH RESPECT TO, IN CONNECTION WITH, OR ARISING OUT OF THIS AGREEMENT OR THE OBLIGATIONS HEREUNDER, OR ANY CLAIM OR DISPUTE HOWSOEVER ARISING HEREUNDER BETWEEN OR AMONG THE PARTIES. THE PARTIES HERETO FURTHER CONFIRM THAT THE FOREGOING WAIVERS ARE INFORMED AND FREELY MADE.

Section 6.12 The non-Lender parties hereto agree that each and every provision of this Agreement is material and that the Lenders will suffer irreparable injury in the event that any provision of this Agreement is not performed in accordance with its specific terms or is otherwise breached by a non-Lender party. It is accordingly agreed that the Lenders will be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof, all without limiting any other relief or remedy to which the Lenders may be entitled at law or equity, or under this Agreement or any other agreement related to or arising out of the transactions contemplated herein.

Section 6.13 If, under New York State law, an interest in property created or authorized by this Agreement (or by any instrument executed and delivered in connection with the execution

and delivery of this Agreement) would be invalid unless it must vest, if at all, within a specific time period, then any such interest in property which shall not have vested earlier than twenty-one (21) years after the death of the last to die of the following named persons living on the date of signing of this Agreement shall vest on the last day of such twenty-first (21st) year:

Daniel J. DePofi
428 Chicora Road
Lewiston, New York 14092
and
Lawrence Quinn
21 St. Catherines Court
Buffalo, New York 14222.

Section 6.14 This Agreement may be signed in any number of counterparts, each of which shall be an original for all purposes.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as an instrument under seal as of the day and year first above written.

BUFFALO URBAN RENEWAL AGENCY

By: _____
Name:
Title:
Hereunto duly authorized

APPROVED
AS TO FORM ONLY

EDWARD D. REACE
Corporation Counsel
BY _____

CITY OF BUFFALO

By: _____
Name:
Title:
Hereunto duly authorized

ERIE COUNTY

By: _____
Name:
Title:
Hereunto duly authorized

ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

By: _____
Name:
Title:
Hereunto duly authorized

CROSSROADS ARENA, LLC

By: Niagara Frontier Hockey, L.P.

By: Niagara Frontier Hockey Management Corporation its General Partner

By: _____
Name:
Title
Hereunto duly authorized

IN WITNESS WHEREOF, the parties hereto have executed this agreement as an instrument under seal as of the day and year first above written.

BUFFALO URBAN RENEWAL AGENCY

By:_____
Name:
Title:
Hereunto duly authorized

CITY OF BUFFALO

By:_____
Name:
Title:
Hereunto duly authorized

ERIE COUNTY

By:_____
Name: Dennis T. Gorski
Title: County Executive
Hereunto duly authorized

Approved As To Form

_____
County Attorney

Approved As To Content

_____
Commissioner, Erie County Department of Environment and Planning

ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

By:_____
Name:
Title:
Hereunto duly authorized

CROSSROADS ARENA, LLC

By: Niagara Frontier Hockey, L.P.

By: Niagara Frontier Hockey Management Corporation its General Partner

By:_____
Name:
Title
Hereunto duly authorized

Approved As To Form

By:_____
County Attorney

Approved As To Content

By:_____
Commissioner, Erie County Department of Environment and Planning

ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

By:_____
Name: Ronald W. Coan
Title: Executive Director
Hereunto duly authorized

CROSSROADS ARENA, LLC

By: Niagara Frontier Hockey, L.P.

By: Niagara Frontier Hockey Management Corporation its General Partner

By:_____
Name: Daniel J. DiPofi
Title Vice President of Finance
Hereunto duly authorized

By: Arena, Inc.

By:_____
Name: Lawrence Quinn
Title: Executive Vice President
Hereunto duly authorized:

Being all the members thereof

NIAGARA FRONTIER HOCKEY, L.P.

