INDEX TO CLOSING DOCUMENTS
CROSSROADS ARENA

CLOSED JUNE 2, 1995
DOCUMENTS RECORDED JUNE 5, 1995

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")
Shawmut Bank, N.A.	("Shawmut")
New York Sportservice Inc.	("Sportservice")

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47597

CITY OF BUFFALO
DEPARTMENT OF LAW

ANTHONY M. MASIELLO
MAYOR

EDWARD D. PEACE
CORPORATION COUNSEL

1100 CITY HALL
BUFFALO, NY 14202
(716) 851-4343
FAX: (716) 851-4105

June 2, 1995

The City of Buffalo Urban
Renewal Agency
City Hall
Buffalo, New York 14202

The County of Erie
95 Franklin Street
County Office Building
Buffalo, New York 14202

New York State Urban Development Corporation
1515 Broadway
New York, New York 10036

Erie County Industrial Development Agency
Suite 300, Liberty Building
Buffalo, New York 14202

Crossroads Arena LLC
140 Main Street
Buffalo, New York 14202

Dear Sir/Madam:

Re: Development and Construction Agreement

I am the Corporation Counsel of the City of Buffalo (the "City") and I have represented the City in connection with the authorization, execution, and delivery by the City of the Development and Construction Agreement by and among Crossroads Arena LLC, the City, the County of Erie, the New York State Urban Development Corporation, the Buffalo Urban Renewal Agency and the Erie County Industrial Development Agency dated as of May 10,1995 (the "Agreement") and related documents executed by the City in connection therewith. Terms used but not defined in this letter will have the meanings given in the Agreement. This opinion is delivered to you pursuant to Section 7.04 of the Agreement and may not be used for any other purpose or relied upon by anyone else without my express written authorization.

The opinions set forth in this letter, whether or not qualified by the phrase "to my knowledge," are subject to the following qualifications:

1. The opinions set forth in this letter are based solely upon, as Corporation Counsel, (a) my review of originals or copies, certified or otherwise identified to my satisfaction, of each of (i) the Agreement, (ii) any related documents executed by the City in connection therewith (items (i) and (ii) being collectively the "Reviewed Documents"), (b) discussions with City officials ("Official Discussions") and (c) such review of published sources of law as I have deemed necessary based solely upon my review of the Reviewed Documents and the Official Discussions ("Published Law"). Other than my review of the Reviewed Documents and the Official Discussions, I have made no inquiry or other investigation as to any factual matter.

2. I have assumed without any inquiry or other investigation (a) the legal capacity of each natural person, (b) the full power and authority of each person other than the City to execute, deliver, and perform each document heretofore executed and delivered or hereafter to be executed and delivered and to do each other act heretofore done or hereafter to be done by such person, (c) the due authorization, execution, and delivery by each person other than the City of each document heretofore executed and delivered or hereafter to be executed and delivered by such person and the due authorization and doing by such person of each other act heretofore done or hereafter to be done by such person, (d) the legality, validity, binding effect and enforceability as to each person other than the City in connection with each of the Reviewed Documents and each document heretofore executed and delivered or hereafter to be executed and delivered and of each other act heretofore done or hereafter to be done by such person, (e) the authenticity of each document submitted to me as the original, the conformity to the original of each document submitted to me as a copy and the authenticity of the original of each document submitted to me as a copy and (f) the truthfulness of each statement as to any factual matter contained in any of the Reviewed Documents.

3. I do not express any opinion concerning any law other than the law of New York.

4. The validity, binding effect or enforceability of any document may be limited or otherwise affected by (a) any bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or other similar statute, rule, regulation, or other law affecting the enforcement of creditor's rights and remedies generally or (b) the unavailability of, or any limitations on the availability of, any particular right or remedy (whether in a proceeding in equity or at law) because of the discretion of a court or because of any equitable principle or requirement as to commercial reasonableness, conscionability or good faith.

5. I do not express any opinion as to the validity, binding effect or enforceability of Section 9 of the Financing Participants Agreement or Section 9.01 of the Operating Agreement which are two documents related to the Agreement.

Subject to the qualifications set forth in this letter, it is my opinion that as of the date of this letter:

(a) The City is a public body corporate and politic, legally and validly existing under the laws of the State of New York (the "State") and 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 into the Agreement, and to execute, deliver, and comply with the Agreement and any documents executed and delivered in connection therewith to which it is a party; and to perform all of its obligations under the Agreement and any documents executed and delivered in connection therewith or contemplated thereby, all of which have been duly authorized by all proper and necessary action.

(b) The execution and delivery of the Agreement and any documents executed and delivered in connection with the Agreement to which it is a party, and the performance of its obligations thereunder do 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 the City 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 the Agreement and the transaction contemplated thereunder) upon or with respect to the City's assets with respect to the Project, as applicable.

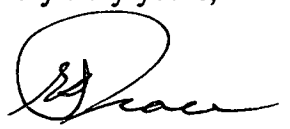
(c) The Agreement and the documents executed and delivered in connection therewith does constitute the legal, valid and binding obligations of the City enforceable against it in accordance with their respective terms.

(d) There are no actions, suits, proceedings (whether or not purportedly on behalf of the City) or investigations relating to the Project pending or to the best of my knowledge, threatened against the City or any basis therefor (a) which would, if adversely determined, in any case or in the aggregate, adversely affect the ability of the City to pay when due any amounts which may become payable by the City 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 the Agreement or any document executed and delivered by the City in connection therewith or any action to be taken pursuant to the foregoing.

(e) The City 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 by the City of the Agreement and any document executed and delivered by the City in connection therewith or any action to be taken pursuant to the foregoing, other than filings and recordings relating to collateral documents.

(f) The Project as described in The Crossroads Design and its anticipated use complies with all applicable City zoning laws, rules and regulations.

Very truly yours,



Edward D. Peace
Corporation Counsel

EDP:mav

T:\SABRES\WPDOCS\OPINION.DEV

Buffalo Urban Renewal Agency
920 City Hall, Buffalo, New York 14202-3376
716-851-5035

Anthony M. Masiello, Chairman

May 30, 1995

The City of Buffalo
City Hall
Buffalo, New York 14202

The County of Erie
95 Franklin Street
County Office Building
Buffalo, New York 14202

New York State Urban Development Corporation
1515 Broadway
New York, New York 10036

Erie County Industrial Development Agency
Suite 300, Liberty Building
Buffalo, New York 14202

Crossroads Arena LLC
140 Main Street
Buffalo, New York 14202

Dear Sir/Madam:

Re: Development and Construction Agreement

I am the General Counsel of the City of Buffalo Urban Renewal Agency ("BURA") and I have represented BURA in connection with the authorization, execution and delivery of the Development and Construction Agreement by and among Crossroads Arena LLC, the City of Buffalo, BURA, the County of Erie, the New York State Urban Development Corporation and the Erie County Industrial Development Agency dated as of May 10, 1995 (the "Agreement") and related documents executed in connection therewith relating to the design, development, construction and equipping of the Project. Terms used but not defined in this letter will have the meanings given in the Agreement. This opinion is delivered to you pursuant to Section 7.04 of the Agreement.

The opinions set forth in this letter, whether or not qualified by the phrase "to my knowledge," are subject to the following qualifications:

1. As General Counsel to BURA, I have examined originals or copies, certified or otherwise identified to my satisfaction of each of, (i) the Agreement and (ii) the documents listed on Schedule A attached to and made a part of this letter, (items (i) and (ii) being collectively the "Reviewed Documents"). In addition, I have examined such other records and documents as I have deemed relevant or material in order to enable me to render the opinions set forth herein. I have examined and relied upon such certificates, agreements, documents and other papers, and have made such inquiries of BURA and conducted such investigations of law as I have deemed appropriate and necessary.

2. I have assumed without any inquiry or other investigation (a) the legal capacity of each natural person, (b) the full power and authority of each person other than BURA in connection with each of the Reviewed Documents to execute, deliver, and perform each of the Reviewed Documents and each document heretofore executed and delivered or hereafter to be executed and delivered and to do each other act heretofore done or hereafter to be done by such person, (c) the due authorization, execution and delivery by each person other than BURA in connection with each of the Reviewed Documents and each document heretofore executed and delivered or hereafter to be executed and delivered by such person and the due authorization and doing by such person of each other act heretofore done or hereafter to be done by such person, (d) the legality, validity, binding effect and enforceability as to each person other than BURA in connection with each of the Reviewed Documents and each document heretofore executed and delivered or hereafter to be executed and delivered and of each other act heretofore done or hereafter to be done by such person, (e) the authenticity of each document submitted to me as the original, the conformity to the original of each document submitted to me as a copy and the authenticity of the original of each document submitted to me as a copy and (f) the truthfulness of each statement as to any factual matter contained in any of the Reviewed Documents.

Subject to the qualifications set forth in this letter, it is my opinion that:

(a) BURA is a public benefit corporation, legally formed and validly existing under New York General Municipal Law, § 639, and has all necessary powers and authority to transact the business in which it is engaged, as provided in NYGML, Art. 15 and 15-A; is in good standing and has all the necessary powers and authority to enter into the Agreement and any other documents executed and delivered in connection therewith to which BURA is a party, and to execute, deliver and comply with the Agreement and any documents executed and delivered in connection therewith to which it is a party; and to perform all of its obligations under the Agreement any other documents executed and delivered in connection therewith to which BURA is a party or contemplated thereby, all of which have been duly authorized by all proper and necessary action.

(b) The execution and delivery of the Agreement and any documents executed and delivered in connection with the Agreement to which BURA is a party, and the performance of its obligations thereunder do not and 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 BURA 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 the Agreement and the transaction contemplated thereunder) upon or with respect to BURA's assets with respect to the Project.

(c) The Agreement and the documents executed in connection therewith, to which BURA is a party, constitute the legal, valid and binding obligations of BURA, 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.

(d) There are no actions, suits, proceedings (whether or not purportedly on behalf of BURA) or investigations relating to the Project pending or to the best of my knowledge, threatened against BURA or any basis therefor (i) which would, if adversely determined, in any case or in the aggregate, adversely affect the ability of BURA 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 (ii) which question the validity of the Agreement or any document contemplated thereby or executed in connection therewith or any action to be taken pursuant of the foregoing.

(e) BURA 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 the Agreement and any other document contemplated by or executed in connection therewith or any action to be taken pursuant to the foregoing, other than filings and recordings related to collateral documents.

(f) BURA has duly approved the amendments to the Urban Renewal Waterfront Plan, NYR-35, that allow for the development, construction and operation of the Project.

(g) BURA has duly authorized its Chairman, Anthony M. Masiello, and/or its Vice-Chairman, Daniel S. Bicz, to execute the Agreement and all other documents in connection therewith.

(h) BURA has acquired title to the property upon which the Project is being developed, constructed and will be operated. It is my opinion, based on the opinion of BURA's outside counsel, Hiscock and Barclay (See: Schedule A[2], attached hereto), that we have acquired title and, with certain enumerated exceptions, it has been fully insured with appropriate title insurance.

This opinion is being furnished to you pursuant to Section 7.04 of the Agreement and may not be used for any other purpose or relied upon by anyone else, except for the addressees and their counsel, without my express written authorization.

Very truly yours,
BUFFALO URBAN
RENEWAL AGENCY

Michael L. McCarthy
General Counsel

MLM:cms
DCAcross

SCHEDULE A

1. Certification of BURA records.
   - A. Crossroads amendment to Waterfront Urban Renewal Plan, NYR-35.
   - B. Amendment to NYR-35 authorizing acquisition of land between Baltimore and Columbia Streets and approving minor design changes for the Project.
   - C. Resolution approving the Crossroads Land Disposition Agreement and authorizing its execution.
   - D Resolution authorizing the Chairman and Vice-Chairman to execute all documents, on behalf of BURA, necessary to the financing, construction and operation of the Project.
   - E. Minutes of the BURA meeting of November 23, 1993.
   - F. Minutes of the BURA meeting of February 23, 1994.
   - G. Minutes of the BURA meeting of April 13, 1995.

2. Opinion of Counsel with regard to title of BURA property within the Project

EXHIBIT 1

Buffalo Urban Renewal Agency
920 City Hall, Buffalo, New York 14202-3376
716-851-5035

Anthony M. Masiello, Chairman

CERTIFICATION

I, Michael L. McCarthy, Secretary to the City of Buffalo Urban Renewal Agency (BURA), a Public Benefit Corporation, created pursuant to New York General Municipal Law, § 639, do hereby certify that I have reviewed the official records of BURA and have attached the two amendments to the Buffalo Waterfront Urban Renewal Plan, NYR-35, which authorize the Crossroads Project (Exhibits A and B).

I further certify that I have reviewed said records and have attached hereto two resolutions which authorize its Chairman, Mayor Anthony M. Masiello and/or its Vice-Chairman, Commissioner of Community Development, Daniel S. Bicz, to execute all relevant documents on behalf of BURA to which it is a party for the consummation of a project known as the Crossroads Project (Exhibits C and D).

I further certify that I have reviewed said records and have attached hereto copies of the minutes of the BURA meetings where action was taken on the above amendments and resolutions and where the results were duly recorded (Exhibits E, F and G).

Michael L. McCarthy
Secretary

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

On the 22nd day of May, 1995, before me personally came Michael L. McCarthy, that he resides at 174 Cleveland Ave., Buffalo, New York 14222, that he is the Secretary to the Buffalo Urban Renewal Agency described in and which he executed the foregoing instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the members of said corporation; and that he signed his name thereto by like order.

Colleen M. Sullivan
NAME Colleen M. Sullivan
COMMISSIONER OF DEEDS
In and For the City of Buffalo, New York
My Commission Expires December 31, 19 96

EXHIBIT "A"

WATERFRONT REDEVELOPMENT PROJECT
NO. N.Y. R-35
URBAN RENEWAL PLAN

CROSSROADS AREA AMENDMENT
BUFFALO, NEW YORK

April 1993

Revised June 1993
Revised October 14, 1993
Revised October 26, 1993

Prepared for:

CITY OF BUFFALO
Department of Community Development
Division of Planning
Room 920, City Hall
65 Niagara Square
Buffalo, NY 14202

recycled paper

ecology and environment

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WATERFRONT REDEVELOPMENT PROJECT

URBAN RENEWAL PLAN

CROSSROADS AREA AMENDMENT MAP SERIES

(ATTACHED)

Exhibit 1 - Project Area Context

Exhibit 2 - Project Boundaries

Exhibit 3 - Existing Land Use

Exhibit 4 - Existing Land Use - Crossroads Area

Exhibit 5 - Land Use Plan

Exhibit 6 - Land Use Plan - Crossroads Area

Exhibit 7 - Acquisition Map - Crossroads Area

Exhibit 8 - Land Disposition Map - Crossroads Area

1. INTRODUCTION

1.1 BACKGROUND

The Waterfront Redevelopment Area was originally designated by the City of Buffalo Common Council on July 24, 1962, by Common Council Proceeding (C.C.P.) No. 93. The area designated for renewal activities was amended from earlier descriptions of the land area (November 26, 1957, C.C.P. No. 79; and October 3, 1961, C.C.P. No. 118). The urban renewal plan for the designated area, officially authorizing specific redevelopment activities to commence, was approved by the Buffalo City Planning Board on September 16, 1963, and subsequently by the Common Council on October 22, 1963.

Encompassing roughly 293 acres of waterfront land west of Niagara Street in downtown Buffalo, the original Waterfront Redevelopment Area was intended to be developed into a new neighborhood downtown, consisting of medium and high density residential uses, a small boat harbor, community college and elementary school facilities, new commercial facilities, and open space/recreational amenities oriented toward the water.

The 1963 Land Use Plan for the project set aside specific areas for different land use types, such as high and medium density residential uses, commercial facilities, institutional uses, marinas, and open space. The plan was formulated utilizing essentially traditional planning principles, with each land use area segregated from each other, allowing little if any mixing of complementary land use types such as residential with neighborhood retail or hotel uses with office facilities.

An amendment to the 1963 plan was adopted in 1976 (C.C.P. No. 140) by the Common Council, creating an area within the current boundaries in which new land development and building provisions would be applied. This area, designated as Area "A," (Exhibit 1) permitted a range of mixed-use development consisting of residential uses; public parks;

offices; neighborhood retail; restaurants, nightclubs, and theaters; television and radio studios (exclusive of transmission facilities); and private recreational facilities such as health clubs. The intent of this amendment was to create a more comprehensive mixing of land uses in the area in keeping with the urban development characteristics of the surrounding neighborhoods, inclusive of downtown Buffalo.

Significant achievements have been realized within the Waterfront Redevelopment Area since the adoption of the original 1963 urban renewal plan. These include:

- Development of 1,120 units of medium and high density housing;
- Development of Erie Basin Marina, and recreational amenities such as waterfront walkways, sitting areas, public parks, the Naval and Serviceman's Park, and the Vietnam Veterans Memorial;
- Construction of the Waterfront Elementary School;
- Development of 200,000 square feet of class "A" office space;
- Construction of a 400-room hotel facility, with associated restaurant, banquet, and conference facilities;
- Development of a new commercial television studio facility, and construction in progress on a new public television studio facility;
- Development of private entertainment and recreational facilities, such as a waterfront cafe, a restaurant/nightclub establishment and a health club facility; and
- The development of extensive infrastructure improvements, such as new bulkheads, streets, sidewalks, and underground utility installations.

This document represents the third major amendment to the Waterfront Redevelopment Project Urban Renewal Plan. In keeping with the plan's original objective of realizing new opportunities for development on Buffalo's waterfront, coupled with recent occurrences triggering a need for an expanded professional sports/entertainment facility, it is the intent of the Department of Community Development to amend the project area to include new lands to accommodate a sports arena and entertainment complex to replace the Buffalo Memorial Auditorium. The plan amendment will allow for the acquisition and assembly of vacant

and/or underutilized properties to serve as an appropriate site for the complex, associated accessory uses, and complementary adjacent development.

The draft Urban Renewal Plan Amendment was released for public review in June 1993. Public hearings on the amendment and its environmental consequences pursuant to the New York State Urban Renewal Law and the State Environmental Quality Review Act were conducted in July and September 1993. As a result of comments received during these hearings, the plan amendment was revised to address public concerns regarding the project. Figure 1-1 depicts a revised conceptual site plan of the proposed arena and entertainment complex and adjacent development.

1.2 LEGISLATIVE AUTHORITY

Article 15, Section 500 *et seq.*, of the New York State General Municipal Law authorizes municipalities directly or through an urban renewal agency to plan and undertake urban renewal activities to correct and prevent conditions that contribute to the spread of deterioration and blight as part of their general police powers, inclusive of activities under Title I of the Housing Act of 1949. Areas targeted for urban renewal must be designated by the governing body, in this case the Common Council. Prior to engaging in redevelopment activities, an urban renewal plan must be submitted to the Common Council, upon recommendation from the city planning board. The plan must include a statement of proposed land uses; proposed acquisition, demolition, and removal of structures to effectuate the plan; and such additional statements or documentation as the Common Council may deem appropriate.

The Buffalo Urban Renewal Agency has been created pursuant to General Municipal Law Article 15 Section 565, to undertake redevelopment and urban renewal activities within the City of Buffalo.

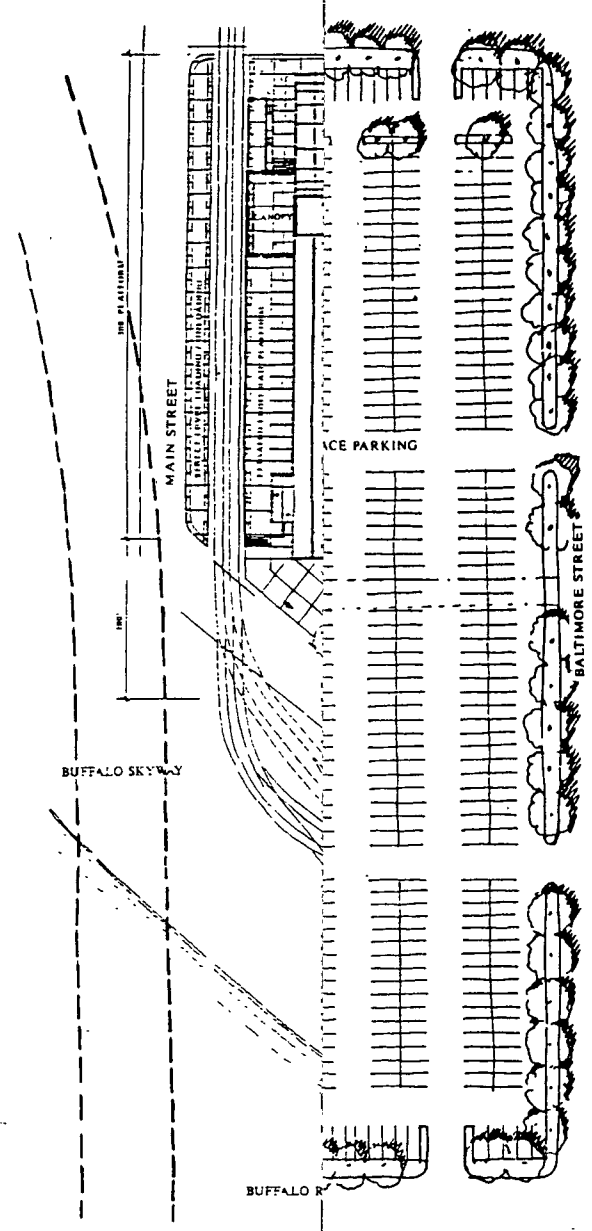

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Figure 1-1 SITE PLAN CROSSROADS ARENA

2. PROJECT DESCRIPTION

2.1 PROJECT BOUNDARIES

The current Waterfront Redevelopment Project is located in the City of Buffalo, County of Erie, State of New York, and includes lands west of Niagara Street, South Elmwood Avenue, Lower Terrace, and Washington Street, east of Lake Erie, south of Virginia Street, and north of the Buffalo River. The original 1963 project boundary description is as follows:

- Beginning at a point formed by the intersection of the center line of Niagara Street with the center line of Virginia Street;
- Thence southwesterly along the center line of said Virginia Street 1,690 feet more or less to a point on the northeasterly boundary of the New York State Thruway, Niagara Section;
- Thence southeasterly along said Thruway boundary 665 feet more or less to its intersection with the northwesterly boundary of Carolina Street;
- Thence continuing along said Thruway boundary the following courses and distances:

S 36° 02' 34" E	66.02	feet
N 55° 22' 43" E	30.00	feet
S 39° 20' 12" E	171.48	feet
S 59° 56' 31" E	222.03	feet
S 55° 23' 46" W	24.13	feet
S 36° 20' 14" E	83.73	feet
S 76° 43' 31" E	106.50	feet
S 13° 26' 07" W	75.72	feet
S 76° 33' 53" E	59.71	feet

to a point on the northwesterly boundary of Georgia Street;

- Thence S 26° 35' 05" E 518.96 feet to a point in the dock line along the southwesterly line of lands now or formerly of the Erie-Lackawanna Railroad Company;

- Thence S 28° 0.3' 36" E 335.77 feet to a point in said dock line;

- Thence S 28° 03' 36" E 71.82 feet more or less to a point in the westerly boundary of Main Street;

- Thence northeasterly along the westerly boundary of Main Street 277.40 feet more or less to a point;

- Thence S 17° 34' 02" E 191.27 feet to a point formed by the intersection of the easterly boundary of Main Street extended southerly with the southwesterly boundary of South Park Avenue;

- Thence S 39° 41' 38" E along the southwesterly boundary of said South Park Avenue 228.99 feet to a point;

- Thence S 53° 50' 02" E continuing along said boundary of South Park Avenue 76.72 feet to a point;

- Thence S 57° 56' 25" E continuing along said boundary of South Park Avenue for a distance of 11.82 feet to its intersection with the easterly line of Washington Street extended southerly;

- Thence N 13° 39' 00" E along said easterly boundary of Washington Street and its extension 1,754.70 feet to its intersection with the southerly boundary of Exchange Street;

- Thence S 76° 39' 50" E along said southerly boundary of Exchange Street 218.00 feet to a point on the boundary of the New York State Thruway, Niagara Section;

- Thence S 13° 20' 10" W along said Thruway boundary 60.00 feet to a point;

- Thence S 55° 41' 28" E along said Thruway boundary 187.22 feet to a point;

- Thence S 76° 39' 50" E along said Thruway boundary 157.00 feet to a point;

- Thence N 37° 07' 13" E continuing along said Thruway boundary 138.79 feet to a point on the southerly boundary of Exchange Street;

- Thence N 76° 39' 50" W along said southerly boundary of Exchange Street 28.04 feet to a point;

- Thence N 13° 22' 48" E along said boundary of Elmwood Avenue 782 feet more or less to its intersection with the center line of Niagara Street; and

- Thence northwesterly along the center line of said Niagara Street 2,580 feet more or less to the point of beginning, containing 293.8 acres of land more or less.

  From the above description is excluded that area occupied by the Marine Drive Apartments.

  All bearings are referred to true north as established by the United States Army Corps of Engineers, Buffalo District.

The 1976 amendment to the urban renewal plan set aside a portion of the existing project area to apply new development provisions. The boundaries of this area, known as Area "A," are as follows:

- Beginning at a point, north line of Georgia Street at the intersection of State of New York Thruway Property thence southeast a distance of 1,587.44 feet azimuth 140° 53' 0" to a point;

- Thence azimuth 233° 53' 03" a distance of 2.64 feet to a point;

- Thence azimuth 143° 52' 50" a distance of 192.43 feet to a point;

- Thence azimuth 143° 35' 26" a distance of 100.03 feet to a point;

- Thence azimuth 143° 33' 38" a distance of 310.03 feet to a point;

- Thence azimuth 139° 34' 44" a distance of 227.11 feet to a point;

- Thence azimuth 152° 49' 11" a distance of 99.60 feet to a point;

- Thence azimuth 62° 49' 11" a distance of 40.14 feet to a point;

- Thence azimuth 129° 01' 55" a distance of 49.31 feet to a point;

- Thence azimuth 143° 31' 50" a distance of 382.36 feet to a point;

- Thence azimuth 141° 26' 58" a distance of 63.20 feet to a point;

- Thence azimuth 240° 59' 41" a distance of 200.19 feet to a point;

- Thence azimuth 61° 0' 10" a distance of 70.5± feet to a point;

- Thence 341° 21' 50" a distance of 113.53 feet to a point;
- Thence 41° 22' 02" a distance of 77.56 feet to a point;
- Thence 61° 21' 56" a distance of 277.91 feet to a point;
- Thence 331° 22' 05" a distance of 65.59 feet to a point;
- Thence 249° 22' 05" a distance of 205.24 feet to a point;
- Thence 306° 21' 54" a distance of 120.28 feet to a point;
- Thence 346° 24' 21" a distance of 348.77 feet to a point;
- Thence 14° 50' 40" a distance of 39.52 feet to a point;
- Thence 36° 39' 44" a distance of 69.55 feet to a point;
- Thence 61° 47' 02" a distance of 20.14 feet to a point;
- Thence 141° 00' 58" a distance of 5.68 feet to a point;
- Thence 60° 15' 46" a distance of 116.70 feet to a point;
- Thence 331° 18' 39" a distance of 71.77 feet to a point;
- Thence 241° 01' 06" a distance of 116.16 feet to a point;
- Thence 220° 01' 24" a distance of 3.54 feet to a point;
- Thence 241° 38' 01" a distance of 26.80 feet to a point;
- Thence 258° 35' 17" a distance of 62.24 feet to a point;
- Thence 302° 25' 36" a distance of 155.64 feet to a point;
- Thence 221° 52' 34" a distance of 210.97 feet to a point;
- Thence 252° 42' 05" a distance of 58.68 feet to a point;
- Thence 311° 53' 04" a distance of 92.12 feet to a point;
- Thence 11° 03' 41" a distance of 60.10 feet to a point;
- Thence 41° 51' 30" a distance of 277.79 feet to a point;
- Thence 311° 28' 34" a distance of 246.32 feet to a point;

The boundaries of the existing project area and the Crossroads Area amendment are shown on Exhibit 1, Project Area Context. Exhibit 2, Project Boundaries, clearly establishes the limits of the amended area.

The Crossroads Area consists of 29 individual properties of which four are city-owned and vacant; 11 are privately owned and vacant or used for surface parking; five are utilized for light industrial and manufacturing uses; eight are used for warehouse, wholesale, and open storage; and one is used for commercial purposes. Exhibit 3, Existing Land Use, depicts the current distribution of land uses in the Crossroads Area as they relate to the overall Waterfront Redevelopment Project. Exhibit 4, Existing Land Use - Crossroads Area, depicts an enlarged map of the amended area land use.

2.2 PROJECT ELIGIBILITY

Article 15, §502 of the New York State General Municipal Law defines a "substandard or insanitary area" (which is interchangeable with "slum," "blighted," "deteriorated," or "deteriorating" area) as "an area which has a blighting influence on the surrounding area, whether residential, non-residential, commercial, industrial, vacant, or land in highways, railway or subway tracks, ... or other similar facilities, ... and may include land, buildings or improvements, ..., not in themselves substandard or insanitary, the inclusion of which is deemed necessary for the effective undertaking of one or more urban renewal programs." The original legislative findings of the law state specific characteristics that lead to identifying an area as "blighted." Among others these include:

- Blocks and lots of irregular form, size, width, or depth;
- Other physical conditions such as vacant land and deteriorated public improvements;
- Obsolete and dilapidated buildings and structures;
- Buildings abandoned or not utilized in whole or substantial part;
- An obsolete system of utilities;
- Poorly or improperly designed street patterns and intersections;
- Impractical street widths, sizes, and shapes; and
- Areas previously used for hazardous or detrimental industrial uses.

analysis. This documentation is included in Attachment B. The results of this survey indicated no significant change in exterior building conditions since the 1991 survey.