By: Niagara Frontier Hockey Management Corporation, Its General Partner

By: _____
Name: Daniel J. DiPofi
Title: Vice President of Finance
Hereunto duly authorized

BUFFALO SABRES CONCESSION LLC

By: Niagara Frontier Hockey, L.P.

By: Niagara Frontier Hockey Management Corporation, its General Partner

By: _____
Name: Daniel J. DiPofi
Title: Vice President of Finance
Hereunto duly authorized

By: Niagara Frontier Hockey Management Corporation

By: _____
Name: Daniel J. DiPofi
Title: Vice President of Finance
Hereunto duly authorized

Being the sole members thereof

NEW YORK SPORTSERVICE, INC.

By: _____
Name: Michael F. Thompson
Title: President
Hereunto duly authorized

SPORTSERVICE CORPORATION

By: _____
Name: Michael F. Thompson
Title: President
Hereunto duly authorized

MARINE MIDLAND BANK.

By: Gilbert F Bartels
Name: Gilbert F. Bartels
Title: Senior Vice President
Hereunto duly authorized

KEY BANK OF NEW YORK

By: James L. Rykowski
Name: JAMES L. RYKOWSKI
Title: VICE PRESIDENT
Hereunto duly authorized

SHAWMUT BANK, N.A.

By:_____
Name:
Title:
Hereunto duly authorized

FLEET BANK

By: John J. Larry
Name: John J Larry
Title: Vice President
Hereunto duly authorized

KEY BANK OF NEW YORK

By:_____
Name:
Title:
Hereunto duly authorized

SHAWMUT BANK, N.A.

By:_____
Name: David A Splain
Title: Manager Director
Hereunto duly authorized

FLEET BANK

By:_____
Name:
Title:
Hereunto duly authorized

STATE OF NEW YORK)
) SS.
COUNTY OF _____)

On this ____ day of , 1995, personally appeared the above-named _____, the _____ of BUFFALO URBAN RENEWAL AGENCY and acknowledged the foregoing instrument to be his/her free act and deed as _____ of BUFFALO URBAN RENEWAL AGENCY, and the free act and deed of BUFFALO URBAN RENEWAL AGENCY, before me,

_____
Notary Public
My Commission Expires:_____

FLEET BANK

By:_____
Name:
Title:
Hereunto duly authorized

STATE OF NEW YORK)
) SS.
COUNTY OF Erie)

On this 22 day of May, 1995, personally appeared the above-named Anthony M. Masiello, the Chairman of BUFFALO URBAN RENEWAL AGENCY and acknowledged the foregoing instrument to be his/~~her~~ free act and deed as Chairman of BUFFALO URBAN RENEWAL AGENCY, and the free act and deed of BUFFALO URBAN RENEWAL AGENCY, before me,

JOANNE CAVALIERI
Notary Public, State of New York
Qualified in Erie County
My Commission Expires Jan. 31, 1997

Joanne Cavalieri
Notary Public
My Commission Expires: 1/31/97

STATE OF NEW YORK)
) SS.
COUNTY OF Erie)

On this 22 day of May, 1995, personally appeared the above-named Anthony M. Masiello, the Mayor of CITY OF BUFFALO and acknowledged the foregoing instrument to be his/~~her~~ free act and deed as Mayor of CITY OF BUFFALO, and the free act and deed of CITY OF BUFFALO, before me,

Joanne Cavalieri
Notary Public
My Commission Expires: 1/31/97

JOANNE CAVALIERI
Notary Public, State of New York
Qualified in Erie County
My Commission Expires Jan. 31, 1997

STATE OF NEW YORK)
) SS.
COUNTY OF _____)

On this ____ day of , 1995, personally appeared the above-named _____, the _____ of ERIE COUNTY and acknowledged

FLEET BANK

By:_____
Name:
Title:
Hereunto duly authorized

STATE OF NEW YORK)
) SS.
COUNTY OF _____)

On this ____ day of , 1995, personally appeared the above-named _____, the _____ of BUFFALO URBAN RENEWAL AGENCY and acknowledged the foregoing instrument to be his/her free act and deed as _____ of BUFFALO URBAN RENEWAL AGENCY, and the free act and deed of BUFFALO URBAN RENEWAL AGENCY, before me,

_____
Notary Public
My Commission Expires:_____

STATE OF NEW YORK)
) SS.
COUNTY OF _____)

On this ____ day of , 1995, personally appeared the above-named _____, the _____ of CITY OF BUFFALO and acknowledged the foregoing instrument to be his/her free act and deed as _____ of CITY OF BUFFALO, and the free act and deed of CITY OF BUFFALO, before me,

_____
Notary Public
My Commission Expires:_____

STATE OF NEW YORK)
) SS.
COUNTY OF Erie)

On this 22 day of May, 1995, personally appeared the above-named Dennis T. Gorski, the County Executive of ERIE COUNTY and acknowledged

the foregoing instrument to be his/her free act and deed as County Executive of ERIE COUNTY, and the free act and deed of ERIE COUNTY, before me,

Whitney K. Reed
Notary Public
My Commission Expires: 10/5/96

WHITNEY K. REED
Notary Public, State of New York
No. 01RE5002610
Qualified in Monroe County
Certificate Filed in Ontario County
Commission Expires Oct. 5, 1996

STATE OF NEW YORK)
) SS.
COUNTY OF _____)

On this ____ day of , 1995, personally appeared the above-named _____, the _____ of ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY, and acknowledged the foregoing instrument to be his/her free act and deed as _____ of ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY, and the free act and deed of ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY, before me,

_____
Notary Public
My Commission Expires:_____

STATE OF NEW YORK)
) SS.
COUNTY OF _____)

On this _____ day of , 1995, personally appeared the above named _____, the _____ of Niagara Frontier Hockey Management Corporation, the general partner of Niagara Frontier Hockey, L.P., a member of CROSSROADS ARENA, LLC, and acknowledged the foregoing to be his/her free act and deed as _____ of Niagara Frontier Hockey Management Corporation, the free act and deed of said Niagara Frontier Hockey Management Corporation as the general partner of Niagara Frontier Hockey, L.P., and the free act and deed of said Niagara Frontier Hockey, L.P. on behalf of CROSSROADS ARENA, LLC, before me,

_____
Notary Public
My commission Expires:_____

STATE OF NEW YORK)
COUNTY OF ERIE) SS.:

On this 23rd day of May, 1995, before me personally came Ronald W. Coan, to me known to be the person who executed the foregoing instrument and who being duly sworn by me, did deposes and say that he resides in Amherst, New York, that he is the Executive Director of the ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY, the agency described in, and which executed the above instrument; and that the foregoing instrument was executed by order of the board of directors of said agency and that he signed his name thereto by like order.

Notary Public

JANET M. NOVAKOWSKI GABEL
Notary Public, State of New York
Qualified in Genesee County
My Commission Expires October 31 19 95

STATE OF NEW YORK)
COUNTY OF ERIE) SS.:

On this 23rd day of May, 1995, before me personally came Lawrence Quinn, to me known, who, being by me duly sworn, did depose and say that he resides at 21 St. Catherines Ct., Buffalo, New York; that he is the Executive Vice President of ARENA, INC., a member of CROSSROADS ARENA LLC, the New York limited liability company described in, and which executed, the foregoing instrument; and that he signed his name thereto by order of the board of directors of the said corporation.