Infrastructure/Public Improvement Deficiencies

The Department also analyzed the conditions of pertinent infrastructure systems in various areas of the city. Blighted areas were identified as those that exhibited two or more infrastructure deficiencies (sewer service; street pavement, sidewalks and curbs; and water line service). The Crossroads Area met this criterion under the categories of street conditions and water line service. Photographs documenting infrastructure and public improvement deficiencies are contained in Attachment B.

Other State Law Criteria

An assessment of the applicability of the aforementioned criteria included in the state's definition of slums and blighted areas was conducted. Of ten criteria assessed, the Crossroads Area met nine of the state's criteria for designation. A matrix of this analysis summarizing these criteria is provided in Attachment A.

As a result of these analyses, the entire area of Census Tract 13.01, which encompasses the Crossroads Area, was found to qualify as meeting the criteria for a "slum or blighted area."

It should be noted that while the survey was utilized as a source for determining the project's eligibility for use of Community Development Block Grant funds, the project proposals enumerated under Section 2.4 and Section 4 will not be conducted utilizing federal funding. The analysis was used for the sole reason that its methodology was analogous to that required under the New York General Municipal Law.

2.2.2 State of New York Mortgage Agency Areas of Chronic Economic Distress (ACEDs)

The State of New York defines certain targeted areas within the state as requiring special treatment with regard to redevelopment activities. These areas are designated as ACEDs. ACEDs are determined by four general criteria indicated by ten individual data elements derived from Census Tract data. Census Tract 13.01, encompassing the Crossroads Area, has been identified as an ACED. Criteria for designation are outlined in Attachment A.

2. The development of new high density and medium density private housing;

3. The development of new commercial facilities appropriate to the central location of the project area;

4. The development of a small boat harbor and marina and related waterfront recreational facilities;

5. The development of parks, playgrounds, and school facilities adequate to serve the new population of the project area;

6. The provision of all necessary public utilities to serve the needs of the area; and

7. The development of new streets and major thoroughfares adequate to serve the interior traffic needs of the project and to divert through traffic from residential portions of the project.

2.4.2 Specific Actions for the Crossroads Area

Specific urban renewal actions for the Crossroads Area amendment to the plan reaffirm some of the originally proposed actions for the current Waterfront Redevelopment Project, supplemented with actions unique to the amended area. These proposed actions include:

1. Acquisition of all real property identified on the Acquisition Map, Exhibit 7;

2. Clearance of substandard and other structures and improvements on acquired lands necessary to support the proposed arena complex;

3. Assembly of such cleared and vacant land into a parcel(s) of sufficient size, shape and location to accommodate the construction of a new sports arena and entertainment complex;

4. The modification, development, and construction of necessary public improvements required to support the new facility and adjacent development, including streets, sewers, water lines, and pedestrian facilities; and

5. The underground installation of all new utilities, and replacement of existing utilities where deemed necessary.

3. LAND USE PLAN

The proposed Land Use Plan maps (Exhibits 5 and 6) identify the general land use categories permitted within the Crossroads Area. The plan also notes the location of street rights-of-way to be abandoned to accommodate site assemblage and the general location of new or relocated rights-of-way providing access to the proposed site for the sports arena and entertainment complex.

The Crossroads Area is to be utilized predominantly for recreational and entertainment uses, as specified under Classification 52 of the State of New York Property Type Classification codes. Certain accessory uses, supportive of the primary land use proposed for the area, and certain uses permitted under existing zoning classifications will also be permitted.

3.1 DEFINITIONS

The following definitions refer to terms, words, and phrases used in outlining permitted activities specified under this plan. Where a term is not specifically defined herein, its common dictionary definition shall be utilized.

1. **Accessory Use.** A use that is directly related, but subordinate, to the principal use of a lot. An accessory use may be defined as a use located on a separate lot from the principal use, provided that such lots are in common ownership or are related by written agreement, such as a lease, that such accessory use is required for the incidental operation of the principal use.

2. **Agency.** The Buffalo Urban Renewal Agency.

3. **Building Coverage.** The total area of land covered by building and structures divided by the total lot area.

3.3 SPECIFICALLY PROHIBITED USES

With the intent of maintaining the land use integrity and stability of the Crossroads Area, the following uses are specifically prohibited on lands to be acquired under Section 4.1:

1. Residential uses.
2. Industrial use.
3. Automobile repair and storage.
4. Contractor's yards and other open storage areas.
5. Truck terminals.
6. Billboards or any other signs advertising services, uses, or goods not available on the same property upon which the sign is erected.

3.4 BUILDING REQUIREMENTS

3.4.1 Density Requirements

The Floor Area Ratio (FAR), defined as the total square footage of buildings divided by the total lot area excluding square footage devoted to parking structures, shall not be less than 1.0 nor greater than 4.0.

3.4.2 Building Coverage

Coverage by all buildings and structures shall not be less than 60% of the lot area nor greater than 80% of the lot area. Such minimum coverage requirements shall not apply to lots devoted to surface parking, provided that these lots meet design standards specified in Section 3.3.5 and are accessory to the principal use.

3.4.3 Building Height

Building height shall not exceed 150 feet for stadia/arenas and five stories/60 feet for other structures and uses.

3.4.4 Maximum Building Setback

No building or structure shall be located greater than 15 feet from any street frontage.

2. Regional facilities, which are commercial, entertainment, or recreational uses, such as stadiums, auditoriums, and museums.

3. Institutional uses.

4. Downtown light-industrial or high-technology uses, which are light industrial or related uses.

5. Storage of flammable liquids in underground tanks approved by the Fire Department and having a capacity of not more than 10,000 gallons.

6. Principal and accessory uses equivalent to the above, but not including any use first listed in a CM or M District as specified in Chapter LXX, Zoning.

7. Back office uses, which are service or utility business spaces used to carry out a specific function of a business, such as a computer room, accessory storage, drafting and design area, or specialized work area.

8. Retail and service uses.

9. Additional representative uses as defined in §511-75 of Chapter LXX, Zoning, incorporated herein by reference.

3.5.2 Building Height

There shall be no height limit or minimum on parcels not designated for immediate acquisition.

3.5.3 Additional Requirements

All properties not designated for immediate acquisition shall comply with standards set forth in applicable state and/or city statutes, codes, and ordinances as amended, relative to the use, maintenance, and occupancy of such facilities, including but not limited to Chapters X, XI, and XII of the Code of the City of Buffalo, hereby incorporated into this plan by reference.

3.6 DEVELOPMENT PLAN REVIEW PROCEDURE

The Buffalo Urban Renewal Agency, hereinafter referred to as the "Agency," may invite, solicit, or accept proposals in the event of purchase, lease, transfer, or redevelopment, in accordance with this Urban Renewal Plan, of the various areas and sites in the Crossroads

estimates, phasing when appropriate, and other data that may assist in reviewing the proposal.

6. Information regarding the Redeveloper's experience and financial ability and method of proposed financing to carry out the proposal.

Following review of the preliminary proposal and submission of the required documentation by the Redeveloper, the Commissioner will recommend designation of the Redeveloper to the Agency for consideration. Upon approval by the Agency, the Redeveloper may proceed with the final proposal and negotiation of a Land Disposition Agreement.

3.6.2 Final Proposal

The final proposal submitted by the Redeveloper shall contain the following elements:

1. A site plan conforming to the approved preliminary proposal, with any changes that may be required. The plan shall indicate all landscaping and site development details including walls, fences, plantings including tree plantings, outdoor lighting and street furniture, signage, ground surface materials, bounding streets, points of vehicular and pedestrian access, number and type of parking facilities, utility lines and connections, existing and proposed grading and draining, and public easements to remain. Work to be done by others should be described and the responsible party identified.

2. Construction plans, elevations, and sections shall be developed in detail at a large enough scale to show all materials and assemblies that comprise the buildings.

3. Details of materials and specifications including construction cost estimates shall be provided.

4. A written statement noting major building dimensions and gross area of buildings, floor area ratio, open space, proposed division of work between the Redeveloper and public agencies, evidence of equity capital and mortgage financing and proposed time schedule for construction, including phasing if appropriate.

Following successful negotiations, the Land Disposition Agreement will be submitted to the Agency for approval and its recommendation to the Common Council. Upon

4. PROJECT PROPOSALS

4.1 LAND ACQUISITION

Real property to be acquired for clearance and/or redevelopment is identified on the Acquisition Map - Crossroads Area (Exhibit 7), attached to and made a part of this plan. Any properties not designated for immediate acquisition, as identified in this Plan, may be acquired by the Agency if such property is not made to conform to and/or maintained in accordance with the ordinances contained herein by reference and to all other applicable local and state codes and ordinances, as specified in Section 3.5. In the event that the Agency may elect to acquire any such property, such proposed action shall be expressly subject to authorization and approval by the Agency and the Common Council.

4.2 LAND DISPOSITION

Real property will be disposed of subject to the provisions set forth in Section 4.3 below and shown on the Land Disposition Map, Exhibit 8 attached to and made part of this Plan amendment. The Land Disposition Map is a guide and not intended to inhibit exploration of other development proposals, which, while varying from some aspect, may nevertheless achieve the public objectives embodied herein. Real property to be disposed for the Crossroads Arena site shall include land, buildings, and improvements to be cleared and consolidated to provide an appropriate land area for development of the proposed Crossroads Arena and Entertainment Complex, inclusive of the arena structure, accessory buildings, and other ancillary facilities. These lands will be sold, leased, or transferred to the redeveloper in accordance with the redeveloper's obligations cited in Section 4.3.

5. OTHER PROVISIONS NECESSARY TO MEET STATE AND LOCAL REQUIREMENTS

5.1 PROVISION OF COMMUNITY FACILITIES AND UTILITIES

The following community facilities and utilities are existing or will be provided:

- Sewers;
- Water lines;
- Street lights;
- Street improvements, including street signs, traffic lights, etc.; and
- Public open space.

5.2 UNDERGROUND UTILITY LINES

Provisions for the relocation and/or establishment of private and public utility systems shall be made to adequately facilitate the renewal activities to be undertaken in accordance with this plan. Such utility line relocation as required shall be coordinated with other private and public construction and will include the elimination of all aboveground utility lines in the project area and the underground installation of all new lines and systems. The costs and responsibility of such installation and relocation shall be borne by either the City, the Agency, or the redeveloper in accordance with a contractual agreement between the parties. Notwithstanding, appropriate city, county, and state funds may be used to finance such installation and relocation, in accordance with said contractual agreement.

5.3 LOCAL CODES OR ORDINANCES

No additions or alterations to the local codes or ordinances are necessary to effectuate this Urban Renewal Plan Amendment.

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- A change in the acquisition plan involving the acquisition of property not previously identified for acquisition; or

- A change in the land disposition plan.

Major changes or modifications to this plan amendment shall require public hearings to be held by the City Planning Board and Common Council pursuant to Article 15, Section 500, *et seq.* of the New York State General Municipal Law.

EXHIBIT "B"

Buffalo Urban Renewal Agency
920 City Hall, Buffalo, New York 14202-3376
716-851-5035

Anthony M. Masiello, Chairman

February 22, 1995

THE BUFFALO URBAN RENEWAL AGENCY
Room 920 City Hall
Buffalo, New York 14202-9990

RE: URBAN RENEWAL PLAN AMENDMENT

FUNDING AMOUNT: N/A FUNDING SOURCE: N/A

Dear Agency Members:

Attached hereto is a copy of a Urban Renewal Plan Amendment authorizing BURA to acquire the block of land between Baltimore and Columbia Streets have ratifying certain design changes as previously approved by the Commissioner of Community Development. This amendment has unqualified approval of the Planning Board and has been forwarded to the Common Council for a statutory hearing and final approval.

Michael L. McCarthy
General Couonsel

Very truly yours,

Daniel S. Bicz
Commissioner

DSB/MLM/cms

___ Project History
___ Map
___ Budget
___ Scope of Services
___ Agreement
___ Salary Review Committee Approval

The Above Project/Program Meets the Following National Objective:
___ Low-Mod Income Benefit
_X_ Removal of Slums & Blight

Item No. 11h

Appr 2/23/95

Waterfront Redevelopment Project
No. N. Y. R. -35
Urban Renewal Plan
Amendment

WHEREAS; the City of Buffalo, a municipal corporation, has enacted an urban renewal plan amendment 11/16/93 C.C.P. 157 for an area of the City of Buffalo waterfront, known as "the Crossroads"; and

WHEREAS; during the development of a new arena on the site, to be known as "Crossroads Arena", it has become apparent that the aforesaid urban renewal plan will have to be amended again to accommodate the evolving arena plan; and

WHEREAS; certain changes to the original Crossroads Plan are necessary:

1. The entire block between Baltimore and Columbia Streets, bounded on the north by Perry Street and on the south by South Park Avenue is necessary for the parking requirements of the Crossroads Arena. The City of Buffalo will seek to cause the Buffalo urban Renewal Agency to acquire this entire parcel through eminent domain or acquisition.

2. The current urban renewal plan contains the following requirements:
   (a)(i) Parking lot configurations with curbed islands with grass and trees.
   (ii) The set-back, on Perry Street, of the parking structure, is currently 15 feet.
   (iii) The height restriction under the plan is being exceeded at the new arena by approximately eighteen inches.

Each of these requirements will have to changed to accommodate the updated Crossroads Plan, to wit:

(b)(i) Because of budget constraints, the expense of construction of parking islands; the cost of maintaining the parking lots with the existence of such structures; and the impingement on the number of available parking spaces, this requirement will have to be deleted.
(ii) To allow for greater pedestrian access, as well as more room for landscaping and tree plantings, the set-back of the parking structure on Perry Street will be increased to approximately 72 feet.
(iii) The roof design was changed to allow the employment of a local company's design and system (Birdair), which resulted in an increase in the height of the structure by 18 inches; and

WHEREAS; the first change, with respect to the increase in the area and number of parcels to be acquired, must be accomplished by an amendment to the urban renewal plan and the second change may be accomplished by a determination of the Commissioner of Community Development; and

NOW THEREFORE, be it RESOLVED that the City of Buffalo amends the waterfront renewal plan as follows:

1. The City of Buffalo approves the City of Buffalo Urban Renewal Agency's acquisition of the parcel bounded by Parry Street, Baltimore Street, South Park Avenue and Columbia Street.

2. The City of Buffalo Common Council is requested to review and ratify the findings and determination of the Commissioner of Community Development approving the minor design changes as set forth above.

Buffalo Urban Renewal Agency
920 City Hall, Buffalo, New York 14202-3376
716-851-5035

Anthony M. Masiello, Chairman

Mayor Anthony M. Masiello
Chairman, Buffalo Urban Renewal Agency
City Hall
Buffalo, New York 14202

Dear Mayor Masiello:

As General Counsel to the Buffalo Urban Renewal Agency, I have been requested to render a legal opinion with regard to the need for an amendment to the Waterfront Urban Renewal Plan in order to authorize and effectuate changes contained in the Crossroads Project plan.

With respect to the authority needed for BURA to acquire the land between Baltimore and Columbia Streets, a plan amendment will be necessary since acquisition requires the formality of an amendment under GML, §§ 505 and 506. Further, the language of the "Crossroads Amendment", which implicitly exempts minor plan changes, explicitly includes changes in acquisition plans.

The lenders may be satisfied with the City being in title at closing in the Baltimore/Columbia block, which can be accomplished outside the Urban Renewal Plan. After the plan is amended, BURA could then take title from the City under GML, § 506, in a post-closing transfer, should that be desirable.

With regard to the three design changes, to wit: the increased height of the Arena roof by 18"; the increased set-back of the parking ramp from Perry Street to allow for greater pedestrian access; and the removal of the requirement for curbed, landscaped "islands" in the surface parking lots, they are the type of minor changes or modifications anticipated and authorized by the provisions of the original "Crossroads Amendment" (Schedule for Effectuation, § 5.6).

It is my opinion that the Commissioner has the authority, pursuant to the Schedule for Effectuation, § 5.6, to approve these minor changes.

Sincerely,

Michael L. McCarthy

Michael L. McCarthy

Buffalo Urban Renewal Agency
920 City Hall, Buffalo, New York 14202-3376
716-851-5035

Anthony M. Masiello, Chairman

Mayor of the City of Buffalo
City of Buffalo Planning Board
City of Buffalo Common Council
Buffalo Urban Renewal Agency

Dear Mr. Mayor, et al:

Based on the attached Opinion Letter of the General Counsel of the Buffalo Urban Renewal Agency, I make the following findings and determination:

- The three design changes to the Crossroads Project Plan, to wit: the increased height of the Arena roof by 18"; the increased set-back of the parking ramp from Perry Street to allow for greater pedestrian access; and the removal of the requirement for curbed, landscaped "islands" in the surface parking lots, are minor changes or modifications under the "Schedule for Effectuation, § 5.6" of the Crossroads Amendment to the Waterfront Urban Renewal Plan, NYR-35; and

- Said modifications and changes are hereby approved, pursuant to the authority granted in the "Schedule for Effectuation, § 5.6" of the Crossroads Amendment to the Waterfront Urban Renewal Plan, NYR-35.

Based on these findings and determination, I respectfully request that you advise all interested parties that the Crossroads Project Plan may proceed according to its terms.

Very truly yours,

Daniel S. Bidz, Commissioner

EXHIBIT "C"

Buffalo Urban Renewal Agency
920 City Hall, Buffalo, New York 14202-3376
716-851-5035

Anthony M. Masiello, Chairman

April 3, 1995

THE BUFFALO URBÁN RENEWAL AGENCY
Room 920 City Hall
Buffalo, New York 14202

RE: CROSSROADS - LDA

FUNDING AMOUNT: N/A FUNDING SOURCE:: N/A

Dear Agency Members:

Presented for your approval is the Land Disposition Agreement for the Crossroads Project. This document has been reviewed by the Corporation Counsel, the BURA Counsel and the City's outside counsel, Kavinoky & Cook.

Following approval by the Agency, it will be offered to the Common Council for approval as well.

Very truly yours,

DANIEL S. BICZ
Vice-Chairman

DSB:MLM:cms
Attachments*
X *LDA

The above project meets the following objectives:

X Removal of Slums & Blight

Item 5b

CITY OF BUFFALO URBAN RENEWAL AGENCY

RESOLUTION APPROVING PROPOSED LAND DISPOSITION AGREEMENT FOR WATERFRONT REDEVELOPMENT PROJECT NYR-35, THE CROSSROADS ARENA PROJECT

WHEREAS; Crossroads Arena Limited Liability Corporation (CALLC), herein referred to as the "Redeveloper" has submitted a plan for the redevelopment of a portion of the Waterfront Redevelopment Project NYR-35, known as the Crossroads Project; and

WHEREAS; the City of Buffalo Urban Renewal Agency (BURA) has duly received a proposed Land Disposition Agreement ([LDA], attached hereto and designated: "Contract for Lease of Land for Redevelopment by and among City of Buffalo Urban Renewal Agency and the City of Buffalo and Crossroads Arena, LLC") by and among BURA, the City of Buffalo and CALLC;

NOW, THEREFORE, be it RESOLVED, by BURA:

1) That the above referenced LDA is hereby determined to be satisfactory.

2) That the LDA, a copy of which has been previously filed with the Buffalo Common Council, is approved for such filing by BURA, pursuant to General Municipal Law, §507(2)(d).

3) CALLC is hereby designated as a qualified and eligible Redeveloper in accordance with the rules and procedures previously adopted by BURA.

4) That upon approval of the LDA by the Common Council, pursuant to G.M.L., §507(2)(d), the Chairman or Vice-Chairman is hereby authorized to execute said LDA on behalf of BURA, and the Secretary is directed to impress the Corporate Seal thereon.

EXHIBIT "D"

Buffalo Urban Renewal Agency
920 City Hall, Buffalo, New York 14202-3376
716-851-5035

Anthony M. Masiello, Chairman

April 3, 1995

THE BUFFALO URBAN RENEWAL AGENCY
Room 920 City Hall
Buffalo, New York 14202

RE: RESOLUTION: CROSSROADS DOCUMENTS

FUNDING AMOUNT: N/A FUNDING SOURCE:: N/A

Dear Agency Members:

Presented for your approval is a resolution wherein BURA authorizes the Chairman or Vice-Chairman to execute the documents, to which BURA is a party, necessary to the culmination of the financing, construction and operation of the Crossroads Arena.

Very truly yours,

DANIEL S. BICZ
Vice-Chairman

DSB:MLM:cms
Attachments*
X *LDA

The above project meets the following objectives:

X Removal of Slums & Blight

Item 5a

April 13, 1995

BUFFALO URBAN RENEWAL AGENCY

RESOLUTION - CROSSROADS DOCUMENTS

WHEREAS; The City of Buffalo Urban Renewal Agency (BURA), acting as agent for the City of Buffalo, has acquired real property in an area known as the Crossroads Project Site; and

WHEREAS; BURA will be a party to many of the documents required for the financing and operation of said project; and

WHEREAS; BURA wishes to authorize it's Chairman or Vice-Chairman to execute the required documents;

NOW THEREFORE BE IT RESOLVED; that BURA authorizes Chairman Anthony M. Masiello or Vice-Chairman, Daniel S. Bicz, with the advise of BURA Counsel, to execute the Land Disposition Agreement, the Construction and Operating Agreement, the Lenders Participation Agreement and any and all other documents necessary for the culmination of the financing, construction and operation of the Crossroads Arena.

Item 5a

EXHIBIT "E"

BUFFALO URBAN RENEWAL AGENCY MEETING

NOVEMBER 23, 1993

ROOM 209

MEMBERS PRESENT: Mayor James D. Griffin, Chairman
Samuel F. Iraci, Jr., Vice-Chairman
Florence Pantano
Steven McGanka
Laurence K. Rubin
Richard Planavsky
Councilmember George K. Arthur
Councilmember Archie Amos
Councilmember Norman Bakos

MEMBERS ABSENT: Steven McGanka

OFFICER PRESENT: Samuel F. Houston
Secretary

OTHERS PRESENT: Frank Mazur, Jr., F.C.A.
Jay Duderwick, Joanne Kearns, Cathy Phillips, Lew Maulucci, Community Revitalization
Thomas Franczyk, Jim Folan, Greg Hopkins, Department of Human Resources
David Sengbusch, Marianne DeMarco, Development
Lawrence Quinn, Crossroads Areana
Ralph Cammarata, NCR
Joe Schuster, FLARE
Jim Fink, Business First
Agnes Bain, African Cultural Center
Rose Ciotta, News
TV NEWS 2, 4 and 7
WBEN Radio

The Mayor called the meeting to order at 10:05 A.M.

Miss Pantano moved to waive the reading of the minutes of November 12, 1993 and that they be accepted with any corrections; seconded by Mr. Arthur and carried unanimously

3. COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

Agenda Item 3a - Olmsted Parks Conservancy Study

Submitted to the Agency Members for approval was a request in the amount of $10,000.00 in 19th Year CDBG Funds to the Buffalo Friends of Olmsted Parks for a study of Buffalo's Olmsted Parks and Parkways as a portion of the Buffalo Parks Conservancy.

Mr. Arthur made the motion to approve the above item contingent upon certification of funds by Financial Control of Agencies and Agency Counsel approval; seconded by Mr. Planavsky and carried unanimously. F.S. 94-50707

Agenda Item 3b - Ellicott-Masten New Housing AHC 931710
Request to Accept AHC Award - 40 Units

Submitted to the Agency Members for approval was a request for BURA to accept and administer a New York State Affordable Housing Corporation Grant award of $800,000 in purchase subsidies for the construction of 40 single family homes in the Ellicott and Masten Councilmanic Districts. The units will be constructed by M. J. Peterson/Forbes Development. Subsidies will be available to families whose incomes range between $27,313 and $39,000. Proposed unit costs will range between $74,843 and $85,600. It is also requested that the Grant funds be allocated to the Buffalo Neighborhood Revitalization Corporation for disbursement to the project developer.

Mr. Planavsky made the motion to approve the above item contingent upon certification of funds by Financial Control of Agencies and Agency Counsel approval; seconded by Mr. George K. Arthur and carried unanimously. F.S. N/A

Agenda Item 3c - Mulberry Street New Housing
James Management/Telco Construction
Request for Funds - Extraordinary Site Conditions

Submitted to the Agency Members for approval was a request in the amount of $6,700 to reimburse costs incurred by the developer, James Management/Telco Construction in addressing extraordinary site conditions for five single-family homes constructed under the above project. A total of 10 homes will be built by the developer. The Department of Inspections and Community Revitalization will monitor and approve contractor invoices and the funds will be disbursed by BNRC accordingly. All participants must meet the Section 8 Income Guidelines.

Miss Pantano made the motion to approve the above item contingent upon certification of funds by Financial Control of Agencies and Agency Counsel approval; seconded by Mr. Planavsky and carried unanimously. F.S. 94-50916

Agenda Item 3d - Amendment to Year XIX Community Revitalization Loan Program

Submitted to the Agency Members for approval was a request in the amount of $109,851 to amend the Year XIX rehab allocations in Community Development Block Grant funds. The program dollars are earmarked to fund housing assistance applications submitted by the Old First Ward and the Fillmore-Leroy Area Residents. This program will primarily benefit low to moderate income persons as defined by HUD Section 8 income guidelines.

Mr. Planavsky made the motion to approve the above item contingent upon certification of funds by Financial Control of Agencies and Agency Counsel approval; seconded by Mr. Arthur and carried unanimously. F.S. Various

Agenda Item 3e - African Cultural Center of Buffalo
350 Western Avenue-Year 19 Human Service Contract

Submitted to the Agency Members for approval is a request in the amount of $28,637 to provide administrative support for the Center's Educational and Cultural Enrichment Program from July 1, 1993 to December 30, 1993.

Mr. Arthur made the motion to approve the above item contingent upon certification of funds by Financial Control of Agencies and Agency Counsel approval; seconded by Mr. Planavsky and carried unanimously. F.S.: 94-50403

Agenda Item 3f - Change Order No. 1
Architectural/Engineering Services
Market Arcade Project

Submitted to the Agency Members for approval was a request in the amount of $98,916.54 to compensate the Architect for extra work performed and to extend the contract to project completion or by December 31, 1994.

Mr. Arthur made the motion to approve the above item contingent upon certification of funds by Financial Control of Agencies and Agency Counsel approval; seconded by Mr. Mr. Rubin and carried unanimously. F. S. 94-40200

Agenda Item 3g - Buffalo CBD Traffic Circulation Study

Submitted the Agency Members for approval was a request in the amount of $35,000.00 to allocate 19th Year CDBG Funds to the Niagara Frontier Transportation Committee (NFTC), acting through the Niagara Frontier Transportation Authority. The NFTC will match the CDBG Funds with Federal Highway Administration Planning Funds for the purpose of undertaking a Buffalo Central Business District Traffic Circulation Study.

Mr. Rubin made the motion to approve the above item contingent upon certification of funds by Financial Control of Agencies and Agency Counsel approval; seconded by Mr. Planavsky and carried unanimously.
F.S.: 19th Year CDBG Account No. 94-50702

Agenda Item 3h - Walden Park Housing Designation

Submitted to the Agency Members for approval in August of 1991 was a request from Hoobie Housing Inc. to be designated as Redeveloper for the approximately 10-acre northerly portion of the parcel. This item was held in abeyance so that environmental tests could be completed on the site. The need for the testing was prompted with the discovery of construction and demolition material when infrastructure work was initiated on the site. The environmentals have been completed and the project can now proceed. Designation would be made with the same conditions outlined in the August 15, 1991 item.

Mr. Planavsky made the motion to approve the above item contingent upon Agency Counsel approval; seconded by Mr. Rubin and carried with Mr. Bakos and Mr. Arthur abstained from voting.

4. OAK STREET REDEVELOPMENT

No Submission

5. WATERFRONT REDEVELOPMENT

Mr. Iraci made the motion to take the following items out of order; seconded by Mr. Rubin.

**Agenda Item 5b - Crossroads Urban Renewal Plan Amendment
SEQR - Final Finding**

Mr. Rubin made the motion to Receive and File; seconded by Mr. Arthur

**Agenda Item 5c - Crossroads Urban Renewal Plan Amendment
BURA SEQR Statement of Findings**

The Agency, as an "Involved Agency" in the Crossroads Arena Project, must comply with the State Environmental Quality Review Act (SEQR). The City of Buffalo Department of Community Development has conducted an extensive SEQR review as lead agency and issued a Final Environmental Impact Statement (FEIS) and a Statement of Findings. Therefore, it is requested that the Agency adopt its own findings, based upon and consistent with such FEIS and Statement of Findings.

Mr. Rubin made the motion to approve the above item contingent upon Agency Counsel approval; seconded by Mr. Bakos and carried with Miss Pantano abstaining from voting.

Agenda Item 5d - **Crossroads Arena**
Amended Waterfront Urban Renewal Plan

Submitted to the Agency Members is a Resolution for consideration and approval which will allow the Agency to proceed with land acquisition through eminent domain pursuant to the recently amended Waterfront Urban Renewal Plan.

Mr. Bakos made the motion to approve the above item contingent upon Agency Counsel approval; seconded by Mr. Rubin and carried with Miss Pantano abstaining from voting.

Agenda Item 5a - **Waterfront Urban Renewal Plan as Amended**
Crossroads Arena and Entertainment Complex
Designation of Redeveloper,
Crossroads Arena Corporation

Submitted to the Agency Members for approval is a request from Crossroads Arena Corporation requesting to be designated as Redeveloper of a parcel of land bounded by Main Street to the west, Baltimore Street to the east, South Park Avenue to the south and Perry Street to the north located in the Amended Waterfront Urban Renewal Area.