Notary Public

JANET M. NOVAKOWSKI GABEL
Notary Public, State of New York
Qualified in Genesee County
My Commission Expires October 31 19 95

STATE OF NEW YORK)
COUNTY OF ERIE) SS.:

On this 23rd day of May, 1995, before me personally came Daniel J. DiPofi, to me known, who, being by me duly sworn, did depose and say that he resides at 428 Chicora Road, Lewiston, New York; that he is the Vice President of Finance of NIAGARA FRONTIER HOCKEY MANAGEMENT CORPORATION, the general partner of NIAGARA FRONTIER HOCKEY, L.P., a member of CROSSROADS ARENA LLC, the New York limited liability company described in, and which executed, the foregoing instrument; and that he signed his name thereto by order of the board of directors of the said corporation.

Notary Public

JANET M. NOVAKOWSKI GABEL
Notary Public, State of New York
Qualified in Genesee County
My Commission Expires October 31 19 95

STATE OF NEW YORK)
COUNTY OF ERIE) SS.:

On this 23rd day of May, 1995, before me personally came Daniel J. DiPofi, to me known, who, being by me duly sworn, did depose and say that he resides at 428 Chicora Road, Lewiston, New York; that he is the Vice President of Finance of NIAGARA FRONTIER HOCKEY MANAGEMENT CORPORATION, the general partner of NIAGARA FRONTIER HOCKEY, L.P., described in, and which executed, the foregoing instrument; and that he signed his name thereto by order of the board of directors of the General Partner of the limited partnership.

Notary Public

JANET M. NOVAKOWSKI GABEL
Notary Public, State of New York
Qualified in Genesee County
My Commission Expires October 31 19 95

STATE OF NEW YORK)
COUNTY OF ERIE) SS.:

On this 23rd day of May, 1995, before me personally came Daniel J. DiPofi, to me known, who, being by me duly sworn, did depose and say that he resides at 428 Chicora Road, Lewiston, New York; that he is the Vice President of Finance of NIAGARA FRONTIER HOCKEY MANAGEMENT CORPORATION, the general partner of NIAGARA FRONTIER HOCKEY, L.P., a member of BUFFALO SABRES CONCESSION LLC, the New York limited liability company described in, and which executed, the foregoing instrument; and that he signed his name thereto by order of the board of directors of the General Partner of the limited partnership.

Notary Public

JANET M NOVAKOWSKI GABEL
Notary Public, State of New York
Qualified in Genesee County
My Commission Expires October 31 19 95

STATE OF NEW YORK)
COUNTY OF ERIE) SS.:

On this 23rd day of May, 1995, before me personally came Daniel J. DiPofi, to me known, who, being by me duly sworn, did depose and say that he resides at 428 Chicora Road, Lewiston, New York; that he is the Vice President of Finance of NIAGARA FRONTIER HOCKEY MANAGEMENT CORPORATION, a member of BUFFALO SABRES CONCESSION LLC, the New York limited liability company described in, and which executed, the foregoing instrument; and that he signed his name thereto by order of the board of directors of the Member of the Limited Liability Company.

Notary Public

JANET M NOVAKOWSKI GABEL
Notary Public, State of New York
Qualified in Genesee County
My Commission Expires October 31 19 95

STATE OF NEW YORK)
COUNTY OF ERIE) SS.:

On this 22nd day of May, 1995, before me personally came Michael F. Thompson, to me known, who, being by me duly sworn, did depose and say that he resides at 208 Viscount Drive, Williamsville, New York; that he is the President of NEW YORK SPORTSERVICE, INC.; the corporation described in and which executed the above instrument; and that he signed his name thereto by order of the Board of Directors.

Notary Public

JANET M NOVAKOWSKI GABEL
Notary Public, State of New York
Qualified in Genesee County
My Commission Expires October 31 19 95

STATE OF NEW YORK)
COUNTY OF ERIE) SS.:

On this 22nd day of May, 1995, before me personally came Michael F. Thompson, to me known, who, being by me duly sworn, did depose and say that he resides at 208 Viscount Drive, Williamsville, New York; that he is the President of SPORTSERVICE CORPORATION; the corporation described in and which executed the above instrument; and that he signed his name thereto by order of the Board of Directors.