The Crossroads Arena Corporation proposes to construct a 20,000 seat Crossroads Sports Arena and Entertainment Complex with related parking facilities. Two 500 space parking structures will be constructed adjacent to the Arena building in addition to two (2) surface parking lots.

The Redeveloper proposes to lease the site from the Agency, through the Erie County Industrial Development Agency for the purpose of constructing these improvements.

This designation is contingent upon Agency acquisition of the site and approval of a Memorandum of Understanding ("MOU") for the development and construction of the Crossroads Arena Project to be entered into by Niagara Frontier Hockey, L.P., BURA, the City of Buffalo, UDC, E.C.I.D.A. and the County of Erie and the execution of various Agreements to implement such MOU (the "Implementing Agreements").

It is contemplated that such Memorandum of Understanding or Implementing Agreement will provide for reimbursement by BURA, using City bond funds, to Crossroads Arena Corporation for pre-development cost incurred by Crossroads Arena Corporation including surveys, title reports, environmental reviews, and other work normally undertaken by BURA as a function of the redeveloper designation and subsequent Contract for Sale of Land for Private Redevelopment ("Land Disposition Agreement" or "LDA")

It, therefore, is recommended that the Agency designate Crossroads Arena Corporation, and/or a corporation, partnership, joint venture, or other legal entity to be formed as

Redeveloper, for a period of six (6) months, subject to the following conditions:

1. Submission by the Redeveloper of detailed site and construction plans including parking and landscaping for approval by the Agency and Common Council.

2. Submission by Redeveloper of a colored rendering of the project suitable for presentation to the Agency and Common Council.

3. Submission by Redeveloper of evidence of equity capital and mortgage financing necessary for completion of the project.

4. The successful negotiation of a "Land Disposition Agreement" for approval by the Agency and the Common Council.

5. Redeveloper is responsible for performing any soil test borings and soil investigations, as per a license agreement to be granted by the Agency, for the purpose of determining, to developer's satisfaction, the presence or absence of hazardous wastes as such term is used in the Comprehensive Environmental Response, Compensation and Liability Act (C.E.R.C.L.A.) 42 USC 9601.

Mr. Rubin made the motion to approve the above item contingent upon Agency Counsel approval; seconded by Mr. Bakos and carried with Miss Pantano abstaining from voting.

6. NEIGHBORHOOD DEVELOPMENT PROGRAM

No Submission

7. URBAN HOMESTEAD PROGRAM

No Submission

8. THRUWAY INDUSTRIAL PARK

No Submission

9. NEW BUFFALO INDUSTRIAL PARK

No Submission

10. SOUTH ELLICOTT URBAN RENEWAL AREA

No Submission

11. OTHER BUSINESS

**Agenda Item 11b - 326-328 High Street
Transfer of Title from BURA to
City of Buffalo Division of Real Estate**

Submitted to the Agency Members for approval is a request to transfer Title of a BURA owned building from BURA to the City of Buffalo Division of Real Estate. BURA has owned this building since June 1976. Since that time, the building has been leased by City Real Estate to the Fruitbelt Homeowners and Tenants Association, a community organization, for $1.00 annually. The Department of Community Development was recently made aware of the Lease Agreement and after verifying all the facts, the best solution would be to simply transfer Title so that the Division of Real Estate can continue to lease the building to the Association. The current Lease term is May 1, 1992 thru April 30, 1997.

Mr. Rubin made a motion to approve the above item contingent upon Agency Counsel approval; seconded by Mr. Bakos and carried unanimously.

Agenda Item 11d - Gift of 109 Reed Street to City of Buffalo Urban Renewal Agency

Submitted to the Agency Members for approval is the acceptance of a vacant lot located at 109 Reed Street, donated by Marsha Lutz, to the Buffalo Urban Renewal Area. This gift is conditioned upon the Agency's acceptance and requires the agency to pay the expenses associated with the conveyance. Furthermore, the Agency, as an involved Agency under SEQR is required to conduct an Environmental Review before approving acceptance of the property.

Mr. Planavsky made the motion to approve the above item contingent upon the Environmental Review, also contingent upon Agency Counsel approval; seconded by Miss Pantano and carried unanimously.

**Agenda Item 11e - Community Wide Urban Renewal Homestead Program designation and LDA Approval for
Masten/Kingsley New Housing
Aicha Company, Inc., Proposed Redeveloper**

Submitted to the Agency Members for approval was a request from Rita Smith of Aicha Construction Company, Inc. to be designated as Redeveloper for the properties located at 66, 68, 82, 86, 90, 92, 96 and 100 Johnson. Five single family homes are proposed for these sites, each having three bedrooms, full basement, one and one half bathroom and attached garage. The units will range in prices of $78,066, $74,982 and $79,950. Also submitted is the Land Disposition Agreement and Resolution.

Miss Pantano made the motion to approve the above item contingent upon certification of funds by Financial Control of Agencies and Agency Counsel approval; seconded by Mr. Arthur and carried unanimously.

Mr. Rubin made the motion to move into Executive Session to discuss the Uniland Block 21 matter; seconded by Mr. Planavsky.

Mr.Rubin made the motion to move out of Executive Session and back into the Public Meeting; seconded by Mr. Bakos.

There being no further business to discuss Mr. Rubin made the motion to adjourn; seconded by Mr. Planavsky and carried unanimously.

The Mayor declared the meeting adjourned at 11:00 A.M. until THURSDAY, DECEMBER 23, 1993 at 9:30 A.M. in Room 209.

Respectfully submitted,

Samuel F. Houston
Secretary

Reported by:
Colleen Sullivan

EXHIBIT "F"

BUFFALO URBAN RENEWAL AGENCY

FEBRUARY 23, 1994

ROOM 209

MEMBERS AND
OFFICERS PRESENT: Hon. Anthony M. Masiello, Chairman
Daniel S. Bicz, Vice-Chairman
Eva M. Hassett, Commissioner of Administration & Finance
Jan Peters
Brent Baird
Edward D. Peace, Corporation Counsel
Anthony A. Marconi, Vice-Chairman, Commissioner of Inspections & Community Revitalization
Council President George K. Arthur
Councilmember Kevin Helfer
Councilmember Clifford Bell

SECRETARY: Michael L. McCarthy
General Counsel
Buffalo Urban Renewal Agency

OTHERS PRESENT: Thomas Franczyk, Human Resources
Frank Mazur, Financial Control of Agencies
Jay B. Duderwick, Inspections & Community Revitalization
Cathy Phillips, Dan Glowacki, Lew Maulucci, ICR
Wayne Kwiatkowski, Development
Carolyn Hoyt, William Mathias, Crossroads
Lynn Knezevich, Board of Education
Sue Lumadue, University Heights
Dominic Telesco
Bob Bavisotto
Cheryl Sobieski, WBEN
Linda Przepasniak, ICR
Christopher Pawenski, Turner Construction
Mark Tytka, Planning
Christopher Pawensla, Turner Construction
Michael Williams, Common Council Staff
Paul Brunner, Blackrock-Riverside NHS
P. Christopher Dirr, BEDC

appr 2/23/95

Mayor Masiello called the meeting to order at 9:40 A.M.

Mr. Bell made the motion to waive the reading of the minutes of the FEBRUARY 9, 1995 meeting and that they be accepted with any corrections; seconded by Mr. Helfer and carried unanimously.

Mr. Arthur made the motion to take the following item out of order; seconded by Mayor Masiello and carried unanimously.

Agenda Item lla - Relocation of 20th Year HOME Rehab Funds

Submitted to the Agency Members for approval is a request by the Department of Inspections & Community Revitalization for BURA to approve a reallocation of HOME Funds from the 20th Year in the amount of $30,000 from the HOME Rehabilitation Fund of the Ellicott and Mastern Council Districts to the City Property Rehabilitation (CPR) Program, $200,000 form Ellicott and $100,000 from Masten. The CPR Program will be administered by BNRC, as per the agreement between BNRC and the City of Buffalo dated November 3, 1994. The first will involve five (5) properties located in the Masten, Ellicott as well as other neighborhoods in the City. The funds will be used on a draw basis to rehabilitate City In Rem and HUD foreclosed properties. All Program applicants, serviced under this program are required to meet the Section 8 income guidelines and to conform to all other existing regulations of HUD and the Buffalo urban Renewal Agency.

Mr. Peace requested that the Demographic Sheet be added to all contracts from this point forward listing the make up of the company with regard to Minority Hiring.

Mr. Arthur made the motion to approve the above item contingent upon certification of funds by Financial Control of Agencies and Agency Counsel approval; seconded by Mr. Helfer with Mr. Bell voting in the negative. **F.S.: HOME (Various)**

3. COMMUNITY DEVELOPMENT BLOCK GRANT

Agenda Item 3a - WITHDRAWN

Agenda Item 3b - Extension of Contract - Mayor's Neighborhood Improvement Columbus Bridges

Submitted to the Agency Members at this time is a request in the amount of $1,500 to extend the contract of Columbus Bridges to March 10, 1995. Mr. Bridges contract was approved under Agenda Item 3k of October 27, 1995 BURA meeting.

Mayor Masiello made the motion to approve the above item contingent upon certification of funds by Financial Control of Agencies and Agency Counsel approval; seconded by Mr. Helfer and carried unanimously. **F.S. 95-50407**

Agenda Item 3c - Report of Bids - Asbestos Removal 302, 304 and 306 W. Utica

Submitted to the Agency Members for approval is a request in the amount of $10,890 for asbestos removal prior to demolition at the above listed properties. Zeon Corporation was the lowest responsible bidder on this job.

Mr. Arthur made the motion to approve the above item contingent upon certification of funds by Financial Control of Agencies and Agency Counsel approval; seconded by Mayor Masiello and carried unanimously. **F.S.: 95-40201**

Agenda Item 3d - Report of Fee Proposals
Architectural-Engineering Services
Various CDBG Public Improvement Projects

Submitted to the Agency Members for approval is a request to contract with nine (9) Architectural-Engineering Firms on a project by project basis based on fee proposals received by BURA on 1/27/95. A summary of firms solicited and their average fees based on construction costs is also submitted for approval.

Ms. Peters made the motion to amend the above item approving the concept of subcontracting Architectural and Engineering services in order to expedite putting projects on line with Block Grant Funds and that the information be reported back that details current projects that are on the drawing board that have not been implemented with the unexpended Block Grant funds in the amount in question and year; and the methodology in selecting the individual firms; seconded by Mr. Arthur.

Mr. Bell made the motion to approve the above item as amended contingent upon certification of funds by Financial Control of Agencies and Agency Counsel approval; seconded by Ms. Hassett and carried unanimously. **F.S.: Specific CDBG Public Improvement Accounts**

Agenda Item 3e - Friends of Buffalo River
Buffalo River Greenway Planning

Submitted to the Agency Members for approval is a request in the amount of $30,000 in 20th Year CDBG to the Friends of the Buffalo River to complete a master plan and design guidelines for the Buffalo River Greenway.

Councilmember Bell made the motion to approve the above item contingent upon certification of funds and Agency Counsel approval; seconded by Mayor Masiello and carried unanimously. **F.S.: 20th Year CDBG**

Agenda Item 3f - School 33 Play Area

Submitted to the Agency Members for approval is a request in the amount of $22,060 for the construction of a new play area for community and school use. Gleason's Nursery was the lowest responsible bidder for this job.

Mr. Arthur made the motion to approve the above item contingent upon certification of funds by Financial Control of Agencies and Agency Counsel approval; seconded by Mr. Helfer and carried unanimously. **F.S.: 93-04204**

Mayor Masiello made the motion to accept Agenda Items 3g, 3h, and 3i as one item; seconded by Councilman Bell and carried unanimously.

Agenda Item 3g - Permission to Contract - General - C.H. Byron
King Center

Submitted to the Agency Members for approval is a request in the amount of $87,000 for general construction work at the King Urban Life Center. Work is required to construct new office space within the Church for use by the K.U.I.C. staff. C. H. Byron was the lowest responsible bidder on this project.

Mayor Masiello made the motion to approve the above item contingent upon certification of funds by Financial Control of Agencies and Agency Counsel approval; seconded by Ms. Hassett and carried unanimously. **F.S.: 94-I4200**

Agenda Item 3h - Permission to Contract - Plumbing
King Urban Life Center

Submitted to the Agency Members for approval is a request in the amount of $9,200 for plumbing work at the King Urban Life Center, former St. Mary of Sorrows church, at Genesee and Rich Sts. Work is required so that we may construct new office space for use by the K.U.L.C. staff members. Ackerman & Heubsch was the lowest responsible bidder for this project.

Mayor Masiello made the motion to approve the above item contingent upon certification of funds by Financial Control of Agencies and Agency Counsel approval; seconded by Ms. Hassett and carried unanimously. **F.S.: 94-14200**

Agency Item 3i - Permission to Contract-Electrical
Warrens Electric-King Center

Submitted to the Agency Members for approval is a request in the amount of $10,383 to construct new office space within the Former church for use by the K.U.L.C. Staff. Warrens Electric was the lowest responsible bidder on the electrical work for this project.

Ms. Hassett made the motion to approve the above item contingent upon certification of funds by financial control of Agencies and Agency Counsel approval; seconded by Mayor Masiello and carried unanimously.

Agenda Item 3j - Wilsandra Construction - Change Order #2 - My Brothers Keeper
1085 Kensington Avenue Increase of $4,282

Submitted to the Agency Members for approval is a request in the amount of $4,282 for new flooring, new cabinetry, and Miscellaneous painting and plumbing work. This work was not part of the original contracted work. The new contract amount will be $19,239.00.

Mr. Bell made the motion to approve the above item contingent upon certification of funds by Financial Control of Agencies and Agency Counsel approval; seconded by Mr. Helfer and carried unanimously. **F.S.: 94-14205**

4. OAK STREET REDEVELOPMENT

NO SUBMISSION

5. WATERFRONT REDEVELOPMENT

NO SUBMISSION

6. NEIGHBORHOOD DEVELOPMENT PROGRAM

NO SUBMISSION

7. URBAN HOMESTEAD PROGRAM

NO SUBMISSION

8. THRUWAY INDUSTRIAL PARK

NO SUBMISSION

9. NEW BUFFALO INDUSTRIAL PARK

NO SUBMISSION

10. SOUTH ELLICOTT URBAN RENEWAL AREA

NO SUBMISSION

11. OTHER BUSINESS

Agenda Item 11a - Relocation of 20th Year HOME Rehab Funds

Submitted to the Agency Members for approval is a request from the Department of Inspections and Community Revitalization for a reallocation of HOME Funds from the 20thYear in the amount of $300,000. The funds will come from the HOME Rehabilitation Fund of the Ellicott and Masten Council Districts to the City Property Rehabilitation (CPR) Program, $200,000 from Ellicott and $100,000 from Masten. The CPR Program will be administered by BNRC, as per the agreement between BNRC and the City of Buffalo dated November 3, 1994. The first phase will involve five (5) properties located in the Masten, Ellicott as well as other neighborhoods in the City. The funds will be used on a draw basis to rehabilitate City In Rem and HUD foreclosed

properties. All Program applicants serviced under this program are required to meet the Section 8 income guidelines and conform to all other existing regulations of HUD and the BURA.

Mr. Peace made the motion to Receive and File the above item; seconded by Mr. Helfer and carried unanimously. **F.S.: HOME (Various)**

Agenda Item 11b - DELETED

Agenda Item 11c - HUD - Lead Based Paint Abatement and Hazard Control Grant - Acceptance of Grants

Submitted to the Agency Members is a request for BURA to accept and administer the City of Buffalo's HUD Lead Based Pain Abatement and Hazard Control Grant in the amount of $3,750,450. The Department of Inspections & Community Revitalization will administer the operations of the grant funds. The funding for this program focuses on childhood lead poisoning prevention, community education and lead paint abatement in the City of Buffalo's ten highest lead risk tracts. It is anticipated that lead based paint in approximately 20 homes will be abated throughout the two year term of this grant. Applicants will be required to meet HUD Section 8 income guidelines.

Mr. Bell made the motion to approve the above item contingent upon certification of funds by Financial Control of Agencies and Agency Counsel approval; seconded by Mayor Masiello and carried unanimously. **F.S.: HUD**

Agenda Item lld - Amendment of BURA Administrative Budget Department of Inspections and Community Revitalization Creation of Lead Abatement Program Manager Position

Submitted to the Agency Members for approval is a request to amend the BURA Administrative Budget for the Department of Inspections & Community Revitalization in the amount of $14,444 to include a new position of Lead Abatement Program Manager. This position will be funded effective 3/27/95 utilizing HUD Lead-based Pain Abatement Grant dollars. The job description and budget are submitted. The Lead Abatement Program Manager will facilitate the activities of the HUD Lead Based Paint Abatement and Hazard Control grant which will focus on childhood lead poisoning prevention, community education and lead paint abatement.

Mr. Arthur made the motion to approve the above item contingent upon certification of funds by Financial Control of Agencies and Agency Counsel approval; seconded by Mr. Helfer and carried unanimously. **F.S.: HUD Lead Grant**

Agenda Item 11e - Taken out of Order

Agenda Item llf - Computer Purchase/Report of Bids

Submitted to the Agency Members for approval is a request in the amount of $22,061 to acquire additional computers for the Department of Inspections & Community Revitalization, the Department of Community Development and other Consolidated Planning related operations. Gateway 2000, Inc. will supply the computers and CS Business Systems will supply the printers. Comtel, Inc. will supply the Ethernet LAN Drops .

Mr. Bell made the motion to approve the above item contingent upon certification of funds by Financial Control of Agencies and Agency Counsel approval; seconded by Mayor Masiello and carried unanimously. **F.S.: BURA General Fund**

Mr. Arthur made the motion to accept the following items as LATE FILES; seconded by Mr. Helfer and carried unanimously.

Agenda Item llg. - Four-R Realty Block Bounded by Mississippi & Baltimore - BURA Acquisition

Submitted to the Agency Members for approval is a contract for the purchase of the block between Mississippi and Baltimore Sts. bounded by Perry St. on the North and South Park Ave. on the South. The allocation for this purchase, in the amount of $772,000 was deposited with the County Clerk as part of the condemnation proceedings on July 2l, 1994. After negotiations, this parcel will be purchased by BURA using those funds. The terms of the contract will be substantially as contained in the copy submitted. Consistent with our earlier practice, we ask the Agency to approve this agreement subject to final terms as agreed to by the Chairman with the advise of Agency Counsel.

Mr. Peace made the motion to amend the above item for the contract to be approved as to form with the inclusion of a minimum of a $400,000 escrow account or an amount to be determined based upon an environmental remediation to be prepared by Chopra-Lee.

Mr. Arthur made the motion to approve the above amendment; seconded by Mr. Helfer and carried unanimously.

Mayor Masiello made the motion to approve the above item as amended; seconded by Mr. Arthur and carried with Mr. Bell voting in the negative.

Agenda Item llh - Urban Renewal Plan Amendment

Submitted to the Agency Members for approval is an Urban Renewal Plan Amendment authorizing BURA to acquire the block of land between Baltimore and Columbia Streets ratifying certain design changes as previously approved by the Commissioner of Community Development. This amendment has unqualified approval of the Planning Board and has been forwarded to the Common Council for a statutory hearing and final approval.

Mr. Peace made the motion to amend the above item to include the slight changes in the overall Plan Amendment; seconded by Mr. Helfer.

Mr. Arthur made the motion to approve the amendment; seconded by Mr. Helfer with Mr. Bell voting in the negative.

Mr. Arthur made the motion to approve the above item as amended; seconded by Mayor Masiello and carried unanimously.

There being no further business to discuss Mr. Bicz made the motion to adjourn; seconded by Mr. Bell and carried unanimously.

Mr. Bicz declared the meeting adjourned at 11:00 A.M.

The next regularly scheduled meeting will be held at 9:30 a.m. THURSDAY, MARCH 9, 1995 in Room 209 City Hall, Buffalo, N. Y.

Respectfully submitted,

Michael L. McCarthy
Secretary

Reported by:
Colleen M. Sullivan
Legal Stenographer

EXHIBIT "G"

BUFFALO URBAN RENEWAL AGENCY
APRIL 13, 1995
ROOM 209

MEMBERS AND
OFFICERS PRESENT:

Daniel S. Bicz, Vice-Chairman
Eva M. Hassett, Commissioner of Administration and Finance
Jan Peters
Brent Baird
Edward D. Peace, Corporation Counsel
Anthony A. Marconi, Vice-Chairman, Commissioner of Inspections & Community Revitalization
Councilmember George K. Arthur
Councilmember Kevin Helfer
Councilmember Clifford Bell

MEMBERS ABSENT:

Hon. Anthony M. Masiello, Chairman

SECRETARY:

Michael L. McCarthy
General Counsel
Buffalo Urban Renewal Agency

OTHERS PRESENT:

Jay Duderwick, Inspections & Community Revitalization
Frank Bellotti, BURA Director
Pamela Walker, BURA Union 1st Vice-President
Jim Folan, Human Resources
Harvey Serota, Financial Control of Agencies
Ruth Luchey Toliver, Deputy Commissioner of Community Development
Thomas E. Hill, Jr., Inspections & Community Revitalization

Commissioner Bicz called the meeting to order at 9:30 A.M.

Mr. Bell made the motion to waive the reading of the minutes of MARCH 23, 1995 meeting, and that they be accepted with corrections; seconded by Mr. Helfer and carried unanimously.

2a. CONSENT CALENDAR

The consent calendar initiative was tabled for two weeks. The items in the consent calendar were placed on the regular agenda. Motion made by Mr. Bell, seconded by Mr. Arthur and carried unanimously.

Mr. Peace entered the meeting at 9:45 A.M.

5 Copies

3. COMMUNITY DEVELOPMENT BLOCK GRANT

Agenda Item 3a - Chippewa Street Tree Planting

Submitted to the Agency Members for approval is a request, in the amount of $11,162 to plant trees along Chippewa Street as part of our overall improvement plan for Chippewa Street.

Mr. Arthur made the motion to approve the above item contingent upon certification of funds by Financial Control of Agencies and Agency Counsel approval; seconded by Mr. Helfer and carried unanimously. F.S. 93-50202

Agenda Item 3b - Soccer Goals

Submitted to the Agency Members at this time is a request, in the amount of $9,118 to purchase and install new soccer goals for the summer soccer league at several locations.

Mr. Bell made the motion to approve the above item contingent upon certification of funds by Financial Control of Agencies and Agency Counsel approval; and that the Council be notified in case the soccer goals are moved, seconded by Mr. Arthur and carried unanimously. F.S. 93-50204

Agenda Item 3c - School 47 Human Service Center
422 Pratt Street
Year 20 Complex Budget Revision

Submitted to the Agency Members for approval is a request, in the amount of $138,000 to be added to utilities, materials, and supplies, other services, fringe benefits and capital outlay. This money would come from the personnel line due to staff vacancies.

Mr. Helfer made the motion to approve the above item contingent upon certification of funds by Financial Control of Agencies and Agency Counsel approval; seconded by Mr. Bell and carried unanimously. F.S. N/A

Agenda Item 3d - Masten Neighborhood Advisory Council
Lead Abatement Demonstration Project
Four (4) Month Extension

Submitted to the Agency Members for approval is a request for a four (4) month extension. The original administrative contract was approved at the June 23, 1994 BURA meeting, Item 3f, providing $56,925 to abate two homes in Census Tract 35. This program primarily benefits low to moderate income persons as defined by HUD Section 8 guidelines. The proposed extension will continue through June, 1995. There are no additional funds requested.

Mr. Helfer made the motion to amend the above item contingent upon Agency Counsel approval; to extend contract for four (4) months, seconded by Mr. Peace and carried unanimously.

Mr. Peace made the motion to approve the above item as amended contingent upon certification of funds by Financial Control of Agencies and Agency Counsel approval; seconded by Mr. Helfer and carried unanimously. F.S. 94-50506

Ms. Hassett made the motion to take Agenda Item 3e, and Agenda Item 3f and present them as one item, seconded by Mr. Baird and carried unanimously.

Agenda Item 3e - Information Item - BURA Director Periodic Financial Report

Submitted to the Agency Members is an informational item submitted by Frank A. Bellotti, BURA Director. The BURA Director will be making monthly financial reporting information to the Agency. The specific information will be pre-approved by the Commissioner and Deputy Commissioner of Community Development for inclusion, with recommendations from the Audit and Budget Review Committee. The topics would include some of the following as well as others: (1) BURA Performance Audit Review Updates (2) Monthly Financial Reports. The specific report to be included in Agency meeting will be submitted in the normal process of agenda items.

Agenda Item 3f - Informational Item - BURA Administrative Budget Fiscal Year 20 - Project vs Budget Report

Submitted to the Agency Members for approval is an informational item. Pursuant to the BURA Performance Audit recommendation to provide regular financial reports, submitted is a report summarizing the revenues and expenditures in fiscal year 20 with forecasts compared to the budget. There will be an increase in the $1.2 million deficit as a result of this additional shortfall. The new projected accumulated deficit will approximate $1.5 million. The largest single item attributing to the shortfall from budget is in the area of sales of BURA owned land. This is particularly difficult to estimate in advance. The Administrative Budget for fiscal year 94-95 passed at the February 9, 1995 meeting did not include revenue projections. All future submissions will include revenue projections.

Ms. Hassett made the motion to **Receive and File** Agenda Item 3e and 3f, seconded by Mr. Bell and carried unanimously. **F.S. N/A**

Agenda Item 3g - Deleted

Agenda Item 3h - Consultant Contract for the Development of a Section 3 Action Plan

Submitted to the Agency Members for approval is a request, in the amount of $3,800 to reimburse Mr. Al Washington for consulting services regarding the above subject.

Mr. Arthur made the motion to approve the item contingent upon certification of funds by Financial Control of Agencies and Agency Counsel approval; seconded by Ms. Hassett and carried unanimously. **F.S. 95-50701**

Agenda Item 3i - Community Schools Program

Submitted to the Agency Members for approval is a request, in the amount of $50,000 to improve field trips, and to increase number of hours for Teacher Aides based on reduced cost for Mid Erie Mental Health Services and EPIC Programs. There will be no change in the original funding amount of $50,000.

Mr. Arthur made the motion to approve the above item contingent upon certification of funds by Financial Control of Agencies and Agency Counsel approval; seconded by Mr. Helfer and carried unanimously. **F.S. N/A**

Agenda Item 3j - CDBG Improvement Project
A/E Design Services Fee Structure

Submitted to the Agency Members for approval is to expedite current backlog of CDBG projects, Item 3d of BURA meeting on February 23, 1995 approved architectural/engineering firms solicited by engineering staff for design services related to various public improvement projects. Fee structure was proposed to these firms by Vice-Chairman Bicz on March 1, 1995 all of whom accepted in writing to BURA. A summary of the structure, A/E firms and projects to be assigned is also submitted.

Mr. Peace made the motion to Table the above item for two weeks, seconded by Ms. Peters and carried unanimously. **F.S. N/A**

Agenda Item 3k - Report of Bids - Permission to Contract
Demolition of 302, 304, 306 W. Utica Street

Submitted to the Agency Members for approval is a request, in the amount of $19,000 to contract with Cedar Wrecking and Salvage to demolish the above subject properties. Cedar Wrecking and Salvage was the lowest responsible bidder on this project.

Mr. Arthur moved to approve the above item contingent upon certification of funds by Financial Control of Agencies and Agency Counsel approval; seconded by Mr. Helfer and carried unanimously. **F.S. 95-40201**

Mr. Helfer made the motion to take Agenda Item 3l and Agenda Item 3m and present them as one item; seconded by Ms. Peters and carried unanimously.

Agenda Item 3l - Amendment (#2) for Year 20 (BNRC) Neighborhood Revitalization Assistance Program

Submitted to the Agency Members for approval is a request by the Department of Inspections and Community Revitalization to amend the Year 20 Neighborhood Revitalization Assistance Program dollar amount by $105,149. The neighborhood rehabilitation loan programs are administered by BNRC and offered through the Community Based Organization (CBO). All program applicants serviced under these contracts are required to meet Section 8 income guidelines and to conform to all other existing regulations of HUD and BURA. F.S. 20-50511

Agenda Item 3m - Amend (#1) for Year 20 (BNRC) Neighborhood Revitalization Revolving Loan Program

Submitted to the Agency Members for approval is a request, in the amount of $345,200 by the Department of Inspections and Community Revitalization Revolving Loan Program. The Neighborhood Rehabilitation Loan Programs are administered by BNRC, and offered through the Community Based Organizations (CBO). All program applicants serviced under these contracts are required to meet the Section 8 income guidelines and to conform to all other existing regulations of HUD and BURA. F.S. 50512

Mr. Helfer made the motion to approve the Agenda item 3l and Agenda item 3m contingent upon certification of funds by Financial Control of Agencies and Agency Counsel approval; seconded by Ms. Peters and carried, with Mr. Bell voting in the negative.

Agenda Item 3n - Permission to Contract with Advanced Survey Group 22.8± Acre Vacant Parcel

Submitted to the Agency Members for approval is a request, in the amount of $6,995 to contract with Advance Survey Group for the preparation of a boundary survey and metes and bounds description of a 22.8 acre vacant parcel owned by Conrail. The property is located between East Delavan and East Amherst Street, and will be used as a corporate parkway to service the existing manufacturing plants and the surrounding neighborhood. This portion of the parkway is envisioned as an initial phase of a new proposed roadway system from Main Street to East Delavan Avenue.

Mr. Arthur made the motion to approve the above item contingent upon certification of funds by Financial Control of Agencies and Agency Counsel approval; seconded by Ms. Peters and carried unanimously. F.S. 95-40205

Agenda Item 3o - Deleted

4. OAK STREET REDEVELOPMENT

No Submission

5. **WATERFRONT REDEVELOPMENT**

Agenda Item 5a - Resolution: Crossroads Documents

Submitted to the Agency Members for approval is a resolution wherein BURA authorizes the Chairman or Vice-Chairman to execute the documents to which BURA is a party, necessary to the culmination of the financing, construction and operation of the Crossroads Arena.

Mr. Arthur made the motion to approve the above item, seconded by Mr. Helfer and carried unanimously. **F.S. N/A**

Agenda Item 5b - Crossroads - LDA

Submitted to the Agency Members for approval is the Land Disposition Agreement for the Crossroads Project. This document has been reviewed by the Corporation Counsel, the BURA Counsel and the City's outside counsel, Kavinoky and Cook. Following approval by the Agency, it will be offered to the Common Council for approval as well.

Mr. Peace made the motion to approve the above item contingent upon Agency Counsel approval; seconded by Mr. Arthur and carried unanimously. **F.S. N/A**

Agenda Item 5c - Crossroads - Purchase of Conrail Parcel

Submitted to the Agency Members for approval is a request, in the amount of $79,500 to enter into the purchase contract on the above subject item. Also submitted is a resolution accepting the assignment from the City, of preferential rights to purchase said property, and Agency authorization to enter into the purchase contract. For further examination, also submitted to the resolution are the various documents and correspondence relevant to the transaction.

Mr. Arthur made the motion to approve the above item contingent upon certification of funds by Financial Control of Agencies and Agency Counsel approval; seconded by Mr. Peace and carried unanimously. **F.S. City Bond Funds**

6. **NEIGHBORHOOD DEVELOPMENT PROGRAM**

No Submission

7. **URBAN HOMESTEAD PROGRAM**

No Submission

8. **THRUWAY INDUSTRIAL PARK**

No Submission

9. **NEW BUFFALO INDUSTRIAL PARK**

No Submission

10. SOUTH ELLICOTT URBAN RENEWAL AREA

Agenda Item 10a - South Ellicott Urban Renewal Area
Request for Redesignation - Seneca Development and Management - Exchange Street Site - Approx. 5.69 Acres

Submitted to the Agency Members for approval is a request by Seneca Development to be redesignated on the above site. Seneca Development and Management was originally designated in 1993, and have paid $12,000 in designation fees as well as $4,253 in engineering fees in order to remain designated developer on this site. In order for this project to move forward BURA must complete the acquisition of the additional land from Conrail and the extension of Exchange Street to Smith Street must be completed. This redesignation will expire on October 13, 1995.

Mr. Helfer made the motion to approve the extension of the above item contingent upon Agency Counsel approval; seconded by Ms. Hassett and carried unanimously.

11. OTHER BUSINESS

Agenda Item 11a - HOME Proposed Rental Rehab Project

Submitted to the Agency Members for approval is a request, in the amount of $48,000 to rehab 3 Geary Street. This property must be current with taxes, water bills, sanitation charges, demolition costs and/or outstanding Housing Code Deficiencies.

Mr. Helfer made the motion to aprove the above item contingent upon certification of funds by Financial Control of Agencies and Agency Counsel approval; seconded by Mr. Arthur and carried unanimously. F.S. HOME

Agenda Item 11b - Deleted

Agenda Item 11c - BURA Participation in 1995 New York State Targeted Retirement Incentive Program

Submitted to the Agency Members for approval is a resolution authorizing a study of the 1995 New York State Targeted Retirement Incentive Program and BURA's participation in that program should it be justified.

Arthur amendment: Agency staff is to report to the members by April 20, with regard to the advisability of participation in the retirement program, and to further report back for the next meeting on April 27, with a final recommendation.

Mr. Arthur made the motion to approve the above item contingent upon Agency Counsel approval; seconded by Mr. Bell and carried unanimously.

Agenda Item 11d - Parking Lots in Urban Renewal Areas

Submitted to the Agency Members for approval is a resolution which allows two entities to establish public surface parking lots in urban renewal area, where they would otherwise not be allowed to operate, without Agency permission. In each instance, the operators will negotiate a licensing fee and design standards to ensure that aesthetic and safety goals set by the Mayor are met.

Motion was made by Mr. Baird, seconded by Ms. Peters and passed unanimously, to divide the resolution into two (2) resolutions. The resolution with respect to the Staat Street lot was **Tabled** on a motion by Mr. Bell, seconded by Mr. Arthur, which passed by a unanimous vote.

On the resolution with regard to the Main/High lot, a motion by Mr. Peace, seconded by Mr. Baird, the resolution was **approved**, as amended below, with Mr. Bell and Mr. Arthur voting in the negative.

The amendment, by Mr. Peace, seconded by Mr. Helfer and passed with Mr. Bell and Mr. Arthur voting in the negative, was that BURA Counsel negotiate a license for parking at the Main/High site and return the negotiated license to the Agency at its next meeting for final approval.

Agenda Item 11e - 1994-1995 BURA Budget Amendment - Personnel

Submitted to the Agency Members for approval is a request to amend the BURA Budget Salary Grade 1U (Step 1) $18,039 to Salary Grade 1U (Step 5) $20,824.

Mr. Bicz made the motion to approve the above item contingent upon certification of funds by Financial Control of Agencies and Agency Counsel approval; seconded by Mr. Peace and carried unanimously.

Agenda Item 11f - No Action (Slide Presentation)

Mr. Arthur made the motion to accept the following item as a Late File; seconded by Mr. Peace and carried unanimously.

Agenda Item 11g - Rehabilitation of the Stratford Arms - 41 Units and Year 20 Neighborhood Revitalization

Submitted to the Agency Members for approval is a request to amend item 3b of July 28, 1994 to remove the Stratford Arms HOME Project for $800,000 which will decrease the HOME dollar figure from $3,619,000 to $2,891,000 and approve BURA contracting with the WNY Veterans Housing Coalition, Inc., in the amount of $802,453 in City HOME funds to create 41 apartments at the former Stratford Arms Hotel (corner of West Utica and Main Street) per the conditions approved by BURA November 10, 1994, Item 11b.

Mr. Peace made the motion to accept the item, as amended, contingent upon Agency Counsel approval; seconded by Mr. Bicz and carried unanimously.

Mr. Peace made the motion to approve the item, as amended, contingent upon certification of funds by Financial Control of Agencies and Agency Counsel approval; seconded by Mr. Baird and carried unanimously. **F.S. City HOME Allocation.**

There being no further business to discuss Mr. Bicz made the motion to adjourn, seconded by Mr. Bell and carried unanimously.

Mr. Bicz declared the meeting adjourned at 12:00 P.M.

The next regularly scheduled meeting will held at 9:30 A.M. THURSDAY, APRIL 27, 1995 in Room 209 City Hall, Buffalo, New York.

Respectfully submitted

Michael L. McCarthy

MICHAEL L. McCARTHY
Secretary

Reported by:

Mable White, Stenographic Secretary

EXHIBIT 2

HISCOCK & BARCLAY, LLP

ATTORNEYS AT LAW

ALBANY, NEW YORK
BUFFALO, NEW YORK
CARTHAGE, NEW YORK
LONG ISLAND, NEW YORK

SUITE 301
THE KEY BANK TOWERS AT KEY CENTER
50 FOUNTAIN PLAZA
BUFFALO, NEW YORK 14202-2291
(716) 856-0911 FAX (716) 856-2567

ROCHESTER, NEW YORK
SYRACUSE, NEW YORK
WATERTOWN, NEW YORK
SEATTLE, WASHINGTON

May 25, 1995

Via Hand Delivery

Michael L. McCarthy, Esq.
City of Buffalo Urban Renewal Agency
510 City Hall
Buffalo, New York 14202

Re: Crossroads Arena Project

Dear Mr. McCarthy:

We have acted as special counsel to the City of Buffalo Urban Renewal Agency, a public benefit corporation organized and existing under the laws of the State of New York (General Municipal Law Article 15 and 15-A) (hereinafter referred to as "BURA") in connection with the acquisition by condemnation or by contract in lieu of condemnation of certain real property for the Crossroads Arena Project. The real property is specifically referred to in Exhibit A (the Crossroads Arena Project Land Acquisition Summary) attached hereto and made a part hereof, and is hereinafter collectively referred to as the Crossroads Arena Property.

With reference to the Crossroads Arena Property, we have examined the deeds, and the title insurance policies issued by Ticor Title Guarantee Company and Ticor Title Insurance Company (hereinafter referred to as "Ticor"), which, together with the deeds, are more particularly set forth in Exhibit A accompanying this letter (the "Examined Documents").

As to the Examined Documents, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals and the conformity to the original documents of all documents submitted to us as copies. We have relied on certificates of appropriate officers, partners or individuals of the Crossroads Arena Property grantors, Ticor, or BURA as to any facts not independently established.

Other than our review of the Examined Documents, we have made no investigation as to any factual matters, including, but not limited to, any review of files and other records of BURA, or of any other governmental authority. This opinion is based solely on the title insurance policies and the title insurance certificates or commitments issued by Ticor, and is subject to such errors, omissions or disclaimers, or exclusions as may be contained in such title insurance policies, certificates, commitments, or the documents and surveys referred to therein.

We advise you that our opinion is further qualified and subject to the following:

1. Rights of parties in possession, if any, which are not shown of record.

2. Any state of facts which a personal inspection of the Crossroads Arena Property would disclose.

3. Federal, State, or local government laws, ordinances, regulations or requirements affecting the Crossroads Arena Property, including, but not limited to, zoning laws and regulations.

4. Any and all real estate taxes, sewer rents, water and utility charges, and assessments which have become a lien subsequent to the filing date of the court order or recording date of the deeds referred to in Exhibit A.

5. Any state of facts not shown on the Ticor title insurance policies or surveys referred to therein.

Based upon and subject to the foregoing, we are of the opinion that the Crossroads Arena Property is vested in BURA, subject to any encumbrances, matters or exclusions set forth in such Ticor title insurance policies.

This letter is intended solely for the benefit of BURA and its counsel and may not be relied upon, referred to or otherwise used by any other person without our express written consent.

Very truly yours,

Hiscock & Barclay LLP

By Charles C. Martorana

CCM/amh

CROSSROADS ARENA PROJECT
Buffalo, New York
Land Acquisition Summary

Prepared 5/25/95 by Hiscock & Barclay, LLP

Parcel	Real Property Purchase Price	Source of Title[6]	Ticor[4] Title Insurance Policy Number	Amount of Title Insurance Coverage
18-20 South Park Avenue	$ 74,000[1]	10873/996	T50-94-02013[5]	$ 216,000[5]
27 Washington Street	$ 142,000[1]	10873/999	(see note 5)	(see note 5)
32-34 Illinois Street and 72-76 South Park Avenue	$ 400,000[1 2]	10873/5789	T50-94-02026	$ 400,000
51 Perry Street	$ 980,000[1]	10870/3962	T50-94-01667	$ 980,000
188 South Park Avenue	$ 79,500[1]	10885/7924	5095-25159	$ 79,500
25 Mississippi Street and 125 Perry Street	$1,400,000[1 2]	10886/2305	5095-25160	$1,400,000
Acquisition Map Parcel Numbers 1, 2, 3, 4, 6, 7, 9, 10, 11, 13, 14, 15, 16, 17, 18, 20, 21, 22 and 23	$1,070,300[3]	Order Index Number I1994/5719	5094-25250	$1,070,300
Total	**$4,145,800**			**$4,145,800**

Exhibit A

Code: [1] Property purchased by contract in lieu of condemnation.

[2] Escrow established from the purchase price pursuant to contract:
a. 32-34 Illinois Street and 72-76 South Park Avenue - $100,000 held by BURA
b. 25 Mississippi Street and 125 Perry Street - $200,000 held by Jaeckle, Fleischmann & Mugel

[3] Properties acquired by condemnation with funds paid to the Erie County Comptroller subject to claims of condemnees; except Parcels 7 and 14 funds were paid directly to the condemnee.

[4] Ticor is the abbreviation for Ticor Title Insurance Company and Ticor Title Guarantee Company

[5] Ticor policy number T50-94-02013 covers 18-20 South Park Avenue and 27 Washington Street

6 All deeds and orders are recorded or filed, respectively, in the office of the Erie County Clerk, Buffalo, New York. Except for the court order, all references are to Liber of Deeds, at Page _____.

County of Erie
DEPARTMENT OF LAW

KENNETH A. SCHOETZ
COUNTY ATTORNEY

DENNIS T. GORSKI
COUNTY EXECUTIVE

ALAN P. GERSTMAN
FIRST ASST. COUNTY ATTORNEY

JAMES A.W. McLEOD
SECOND ASST. COUNTY ATTORNEY

June 2, 1995

Crossroads Arena, LLC
140 Main Street
Buffalo, New York 14202

Buffalo Urban Renewal Agency
920 City Hall
Buffalo, New York 14202

City of Buffalo
65 Niagara Street
City Hall - Room 1101
Buffalo, New York 14202

Erie County Industrial
Development Agency
424 Main Street
Suite 300 Liberty Building
Buffalo, New York 14202

New York State
Urban Development Corporation
1515 Broadway - 53rd Floor
New York, New York 10036

Re: Crossroads Arena Project

Ladies and Gentlemen:

We are the County of Erie Department of Law and we have acted as counsel to the County of Erie (the "County") in connection with the execution and delivery of that certain Development and Construction Agreement dated as of May 10, 1995 (the "Agreement") by and between CALLC and the Public Sector Participants (as such terms are defined in Schedule A to the Agreement) and related documents executed in connection therewith relating to the design, development, construction and equipping of the Project. Capitalized terms used herein without definition shall have the meanings set forth in Schedule A.

This opinion is delivered to you pursuant to Section 7.04 of the Agreement.

As counsel to the County, we have examined originals or copies, certified or otherwise identified to our satisfaction, of such instruments, certificates and documents as we have deemed necessary or appropriate for the purposes of the opinions rendered below. In such examination, we have assumed the genuineness of all signatures (other than that of the County), the authenticity of all documents submitted to us as originals and the conformity to the

original documents of all documents submitted to us as copies and the due execution and delivery by each entity other than the County of each document submitted to us. As to any facts material to our opinion, we have examined and relied upon such instruments, certificates and documents as we have deemed appropriate and necessary and have not conducted any independent investigations as to the foregoing. As to facts material to our opinion, we have where relevant facts were not independently established, relied upon, in addition to the foregoing, the accuracy of the representations of the County contained in the Agreement.

Based upon and subject to the foregoing, we are of the opinion that:

1. The County is a duly organized municipal corporation, validly existing under the laws of the State of New York; has the full power and authority to transact the business in which it is engaged; is in good standing and has all necessary powers and authority to enter into the Agreement and to execute, deliver and comply with the Agreement and any documents executed and delivered in connection with the Agreement to which the County is a party; and to perform all of its obligations thereunder, all of which have been duly authorized by all proper and necessary action.

2. The execution and delivery by the County of the Agreement and of any documents executed and delivered in connection with the Agreement, and the performance of its 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, the County Charter, legislation, or other agreement or instrument to which the County 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 the Agreement and the transactions contemplated thereunder) upon or with respect to any of the County's assets with respect to the Project.

3. Except as set forth in the immediately following sentence, the Agreement, and the documents executed by the County in connection therewith, constitute the legal, valid and binding obligations of the County, 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. No opinion is expressed as to the validity, binding effect or enforceability of Section 9 of the Financing Participants Agreement or Section 9.01 of the Operating Agreement.

4. There are no actions, suits, proceedings (whether or not purportedly on behalf of the County) or investigations relating to the Project pending, or to the best of our knowledge, threatened against the County or any basis therefor (a) which would, if adversely determined, in any case or in the aggregate, adversely affect the ability of the County to pay when due any amounts which may be payable with respect to the Project or to perform any obligations the County may have at any time with respect to the Project, or (b) which question the validity of the Agreement or any document contemplated by or executed by the County in connection therewith or any action to be taken pursuant to the foregoing.

5. The County 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 the Agreement and any document contemplated by or executed by the County in connection therewith or any action to be taken pursuant to the foregoing, other than filings and records related to collateral documents.

This opinion is addressed to you and only you may rely thereon, except that your counsel may rely upon this opinion in connection with any opinion being delivered to you in connection with the transactions contemplated hereby. We are only admitted to practice law in the State of New York, and, therefore, our opinions herein contained are limited to the laws of the State of New York and Federal Law.

Very truly yours,

KENNETH A. SCHOETZ
Erie County Attorney

By: RICHARD J. SCHECHTER
Assistant County Attorney

RJS/crj

New York State
Urban Development
Corporation

1515 Broadway
New York, NY 10036-8960
212/930-9000

May , 1995

City of Buffalo
65 Court Street
City Hall
Buffalo, New York 14202

Buffalo Urban Renewal Agency
920 City Hall
Buffalo, New York 14202

County of Erie
County Office Building
95 Franklin Street, 10th Flr.
Buffalo, New York 14202

Erie County Industrial
Development Agency
424 Main Street
Suite 300, Liberty Building
Buffalo, New York 14202

Crossroads Arena LLC
140 Main Street
Buffalo, New York 14202

Re: Crossroads Arena, Buffalo, New York (the "Project")

Ladies and Gentlemen:

I am Acting General Counsel to the New York State Urban Development Corporation ("UDC"), a public benefit corporation of the State of New York, and have acted as such in connection with the execution and delivery of that certain Development and Construction Agreement, dated as of May 10, 1995 among UDC, the City of Buffalo, County of Erie, Crossroads Arena LLC, Buffalo Urban Renewal Agency and Erie County Industrial Development Agency (the "Development and Construction Agreement") and related documents executed in connection therewith, relating to the design, development, construction and equipping of the Project.

In delivering this opinion, I have considered such documents and questions of law and fact as I have deemed necessary. In such examination, I have assumed the genuineness of all signatures on original documents (other than signatures of UDC) and the conformity to original and certified documents of all copies submitted to me as conformed or purporting to be photostatic or telecopied copies. On the basis of the foregoing examination and assumptions and in reliance thereon, I am of the opinion that, as of this date:

1. UDC is a duly authorized and validly existing public benefit corporation of the State of New York; 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 the Development and Construction and to execute, deliver and comply with the

Development and Construction Agreement and any documents executed and delivered in connection with the Development and Construction Agreement to which it is a party; and to perform all of its obligations thereunder or contemplated thereby, all of which have been duly authorized by all proper and necessary action.

2. The execution and delivery of the Development and Construction Agreement and any documents executed and delivered in connection with the Development and Construction Agreement to which UDC is a party, and the performance of the obligations thereunder do not and 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 UDC 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 the Development and Construction Agreement and the transactions contemplated thereunder) upon or with respect to any of UDC's assets with respect to the Project, as applicable.

3. The Development and Construction Agreement and the documents executed in connection therewith constitute the legal, valid and binding obligations of UDC, 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.

4. There are no actions, suits, proceedings or investigations relating to the Project pending or to the best of my knowledge, threatened against UDC or any basis therefor (a) which would, if adversely determined, in any case or in the aggregate, adversely affect the ability of UDC 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 the Development and Construction Agreement or any document

contemplated by or executed in connection therewith or any action to be taken pursuant to the foregoing.

5. UDC 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 the Development and Construction Agreement and any document contemplated by or executed in connection therewith or any action to be taken pursuant to the foregoing, other than filings and recordings relating to collateral documents.

The law covered by this opinion letter is limited to the laws of the State of New York and Federal laws of the United States to the extent applicable to the transactions referred to herein.

The opinions expressed herein are limited to the matters stated herein and no opinion is implied or may be inferred as to any other matters.

This opinion is being given as of the date set forth above, and I assume no obligation to update or supplement this opinion letter to reflect any changes in facts or circumstances that may hereafter come to my attention or occur, or any changes in any other laws or court decisions that may hereafter occur.

The opinions expressed herein are limited in their use for reliance by the above named entities only in connection with the Development and Construction Agreement and related documents and the transactions contemplated thereby and may not otherwise be used or relied upon by any of such entities or any other person for any purpose whatsoever.

Very truly yours,

Anita Laremont
Acting General Counsel

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†††ALSO ADMITTED IN D.C

June 2, 1995

Erie County Industrial
Development Agency
Suite 300, Liberty Building
424 Main Street
Buffalo, New York 14202

Crossroads Arena LLC
140 Main Street
Buffalo, New York 14202

RE: Erie County Industrial Development Agency
(1995 Crossroads Arena Project)

Ladies and Gentlemen:

The undersigned is counsel to the Erie County Industrial Development Agency, a corporate governmental agency constituting a body corporate and politic and a public benefit corporation organized and existing under the laws of the State of New York (the "Agency"), relating to the 1995 Crossroads Arena Project. As such we are familiar with the acts and proceedings heretofore had or taken by the Agency relative to the authorization, execution and delivery by the Agency of the Agency Lease Agreement dated as of May 10, 1995 (the "Lease Agreement") between the Agency and Crossroads Arena LLC, a limited liability corporation organized under the laws of the State of New York (the "Company"). Terms with initial capital letters used herein, unless otherwise defined herein, shall have the meanings designated in the Lease Agreement.

The opinions set forth in this letter are based solely upon our review of the following:

(a) the Act;

(b) Chapter 652 of the Laws of 1993 of the State of New York, effective August 4, 1993;

(c) the Agency Certificates of Establishment and Appointment of Members;

(d) the Agency General Certificate;

(e) the Agency By-Laws;

(f) records of the Agency proceedings including notices of Agency meetings and public hearings, minutes of Agency meetings and Agency resolutions;

(g) the Lease Agreement;

(h) the Company General Certificate of even date herewith, duly executed by Arena, Inc., the manager of the Company.

(i) the Certificate of Title number 5094-25301, dated April 6, 1995, issued by Ticor Title Guarantee Company with respect to the Project (the "Title Certificate");

(j) the survey of the Project dated March 29, 1995, by Deborah A. Naybor, P.L.S.

(k) information received by us in discussions with the Agency as to matters we consider relevant to the opinions set forth in this letter;

(l) review of the judgment lien and actions and proceedings records of the Erie County Clerk's Office and Buffalo City Court, Buffalo, New York and the dockets of the Clerk of the United States District Court and the Bankruptcy Court, for the Western District of New York with respect to the Agency; and

(m) such review of published sources of law as we have deemed necessary based solely on the foregoing review.

We have made no inquiry or other investigation as to any factual matter other than as set forth above. In rendering this opinion, we have relied, as to factual matters, upon the documentation reviewed by us as set forth above, including but not limited to representations and warranties of the Company contained in other documents executed and delivered in connection with the Project. In rendering this opinion, we have relied upon

the opinion of Lippes, Silverstein, Mathias and Wexler of even date herewith, as counsel to the Company, as it relates to the authorization, execution and delivery by the Company of certain documents in connection with the Project.

Subject to the foregoing qualifications, we are of the opinion that:

1. The Agency is duly created and validly existing under the Act, and has good right and lawful authority to acquire a leasehold interest in the Premises and lease the same to the Company, in accordance with the terms of the Lease Agreement. The Lease Agreement has been duly authorized, executed and delivered by the Agency and it constitutes the valid and binding agreement of the Agency, enforceable against the Agency in accordance with its terms.

2. There is no action, suit, proceeding or investigation at law or in equity by or before any court, public board or body, pending, or, to the best of our knowledge, threatened against or affecting the Agency, or to the best of our knowledge any basis for such action, suit, proceeding or investigation, wherein an unfavorable decision, ruling or finding would affect the transaction contemplated by the Lease Agreement or the validity or enforceability of the Lease Agreement.

In rendering this opinion, we express no opinion on the application or effect of any environmental laws, ordinances, rules, regulations or other environmental requirements of any governmental authority with respect to this transaction, or the potential liability thereunder, or the existence of any environmental hazards relating to this transaction, and we specifically note that we have not conducted any independent review with respect to such matters. No opinion is expressed as to any matters of title regarding the Premises or the Project. Attention is called to the fact that we have not been requested to examine and have not examined any documents or information relating to the Company or any other party, and no opinion is expressed as to any financial or other information, or the adequacy thereof, which has been or may be supplied by the Company or any other party.

The foregoing is qualified to the extent that the enforceability of the Lease Agreement may be limited by bankruptcy, moratorium or insolvency or other laws affecting creditors' rights generally and is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

Counsel to the Company may rely on this opinion as if it were addressed specifically to them.

Very truly yours,

Hurwitz & Fine, P.C.

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*ADMITTED ALSO IN FLORIDA
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June 2, 1995

Erie County Industrial
Development Agency
Suite 300, Liberty Building
424 Main Street
Buffalo, New York 14202

RE: Erie County Industrial Development Agency
(1995 Crossroads Arena Project)

Ladies and Gentlemen:

We are counsel for Crossroads Arena LLC (the "Company") in connection with the authorization, execution and delivery of the Agency Lease Agreement dated as of May 10, 1995 between the Erie County Industrial Development Agency ("Agency") and the Company, and the Environmental Compliance and Indemnification Agreement (the "Environmental Indemnity"), dated as of May 10, 1995 from the Company to the agency, the City of Buffalo Urban Renewal Agency, the City of Buffalo and the County of Erie (collectively referred to as the "Project Documents").

We have examined originals, or certified copies, or copies otherwise identified to our satisfaction, of the Project Documents.

We have also made such investigations of law and relied upon originals or certified copies or copies otherwise identified to our satisfaction, of such records, documents, certificates and other instruments, and relied upon discussions with and certificates executed by appropriate officers of the Company, as in our judgment are necessary or appropriate to enable us to render the opinion expressed below.

Subject to the limitations and qualifications contained herein, and in reliance on the said records, documents, certificates of Company officers and other instruments, we are of the opinion

that:

1. The Company is a limited liability company duly organized, validly existing and in good standing under the laws of the State of New York, qualified to do business in, and in good standing in the State of New York and has the power to enter into the Project Documents and perform its obligation thereunder.

2. The entry into and the fulfillment of and compliance with the provisions of the Project Documents have been duly authorized by all necessary action of the members of the Company.

3. Each of the Project Documents constitutes the valid and legally binding obligation of the Company, enforceable in accordance with its terms, except as enforcement may be limited by applicable bankruptcy, insolvency, moratorium or other laws affecting the enforcement of creditors' rights.

4. Neither the entry into nor the fulfillment of and compliance with the provisions of any of the Project Documents will conflict with or result in a breach of or constitute a default under (i) any provision of law, (ii) to the best of our knowledge, any order of any court or other governmental agency, (iii) the articles of organization, operating agreement or other organizational agreements of the Company, or (iv) to the best of our knowledge, any instrument by which the Company or its properties are bound.

Counsel to the Agency may rely on this letter as if it were addressed specifically to them.

Very truly yours,

Cohen Swados Wright Hanifin Bradford & Brett

COHEN SWADOS WRIGHT HANIFIN
BRADFORD & BRETT

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*ADMITTED ALSO IN FLORIDA
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June 2, 1995

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The City of Buffalo Urban
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City Hall
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The County of Erie
95 Franklin Street
County Office Building
Buffalo, New York 14202

New York State Urban Development Corporation
1515 Broadway
New York, New York 10036

Erie County Industrial Development Agency
Suite 300
Liberty Building
Buffalo, New York 14202

Ladies and Gentlemen:

We have acted as counsel to Crossroads Arena LLC, a limited liability company organized under the laws of the State of New York ("CALLC") and Arena, Inc., a New York corporation and a member of CALLC ("Arena") in connection with the authorization, execution and delivery of the Development and Construction Agreement ("Agreement")

dated as of May 10, 1995 among CALLC, the City of Buffalo ("City"), the County of Erie ("County"), the New York State Urban Development Corporation ("UDC"), the City of Buffalo Urban Renewal Agency ("BURA"), and the Erie County Industrial Development Agency ("ECIDA"). All capitalized terms not otherwise defined in this opinion shall have the meaning ascribed to them in the Agreement. This opinion is being delivered to you pursuant to Section 7.04 (c) of the Agreement.

As counsel to CALLC and Arena, we have examined originals or copies, certified or otherwise identified to our satisfaction of each of the following (each of which is dated as of May 10, 1995 unless another date is indicated):

(a) The Articles of Organization of CALLC filed with the Secretary of State of the State of New York ("Secretary of State") on October 11, 1994, as amended by a Certificate of Amendment filed with the Secretary of State on March 2, 1995 certified by the Secretary of State of New York;

(b) The Operating Agreement of CALLC dated as of November 18, 1994 certified by the Secretary of CALLC;

(c) A Certificate of Good Standing for CALLC issued by the Secretary of State dated April 28, 1995;

(d) The proceedings of the Members of CALLC authorizing, among other things, the Agreement certified by the Secretary of CALLC;

(e) The Certificate of Incorporation for Crossroads Arena Corporation filed with the Secretary of State on September 22, 1992, as amended by a Certificate of Amendment, filed with the Secretary of State on March 17, 1994 changing the name of the corporation to Arena, Inc. and certified by the Secretary of State;

(f) The By-Laws of Arena certified by the Secretary of Arena;

(g) A Certificate of Good Standing for Arena issued by the Secretary of State, dated April 28, 1995;

(h) The resolutions of the Board of Directors of Arena authorizing among other things, Arena to execute the Agreement as Member of CALLC certified by the Secretary of Arena; and

(i) The Agreement.

In addition, we have examined such other records and documents as we have deemed relevant or material in order to enable us to render the opinions set forth herein. We have examined and relied upon such certificates, agreements, documents and other papers, and have made such inquiries of CALLC, and conducted such investigations of law as we have deemed appropriate and necessary. In such examinations, we have assumed the genuineness of all signatures (other than those of the Members of CALLC), 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 to the best of our knowledge, we mean the actual knowledge of the attorneys in the Firm attributable to our representation of CALLC.

As to the facts material to our opinion we have, when relevant facts were not independently established, relied upon, in addition to the foregoing, the representations of CALLC made in the Agreement.