Notary Public

JANET M NOVAKOWSKI GABEL
Notary Public, State of New York
Qualified in Genesee County
My Commission Expires October 31 19 95

STATE OF NEW YORK)
COUNTY OF ERIE) SS.:

On this 2nd day of ~~May~~ June, 1995, before me personally came Eilert F. Bartels, to me known to be the person who executed the foregoing instrument and who being duly sworn by me, did depose and say that he resides at 8355 Black Walnut Drive, East Amherst, New York, that he is a Sr. Vice President of MARINE MIDLAND BANK, the corporation described in, and which executed the above instrument; and that he signed his name thereto by order of the board of directors of said corporation.

Kelly K. McCormack
Notary Public
KELLY K. McCORMACK
Notary Public, State of New York
Qualified in Erie County
My Commission Expires 5/20/19 97

STATE OF NEW YORK)
COUNTY OF ERIE) SS.:

On this 24th day of May, 1995, before me personally came James L. Rykowski, to me known to be the person who executed the foregoing instrument and who being duly sworn by me, did depose and say that he resides at 17 Kings Ct., Orchard Park, New York, that he is a Vice President of KEY BANK OF NEW YORK, the corporation described in, and which executed the above instrument; and that he signed his name thereto by order of the board of directors of said corporation.

Janet M. Novakowski Gabel
Notary Public
JANET M. NOVAKOWSKI GABEL
Notary Public, State of New York
Qualified in Genesee County
My Commission Expires October 31 19 95

LBpo/250453

STATE OF NEW YORK)
) ss.
COUNTY)

On this _____ day of _____, personally appeared _____ known to me to be the _____ of MARINE MIDLAND BANK, the corporation which executed the foregoing instrument, who acknowledged that the foregoing instrument was signed and sealed for and on behalf of MARINE MIDLAND BANK by authority of its Board of Directors and that the same is his/her free act and deed in such capacity and the free act and deed of said MARINE MIDLAND BANK, before me,

_____
Notary Public
My Commission Expires:

STATE OF NEW YORK)
) ss.
COUNTY)

On this _____ day of _____, personally appeared _____ known to me to be the _____ of KEY BANK OF NEW YORK, the corporation which executed the foregoing instrument, who acknowledged that the foregoing instrument was signed and sealed for and on behalf of said KEY BANK OF NEW YORK by authority of its Board of Directors and that the same is his/her free act and deed in such capacity and the free act and deed of said KEY BANK OF NEW YORK, before me,

_____
Notary Public
My Commission Expires:

COMMONWEALTH OF MASSACHUSETTS
~~STATE OF NEW YORK~~)
) SS.
COUNTY OF SUFFOLK)

On this 17th day of May, 1995, personally appeared David A. Splaine known to me to be the Managing Director of SHAWMUT BANK, N.A., the corporation which executed the foregoing instrument, who acknowledged that the foregoing instrument was signed and sealed for and on behalf of said SHAWMUT BANK, N.A. by authority of its Board of Directors and that the same is his/her free act and deed in such capacity and the free act and deed of said SHAWMUT BANK, N.A., before me,

Jordan P. Kramer
Notary Public
My Commission Expires:
JORDAN P. KRAMER, Notary Public
My Commission Expires November 26, 1999

STATE OF NEW YORK)
COUNTY OF ERIE) SS.:

On this 23rd day of May, 1995 , before me personally came John J. Larry, to me known to be the person who executed the foregoing instrument and who being duly sworn by me, did deposes and say that he resides Grand Island, New York, that he is a Vice President of FLEET BANK, the corporation described in, and which executed the above instrument; and that he signed his name thereto by order of the board of directors of said corporation.

Notary Public

GS1-16437

JANET M NOVAKOWSKI GABEL
Notary Public, State of New York
Qualified in Genesee County
My Commission Expires October 31 1995