Based upon the foregoing, we are of the opinion that:

1. CALLC is a limited liability company duly organized, validly existing, and in good standing under the laws of the State of New York and has all necessary powers and authority to (a) enter into the Agreement and to execute, deliver and comply with the Agreement and any documents to which it is a party executed and delivered in connection with the Agreement; (b) perform all of its obligations under or contemplated by the Agreement and any documents to which it is a party executed and delivered in connection with the Agreement; and (c) own its properties and assets and to carry on its business as now being conducted by it, all of which have been duly authorized by all proper and necessary action.

2. Arena is a corporation duly organized, validly existing, and in good standing under the laws of the State of New York and has all the necessary powers and authority to (a) execute and deliver the Agreement as Member of and on behalf of CALLC and any other documents executed and delivered on behalf of CALLC in connection with the Agreement; (b) perform all of its obligations under or contemplated by the Agreement and any documents to which it is a party executed and delivered in connection with the Agreement; and (c) own its properties and assets and to carry on its business as now being conducted by it, all of which have been duly authorized by all proper and necessary action.

3. The execution and delivery by CALLC and Arena on behalf of CALLC of the Agreement and any documents executed and delivered by CALLC or Arena in connection with the Agreement, and the performance of their obligations thereunder, do not and will not (a) conflict with, result in a breach of, or constitute a default under, any provision of law, any order of any court or other governmental agency, any indenture, mortgage, deed of trust, lease, bank loan or credit agreement, the Certificate of Incorporation or By-Laws of Arena, the Articles of Organization or Operating Agreement of CALLC, or other agreement or instrument to which either CALLC or Arena is a party or by which either of them or their respective assets may be bound or affected; or (b) 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 the Agreement, the Financing

Participants Agreement, and the transactions contemplated thereunder) upon or with respect to any of CALLC's or Arena's assets with respect to the Project.

4. The execution and delivery by CALLC and Arena on behalf of CALLC of the Agreement and any documents executed and delivered by CALLC and Arena in connection therewith, have been duly authorized by all necessary limited liability company or corporate actions, as applicable, and the Agreement and the documents executed by CALLC and Arena in connection therewith constitute the legal, valid and binding obligations of CALLC and Arena, enforceable against CALLC and Arena in accordance with their respective terms, except as enforceability (i) may be limited by state or federal bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, or other similar laws affecting the rights of creditors generally or (ii) may be subject to equity principles in the event equitable remedies are sought. We note that your right to enforce the Agreement may be limited by (i) the National Hockey League Financing Participants Agreement dated as of May 10, 1995, to which the named recipients of this opinion are parties; and (ii) the Financing Participants Agreement dated as of May 10, 1995 among 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.

5. Except for the action described on Exhibit C to the Agreement, there are no actions, suits, proceedings (whether or not purportedly on behalf of CALLC or Arena) or investigations relating to the Project pending or to our knowledge, threatened against CALLC or Arena wherein any unfavorable decision, ruling, or finding (a) would, if adversely determined, in any case or in the aggregate, adversely affect the ability of CALLC or Arena to perform any obligations either of them may have at any time with respect to the Project; or (b) which question the validity of the Agreement or any document executed by CALLC or Arena in connection with the Agreement or any action to be taken pursuant to the foregoing.

6. Each of CALLC and Arena has obtained all necessary consents, licenses, approvals, or authorizations of, or has registered, declared or filed with, as applicable, any court, governmental body, authority or other Person or entity, as the same is required in connection with the valid execution, delivery and performance of the Agreement and any document executed by CALLC or Arena in connection with the Agreement, except for governmental or any regulatory consents, licenses, approvals, permits, authorizations, registrations, declarations or filings (as to which no opinion is expressed) and any document contemplated by or executed in connection therewith or any action to be taken pursuant to the foregoing. We express no opinion with respect to any such consents, licenses, approvals, authorizations, registrations, declarations, or filings required in connection with the development, construction, or use of the Project.

The opinions expressed herein are based upon the law in effect on the date hereof, and we assume no obligation to revise or supplement these opinions should such law be changed by legislative action, judicial decision or otherwise. Our opinion is limited to the matters stated herein and no opinion is to be implied or inferred beyond the matters stated herein. We are delivering this opinion to you solely for your benefit and the benefit of your counsel, and it may not be 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

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*ADMITTED ALSO IN FLORIDA
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June 2, 1995

The City of Buffalo
City Hall
Buffalo, New York 14202

New York State Urban Development Corporation
1515 Broadway, 53rd Floor
New York, New York 10036

County of Erie
95 Franklin Street
Buffalo, New York 14202

Ladies and Gentlemen:

This opinion is furnished to you pursuant to Section 6.9 of the Non-Relocation Agreement ("Non-Relocation Agreement") dated as of May 10, 1995 among the City of Buffalo ("City"), New York State Urban Development Corporation ("UDC"), County of Erie ("County"), Niagara Frontier Hockey, L.P. ("NFHLP") and Niagara Frontier Hockey Management Corp. ("NFHMC"). All capitalized terms not otherwise defined in this opinion shall have the meaning ascribed to them in the Non-Relocation Agreement.

We are general counsel for NFHLP, a limited partnership formed in the State of Delaware, and NFHMC, a New York corporation, which is the corporate general partner of NFHLP. 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 and currently holds the offices of Vice Chairman and Secretary of NFHMC.

As counsel to NFHLP and NFHMC, we have examined originals or copies, certified or otherwise identified to our satisfaction, of each of the following (each of which is dated as of May 10, 1995 unless another date is indicated):

(a) Amended and Restated Agreement of Limited Partnership as of April 1, 1994 for NFHLP, certified by the Assistant Secretary of NFHMC;

(b) Certificate of Limited Partnership of NFHLP filed with the State of Delaware March 14, 1988, certified by the Secretary of State of Delaware;

(c) A Certificate of Good Standing for NFHLP issued by the State of Delaware dated May 1, 1995;

(d) A Certificate of Subsistence for NFHLP issued by the New York Secretary of State dated April 28, 1995;

(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 the Secretary of State of New York;

(f) The Certificate of Incorporation of NFHMC filed January 21, 1988 with the Secretary of State of New York, certified by the Secretary of State of New York;

(g) By-Laws of NFHMC certified by the Assistant Secretary of NFHMC;

(h) Stockholders and Voting Trustees Agreement by and among the shareholders of NFHMC dated as of April 20, 1994, certified by the Assistant Secretary of NFHMC;

(i) A Certificate of Good Standing for NFHMC issued by the State of New York dated April 28, 1995;

(j) A Franchise Tax Report for NFHMC issued by the New York State Department of Taxation and Finance dated May 12, 1995 showing no tax due;

(k) The Non-Relocation Agreement; and

(l) The corporate and partnership proceedings of NFHMC and NFHLP, respectively, authorizing the Non-Relocation Agreement.

In addition, we have examined such other records and documents as we have deemed relevant or material in order to enable us to render the opinions contained herein, including, without limitation, originals or copies, certified or otherwise identified to our satisfaction of all such records of NFHLP and NFHMC, certificates of public officials, certificates of officers or other representatives of NFHLP and NFHMC, and such other documents, certificates and corporate or other records as we have deemed necessary or appropriate as a basis for the opinions set forth herein.

In all such examinations, we have assumed the genuineness of all signatures by each party (other than signatures of NFHLP and NFHMC), the authenticity of all documents submitted to us as originals and the conformity to original documents of all documents submitted to us as conformed or photostatic copies.

As to facts material to our opinion, we have, when relevant facts were not independently established, relied upon, in addition to the foregoing, the representations of NFHLP and NFHMC contained in the Non-Relocation Agreement.

The opinions set forth herein are subject to the foregoing, and further subject to the qualifications and limitations set forth below:

We are counsel admitted to practice only in the State of New York and are not experts in the laws of any jurisdiction other than the State of New York, the Revised Uniform Limited Partnership Act of the State of Delaware, and the Federal Laws of the United States of America, and we express no opinion as to the laws of any other jurisdiction as they may apply to the Non-Relocation Agreement.

Based upon the foregoing, we are of the opinion that:

1. NFHLP is a limited partnership duly organized, validly existing and in good standing under the laws of the State of Delaware and is qualified to do business and in good

standing in New York. NFHLP possesses partnership powers which are adequate for the carrying on of its business and the ownership of its property. NFHLP has the requisite right, partnership power and authority to execute and deliver the Non-Relocation Agreement and to enter into and perform its obligations thereunder.

2. NFHMC is a corporation duly organized, validly existing and in good standing under the laws of the State of New York. NFHMC possesses the requisite corporate powers which are adequate for the carrying on of its business and the ownership of its property. NFHMC has the requisite right, corporate power and authority to serve as general partner of NFHLP, to execute and deliver the Non-Relocation Agreement on behalf of NFHLP and itself and to enter into and perform its respective obligations thereunder.

3. The Non-Relocation Agreement has been duly authorized, executed and delivered by NFHLP and NFHMC, and as executed and delivered is a valid and binding obligation of each of NFHLP and NFHMC enforceable against each of them 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, or (ii) may be subject to equity principles in the event equitable remedies are sought. We note that your right to enforce the Non-Relocation Agreement may be limited by the National Hockey League Financing Participants Cooperation Agreement, dated as of May 10, 1995, to which the named recipients of this letter are parties, and the Financing Participants Agreement dated as of May 10, 1995 among 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.

4. The execution, delivery and performance of the Non-Relocation Agreement by NFHLP and NFHMC do not (a) violate any provisions of applicable law or any applicable order or regulation of any court or governmental agency, or (b) constitute a breach of or default under the Partnership Agreement of NFHLP, the Certificate of Incorporation or By-Laws of NFHMC or any agreement, indenture or other instrument to which either NFHLP or NFHMC is a party or by which either of them or their respective assets are bound.

5. There is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body pending, or to our knowledge, threatened, against NFHLP or NFHMC, wherein an unfavorable decision, ruling or finding would materially adversely affect the ability of NFHLP or NFHMC to carry out its obligations under the Non-Relocation Agreement. We express no opinion as to the possible effect of the "Bathgate Litigation" described in the attached Appendix I.

6. The execution, delivery and performance of the Non-Relocation Agreement by NFHLP and NFHMC do not require any authorization, consent, approval, license, exemption of or filing of a registration by either of such entities with any governmental authority or any third party, other than such authorizations, consents, approvals, licenses, exemptions, filings or registrations which have been made or obtained prior to the date hereof.

The opinions expressed herein are based upon the law in effect on the date hereof, and we assume no obligation to revise or supplement this opinion should such law be changed by legislative action, judicial decision or otherwise. Our opinion is limited to the matters stated herein and no opinion is to be implied or inferred beyond the matters stated herein. We are delivering this opinion to you solely for your benefit and the benefit of your counsel, and it may not be relied on by any other persons without our prior written consent, except that your counsel may 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

COHEN SWADOS WRIGHT HANIFIN
BRADFORD & BRETT

APPENDIX TO LETTER DATED JUNE 2, 1995 FROM COHEN SWADOS WRIGHT HANIFIN BRADFORD & BRETT TO THE CITY OF BUFFALO, NEW YORK STATE URBAN DEVELOPMENT CORPORATION, AND COUNTY OF ERIE WITH RESPECT TO PENDING LITIGATION OF NFHMC

The National Hockey League (the "NHL") maintains the National Hockey League Club Pension Plan and Trust (the "Club Plan") pursuant to a collective bargaining agreement with the NHL Players' Association and provides benefits to players. The Club Plan has been treated by the NHL and its member clubs, including NFHLP, as either an aggregate of twenty-six (26) single-employer money purchase pension plans with identical provisions maintained by each of the member clubs or a single multiple-employer money purchase pension plan maintained by the member clubs.

In April, 1991, a group of players brought legal proceedings in the Ontario Court of Justice seeking the benefit of experience rate credits declared in 1982 and 1985 under annuity contracts held by the Club Plan (the "Bathgate Litigation"). When the credits were declared, the Trustee of the Club Plan--in reliance on the advice of Baker & McKenzie, former outside pension counsel to the NHL and the member clubs, including NFHLP--allocated a portion of the credits to participants and a portion to the member clubs, including NFHLP. The Court ruled in favor of the players, holding that the Club Plan should have credited to the players the full amount of the experience rate credits. The Ontario Court of Appeals affirmed the decision, and the Supreme Court of Canada denied leave to appeal. The case currently is before a Master in a Reference proceeding in Canada. The Master will determine the amount and source of the funds needed to satisfy the judgment, and to which Club Plan participants (and in what proportion) the judgment will be allocated. The Master's final report will likely require the member clubs, including NFHLP, to make additional contributions to the Club Plan. NFHLP does not know at this time when the Master will issue his final report.

On February 2, 1995, the NHL, its member clubs, including NFHLP, and the Trustee of the Club Plan brought an action in the Ontario Court (General Division) against Baker & McKenzie and certain individuals who are or have been affiliated with the firm. The action seeks to recover damages and other relief for the defendants' negligence, breach of contract, and breach of fiduciary duty in providing legal services and advice, including the opinions of counsel regarding the permissible uses of the experience rate credits that are the subject of the Bathgate Litigation. Any recovery from this action will offset the member clubs', including NFHLP's, liability to the Club Plan resulting from the players' suit.

Discussions have been initiated with the Internal Revenue Service ("IRS") and the Department of Labor ("DOL") regarding any issues that might exist under the Internal Revenue Code of 1986, as amended (the "Code"), and/or ERISA with respect to the past administration of the Club Plan, including the manner in which the experience rate credits were applied. It is not clear at this time whether the member clubs, including NFHLP, will incur any additional liabilities or penalties as a result of these discussions.

City Clerk's Department

BUFFALO

MAY 17 1995

May 17, 1995

HON. ANTHONY M. MASIELLO

Mayor of Buffalo.

Dear Sir:

Pursuant to the provisions of Section 38 of the Charter, I present herewith the attached resolution item No. 247, May 16, 1995

Res. Auth. Exec. of Crossroads Arena Documents

City Clerk.

95 MAY 17 AM 10:34
FILED
CITY CLERK

By: Mr. Pitts

247

Resolution Authorizing Execution
of Crossroads Arena Documents

Whereas, the City of Buffalo Crossroads Arena Task Force has completed its review of the agreements and documents concerning the Crossroads Arena Project (the "Project"); and

Whereas, the execution and delivery of such agreements and documents are necessary to the progress of the Project;

Now, therefore, be it resolved that:

The Common Council hereby authorizes and approves all transactions necessary for the Project and the execution and delivery of all agreements and documents connected with the Project, including, without limitation, the following:

1. Development and Construction Agreement
2. Operating Agreement
3. Coordinating Agreement
4. Inter-Municipal Cooperation Agreement
5. Amended Bed Tax Litigation Settlement Agreement
6. Land Disposition Agreement
7. County-City Ground Lease
8. City-County Ground Lease
9. License(s) for use of City rights-of-way
10. Financing Participants Agreement
11. Lenders Cooperation Agreement
12. NFHLP Non-Relocation Agreement
13. Master Non-Disturbance and Attornment Agreement
14. Auditorium Non-Compete Agreement
15. Inducement Agreement
16. SHPO Letter of Resolution
17. Chapter 652 Agreement
18. Subordinated Guaranty in Favor of Principal Public Participants
19. 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

and be it further resolved that:

The Mayor is authorized to execute and deliver all documents and agreements connected with the Project with such changes as the Corporation Counsel may deem necessary, appropriate or convenient.

EDP:CEA:kah
T:\LABRES\WPDOCS\CROSSROA.RES

PASSED

Mr. Pitts moved to amend as follows:

Add before the last "Resolved " the following:

"and be it further resolved that:

these authorizations and approvals be and hereby are on the condition that the following matters be received by the Corporation Counsel and reported to the Common Council at closing.

1. Payment in full be Niagara Frontier Hockey, L.P. ("NFHLP") of rent due and owing to the City under the present Memorial Auditorium Lease ("And Lease").

2. A Release executed by NFHLP of any and all claims which NFHLP may have against the City relating to or arising out of the Aud Lease; provided, that in the event the Corporation Counsel determines that NFHLP may have a viable claim for monies due from the Ringling Bros. Circus, then such claim may be excluded from the release.

3. An Extoppel Letter executed by NFHLP with regard to the next quarterly rent payment due from NFHLP to the City under the Aud Lease.

4. A letter from CALLC, in the form as set forth in Item #98 CCP May 16, 1995, as amended, regarding the compatibililty of the design and construction of the Crossroads Arena with plans for future pedestrian bridge connections to the Light Rail Rapid Transit System.

5. The revisions to the Auditorium Non-Competition Agreement and Exhibit J to the Development and Construction Agreement as set forth in the Crossroads Arena Documents received by the Common Council pursuant to Item #98 CCP May 16, 1995, as amended.

Seconded by Mr. Collins.

CARRIED

Pitts to answer
and Collins

#2

4/5?

provided that in the
event the CC determines
that NFTA has a valid
claim

to accept

	AYE	NO
ARTHUR	✓	
BELL		✓
COLLINS		✓
COPPOLA	✓	
CZAJKA	✓	
FRANCZYK	✓	
HELFER	✓	
LOCKWOOD	✓	
LOTEMPIO	✓	
PERLA	✓	
PITTS	✓	
WILLIAMS	✓	
ZUCHLEWSKI	✓	
	11	2
	13	0

MAJ - 7
2/3 - 9
3/4 - 10

459

Pitts/Col

Yea 6 as amended

Mr. Pitts now moved to approve the above item, as amended.

Seconded by Mr. Collins.

PASSED

APPROVED

MAY 17 1995

MAYOR

	AYE	NO
ARTHUR	✓	
BELL		✓
COLLINS	✓	
COPPOLA	✓	
CZAJKA	✓	
FRANCZYK	✓	
HELFER	✓	
LOCKWOOD	✓	
LOTEMPIO	✓	
PERLA	✓	
PITTS	✓	
WILLIAMS	✓	
ZUCHLEWSKI	✓	
	12	1
	13	0

MAJ - 7
2/3 - 9
3/4 - 10

RESOLUTION

WHEREAS; 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"), has enacted an urban renewal plan for an area of the City of Buffalo waterfront, known as "the Crossroads"; and

WHEREAS; during the development of a new arena on the site, to be known as "Crossroads Arena", it has become apparent that the aforesaid urban renewal plan will have to be amended to accommodate the evolving arena plan; and

WHEREAS, the process of amending an urban renewal plan takes approximately six weeks to two months, and

WHEREAS, the closing of all definitive agreements among the developers and the public and private lenders is scheduled to take place on or before December 31, 1994; and

WHEREAS, the amendment of the waterfront urban renewal plan cannot be accomplished before the deadline for closing of the definitive agreements; and

WHEREAS, the passage of a resolution outlining the intent to amend, and the extent of an amendment to the

waterfront urban renewal plan will provide assurance to the developers and the public and private lenders of BURA's desire to accommodate the planning changes for the Crossroads Arena;

NOW THEREFORE, be it RESOLVED that BURA intends on amending the waterfront renewal plan as follows:

1. Baltimore Street will be rehabilitated as a cobblestone street provided the developer agrees to maintain Baltimore Street for the life of the Project, and to indemnify and hold harmless the City and the Buffalo Urban Renewal Agency for any cause or causes of action arising in connection with Baltimore Street and any expenses or losses connected with Baltimore Street. The waterfront renewal plan will be amended to permit the City to grant a license or lease allowing Baltimore Street to be closed for events at the Crossroads but otherwise remain open to traffic consistent with the renewal plan.

2. The entire block between Baltimore and Columbia Streets is necessary for the parking requirements of the Crossroads Arena. BURA will seek to acquire this entire parcel through eminent domain.

3. The current urban renewal plan contains parking lot configurations with curbed islands with grass and trees. Because of budget constraints, the expense of these structures, as well as the impingement on the number of parking spaces available, such structures may be impossible to accommodate. The developer has indicated a desire to landscape the periphery of the lots and to provide safe and efficient parking for patrons of the Crossroads Arena. Therefore, the plan will be amended to delete the "island requirement".

4. The developer is requesting the City of Buffalo to allow a portion of the right-or-way on South Park Avenue between Main Street and the loading dock at the southeast corner of the new arena to be used for a wind and design mitigating structure. This strip will contain earthen berms, walkways and plantings which will provide design and wind mitigation along the southern portion of the new arena.

5. The plan will be further amended to accomplish the following changes:

(a) The set-back on Perry Street from the parking structures will be greater than originally planned.

This is being done to allow for greater pedestrian access and to allow room for landscaping and tree plantings to establish a plaza-like setting.

(b) The height restriction under the plan is being exceeded by the new arena by approximately eighteen inches. The plan will be amended to accommodate this difference.

(c) The atrium canopies along Perry Street will encroach slightly into the City's right of way. While this encroachment will have to be approved by the City, it will require a plan amendment.

While this resolution will not accomplish the amendments being sought, it is an evidence of the intent of the Agency to proceed with the amendment process to accomplish the changes outlined herein.

STATE OF NEW YORK

LEGISLATURE OF ERIE COUNTY

CLERK'S OFFICE

BUFFALO, N. Y., MAY 4 19 95

TO WHOM IT MAY CONCERN:

I Hereby Certify, That at the 9TH Session of the Legislature of Erie County, held in the County Hall, in the City of Buffalo, on the FOURTH day of MAY A.D., 19 95 a Resolution was adopted, of which the following is a true copy:

WHEREAS, the Erie County Legislature recognizes the importance of the Crossroads Arena Project to the economic and recreational development of Downtown Buffalo and all of Erie County, and

WHEREAS, the Crossroads Arena Project will provide a unique opportunity to enhance the Buffalo Inner Harbor, and

WHEREAS, the Erie County Legislature pursuant to 6 NYCRR, Part 617 of Article 8 of the New York State Environmental Conservation Law, approved the Environmental Review Findings Statement dated December 13, 1993 as it related to the Crossroads Arena Project, and

WHEREAS, pursuant to Chapter 652 of the Laws of 1993, the State of New York declared it to be a policy of the State to promote the economic welfare and prosperity of inhabitants of cities and counties which are suffering undue economic dislocation and unemployment, and to actively promote, attract, encourage and develop commerce through cooperative governmental action for the purpose of preventing further unemployment and economic deterioration. That legislation further stated that the promotion, attraction and development of commerce in the City of Buffalo and the County of Erie was a matter of State concern, and

WHEREAS, pursuant to Chapter 652 of the Laws of 1993, the State also found that participation by the City of Buffalo, the County of Erie and the State of New York in the construction, operation, maintenance and financing of a sports and entertainment complex is a public and governmental purpose and in the public interest for the benefit of the people of said City, County and State, and

WHEREAS, on March 10, 1994, the Erie County Legislature authorized the County to enter into a Memorandum of Understanding between and among the County of Erie, the City of Buffalo, the Crossroads Arena Corporation, the Niagara Frontier Hockey, L.P., the New York State Urban Development Corporation, the Erie County Industrial Development Agency and the Buffalo Urban Renewal Agency regarding the development, financing, construction and operation of the Crossroads Arena Project, and

ATTEST

Clerk of the Legislature of Erie County

REFERENCE:

STATE OF NEW YORK

LEGISLATURE OF ERIE COUNTY

CLERK'S OFFICE

BUFFALO, N. Y., MAY 4 19 95

TO WHOM IT MAY CONCERN:

I Hereby Certify, That at the 9TH Session of the Legislature of Erie County, held in the County Hall, in the City of Buffalo, on the FOURTH day of MAY A.D., 1995 a Resolution was adopted, of which the following is a true copy:

WHEREAS, after approximately two years of negotiations, all public and private sector parties are ready to sign the definitive documents relating to the Crossroads Arena Project, and

WHEREAS, with respect to the Crossroads Arena Project the County will be a signatory and party to several agreements including, but not limited to, the Financing Participants Agreement, the Consent and Estoppel Loan Certificates, the Development and Construction Agreement, the Operating Agreement, the Coordinating Agreement, the Non-Relocation Agreement, the Lenders Cooperation Agreement, the Buffalo Urban Renewal Agency-County Ground Lease Agreement, the County-City Sub-Ground Lease Agreement, the City-County Sub-Sub-Ground Lease Agreement, the County-Erie County Industrial Development Agency Lease Agreement, and the City-County Inter-Municipal Agreement, and, as a result, make availble bed tax proceeds to pay various county obligations,

NOW, THEREFORE, BE IT

RESOLVED, that the Erie County Legislature authorizes the County Executive to execute all necessary agreements with respect to the Crossroads Arena Project including, but not limited to, the Financing Participants Agreement, the Consent and Estoppel Loan Certificates, the Development and Construction Agreement, the Operating Agreement, the Coordinating Agreement, the Non-Relocation Agreement, the Lenders Cooperation Agreement, the Buffalo Urban Renewal Agency-County Ground Lease Agreement, the County-City Sub-Ground Lease Agreement, the City-County Sub-Sub-Ground Lease Agreement, the County-Erie County Industrial Development Agency Lease Agreement, and the City-County Inter-Municipal Agreement which will include as an exhibit an amended bed tax litigation settlement agreement; and be it further

RESOLVED, that certified copies of this resolution be forwarded to the County Executive, Commissioner of the Department of Environment and Planning, the Erie County Comptroller, the Director of the Erie County Division of Budget, Management and Finance and the County Attorney.

REFERENCE; Comm. 8E-10
AS AMENDED: 5/4/95

ATTEST

Clerk of the Legislature of Erie County

REFERENCE:

New York State
Urban Development
Corporation

1515 Broadway
New York, NY 10036-8960
212/930-0200

Charles A. Gargano
Chairman of the Board,
and Chief Executive Officer

Designation Certificate

In accordance with Resolution #7713 passed by the Board of the New York State Urban Development Corporation (the "Corporation") on November 17, 1994 in connection with the Crossroads Arena Civic Project, I hereby designate any of the following officers of the Corporation as my designee for the purpose of executing, on behalf of the Corporation, any and all agreements, instruments and resolutions as he or she may consider necessary or appropriate:

Carolyn C. Bachan - Senior Vice President
Peter V. Waldt - Vice President
Steven J. Matlin - Assistant Corporate Secretary

Charles A. Gargano
Chairman & President

May 10, 1995
Date

New York State
Urban Development
Corporation

1515 Broadway
New York, NY 10036-8960
212/930-9000

CERTIFICATE OF RESOLUTION

7713. BUFFALO (ERIE COUNTY) - Crossroads Arena Civic Project - Affirmation of General Project Plan, as Amended; Authorization to Make a Loan and to Take Related Actions

---

The Directors of the New York State Urban Development Corporation, at a meeting held on November 17, 1994, considered and passed the attached Resolution, numbered 7713, a majority of the Directors being present and a majority of said Directors voting in favor of the Resolution.

I, Eileen McEvoy, Corporate Secretary of the New York State Urban Development Corporation, hereby certify that the attached is a true and accurate copy of the Resolution duly passed by the Directors and further certify that the same has not been amended, superseded or repealed.

Eileen McEvoy
Corporate Secretary

Dated: May 8, 1995

New York State Urban Development Corporation

November 17, 1994

7713. BUFFALO (ERIE COUNTY) - Crossroads Arena Civic Project - Affirmation of General Project Plan, as Amended; Authorization to Make a Loan and to Take Related Actions

---

RESOLVED, that the Corporation does hereby affirm the General Project Plan for the Crossroads Arena Civic Project, as amended herein; and be it further

RESOLVED, that the Corporation is authorized to make a loan to Crossroads Arena, LLC, or another designee of Crossroads Arena Corporation in an amount not to exceed Twenty-Five Million Dollars ($25,000,000) and to enter into agreements with the City of Buffalo, Erie County, Crossroads Arena Corp., Niagara Frontier Limited Partnership, New York State Office of Park, Recreation and Historic Preservation and other entities for the purposes and substantially on the terms and conditions set forth in the General Project Plan, as amended by the materials presented to this meeting, with such changes therein as the President and Chief Executive Officer or his designee(s) may deem appropriate; and be it further

RESOLVED, that subsequent to the making of the loan, the President and Chief Executive Officer of the Corporation, or his designee be, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the loan as he or she may deem necessary or appropriate in the administration of the loan; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized to take such actions or execute on behalf of the Corporation such agreements, instruments and resolutions as he or she may consider necessary or appropriate in connection with the foregoing resolutions or in furtherance of the General Project Plan.

* * *

New York State
Urban Development
Corporation

1515 Broadway
New York, NY 10036-8960
212/930-9000

CERTIFICATE OF RESOLUTION

7713. BUFFALO (ERIE COUNTY) - Crossroads Arena Civic Project - Affirmation of General Project Plan, as Amended; Authorization to Make a Loan and to Take Related Actions

---

The Directors of the New York State Urban Development Corporation, at a meeting held on November 17, 1994, considered and passed the attached Resolution, numbered 7713, a majority of the Directors being present and a majority of said Directors voting in favor of the Resolution.

I, Eileen McEvoy, Corporate Secretary of the New York State Urban Development Corporation, hereby certify that the attached is a true and accurate copy of the Resolution duly passed by the Directors and further certify that the same has not been amended, superseded or repealed.

Eileen McEvoy
Corporate Secretary

Dated: May 8, 1995

New York State Urban Development Corporation

November 17, 1994

7713. BUFFALO (ERIE COUNTY) - Crossroads Arena Civic Project - Affirmation of General Project Plan, as Amended; Authorization to Make a Loan and to Take Related Actions

---

RESOLVED, that the Corporation does hereby affirm the General Project Plan for the Crossroads Arena Civic Project, as amended herein; and be it further

RESOLVED, that the Corporation is authorized to make a loan to Crossroads Arena, LLC, or another designee of Crossroads Arena Corporation in an amount not to exceed Twenty-Five Million Dollars ($25,000,000) and to enter into agreements with the City of Buffalo, Erie County, Crossroads Arena Corp., Niagara Frontier Limited Partnership, New York State Office of Park, Recreation and Historic Preservation and other entities for the purposes and substantially on the terms and conditions set forth in the General Project Plan, as amended by the materials presented to this meeting, with such changes therein as the President and Chief Executive Officer or his designee(s) may deem appropriate; and be it further

RESOLVED, that subsequent to the making of the loan, the President and Chief Executive Officer of the Corporation, or his designee be, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the loan as he or she may deem necessary or appropriate in the administration of the loan; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized to take such actions or execute on behalf of the Corporation such agreements, instruments and resolutions as he or she may consider necessary or appropriate in connection with the foregoing resolutions or in furtherance of the General Project Plan.

* * *

Erie County Industrial Development Agency

Suite 300 - Liberty Building
424 Main Street
Buffalo, New York 14202-3595
716/856-6525
FAX 716/856-6754

Dr. Ronald W. Coan, Executive Director

December 2, 1994

ECIDA BOARD OF DIRECTORS MEETING

DATE: Wednesday, December 14, 1994

TIME: 10:00 a.m.

PLACE: ECIDA
Liberty Building
424 Main Street
Suite 300
Buffalo, New York 14202

William A. O'Loughlin, Jr.
William A. O'Loughlin, Jr.,
Chairman

Please R.S.V.P. -- Linda Matusiak
856-6525

Officers and Board of Directors

William A. O'Loughlin, Jr. Chairman of the Board	Robert P. Fine Secretary	Daniel R. Acker Thomas J. Ahern George K. Arthur	Anthony N. Dina Michael A. Fitzpatrick Dennis H. Gabryszak	David K. Grant Anthony M. Masiello Thomas J. Monaghan	Donald P. Quinlan Andrew J. Rudnick Loyce Stewart
George L. Wessel Vice Chairman	William D. Reuter Treasurer	Carl J. Calabrese David J. G. Chambers	Robert D. Gioia Dennis T. Gorski	William A. O'Loughlin, Jr. Richard C. Pohlman	George L. Wessel

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING A PUBLIC HEARING PURSUANT TO NEW YORK GENERAL MUNICIPAL LAW §859-a IN RESPECT OF THE APPLICATION OF CROSSROADS ARENA CORPORATION AND ERIE COUNTY DEVELOPMENT CORPORATION

WHEREAS, Crossroads Arena Corporation ("CAC") and the Erie County Development Corporation, a to-be-formed New York local development corporation ("ECDC") (CAC and ECDC are collectively referred to herein as the "Company") have jointly entered into negotiations with officials of the Erie County Industrial Development Agency (the "Agency") with respect to the construction of a multi-purpose arena along with commercial retail and restaurant space and parking and the acquisition of machinery and equipment, all for commercial purposes (the "Project"), and the lease of a portion of the Project to CAC and the balance to ECDC for sublease in whole to CAC, with CAC subleasing the Project to various end users, such Project to be located within the area bounded by Perry Street on the north, Main Street on the west, Michigan Street on the east and South Park Avenue on the south, in Buffalo, New York all as more particularly set forth in the drawing entitled "Site Plan Surface Parking Plan" by Ellerbe, Becket Architects & Engineers, P.C., dated May 16, 1994; and

WHEREAS, the Company has submitted an Eligibility Questionnaire to the Agency to initiate the accomplishment of the above; and

WHEREAS, the Eligibility Questionnaire sets forth certain information with respect to the Company, including the following: that CAC is a corporation and ECDC is

a to-be-formed local development corporation; that the Company desires Agency financing to construct a 20,000+/- seat multi-purpose arena with commercial retail and restaurant space and parking, and to acquire and install machinery and equipment in connection therewith, all at a cost of approximately $122,500,000.00; and

WHEREAS, the Agency has determined that this Project is subject to the public hearing requirements of New York General Municipal Law §859-a.

NOW, THEREFORE, THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY HEREBY RESOLVES AS FOLLOWS:

Section 1. The Chairman, Vice Chairman, Treasurer, Assistant Treasurer and Executive Director of the Agency and other appropriate officials of the Agency and its agents and employees are hereby authorized and directed to take whatever steps may be necessary to cause a public hearing to be held respecting the Project upon appropriate prior notice and at an appropriate place and time and otherwise in all respects in accordance with the provisions of New York General Municipal Law §859-a.

Section 2. Nothing herein shall be construed as giving rise on the part of the Agency any obligation to undertake the Project or as an inducement by the Agency to the Company to proceed with the Project.

Section 3. This Resolution shall take effect immediately.

ADOPTED: August 10, 1994

considered all oral and written presentations made at or in connection with said public hearing; and

WHEREAS, (i) the Company would, but for the assistance to be provided by the Agency, locate the jobs related to the Project outside the State of New York, (ii) the predominant purpose of the Project is to make available goods or services which would not, but for the Project, be reasonably accessible to the residents of the City of Buffalo because of a lack of reasonably accessible retail trade facilities offering such goods or services, and (iii) the Project is located in a "highly distressed area", as defined in Section 854(18) of the New York General Municipal Law; and

WHEREAS, based upon the Eligibility Questionnaire, the Agency hereby determines that its assistance in financing the Project is reasonably necessary to encourage the Company to proceed with the Project; and

WHEREAS, the Agency desires to further encourage the Company with respect to the consummation of the Project, if by doing so it is able to induce the Company to proceed with the Project in Erie County; and

WHEREAS, participation by the Agency in the Project has been authorized by statute, pursuant to Chapter 652 of the Laws of 1993 of the State of New York, effective August 4, 1993; and

WHEREAS, the Agency previously entered into a nonbinding Memorandum of Understanding ("MOU") dated as of March 28, 1994 among CAC, the Agency, the City

of Buffalo, the New York State Urban Development Corporation, the City of Buffalo Urban Renewal Agency, Niagara Frontier Hockey, L.P. and the County of Erie, pursuant to which certain agreements with regard to the development and operation of the Project were described, with the Agency contemplated therein as a party to such agreements; and

WHEREAS, the Company has not yet determined whether it will provide the funds necessary to complete the Project without requiring the issuance of a bond by the Agency or will later require the issuance of a bond to finance the Project, and if the Company provides the funds necessary to complete the Project without requiring the issuance of a bond by the Agency, the Company has requested that the Agency take title to the Project and enter into a lease agreement with the Company, and execute any and all documents required by the parties; and

WHEREAS, the Project should not be delayed by the requirement of determining the details of a bond issue, which cannot be immediately accomplished, and the Company has agreed to expend its own funds with respect to the Project, subject to reimbursement from the proceeds of the bonds.

NOW, THEREFORE, THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY HEREBY RESOLVES AS FOLLOWS:

Section 1. The Agency hereby determines that (i) the Project and the financing thereof by the Agency pursuant to the New York State Industrial Development Agency Act will promote and is authorized by and will be in furtherance of the policy of

the State as set forth in said Act, (ii) the Company would, but for the assistance to be provided by the Agency, locate the jobs related to the Project outside the State of New York, (iii) the predominant purpose of the Project is to make available goods or services which would not, but for the Project, be reasonably accessible to the residents of the City of Buffalo because of a lack of reasonably accessible retail trade facilities offering such goods or services, (iv) the Project is located in a "highly distressed area", as defined in Section 854(18) of the New York General Municipal Law, and (v) undertaking the Project will serve the public purposes of Article 18-A of the General Municipal Law by preserving permanent, private sector jobs or increasing the overall number of permanent, private sector jobs in the State of New York.

Section 2. The Agency hereby authorizes the Company to proceed with the Project as herein authorized, which Project will be financed through the issuance of the bonds of the Agency, which bonds will be special obligations of the Agency payable solely from the revenues and other amounts derived pursuant to a lease of the Project.

Section 3. The Agency will undertake, as soon as it is furnished with sufficient information as to the particular amounts, interest rates, maturities, redemption and other terms, the purchaser, the security and other conditions to permit the authorization, issuance and sale of the bonds, to use its best efforts to proceed, subject to agreement among the Agency, the Company and the purchaser of the bonds as to terms in all agreements to be entered into with respect to the Project, including, without

limitation, agreements relating to payment in lieu of taxes or municipal services (provided that no abatement of special district charges of any kind shall be conferred upon the Project), with the issuance of the bonds to finance the Project in an aggregate amount not to exceed $122,500,000.00.

Section 4. The Chairman, Vice Chairman, Treasurer, Assistant Treasurer and Executive Director of the Agency and other appropriate officials of the Agency and its agents and employees are hereby authorized and directed to take whatever steps may be necessary to complete the Project in cooperation with the Company.

Section 5. The Company is authorized as agent of the Agency, to initiate the construction of buildings and other improvements and the acquisition of machinery and equipment which will be a part thereof, and to advance such funds as may be necessary to accomplish such purposes, subject to reimbursement for all qualifying expenditures out of the proceeds of the bonds to be issued by the Agency. The Agency is hereby authorized to enter into such agreements with the Company as the Chairman, Vice Chairman, Treasurer, Assistant Treasurer or Executive Director may deem necessary in order to accomplish the above.

Section 6. In the event the Company provides the funds necessary to complete the Project without the issuance of bonds, the Agency is hereby authorized to acquire title to the Project site and construct a facility thereon, and the execution and delivery of an Agency Lease Agreement between the Agency and the Company, a Payment

in Lieu of Tax Agreement between the Agency and the Company, and such other documents as may be necessary to fulfill the intent of the parties to the transaction, in form satisfactory to Agency counsel, are hereby authorized. The Chairman, Vice Chairman, Treasurer, Assistant Treasurer or the Executive Director are authorized to make or approve such amendments or modifications to the Agency Lease Agreement, the Payment in Lieu of Tax Agreement and such other documents executed and delivered in connection herewith as they deem necessary under the circumstances provided, however, that such modifications do not materially alter the risk to the Agency.

Section 7. Any such action heretofore taken by the Company initiating the acquisition and construction of the Project is hereby ratified, confirmed and approved.

Section 8. Any expenses incurred by the Agency with respect to the Project and the financing thereof (including, but not limited to, the fees and disbursements of the Agency's counsel and the Agency's Bond counsel) shall be reimbursed out of the proceeds of the bonds, or, in the event such proceeds are insufficient after payment of other costs of the Project or bonds are not issued by the Agency due to inability to consummate the transaction herein contemplated, shall be paid by the Company. By acceptance hereof, the Company agrees to pay such expenses and further agrees to indemnify the Agency, its members, employees and agents and hold the Agency and such persons harmless against claims for losses, damage or injury or any expenses or damages incurred as a result of

action taken by or on behalf of the Agency in good faith with respect to the Project and the financing thereof.

Section 9. The commitment of the Agency expressed herein will expire one year from the date of adoption of this Resolution.

Section 10. In the event a lease is not executed between the Company and the Agency by the expiration date of this Resolution, the Company shall then be required to pay all sales taxes which would have been levied in connection with the acquisition, construction and installation of all improvements of the real property and the machinery and equipment which constitute the Project, as if the Project had been owned by the Company from the date the Company commenced its acquisition, construction and installation.

Section 11. The Agency has made and makes no representation or warranty whatsoever, either express or implied, with respect to the merchantability, condition, environmental status, fitness, design, operation or workmanship of any part of the Project, its fitness for any particular purpose, the quality or capacity of the materials in the Project, or the suitability of the Project for the Company's purposes or needs or to the extent to which proceeds derived from the sale of the bonds will be sufficient to pay the cost of the acquisition, construction, renovation and installation of the Project. The Company is satisfied that the Project is suitable and fit for its purposes. The Agency shall not be liable in any manner whatsoever to anyone for any loss, damage or expense of any kind or nature

caused, directly or indirectly, by the Project property or the use or maintenance thereof or the failure of operation thereof, or the repair, service or adjustment thereof, or by any delay or failure to provide any such maintenance, repairs, service or adjustment, or by any interruption of service or loss of use thereof or for any loss of business howsoever caused, and the Company hereby indemnifies and holds the Agency harmless from any such loss, damage or expense.

Section 12. The Executive Director is hereby authorized to negotiate the terms and provisions of the various agreements contemplated by the MOU to have the Agency as a party, provided that further Board authorization shall be required to authorize the execution of the same.

Section 13. Should the appropriate officers of the Agency determine, in their absolute discretion, that there is reason to believe that the activities of any past or present owner or operator of the Premises have resulted in the generation of any "hazardous substance" (as the term has been defined from time to time in any applicable federal or state law, rule or regulation), or that any party has stored, disposed or released any such substance on the Premises or within a one (1) mile radius thereof, the Agency shall be under no obligation to issue and sell the bonds or enter into a lease as contemplated by this Resolution.

Section 14. Any commitment of the Agency set forth herein is expressly conditioned upon full compliance of the Company and the Project with all applicable laws,

rules and regulations, and the Company shall be required to provide satisfactory evidence of the same to the Agency prior to the issuance of any bonds or the execution of any lease agreement.

Section 15. The obligation of the Agency to consummate any transaction contemplated herein or hereby is subject to and conditioned upon (a) full compliance by the Company and its principals with the "Erie County Industrial Development Agency Statement of Procedures Regarding Compliance with Environmental Requirements" receipt of which is acknowledged by the Company; and (b) the execution and delivery of an Environmental Compliance and Indemnification Agreement in favor of the Agency in form and substance acceptable by the Agency and its counsel by the Company and some or all of its principals, in the discretion of the appropriate Agency officers.

Section 16. This Resolution is subject to and contingent upon confirmation of the proposed actions of the Agency set forth herein by the Erie County Executive. If such confirmation is not received by the Agency within sixty (60) days of the date of this Resolution, this Resolution shall become null, void and of no further force and effect.

Section 17. This Resolution shall take effect immediately.

ADOPTED: October 31, 1994

ACCEPTED: November 2, 1994

CROSSROADS ARENA CORPORATION

By: _____

ERIE COUNTY DEVELOPMENT CORPORATION, a to-be-formed local development corporation

By: _____

MAIN STREET
ILLINOIS ST.
SOUTH PARK AVE.
PERRY ST.
PARKING SPACES

SPECIAL RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY WITH REGARD TO 1994 CROSSROADS ARENA PROJECT

WHEREAS, the Erie County Industrial Development Agency ("Agency"), pursuant to resolution adopted on March 25, 1994, authorized the execution of a certain Memorandum of Understanding dated March 28, 1994 (the "MOU") among Crossroads Arena Corporation ("CAC"), Niagara Frontier Hockey L.P. ("Sabres"), the City of Buffalo ("City"), the County of Erie ("County"), the New York State Urban Development Corporation ("UDC"), the City of Buffalo Urban Renewal Agency ("BURA") and the Agency; and

WHEREAS, the MOU sets forth agreements in principal with respect to the development, financing, construction and operation of the Crossroads Arena Project (the "Project"); and

WHEREAS, the MOU contemplates that, in connection with the Project, the Agency would be a party to various agreements to be entered into in connection with the construction, development and operation of the Project; and

WHEREAS, the Agency, at its August 10, 1994 meeting, adopted a resolution describing the Project and authorizing a public hearing on the same, which public hearing was held on August 26, 1994; and

WHEREAS, the Agency adopted its inducement resolution for the Project on October 31, 1994 (the "Inducement Resolution"), which Inducement Resolution authorized CAC and Erie County Development Corporation, a to-be-formed New York local development corporation ("ECDC"), for themselves or related individuals or entities, to proceed with the Project as agent for the Agency; and

WHEREAS, CAC has changed its name to Arena Inc., and has assigned its rights in connection with the Project to Crossroads Arena, LLC ("CALLC"), of which Arena, Inc. is a member; and

WHEREAS, while the MOU contemplated the formation of ECDC and the issuance by the Agency of bonds for the benefit of said entity, the County has determined not to form ECDC and to instead issue its own general obligation bonds; and

WHEREAS, in connection with the County general obligation bonds, the Agency will be required to enter into several master ground leases and subleases with the City, the County and/or BURA; and

WHEREAS, pursuant to the Inducement Resolution, the Agency has previously authorized the acquisition of the Project and the lease of the same by the Agency to CALLC; and

WHEREAS, CALLC has requested that the Agency execute various mortgages, security agreements and lease agreements with regard to the private financing, as well as nondisturbance agreements, consents, and other intercreditor agreements; and

WHEREAS, the County and the City, through their chief executive officers, have agreed to a nonstandard payment in lieu of tax arrangement with regard to the Project; and

WHEREAS, the provisions of the agreements to be executed by the Agency as well as the nonstandard payment in lieu of tax arrangement are more particularly set forth in a memorandum dated December 12, 1994 from Dr. Ronald W. Coan, Executive Director, and in the approval letters of the Mayor of the City of Buffalo and the Erie County Executive, true and correct copies of which are attached to these resolutions and made a part hereof; and

WHEREAS, the Agency desires to approve execution of aforementioned agreements and any other documentation required in connection with the Project.

NOW, THEREFORE, be it resolved by the Erie County Industrial Development Agency as follows:

1. The Agency is hereby authorized to execute the master ground lease and subleases required in connection with the Project with the City, the County and/or BURA, as generally described in the attached memorandum and in form acceptable to Agency staff and counsel, with such additions, deletions or modifications as they may deem necessary under the circumstances provided, however, that such additions, deletions or modifications do not materially alter the risk to or the role of the Agency.

2. The Agency is hereby authorized to execute the various agreements as contemplated by the MOU, including the Development and Construction Agreement, the Operating Agreement, the Coordinating Agreement, the Financing Participants Agreement and related intercreditor agreements as contemplated by the MOU, as generally described in the attached memorandum and in form satisfactory to Agency staff and counsel, with such additions, deletions or modifications as they may deem necessary under the circumstances provided, however, that such additions, deletions or modifications do not materially alter the risk to or the role of the Agency.

3. The authorization set forth in the Inducement Resolution for the Agency to acquire leasehold title to the Project, to enter into a lease agreement with CALLC and to constitute CALLC as the Agency's agent (and the County's and/or the City's subagent), to develop and construct the Project and to operate the same, as generally described in the attached memorandum and in form acceptable to Agency staff and counsel, with such additions, deletions or modifications as they may deem necessary under the circumstances provided, however, that such additions, deletions or modifications do not materially alter the risk to or the role of the Agency, is hereby ratified and confirmed.

4. The Agency is hereby authorized to execute the mortgages, security agreements, and lease assignments to secure all project related debt, along with related subordination, nondisturbance and attornment agreements, consents and intercreditor agreements, as generally described on the attached memorandum and in form acceptable to Agency staff and counsel, with such additions, deletions and modifications as they may deem necessary under the circumstances provided, however, that such additions, deletions or modifications do not materially alter the risk to or the role of the Agency.

5. The Agency is hereby authorized to confer upon the Project the nonstandard payment in lieu of tax arrangement more particularly set forth in the approval letters of the Mayor of the City of Buffalo and the Erie County Executive, copies of which are attached hereto and made a part hereof.

6. Either the Chairman or the Executive Director are hereby authorized to execute the agreements authorized by these resolutions and such officers are hereby authorized on behalf of the Agency to execute and deliver such other documents and to do any and all other acts necessary or appropriate to effectuate the purposes of these resolutions, including, without limitation, executing and delivering any subsequent amendments, extensions, or renewals and any other agreement or instrument contemplated by these resolutions, which any of such persons deems necessary or appropriate.

7. These resolutions shall take effect immediately.

DATED: December 14, 1994

NOTICE OF PUBLIC HEARING
PURSUANT TO NEW YORK GENERAL MUNICIPAL LAW §859-a

PLEASE TAKE NOTICE that the Erie County Industrial Development Agency will conduct a public hearing at the time and place described below with respect to the project described below and the proposal of said Agency to provide financial assistance relative to such project:

DATE:	August 26, 1994
TIME:	3:00 p.m.
PLACE:	Erie County Industrial Development Agency Suite 300, Liberty Building 424 Main Street Buffalo, New York 14202
DESCRIPTION OF PROJECT:	Construction, equipping and operation of an approximate 20,000 seat multi-purpose arena along with commercial retail and restaurant space and parking and related improvements, to be used for commercial and related purposes.
LOCATION OF PROJECT:	An area bounded by Perry Street on the north, Main Street on the west, Michigan Street on the east and South Park Avenue on the south, Buffalo, New York
PROJECT OPERATOR	Crossroads Arena Corporation, Erie County Development Corporation
AGENCY ASSISTANCE:	1. Issuance and sale of Industrial Revenue Bond and/or Lease Financing in the estimated amount of up to $122,500,000.00; 2. Sales tax exemption for certain materials and/or equipment purchased for incorporation in the project; and 3. Property tax benefits with respect to the City of Buffalo and Erie County taxes in accordance with a non-standard payment in lieu of tax arrangement to be approved by the Chief Elected Officers of the City of Buffalo and Erie County.

Mr. O'Loughlin then called upon Dr. Coan to review the Crossroads Arena Memorandum of Understanding, copies of which had been previously distributed to Board members. Dr. Coan stated that the Memorandum of Understanding had been approved by all parties except the Agency, and that it is not a legally binding agreement. Dr. Coan stated that the Memorandum of Understanding outlines the Agency's participation in this project. Dr. Coan then reviewed a diagram explaining the Memorandum of Understanding, describing the Agency's various roles in assisting the project. In response to a question by Mr. Acker, Dr. Coan confirmed that a broad affirmative action program will be required in connection with the project. Lawrence K. Rubin, Esq., representing the City of Buffalo, indicated that the New York State Urban Development Corporation will monitor the affirmative action program during the construction phase of the project and the City of Buffalo will monitor it during the operational phase of the project. Dr. Coan then indicated that with respect to financing, the issuance of bonds for this project would be in compliance with State authorizing legislation and with the Agency's current policies. Dr. Coan also stated that the Agency's standard fees and indemnification would apply to this transaction. In response to a question by Mr. Grant, Dr. Coan indicated that a special State law allows the Agency to provide an exemption for this project from "Buffalo Place" special district charges if the Board so chooses, but that this issue is not specifically addressed in the Memorandum of Understanding. There being no further discussion, and upon motion duly made by Mr. Diina, seconded by Mr. Arthur and (with Mr. Chambers abstaining) carried with 11 affirmative votes, it was

> **RESOLVED**, that the Agency authorize approval of the Crossroads Arena Memorandum of Understanding, a true copy of which is annexed to the minutes of this meeting and made a part hereof; and be it further
>
> **RESOLVED**, that the Executive Director is hereby authorized to execute such Memorandum of Understanding on behalf of the Agency.

At this point, Mr. Masiello was excused from the meeting.

Mr. O'Loughlin then called upon Dr. Coan to summarize the proposed Tax Incentive Program. Dr. Coan stated that the program was developed by the Agency to serve the City of Buffalo and portions of the Town of Tonawanda. Mr. Paul R. Leone, Director of Business Development, indicated that the Agency had reduced its bond limits and fees and that the Agency's counsel, Hurwitz & Fine, P.C., had also reduced its fees, in order to enable the Agency to provide assistance to smaller companies in distressed areas and within certain Economic Development Zones. In response to a question by Mr. Calabrese, Dr. Coan indicated that the program was primarily aimed toward companies located in the central City of

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING CROSSROADS ARENA CORPORATION AND ERIE COUNTY DEVELOPMENT CORPORATION TO ACQUIRE, RENOVATE AND CONSTRUCT A FACILITY FOR SALE TO THE AGENCY AND SUBSEQUENT LEASE TO CROSSROADS ARENA CORPORATION AND ERIE COUNTY DEVELOPMENT CORPORATION AND TO TAKE OTHER PRELIMINARY ACTION.

WHEREAS, Crossroads Arena Corporation ("CAC") and Erie County Development Corporation, a to-be-formed New York local development corporation ("ECDC"), for themselves or for related individuals or entities (collectively, the "Company"), have entered into negotiations with officials of the Erie County Industrial Development Agency (the "Agency") with respect to the acquisition, renovation and construction by the Agency with the proceeds of a bond issue of a facility for commercial purposes (the "Project") and the lease of a portion of the Project to CAC and the balance to ECDC for sublease in whole to CAC, with CAC subleasing the Project to various end users, such Project to be located within the area bounded by Perry Street on the north, Main Street on the west, Michigan Street on the east and South Park Avenue on the south, in Buffalo, New York, all as more particularly set forth in the attached drawing entitled "Site Plan Surface Parking Plan" by Ellerbe Becket Architects & Engineers, P.C., dated May 16, 1994, (the "Premises"); and

WHEREAS, CAC and the Company have submitted Eligibility Questionnaires to the Agency to initiate the accomplishment of the above; and

WHEREAS, the Eligibility Questionnaires set forth certain information with respect to the Project, including the following: that the Company desires Agency financing for the construction of a multi-purpose arena with commercial retail and restaurant space and parking, along with the acquisition and installation of related machinery and equipment, all to be located at the Premises, for commercial purposes, all at a cost of approximately $122,500,000.00; that the Company anticipates that up to 175 full time and 675 part time employees will be employed at the Project at the end of one (1) year of operation thereof; that (i) but for the availability of financing by the Agency, it would not locate the Project within Erie County or New York State, (ii) there will be no substantial adverse disruption of existing employment of facilities of a similar nature in Erie County, and (iii) the Project will retain present employment, provide substantial employment and substantial capital investment; that if Agency financing is disapproved, the Company would likely not proceed with the Project; and that, therefore, Agency financing is necessary to encourage the Company to proceed with the Project in Erie County and in New York State; and

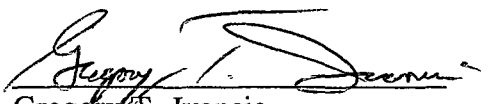
WHEREAS, the Agency, at its regular meeting held on August 10, 1994, adopted a resolution describing the Project and the financial assistance then contemplated by the Agency, as well as authorizing a public hearing with regard to the Project; and

WHEREAS, after the giving of all required notices (including published notice), the Agency held a public hearing on the Project on August 26, 1994, and has

CROSSROADS ARENA LLC

MEMBER'S CERTIFICATE OF RESOLUTIONS

I, Gregory T. Ivancic hereby CERTIFY that I am the Assistant Secretary of Niagara Frontier Hockey Management Corporation, a New York corporation ("NFHMC"), that NFHMC is the sole general partner of Niagara Frontier Hockey L.P. ("NFHLP"), that NFHLP is a member of Crossroads Arena LLC (the "Company") that the following document is a true copy of resolutions duly adopted by the members of the Company; that such resolutions have not been rescinded or modified and are still in full force and effect; and any action taken or to be taken pursuant thereto is not nor will be in contravention of any provision or provisions of the Certificate of Organization or the Operating Agreement of the Company.



Gregory T. Ivancic,
Assistant Secretary

RESOLUTIONS OF MEMBERS OF

CROSSROADS ARENA LLC (the "Company")

WHEREAS, the Company is the developer of the Crossroads Arena, a sports and entertainment complex to be located in Buffalo, New York, including approximately eighty (80) private suites and approximately two thousand five hundred (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 nineteen thousand four hundred (19,400) for hockey and up to twenty one thousand five hundred (21,500) for concerts and other events, and including associated parking structures and surface parking lots ("The Crossroads" or the "Project"); and

WHEREAS, the undersigned members have reviewed certain agreements relating to the design, development and construction of the Project (the "Design, Construction and Development Agreements"), and such ancillary documents as described in each respective Design, Construction and Development Agreement; and

WHEREAS, the undersigned members have reviewed certain agreements with the Buffalo Urban Renewal Agency ("BURA"), the City of Buffalo, County of Erie, Erie County Industrial Development Agency ("ECIDA") and New York State Urban Development Corporation ("UDC") (collectively, the "Public Participants"), relating to the acquisition and leasing of the Project site and the financing, development, construction and operation of the Project (the "Public Participant Agreements"), and such ancillary documents as described in each respective Public Participant Agreement; and

WHEREAS, the undersigned members have reviewed certain agreements with Marine Midland Bank and Key Bank of New York (the "Construction Lenders"), and Marine Midland Bank as collateral agent for the Construction Lenders (the "Construction Loan Agent"), relating to the financing of the Project (the "Construction Loan Agreements"), and such ancillary documents as described in each respective Construction Loan Agreement; and

WHEREAS, Buffalo Sabres Concession LLC ("BSCLLC") and Niagara Frontier Hockey, L.P. ("NFHLP") have approved certain agreements by, between and among, BSCLLC, NFHLP, Shawmut Bank, N.A. ("Shawmut"), Fleet Bank ("Fleet") (Shawmut and Fleet referred to collectively as "Concession Lenders"), Shawmut as collateral agent for the Concession Lenders (the "Concession Loan Agent"), Sportservice Corporation, New York Sportservice, Inc. and the ECIDA relating to additional financing for the Project (the "Concession Loan Agreements"), and the undersigned members have reviewed those Concession Loan Agreements requiring execution and delivery by the Company and such ancillary documents as described in such concession Loan Agreements; and

WHEREAS, the undersigned members have reviewed a lease of the Project by and between the Company and NFHLP (the "Lease"), which Lease has been approved by NFHLP as tenant, and certain other agreements with NFHLP related to and attached as Exhibits to the Lease, including but not limited to the Box Office Operating Agreement, the Sales Agency Agreement, and the Marketing and Advertising Agreement (the "Related Agreements"), each of which agreements have been approved by NFHLP; and

NOW THEREFORE, be it RESOLVED as follows:

1. With respect to the Design, Construction and Development Agreements;

BE IT RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to Huber, Hunt & Nichols, a construction contract relating to the construction of the arena (the "Guaranteed Maximum Price Contract"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to Ellerbe-Becket Architects & Engineers, P.C. an agreement relating to the design and development of the arena (the "Arena Architect's Agreement"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the Krog Corporation, a construction management contract relating to construction management services in connection with the construction of the Project parking structures (the "Parking Structures Construction Management Agreement"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver such other documents and agreements and do any and all other acts necessary or appropriate to effectuate the purposes of these resolutions, including, without limitation, executing and delivering any subsequent amendments, extensions, renewals or replacements of the Guaranteed Maximum Price Contract, Arena Architect's Agreement and Parking Structures Construction Management Agreement and any other agreement or instrument contemplated by these resolutions, which any of such persons deems necessary or appropriate; and that any and all documents heretofore executed and acts heretofore done in connection with said agreements or to effectuate the purposes of these resolutions are hereby in all respects ratified and confirmed; and be it further

RESOLVED, that each of the foregoing instruments mentioned in these resolutions is in such form and content as the member of the Company executing them shall approve, his approval to be conclusively evidenced by his execution thereof; and be it further

RESOLVED, that any member of the Company is hereby designated the proper member of the Company for the purposes of these resolutions.

2. With respect to the Public Participant Agreements;

BE IT RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to BURA and the City of Buffalo a contract for lease of land and Redevelopment relating to acquisition, leasing and development of the Project site (the "Land Disposition Agreement"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the City of Buffalo, County of Erie, UDC, BURA and ECIDA a development and construction agreement relating to the development and construction of the Project (the "Development and Construction Agreement"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the City of Buffalo, County of Erie, UDC, BURA and ECIDA an operating agreement relating to the Company's occupancy, use, management and operation of the Project (the "Operating Agreement"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to ECIDA an agency lease agreement relating to the Company's leasehold interest in the Project (the "Agency Lease Agreement"), and to execute and deliver a memorandum of such lease agreement to such persons as shall be determined by the members of the Company, and each of them acting alone; and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the Public Participants a nondisturbance and attornment agreement to which the Construction Lenders, Construction Loan Agent, Concession Lenders, Concession Loan Agent, NFHLP, BSCLLC and the Company will agree to the nondisturbance by the lessors and attornment by the lessees in each of the lessor-

lessee relationships established by the ground leases and operating leases with respect to the Project in the event that any of such leases is terminated ("NDAA"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the Public Participants its acknowledgement of and agreement to a lenders cooperation agreement pursuant to which the National Hockey League shall consent to (i) issuance of certain guaranties and security interests by NFHLP with respect to the Project and (ii) certain non-relocation agreements between NFHLP and the Public Participants, Construction Lenders and Concession Lenders, respectively (the "Lenders Cooperation Agreement"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the City of Buffalo, County of Erie, BURA and ECIDA an environmental inquiry authorization, compliance and indemnification agreement with respect to the property on which the Crossroads Arena Project is to be located ("Environmental Agreement"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the City of Buffalo, BURA and NFHLP its acknowledgement and acceptance of a non-competition agreement pertaining to the City of Buffalo's use of Memorial Auditorium upon completion of the Project (the "Non-Competition Agreement"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the Public Participants a financing participants agreement by and among the Public Participants, Construction Lenders, Construction Loan Agent, Concession Lenders, and Concession Loan Agent, Sportservice Corporation, New York Sportservice, Inc., NFHLP, BSCLLC and the Company containing certain agreements of various public and private financing participants ("Financing Participants") in connection with the Project and outlining certain responsibilities of the Company to the Financing Participants with respect to the Project ("Financing Participants Agreement"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the UDC a promissory note in the amount of up to $25.0 million (the "UDC Note") (the "UDC Note"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, for itself and as general partner of NFHLP (for itself, and acting on behalf of CALLC), to execute and deliver to the City of Buffalo, BURA, UDC, and the County of Erie a inducement agreement with respect to public financing of the Project (the "Inducement Agreement"); and be it further;

RESOLVED, that the proper officeres of the Company are, and each of them acting alone is, hereby authorized, as general partner of NFHLP, for itself and as a member of CALLC, to execute and deliver to the Public Participants a conditional assignment of project documents (the "Conditional Assignment of Project Documents"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the Public Participants such other documents and agreements and do any and all other acts necessary or appropriate to effectuate the purposes of these resolutions, including, without limitation, executing and delivering any subsequent amendments, extensions, renewals or replacements of the Land Disposition Agreement, Development and Construction Agreement, Operating Agreement, Agency Lease Agreement, NDAA, Lenders Cooperation Agreement, Environmental Agreement, Non-Competition Agreement, Financing Participants Agreement, UDC Note, Inducement Agreement, Conditional Assignment of Project Documents, and any other agreement or instrument contemplated by these resolutions, which any of such persons deems necessary or appropriate; and that any and all documents heretofore executed and acts heretofore done in connection with said agreements or to effectuate the purposes of these resolutions are hereby in all respects ratified and confirmed; and be it further

RESOLVED, that each of the foregoing instruments mentioned in these resolutions is in such form and content as the member of the Company executing them shall approve, his approval to be conclusively evidenced by his execution thereof; and be it further

RESOLVED, that any member of the Company is hereby designated the proper member of the Company for the purposes of these resolutions.

3. <u>With Respect to the Construction Loan Agreements</u>;

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the Construction Loan Agent for the benefit of the Construction Lenders

and any future lenders or participants, a building loan contract between the Company and Construction Loan Agent ("Building Loan Contract") providing for a $35,000,000 credit facility ("Construction Credit Facility") to be provided to the Company by the Construction Lenders and any future lenders or participants; and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to Marine a building loan note in the original principal amount of $17,500,000.00 ("Marine Note"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to Key a building loan note in the original principal amount of $17,500,000.00 ("Key Note"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to Construction Loan Agent a leasehold mortgage covering the Crossroads Arena Project ("Project"), as continuing collateral security for the payment of any and all indebtedness and liabilities, now or hereafter existing, of the Company to the Construction Lenders and/or the Construction Loan Agent to the extent of $35,000,000.00 ("Construction Loan Mortgage"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to Construction Loan Agent one or more security agreements ("Construction Loan Security Agreements") granting to Construction Loan Agent security interests in the following property, whether now owned or hereafter owned or acquired by the Company, in all Proceeds and Products thereof in any form, in all parts, accessories, attachments, special tools, additions, replacements, substitutions and accessions thereto or therefor, and in all increases or profits received therefrom: any and all "Equipment", except Concession Equipment as defined in the Financing Participants Agreement, "Inventory", "Accounts", "Chattel Paper", "General Intangibles", "Fixtures", "Documents" and "Instruments" as defined in the Uniform Commercial Code of New York, including, without limitation, Equipment, Fixtures, Inventory, Accounts, Chattel Paper, General Intangibles, Documents and Instruments in connection with the Project; all furnishings and fixtures located on or used, or to be located on or used, in connection with the Project; and all building materials delivered to or acquired for use in connection with the Project; and any and all accounts, chattel paper, sales contracts, insurance contracts, income, payments, profits, general intangibles and other rights to the payment of money, and all proceeds of all of the foregoing,

whether now existing or hereafter arising in connection with the Project; and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the Construction Loan Agent an assignment of leases and rents assigning to Construction Loan Agent the Company's right, title and interest in and to present and future Project leases, rents and income ("Assignment of Leases and Rents); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to Construction Loan Agent (a) an assignment of a certain segregated bank account of the Company into which the Company shall make annual deposits for the purpose of making capital repairs and improvements to the Project, (b) an assignment of a certain bank account into which revenues from the Project shall be deposited, and (c) an assignment of a certain segregated bank account of the Company into which the Company shall deposit amounts necessary to cause the balance of such account to be equal to debt service payments on the loan which will become due in the following year (collectively "Bank Account Assignments"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the Construction Loan Agent an environmental inquiry authorization, compliance and indemnification agreement with respect to the property on which the Crossroads Arena Project is to be located ("Environmental Agreement"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to Construction Loan Agent a financing participants agreement by and among the Public Participants, Construction Lenders, Construction Loan Agent, Concession Lenders, and Concession Loan Agent, Sportservice Corporation, New York Sportservice, Inc., NFHLP, BSCLLC and the Company containing certain agreements of various public and private financing participants ("Financing Participants") in connection with the Project and outlining certain responsibilities of the Company to the Financing Participants with respect to the Project ("Financing Participants Agreement"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to Construction Loan Agent an assignment of project documents assigning

to Construction Loan Agent (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; (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 Company or which have been or will hereafter be assigned to the Company in connection with the construction, use, operation, maintenance, occupancy and servicing of the Project and the Improvements, together with all franchise and license agreements; and (c) the Company's books and records relating to the Project ("Assignment of Project Documents"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the Construction Loan Agent a sale and assignment agreement containing certain agreements of Key, Fleet, Shawmut, the Construction Loan Agent and the Company with respect to the purchase by Fleet and Shawmut of a portion of Key's share of the Construction Credit Facility (the "Sale and Assignment Agreement"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the Construction Loan Agent the consent of the Company to an agency agreement pursuant to which the Construction Lenders, Shawmut and Fleet select Marine to act as the collateral and disbursing agent for the parties with respect to the Construction Credit Facility (the "Construction Loan Agency Consent"); and be it

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the Construction Loan Agent a nondisturbance and attornment agreement pursuant to which the Construction Lenders, Construction Loan Agent, Concession Lenders, Concession Loan Agent, Public Participants, NFHLP, BSCLLC, and the Company will agree to the nondisturbance by the lessors and attornment by the lessees in each of the lessor-lessee relationships established by the ground leases and operating leases with respect to the Project in the event that any of such leases is terminated ("NDAA"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and

deliver to Key Bank of New York a rate protection agreement relating to Construction Credit Facility and to assign such rate protection agreement to or for the benefit of the Construction Lenders and/or Construction Loan Agent the ("Construction Loan Rate Protection Agreement and Assignment"); and be if further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the Construction Loan Agent its acknowledgement of and agreement to a lenders cooperation agreement pursuant to which the NHL shall consent to (i) issuance of certain guaranties and security interests by NFHLP with respect to the Project and (ii) certain non-relocation agreements between NFHLP and the Public Participants Construction Lenders and Concession Lenders, respectively (the "Lenders Cooperation Agreement"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the Construction Loan Agent such other documents and agreements and do any and all other acts necessary or appropriate to effectuate the purposes of these resolutions, including, without limitation, executing and delivering to the Construction Loan Agent any subsequent amendments, extensions, renewals or replacements of the Building Loan Contract, the Marine Note, the Key Note, the Construction Loan Mortgage, the Construction Loan Security Agreements, the Assignment of Leases and Rents, the Bank Account Assignments, the Environmental Agreement, the Financing Participants Agreement, the Sale and Assignment Agreement, Construction Loan Agency Consent, the NDAA, the Construction Loan Rate Protection Agreement and Assignment, Lenders Cooperation Agreement and any other agreement or instrument contemplated by these resolutions, which any of such persons deems necessary or appropriate; and that any and all documents heretofore executed and acts heretofore done in connection with any financing arrangements with Construction Loan Agent and/or Lenders or to effectuate the purposes of these resolutions are hereby in all respects ratified and confirmed; and be it further

RESOLVED, that each of the foregoing instruments mentioned in these resolutions is in such form and content as the member of the Company executing them shall approve, his approval to be conclusively evidenced by his execution thereof; and be it further

RESOLVED, that any member of the Company is hereby designated the proper member of The Company for the purposes of these resolutions.

4. <u>With respect to the Concession Loan Agreements;</u>

BE IT RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the Concession Lenders and/or Concession Loan Agent for the benefit of the Concession Lenders and any future lenders or participants, an interim and term concession loan agreement (the "Concession Loan Agreement") providing for a $32,500,000 credit facility ("Credit Facility") to be provided to BSCLLC by Shawmut, Fleet and any future lenders or participants; and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the Concession Lenders and/or Concession Loan Agent a financing participants agreement by and among the Public Participants, Construction Lenders, Construction Loan Agent, Concession Lenders, Concession Loan Agent, Sportservice Corporation., New York Sportservice Corporation, NFHLP, BSCLLC and the Company containing certain agreements of various public and private financing participants ("Financing Participants") in connection with the Project and outlining certain responsibilities of the Company to the Financing Participants with respect to the Project ("Financing Participants Agreement"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the Concession Lenders and/or Concession Loan Agent, a security agreement by and among the Company, NFHLP and ECIDA in favor of Concession Lenders in all Concession Equipment as described in the Financing Participants Agreement (the "Concession Loan Security Agreement"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the Concession Lenders and/or Concession Loan Agent, its acknowledgement of and agreement to a lenders cooperation agreement pursuant to which the National Hockey League shall consent to (i) issuance of certain guaranties and security interests by NFHLP with respect to the Project and (ii) certain non-relocation agreements between NFHLP and the Public Participants, Construction Lenders and Concession Lenders, respectively (the "Lenders Cooperation Agreement");

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the Concession Lenders and/or Concession Loan Agent a nondisturbance and attornment agreement to which the Construction Lenders,

Construction Loan Agent, Concession Lenders, Concession Loan Agent, NFHLP, BSCLLC and the Company will agree to the nondisturbance by the lessors and attornment by the lessees in each of the lessor-lessee relationships established by the ground leases and operating leases with respect to the Project in the event that any of such leases is terminated ("NDAA"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the Concession Loan Agent such other documents and agreements and do any and all other acts necessary or appropriate to effectuate the purposes of these resolutions, including, without limitation, executing and delivering to the Concession Loan Agent any subsequent amendments, extensions, renewals or replacements of the Concession Loan Agreement, the Financing Participants Agreement, the Concession Loan Security Agreement, the Lenders Cooperation Agreement, the NDAA, and any other agreement or instrument contemplated by these resolutions, which any of such persons deems necessary or appropriate; and that any and all documents heretofore executed and acts heretofore done in connection with any financing arrangements with Concession Loan Agent and/or Lenders or to effectuate the purposes of these resolutions are hereby in all respects ratified and confirmed; and be it further

RESOLVED, that each of the foregoing instruments mentioned in these resolutions is in such form and content as the member of the Company executing them shall approve, his approval to be conclusively evidenced by his execution thereof; and be it further

RESOLVED, that any member of the Company is hereby designated the proper member of The Company for the purposes of these resolutions.

5. With respect to the Lease and Related Agreements:

BE IT RESOLVED: that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to NFHLP the Lease and Related Agreements; and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to NFHLP such other documents and agreements and do any and all other acts necessary or appropriate to effectuate the purposes of these resolutions, including, without limitation, executing and delivering to NFHLP any subsequent amendments, extensions, renewals or replacements of the Lease and any or all of the Related Agreements and any other agreement or instrument contemplated by

these resolutions, which any of such persons deems necessary or appropriate; and that any and all documents heretofore executed and acts heretofore done in connection with the Lease and the Related Agreements with NFHLP or to effectuate the purposes of these resolutions are hereby in all respects ratified and confirmed; and be it further

RESOLVED, that each of the foregoing instruments mentioned in these resolutions is in such form and content as the member of the Company executing them shall approve, his approval to be conclusively evidenced by his execution thereof; and be it further

RESOLVED, that any member of the Company is hereby designated the proper member of The Company for the purposes of these resolutions.

BUFFALO SABRES CONCESSION LLC

MEMBER'S CERTIFICATE OF RESOLUTIONS

I, Gregory T. Ivancic hereby CERTIFY that I am the Assistant Secretary of Niagara Frontier Hockey Management Corporation, a New York corporation ("NFHMC"), that NFHMC is a member of Buffalo Sabres Concession LLC (the Company) and the sole general partner of Niagara Frontier Hockey L.P. (the only other member of the Company), that the following document is a true copy of resolutions duly adopted by the members of the Company; that such resolutions have not been rescinded or modified and are still in full force and effect; and any action taken or to be taken pursuant thereto is not nor will be in contravention of any provision or provisions of the Certificate of Organization or the Operating Agreement of the Company.

Gregory T. Ivancic,
Assistant Secretary

RESOLUTIONS OF MEMBERS OF

BUFFALO SABRES CONCESSION LLC

WHEREAS, the Company is organized and operated to provide concession, restaurant, catering, parking and other services in connection with the Crossroads Arena, a sports and entertainment complex to be located in the City of Buffalo, New York, including approximately eighty (80) private suites and approximately two thousand five hundred (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 nineteen thousand four hundred (19,400) for hockey and up to twenty one thousand five hundred (21,500) for concerts and other events, and including approximately two thousand one hundred twenty five (2,125) parking spaces in parking structures and surface lots ("Parking Facilities") (the Arena and the Parking Facilities collectively referred to as "The Crossroads" or the "Project"); and

WHEREAS, the undersigned members have reviewed the following agreements with Niagara Frontier Hockey, L.P. ("NFHLP"): (i) a lease and agreement under which the Company shall be granted exclusive occupancy rights with respect to the Project's concession facilities and Parking Facilities and the exclusive right to provide food and beverage services and parking concession operations with respect to the Project, and (ii) a supplemental lease under which the Company shall be granted exclusive occupancy rights and the exclusive right to provide parking concession operations with respect to a parcel of land located adjacent to the arena to be improved with a surface parking lot constituting a part of the Parking Facilities (such agreements collectively referred to herein as the "Concession Leases"), which Concession leases have been approved by NFHLP as lessor; and

WHEREAS, the undersigned members have reviewed a lease and agreement with Sportservice Corporation and New York Sportservice, Inc. under which New York Sportservice, Inc. shall lease the Company's leasehold interests in the Project's concession facilities and Parking Facilities and shall provide food and beverage services and parking concession operations with respect to the Project (the "Sportservice Lease")

WHEREAS, the undersigned members have reviewed certain agreements with Shawmut Bank, N.A., and Fleet Bank, (the "Concession Lenders"), Shawmut Bank, N.A. as agent for the Concession Lenders ("Concession Loan Agent"), and the Erie County Industrial Development Agency ("ECIDA") relating to the financing of the Project (the "Concession Loan Documents"), and such ancillary documents as described in said Concession Loan Agreements; and

WHEREAS, Crossroads Arena LLC ("CALLC") and NFHLP have approved certain agreements by, between and among the Buffalo Urban Renewal Agency ("BURA") the City of Buffalo, County of Erie, ECIDA and New York State Urban Development Corporation ("UDC") (collectively, the "Public Participants"), CALLC and NFHLP relating to the financing,

development, construction and operation of the Project, (the "Public Participant Agreements"), and the undersigned members have reviewed those Public Participant Agreements requiring execution and delivery by the Company; and

WHEREAS, CALLC and NFHLP have approved certain agreements by, between and among Marine Midland Bank and Key Bank of New York (the "Construction Lenders"), Marine Midland Bank as agent for the Construction Lenders (the "Construction Loan Agent"), CALLC and NFHLP relating to the additional financing of the Project (the "Construction Loan Agreements"), and the undersigned members have reviewed those Construction Loan Agreements requiring execution and delivery by the Company

NOW THEREFORE, be it RESOLVED as follows:

1. With respect to the Concession Leases and Sportservice Lease:

BE IT RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to NFHLP the Concession Leases; and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to NFHLP, New York Sportservice, Inc. and Sportservice Corporation the Sportservice Lease; and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver such other documents and do any and all other acts necessary or appropriate to effectuate the purposes of these resolutions, including, without limitation, executing and delivering any subsequent amendments, extensions, renewals or replacements of the Concession Leases and Sportservice Lease and any other agreement or instrument contemplated by these resolutions, which any of such persons deems necessary or appropriate; and that any and all documents heretofore executed and acts heretofore done in connection with said agreements or to effectuate the purposes of these resolutions are hereby in all respects ratified and confirmed; and be it further

RESOLVED, that each of the foregoing instruments mentioned in these resolutions is in such form and content as the member of the Company executing them shall approve, his approval to be conclusively evidenced by his execution thereof; and be it further

RESOLVED, that any member of the Company is hereby designated the proper member of the Company for the purposes of these resolutions.

2. With respect to the Concession Loan Agreements;

BE IT RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the Concession Lenders, or Concession Loan Agent for the benefit of the Concession Lenders and future lenders or participants, an interim and term concession loan agreement (the "Concession Loan Agreement") providing for a $32,500,000 credit facility ("Credit Facility") to be provided to the Company by the Concession Lenders and any future lenders or participants; and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to Shawmut a concession loan note in the original principal amount of $22,500,000.00 ("Shawmut Note"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to Fleet a concession loan note in the original principal amount of $10,000,000.00 ("Fleet Note"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the Concession Lenders and/or Concession Loan Agent a leasehold mortgage covering the real property described in the Concession Leases, and a fixture financing statement covering the Concession Equipment as defined in the Financing Participants Agreement, as continuing collateral security for the payment of any and all indebtedness and liabilities, now or hereafter existing, of the Company to the Concession Lenders and/or the Concession Loan Agent to the extent of $32,500,000.00 ("Concession Loan Mortgage"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company to execute and deliver to Shawmut a rate protection agreement relating to Concession Credit Facility and to assign such rate protection agreement to or for the benefit of the Cocession Lenders and/or Concession Loan Agent the ("Concession Loan Rate Protection Agreement and Assignment"); and be if further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the Concession Lenders and/or Concession Loan Agent an assignment of leases and rents assigning to Construction Loan Agent the

Company's right, title and interest in and to present and future concession leases (including without limitation the Sportservice Lease), rents and income ("Assignment of Leases and Rents"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the Concession Lenders and/or Concession Loan Agent a collateral assignment and security agreement in regard to contracts, licenses, permits agreements warranties and approvals relating directly or indirectly to the Company's occupancy and use with respect to the Project's concession facilities and Parking Structures ("Assignment of Concession Documents"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the Concession Lenders and/or Concession Loan Agent a financing participants agreement by and among the Public Participants, Construction Lenders, Construction Loan Agent, Concession Lenders, and Concession Loan Agent, Sportservice Corporation, New York Sportservice, Inc., NFHLP, CALLC and the Company containing certain agreements of various public and private financing participants ("Financing Participants") in connection with the Project and outlining certain responsibilities of the Company to the Financing Participants with respect to the Project ("Financing Participants Agreement"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the Concession Lenders and/or Concession Loan Agent a security agreement by and among the Company, ECIDA, CALLC and NFHLP in favor of the Concession Lenders and/or Concession Loan Agent ("Concession Loan Security Agreement"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the Concession Lenders and/or Concession Loan Agent, its acknowledgement of and agreement to a lenders cooperation agreement pursuant to which the National Hockey League shall consent to (i) issuance of certain guaranties and security interests by NFHLP with respect to the Project and (ii) certain nonrelocation agreements between NFHLP and the Public Participants, Construction Lenders and Concession Lenders, respectively (the "Lenders Cooperation Agreement"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and

deliver to the Concession Lenders and/or Concession Loan Agent a refinancing agreement by and among the Company, NFHLP, New York Sportservice, Inc., Sportservice Corporation the Concession Lenders and the Concession Loan Agent (the "Refinancing Agreement"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the Concession Lenders and/or Concession Loan Agent a nondisturbance and attornment agreement to which the Construction Lenders, Construction Loan Agent, Concession Lenders, Concession Loan Agent, NFHLP, CALLC and the Company will agree to the nondisturbance by the lessors and attornment by the lessees in each of the lessor-lessee relationships established by the ground leases and operating leases with respect to the Project in the event that any of such leases is terminated ("NDAA"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver such other documents and do any and all other acts necessary or appropriate to effectuate the purposes of these resolutions, including, without limitation, executing and delivering any subsequent amendments, extensions, renewals or replacements of the Concession Loan Agreement, Shawmut Note, Fleet Note, Financing Participants Agreement, Concession Loan Mortgage, Concession Loan Rate Protection Agreement and Assignment, Assignment of Leases and Rents, Assignment of Concession Documents, Concession Loan Security Agreement, Lenders Cooperation Agreement, Refinancing Agreement, NDAA, and any other agreement or instrument contemplated by these resolutions, which any of such persons deems necessary or appropriate; and that any and all documents heretofore executed and acts heretofore done in connection with said agreements or to effectuate the purposes of these resolutions are hereby in all respects ratified and confirmed; and be it further

RESOLVED, that each of the foregoing instruments mentioned in these resolutions is in such form and content as the member of the Company executing them shall approve, his approval to be conclusively evidenced by his execution thereof; and be it further

RESOLVED, that any member of the Company is hereby designated the proper member of the Company for the purposes of these resolutions.

3. <u>With respect to the Public Participant Agreements;</u>

BE IT RESOLVED, the proper members of the Company are, and each of

them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the Public Participants a nondisturbance and attornment agreement to which the Construction Lenders, Construction Loan Agent, Concession Lenders, Concession Loan Agent, NFHLP, CALLC and the Company will agree to the nondisturbance by the lessors and attornment by the lessees in each of the lessor-lessee relationships established by the ground leases and operating leases with respect to the Project in the event that any of such leases is terminated ("NDAA"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the Public Participants, its acknowledgement of and agreement to a lenders cooperation agreement pursuant to which the National Hockey League shall consent to (i) issuance of certain guaranties and security interests by NFHLP with respect to the Project and (ii) certain nonrelocation agreements between NFHLP and the Public Participants, Construction Lenders and Concession Lenders (the "Lenders Cooperation Agreement"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the Public Participants, Sportservice Corporation., New York Sportservice, Inc., NFHLP and the Company a financing participants agreement by and among the Public Participants, Construction Lenders, Construction Loan Agent, Concession Lenders, and Concession Loan Agent, Sportservice, Inc., New York Sportservice, Inc., NFHLP, CALLC and the Company, containing certain agreements of various public and private financing participants ("Financing Participants") in connection with the Project and outlining certain responsibilities of the Company to the Financing Participants with respect to the Project ("Financing Participants Agreement")

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver such other documents and do any and all other acts necessary or appropriate to effectuate the purposes of these resolutions, including, without limitation, executing and delivering any subsequent amendments, extensions, renewals or replacements of the NDAA, Lenders Cooperation Agreement, Financing Participants Agreement and any other agreement or instrument contemplated by these resolutions, which any of such persons deems necessary or appropriate; and that any and all documents heretofore executed and acts heretofore done in connection with said agreements or to effectuate the purposes of these resolutions are hereby in all respects ratified and confirmed; and be it further

RESOLVED, that each of the foregoing instruments mentioned in these resolutions is in such form and content as the member of the Company executing them shall approve, his approval to be conclusively evidenced by his execution thereof; and be it further

RESOLVED, that any member of the Company is hereby designated the proper member of the Company for the purposes of these resolutions.

4. With Respect to the Construction Loan Agreements;

BE IT RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the Construction Lenders and/or Construction Loan Agent a financing participants agreement by and among the Public Participants, Construction Lenders, Construction Loan Agent, Concession Lenders, and Concession Loan Agent, Sportservice, Inc., New York Sportservice Corporation, NFHLP, CALLC and the Company containing the agreement of various public and private financing participants ("Financing Participants") in connection with the construction of the Crossroads Arena ("Project") and outlining certain responsibilities of the Company to the Financing Participants with respect to the Project ("Financing Participants Agreement"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to Construction Loan Agent one or more security agreements granting to Construction Loan Agent a security interest in all Equipment, as defined in the Uniform Commercial Code of New York, of the Company, whether now or hereafter owned, as collateral security for the payment of any and all indebtedness and liabilities, now or hereafter existing of CALLC to Construction Lenders and/or Construction Loan Agent ("the Company Security Agreement"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to Agent a nondisturbance and attornment agreement pursuant to which the Construction Lenders, Construction Loan Agent, Concession Lenders, Concession Loan Agent, the Public Participants, NFHLP, CALLC and the Company will agree to the nondisturbance by the lessors and attornment by the lessees in each of the lessor-lessee relationships established by the ground leases and operating leases with respect to the Project in the event that any of such leases is terminated ("NDAA"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the Public Participants, its acknowledgement of and agreement to a lenders cooperation agreement pursuant to which the National Hockey League shall consent to (i) issuance of certain guaranties and security interests by NFHLP with respect to the Project and (ii) certain nonrelocation agreements between NFHLP and the Public Participants, Construction Lenders and Concession Lenders (the "Lenders Cooperation Agreement"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to Construction Lenders and/or Construction Loan Agent (as applicable) such other documents and do any and all other acts necessary or appropriate to effectuate the purposes of these resolutions, including, without limitation, executing and delivering to said Construction Lenders and/or Construction Loan Agent any subsequent amendments, extensions, or renewals of the Company Security Agreement, the Financing Participants Agreement, the NDAA, the Lenders Cooperation Agreement and any other agreement or instrument contemplated by these resolutions, which any of such persons deems necessary or appropriate; and that any and all documents heretofore executed and acts heretofore done in connection with any financing arrangements with the Lenders and/or Agent or to effectuate the purposes of these resolutions are hereby in all respects ratified and confirmed; and be it further

RESOLVED, that each of the foregoing instruments mentioned in these resolutions is in such form and content as the member of the Company executing them shall approve, his approval to be conclusively evidenced by his execution thereof; and be it further

RESOLVED, that any member of the Company is hereby designated the proper member of the Company for the purposes of these resolutions.

ARENA, INC.

SECRETARY'S CERTIFICATE OF RESOLUTIONS

I, Gregory T. Ivancic, hereby CERTIFY that I am the Assistant Secretary of Arena, Inc., a New York corporation ("the Company"), that the Company is a member of Crossroads Arena, LLC ("CALLC"), that the following document is a true copy of resolutions duly adopted by the board of directors of the Company; that such resolutions have not been rescinded or modified and are still in full force and effect; that the Certificate of Incorporation of the Corporation, and all amendments thereto, do not contain any provisions requiring any vote or consent of the shareholders to authorize any action taken or to be taken pursuant thereto, and that any such action is not nor will be in contravention of any provision or provisions of the Certificate of Incorporation or the By-Laws of the Corporation.

Gregory T. Ivancic,
Assistant Secretary

RESOLUTIONS OF THE DIRECTORS OF

ARENA, INC. (the "Company")

WHEREAS, the Company is a member of Crossroads Arena LLC, a New York limited liability company; and

WHEREAS, CALLC is the developer of the Crossroads Arena, a sports and entertainment complex to be located in Buffalo, New York, including approximately eighty (80) private suites and approximately two thousand five hundred (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 nineteen thousand four hundred (19,400) for hockey and up to twenty one thousand five hundred (21,500) for concerts and other events, and including associated parking structures and surface parking lots ("The Crossroads" or the "Project"); and

WHEREAS, under the Operating Agreement of CALLC, CALLC must act through one or both of its members, namely Niagara Frontier Hockey, L.P. ("NFHLP") and/or the Company; and

WHEREAS, the directors have reviewed certain agreements relating to the design, development and construction of the Project (the "Design, Construction and Development Agreements"), and such ancillary documents as described in each respective Design, Construction and Development Agreement; and

WHEREAS, the directors have reviewed certain agreements by, between and among CALLC and the Buffalo Urban Renewal Agency ("BURA"), the City of Buffalo, County of Erie, Erie County Industrial Development Agency ("ECIDA") and New York State Urban Development Corporation ("UDC") (BURA, the City of Buffalo, County of Erie , ECIDA and UDC collectively referred to as the "Public Participants"), relating to the acquisition and leasing of the Project site and the financing, development, construction and operation of the Project (the "Public Participant Agreements"), and such ancillary documents as described in each respective Public Participant Agreement; and

WHEREAS, the directors have reviewed certain agreements by, between and among CALLC and Marine Midland Bank ("Marine") Key Bank of New York ("Key") (Marine and Key collectively referred to as the "Construction Lenders"), Marine as collateral agent for the Construction Lenders (the "Construction Loan Agent"), relating to the financing of the Project (the "Construction Loan Agreements") and such ancillary documents as described in each respective Construction Loan Agreement; and

WHEREAS, Buffalo Sabres Concession LLC ("BSCLLC") and NFHLP have approved certain agreements by, between and among BSCLLC, NFHLP, Shawmut Bank, N.A. ("Shawmut"), Fleet Bank ("Fleet") (Shawmut and Fleet referred to collectively as the "Concession Lenders"). Shawmut as collateral agent for the Concession Lenders (the "Concession Loan Agent"). Sportservice Corporation, New York Sportservice, Inc. and the ECIDA relating to additional financing for the Project (the "Concession Loan Agreements"); and the directors have reviewed those Concession Loan Agreements requiring execution and delivery by CALLC, and such ancillary documents as described in such Concession Loan Agreements; and

WHEREAS, the directors have reviewed a lease of the Project by and between CALLC and NFHLP (the "Lease"), which Lease has been approved by NFHLP as tenant, and certain other agreements by and between CALLC and NFHLP related to and attached as Exhibits to the Lease, including but not limited to the Box Office Operating Agreement, the Sales Agency Agreement, and the Marketing and Advertising Agreement (the "Related Agreements"), each of which agreements have been approved by NFHLP; and

NOW THEREFORE, be it RESOLVED as follows:

i. With respect to the Design, Construction and Development Agreements;

BE IT RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to Huber, Hunt & Nichols, a construction contract relating to the construction of the arena (the "Guaranteed Maximum Price Contract"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to Ellerbe-Becket Architects & Engineers, P.C. an agreement relating to the design and development of the arena (the "Arena Architect's Agreement"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to the Krog Corporation, a construction management contract relating to construction management services in connection with the construction of the Project parking structures (the "Parking Structures Construction Management Agreement"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on

behalf of CALLC, to execute and deliver such other documents and agreements and do any and all other acts necessary or appropriate to effectuate the purposes of these resolutions, including, without limitation, executing and delivering, on behalf of CALLC, any subsequent amendments, extensions, renewals or replacements of the Guaranteed Maximum Price Contract, Arena Architect's Agreement and Parking Structures Construction Management Agreement and any other agreement or instrument contemplated by these resolutions, which any of such persons deems necessary or appropriate; and that any and all documents heretofore executed and acts heretofore done in connection with said agreements or to effectuate the purposes of these resolutions are hereby in all respects ratified and confirmed; and be it further

RESOLVED, that each of the foregoing instruments mentioned in these resolutions is in such form and content as the officer of the Company executing them shall approve, his approval to be conclusively evidenced by his execution thereof; and be it further

RESOLVED, that any officer of the Company is hereby designated the proper officer of the Company for the purposes of these resolutions.

2. With respect to the Public Participant Agreements;

BE IT RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to BURA and the City of Buffalo a contract for lease of land and Redevelopment relating to acquisition, leasing and development of the Project site (the "Land Disposition Agreement"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to the City of Buffalo, County of Erie, UDC, BURA and ECIDA a development and construction agreement relating to the development and construction of the Project (the "Development and Construction Agreement"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to the City of Buffalo, County of

Erie, UDC, BURA and ECIDA an operating agreement relating to the Company's occupancy, use, management and operation of the Project (the "Operating Agreement"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to ECIDA an agency lease agreement relating to the Company's leasehold interest in the Project (the "Agency Lease Agreement"), and to execute and deliver a memorandum of such lease agreement to such persons as shall be determined by the members of the Company, and each of them acting alone; and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to the Public Participants a nondisturbance and attornment agreement to which the Construction Lenders, Construction Loan Agent, Concession Lenders, Concession Loan Agent, NFHLP, BSCLLC and CALLC will agree to the nondisturbance by the lessors and attornment by the lessees in each of the lessor-lessee relationships established by the ground leases and operating leases with respect to the Project in the event that any of such leases is terminated ("NDAA"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to the Public Participants its acknowledgement of and agreement to a lenders cooperation agreement pursuant to which the National Hockey League shall consent to (i) issuance of certain guaranties and security interests by NFHLP with respect to the Project and (ii) certain non-relocation agreements between NFHLP and the Public Participants, Construction Lenders and Concession Lenders, respectively (the "Lenders Cooperation Agreement"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to the City of Buffalo, County of Erie, BURA and ECIDA an environmental inquiry authorization, compliance and indemnification agreement with respect to the property on which the Crossroads Arena Project is to be located ("Environmental Agreement"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to the City of Buffalo, BURA and NFHLP its acknowledgement and acceptance of a non-competition agreement pertaining to the City of Buffalo's use of Memorial Auditorium upon completion of the Project (the "Non-Competition Agreement"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to the Public Participants a financing participants agreement by and among the Public Participants, Construction Lenders, Construction Loan Agent, Concession Lenders, and Concession Loan Agent, Sportservice Corporation., New York Sportservice Corporation, CALLC, NFHLP and BSCLLC containing certain agreements of various public and private financing participants ("Financing Participants") in connection with the Project and outlining certain responsibilities of CALLC to the Financing Participants with respect to the Project ("Financing Participants Agreement"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to the UDC a promissory note in the amount of up to $25.0 million ("UDC Note"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, for itself and as general partner of NFHLP (for itself, and acting on behalf of CALLC), to execute and deliver to the City of Buffalo, BURA, UDC, and the County of Erie a inducement agreement with respect to public financing of the Project (the "Inducement Agreement"); and be it further;

RESOLVED, that the proper officeres of the Company are, and each of them acting alone is, hereby authorized, as general partner of NFHLP, for itself and as a member of CALLC, to execute and deliver to the Public Participants a conditional assignment of project documents (the "Conditional Assignment of Project Documents"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the Public Participants such other documents and agreements and do any and all other acts necessary or appropriate to effectuate the purposes of

these resolutions, including, without limitation, executing and delivering, on behalf of CALLC, any subsequent amendments, extensions, renewals or replacements of the Land Disposition Agreement, Development and Construction Agreement, Operating Agreement, Agency Lease Agreement, NDAA, Lenders Cooperation Agreement, Environmental Agreement, Non-Competition Agreement, Financing Participants Agreement, UDC Note, Inducement Agreement, Conditional Assignment of Project Documents, and any other agreement or instrument contemplated by these resolutions, which any of such persons deems necessary or appropriate; and that any and all documents heretofore executed and acts heretofore done in connection with said agreements or to effectuate the purposes of these resolutions are hereby in all respects ratified and confirmed; and be it further

RESOLVED, that each of the foregoing instruments mentioned in these resolutions is in such form and content as the officer of the Company executing them shall approve, his approval to be conclusively evidenced by his execution thereof; and be it further

RESOLVED, that any officer of the Company is hereby designated the proper officer of the Company for the purposes of these resolutions.

3. With Respect to the Construction Loan Agreements;

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to Construction Loan Agent for the benefit of the Construction Lenders and any future lenders or participants, a building loan contract between the Company and Construction Loan Agent ("Building Loan Contract") providing for a $35,000,000 credit facility ("Construction Credit Facility") to be provided to the Company by the Construction Lenders, and any future lenders or participants; and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to Marine a building loan note in the original principal amount of $17,500,000.00 ("Marine Note"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on

behalf of CALLC, to execute and deliver to Key a building loan note in the original principal amount of $17,500,000.00 ("Key Note"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to Construction Loan Agent a leasehold mortgage covering the Crossroads Arena Project ("Project"), as continuing collateral security for the payment of any and all indebtedness and liabilities, now or hereafter existing, of CALLC to the Construction Lenders and/or the Construction Loan Agent to the extent of $35,000,000.00 ("Construction Loan Mortgage"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to Construction Loan Agent one or more security agreements ("Construction Loan Security Agreements") granting to Construction Loan Agent security interests in the following property, whether now owned or hereafter owned or acquired by CALLC, in all Proceeds and Products thereof in any form, in all parts, accessories, attachments, special tools, additions, replacements, substitutions and accessions thereto or therefor, and in all increases or profits received therefrom: any and all "Equipment", except Concession Equipment as defined in the Financing Participants Agreement, "Inventory", "Accounts", "Chattel Paper", "General Intangibles", "Fixtures", "Documents" and "Instruments" as defined in the Uniform Commercial Code of New York, including, without limitation, Equipment, Fixtures, Inventory, Accounts, Chattel Paper, General Intangibles, Documents and Instruments in connection with the Project; all furnishings and fixtures located on or used, or to be located on or used, in connection with the Project; and all building materials delivered to or acquired for use in connection with the Project; and any and all accounts, chattel paper, sales contracts, insurance contracts, income, payments, profits, general intangibles and other rights to the payment of money, and all proceeds of all of the foregoing, whether now existing or hereafter arising in connection with the Project; and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to the Construction Loan Agent an assignment of leases and rents assigning to Construction Loan Agent CALLC's right, title and interest in and to present and future Project leases, rents and income ("Assignment of Leases and Rents); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to Construction Loan Agent (a) an assignment of a certain segregated bank account of CALLC into which CALLC shall make annual deposits for the purpose of making capital repairs and improvements to the Project, (b) an assignment of a certain bank account into which revenues from the Project shall be deposited, and (c) an assignment of a certain segregated bank account of CALLC into which CALLC shall deposit amounts necessary to cause the balance of such account to be equal to debt service payments on the loan which will become due in the following year (collectively "Bank Account Assignments"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to the Construction Loan Agent an environmental inquiry authorization, compliance and indemnification agreement with respect to the property on which the Crossroads Arena Project is to be located ("Environmental Agreement"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to Construction Loan Agent a financing participants agreement by and among the Public Participants, Construction Lenders, Construction Loan Agent, Concession Lenders, and Concession Loan Agent, Sportservice Corporation., New York Sportservice, Inc., NFHLP, BSCLLC and CALLC containing certain agreements of various public and private financing participants ("Financing Participants") in connection with the Project and outlining certain responsibilities of CALLC to the Financing Participants with respect to the Project ("Financing Participants Agreement"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to Construction Loan Agent an assignment of project documents assigning to Construction Loan Agent (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; (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 CALLC or which have been or will hereafter be assigned to CALLC in connection with the construction, use, operation, maintenance, occupancy and servicing of the Project and the Improvements, together with all franchise and license agreements; and (c) CALLC's records relating to the Project ("Assignment of Project Documents"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to the Construction Loan Agent a sale and assignment agreement containing certain agreements of Key, Fleet, Shawmut, the Construction Loan Agent and CALLC with respect to the purchase by Fleet and Shawmut of a portion of Key's share of the Construction Credit Facility (the "Sale and Assignment Agreement"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to the Construction Loan Agent the consent of CALLC to an agency agreement pursuant to which the Construction Lenders, Shawmut and Fleet select Marine to act as the collateral and disbursing agent for the parties with respect to the Construction Credit Facility (the "Construction Loan Agency Consent"); and be it

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to the Construction Loan Agent a nondisturbance and attornment agreement pursuant to which the Construction Lenders, Construction Loan Agent, Concession Lenders, Concession Loan Agent, Public Participants, NFHLP, BSCLLC and CALLC will agree to the nondisturbance by the lessors and attornment by the lessees in each of the lessor-lessee relationships established by the ground leases and operating leases with respect to the Project in the event that any of such leases is terminated ("NDAA"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to Key Bank of New York a rate protection agreement relating to the Construction Credit Facility and to assign such rate protection agreement to or for the benefit of the Construction Lenders and/or Construction Loan Agent ("Construction Loan Rate Protection Agreement and Assignment"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to the Construction Loan Agent its acknowledgement of and agreement to a lenders cooperation agreement pursuant to which the National Hockey League shall consent to (i) issuance of certain guaranties and security interests by NFHLP with respect to the Project and (ii) certain non-relocation agreements between NFHLP and the Public Participants, Construction Lenders and Concession Lenders, respectively (the "Lenders Cooperation Agreement"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to the Construction Loan Agent such other documents and agreements and do any and all other acts necessary or appropriate to effectuate the purposes of these resolutions, including, without limitation, executing and delivering on behalf of CALLC, to the Construction Loan Agent any subsequent amendments, extensions, renewals or replacements of the Building Loan Contract, the Marine Note, the Key Note, the Construction Loan Mortgage, the Construction Loan Security Agreements, the Assignment of Leases and Rents, the Bank Account Assignments, the Environmental Agreement, the Assignment of Project Documents, the Sale and Assignment Agreement, the Construction Loan Agency Consent, the NDAA, the Construction Loan Rate Protection Agreement and Assignment, and any other agreement or instrument contemplated by these resolutions, which any of such persons deems necessary or appropriate; and that any and all documents heretofore executed and acts heretofore done in connection with any financing arrangements with Construction Loan Agent and/or Lenders or to effectuate the purposes of these resolutions are hereby in all respects ratified and confirmed; and be it further

RESOLVED, that each of the foregoing instruments mentioned in these resolutions is in such form and content as the officer of the Company executing them shall approve, his approval to be conclusively evidenced by his execution thereof; and be it further

RESOLVED, that any officer of the Company is hereby designated the proper officer of the Company for the purposes of these resolutions.

4. <u>With respect to the Concession Loan Agreements;</u>

BE IT RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on

behalf of CALLC, to execute and deliver to the Concession Lenders and/or Concession Loan Agent for the benefit of the Concession Lenders and any future lenders or participants an interim and term concession loan agreement (the "Concession Loan Agreement") providing for a $32,500,000 credit facility ("Credit Facility") to be provided to BSCLLC by Shawmut, Fleet and any future lenders or participants; and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to the Concession Lenders and/or Concession Loan Agent a financing participants agreement by and among the Public Participants, Construction Lenders, Construction Loan Agent, Concession Lenders, Concession Loan Agent, Sportservice Corporation, New York Sportservice, Inc., NFHLP, BSCLLC and CALLC containing certain agreements of various public and private ("Financing Participants") in connection with the Project and outlining certain responsibilities of CALLC to the Financing Participants with respect to the Project ("Financing Participants Agreement"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to the Concession Lenders and/or Concession Loan Agent, a security agreement among CALLC, NFHLP and ECIDA in favor of Concession Lenders in all Concession Equipment as described in the Financing Participants Agreement (the "Concession Loan Security Agreement"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to the Concession Lenders and/or Concession Loan Agent, its acknowledgement of and agreement to a lenders cooperation agreement pursuant to which the National Hockey League shall consent to (i) issuance of certain guaranties and security interests by NFHLP with respect to the Project and (ii) certain non-relocation agreements between NFHLP and the Public Participants, Construction Lenders and Concession Lenders, respectively (the "Lenders Cooperation Agreement");

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to the Concession Lenders and/or Concession Loan Agent a nondisturbance and attornment agreement to which the Construction

Lenders, Construction Loan Agent, Concession Lenders, Concession Loan Agent, NFHLP, BSCLLC and CALLC will agree to the nondisturbance by the lessors and attornment by the lessees in each of the lessor-lessee relationships established by the ground leases and operating leases with respect to the Project in the event that any of such leases is terminated ("NDAA"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to the Concession Lenders and/or Concession Loan Agent such other documents and agreements and do any and all other acts necessary or appropriate to effectuate the purposes of these resolutions, including, without limitation, executing and delivering, on behalf of CALLC to the Concession Loan Agent any subsequent amendments, extensions, renewals or replacements of the Concession Loan Agreement, the Financing Participants Agreement, the Concession Loan Security Agreements, the Lenders Cooperation Agreement, the NDAA, and any other agreement or instrument contemplated by these resolutions, which any of such persons deems necessary or appropriate; and that any and all documents heretofore executed and acts heretofore done in connection with any financing arrangements with Concession Loan Agent and/or Lenders or to effectuate the purposes of these resolutions are hereby in all respects ratified and confirmed; and be it further

RESOLVED, that each of the foregoing instruments mentioned in these resolutions is in such form and content as the officer of the Company executing them shall approve, his approval to be conclusively evidenced by his execution thereof; and be it further

RESOLVED, that any officer of the Company is hereby designated the proper officer of The Company for the purposes of these resolutions.

5. With respect to the Lease and Related Agreements:

BE IT RESOLVED: that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to NFHLP the Lease and Related Agreements; and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to NFHLP such other documents and agreements and do any and all other acts necessary or appropriate to effectuate

the purposes of these resolutions, including, without limitation, executing and delivering to NFHLP any subsequent amendments, extensions, renewals or replacements of the Lease and any or all of the Related Agreements and any other agreement or instrument contemplated by these resolutions, which any of such persons deems necessary or appropriate; and that any and all documents heretofore executed and acts heretofore done in connection with the Lease and the Related Agreements with NFHLP or to effectuate the purposes of these resolutions are hereby in all respects ratified and confirmed; and be it further

RESOLVED, that each of the foregoing instruments mentioned in these resolutions is in such form and content as the officer of the Company executing them shall approve, his approval to be conclusively evidenced by his execution thereof; and be it further

RESOLVED, that any officer of the Company is hereby designated the proper officer of the Company for the purposes of these resolutions.

NIAGARA FRONTIER HOCKEY

MANAGEMENT CORPORATION

SECTRARY'S CERTIFICATE OF RESOLUTIONS

I, Gregory T. Ivancic hereby CERTIFY that I am the Assistant Secretary of Niagara Frontier Hockey Management Corporation, a New York corporation ("the Company"), that NFHMC is a member of Buffalo Sabres Concession LLC ("BSCLLC") and the sole general partner of Niagara Frontier Hockey L.P. ("NFHLP"), that NFHLP is a member of BSCLLC and Crossroads Arena LLC, that the following document is a true copy of resolutions duly adopted by the board of directors of the Company; that such resolutions have not been rescinded or modified and are still in full force and effect; that the Certificate of Incorporation of the Corporation, and all amendments thereto, do not contain any provisions requiring any vote or consent of the shareholders to authorize any action taken or to be taken pursuant thereto, and that any such action is not nor will be in contravention of any provision or provisions of the Certificate of Incorporation or the By-Laws of the Corporation.

Gregory T. Ivancic
Assistant Secretary

RESOLUTIONS OF THE DIRECTORS OF

NIAGARA FRONTIER HOCKEY MANAGEMENT CORPORATION

WHEREAS, the Company is the sole general partner of NFHLP, a Delaware limited partnership; and

WHEREAS, under the Agreement of Limited Partnership of NFHLP, NFHLP must act through its general partner, namely the Company; and

WHEREAS, NFHLP is a member of Crossroads Arena LLC, a New York limited liability company ("CALLC"); and

WHEREAS, CALLC is the developer of the Crossroads Arena, a sports and entertainment complex to be located in Buffalo, New York, including approximately eighty (80) private suites and approximately two thousand five hundred (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 nineteen thousand four hundred (19,400) for hockey and up to twenty one thousand five hundred (21,500) for concerts and other events, and including associated parking structures and surface parking lots ("Parking Facilities") (the arena and the Parking Facilities collectively referred to as "The Crossroads" or the "Project"); and

WHEREAS, under the Operating Agreement of CALLC, CALLC must act through one or both of its members, namely Arena, Inc. and/or NFHLP; and

WHEREAS, the Company is a member of Buffalo Sabres Concession LLC, a New York limited liability company ("BSCLLC"); and

WHEREAS, the BSCLLC is organized and operated to provide concession, restaurant, catering, parking and other services in connection with the Project; and

WHEREAS, under the Operating Agreement of BSCLLC, BSCLLC must act through the one or more of its members, namely NFHLP and/or the Company; and

WHEREAS, the Company is the managing partner of Sabreland Partnership, a New York general partnership ("Sabreland"); and

WHEREAS, under the Agreement of General Partnership of Sabreland, Sabreland must act through its managing partner, namely the Company; and

WHEREAS, the directors have reviewed certain agreements relating to the design, development and construction of the Project (the "Design, Construction and Development

Agreements"), and such ancillary documents as described in each respective Design, Construction and Development Agreement; and

WHEREAS, the directors have reviewed a lease of the Project by and between CALLC and NFHLP (the "Lease"), and certain other agreements by and between CALLC and NFHLP related to and attached as Exhibits to the Lease, including but not limited to the Box Office Operation Agreement, the Sales Agency Agreement, and the Marketing and Advertising Agreement (the "Related Agreements"); and

WHEREAS, the directors have reviewed (i) a lease and agreement by and between NFHLP and BSCLLC under which BSCLLC shall be granted exclusive occupancy rights with respect to the Project's concession facilities and Parking Facilities and the exclusive right to provide food and beverage services and parking concession operations with respect to the Project, and (ii) a supplemental lease between NFHLP and BSCLLC under which BSCLLC shall be granted exclusive occupancy rights and the exclusive right to provide parking concession operations with respect to a parcel of land located adjacent to the arena to be improved with a surface parking lot constituting a part of the Parking Facilities (such agreements collectively referred to herein as the "Concession Leases"), which Concession leases have been approved by NFHLP as lessor; and

WHEREAS, the directors have reviewed a lease and agreement by and among BSCLLC, Sportservice Corporation and New York Sportservice, Inc. under which New York Sportservice, Inc., shall lease BSCLLC's leasehold interests in the Project's concession facilities and Parking Facilities and provide food and beverage services and parking concession operations with respect to the Project (the "Sportservice Lease"); and

WHEREAS, the directors have reviewed certain agreements by, between and among CALLC, NFHLP, BSCLLC, the Buffalo Urban Renewal Agency ("BURA"), the City of Buffalo, County of Erie, Erie County Industrial Development Agency ("ECIDA") and New York State Urban Development Corporation ("UDC") (BURA, City of Buffalo, County of Erie, ECIDA and UDC collectively referred to as the "Public Participants"), relating to the acquisition and leasing of the Project site and the financing, development, construction and operation of the Project (the "Public Participant Agreements"), and such ancillary documents as described in each respective Public Participant Agreement; and

WHEREAS, the directors have reviewed certain agreements by, between and among, CALLC, NFHLP, BSCLLC, Marine Midland Bank ("Marine"), Key Bank of New York ("Key") (Marine and Key collectively referred to as the "Construction Lenders"), Marine as collateral agent for the Construction Lenders (the "Construction Loan Agent"), relating to the financing of the Project (the "Construction Loan Agreements") and such ancillary documents as described in each respective Construction Loan Agreement; and

WHEREAS, the directors have reviewed certain agreements by, between and among BSCLLC, CALLC, NFHLP Shawmut Bank, N.A. ("Shawmut"), Fleet Bank ("Fleet") (Shawmut and Fleet collectively referred to as the "Concession Lenders"), Shawmut as collateral agent for the Concession Lenders (the "Concession Loan Agent"), Sportservice Corporation, New York Sportservice, Inc. and the ECIDA relating to additional financing for the Project (the "Concession Loan Agreements"), and such ancillary documents as described in each respective Concession Loan Agreement; and

WHEREAS, in connection with the financing of the project, the Public Participants, Construction Lenders, and Concession Lenders have requested of NFHLP and the Company long term assurances that NFHLP will not relocate its National Hockey League membership and franchise (the "Franchise") from Buffalo, New York, and have presented to NFHLP and the Company (i) a nonrelocation agreement by, between and among the Company, NFHLP and the Public Participants (the "Public Participants Nonrelocation Agreement") which is included among the Public Participant Agreements reviewed by the directors, (ii) a nonrelocation agreement by, between and among the Company, NFHLP, the Construction Lenders and the Construction Loan Agent (the "Construction Lenders Nonrelocation Agreement") which is included among the Construction Loan Documents reviewed by the directors, and (iii) a guaranty and agreement by NFHLP for the benefit of the Concession Lenders, including covenants against relocation of the Franchise, which guaranty and agreement are included among the Concession Loan Agreements reviewed by the directors (the "Nonrelocation Agreements"); and

WHEREAS, the directors have reviewed (i) a certain contract of sale by between NFHLP and Four R Realty Corporation ("Four R") relating to the acquisition by NFHLP of certain real property located adjacent to the arena and to be improved with surface parking lots constituting part of the Parking Facilities ("Parcel III") (said contract of sale referred to as the "Parcel III Contract"), and such ancillary documents as described in the Parcel III Contract and (ii) a guaranty by Sabreland to Four R of NFHLP's obligations the Parcel III Contract (the "Sabreland Guaranty"), and such ancillary documents as described in the Sabreland Guaranty, including without limitation, a mortgage on certain real property owned by Sabreland

NOW THEREFORE, be it RESOLVED as follows:

1. With respect to the Design, Construction and Development Agreements;

BE IT RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, as general partner of NFHLP, acting on behalf of CALLC, to execute and deliver to Huber, Hunt & Nichols, a construction contract relating to the construction of the arena (the "Guaranteed Maximum Price Contract"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, as general partner of NFHLP, acting on behalf of CALLC, to execute and deliver to Ellerbe-Becket Architects & Engineers, P.C. and agreement relating to the design and development of the arena (the "Arena Architect's Agreement"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, as general partner of NFHLP, acting on behalf of CALLC, to execute and deliver to the Krog Corporation, a construction management contract relating to construction management services in connection with the construction of the parking structures making up a portion of the Parking Facilities (the "Parking Structures Construction Management Agreement"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, as general partner of NFHLP, acting on behalf of CALLC, to execute and deliver such other documents and agreements and do any and all other acts necessary or appropriate to effectuate the purposes of these resolutions, including, without limitation, executing and delivering any subsequent amendments, extensions, renewals or replacements of the Guaranteed Maximum Price Contract, Arena Architect's Agreement and Parking Structures Construction Management Agreement and any other agreement or instrument contemplated by these resolutions, which any of such persons deems necessary or appropriate; and that any and all documents heretofore executed and acts heretofore done in connection with said agreements or to effectuate the purposes of these resolutions are hereby in all respects ratified and confirmed; and be it further

RESOLVED, that each of the foregoing instruments mentioned in these resolutions is in such form and content as the officer of the Company executing them shall approve, his approval to be conclusively evidenced by his execution thereof; and be it further

RESOLVED, that any officer of the Company is hereby designated the proper officer of the Company for the purposes of these resolutions.

2. With respect to the Lease and Related Agreements:

BE IT RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, as general partner of NFHLP, for itself, and acting on acting of CALLC, to execute and deliver the Lease and Related Agreements; and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, as general partner of NFHLP, for itself, and on acting on behalf of CALLC, to execute and deliver to NFHLP such other documents and agreements and do any and all other acts necessary or appropriate to effectuate the purposes of these resolutions, including, without limitation, executing and delivering to NFHLP any subsequent amendments, extensions, renewals or replacements of the Lease and any or all of the Related Agreements and any other agreement or instrument contemplated by these resolutions, which any of such persons deems necessary or appropriate; and that any and all documents heretofore executed and acts heretofore done in connection with the Lease and the Related Agreements with NFHLP or to effectuate the purposes of these resolutions are hereby in all respects ratified and confirmed; and be it further

RESOLVED, that each of the foregoing instruments mentioned in these resolutions is in such form and content as the officer of the Company executing them shall approve, his approval to be conclusively evidenced by his execution thereof; and be it further

RESOLVED, that any officer of the Company is hereby designated the proper officer of The Company for the purposes of these resolutions.

3. With respect to the Concession Leases and Sportservice Lease:

BE IT RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, as a member of BSCLLC, and as general partner of NFHLP, for itself and as a member of BSCLLC, to execute and deliver the Concession Leases; and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, as a member of BSCLLC, and as general partner of NFHLP, for itself and as a member of BSCLLC, to execute and deliver to New York Sportservice, Inc. and Sportservice Corporation the Sportservice Lease; and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, as a member of BSCLLC, and as general partner of NFHLP, for itself and as a member of BSCLLC, to execute and deliver such other documents and agreements and do any and all other acts necessary or appropriate to effectuate the purposes of these resolutions, including, without limitation, executing and delivering any subsequent amendments, extensions, renewals or replacements of the Concession Leases and Sportservice Lease and any other agreement or instrument contemplated by these

resolutions, which any of such persons deems necessary or appropriate; and that any and all documents heretofore executed and acts heretofore done in connection with said agreements or to effectuate the purposes of these resolutions are hereby in all respects ratified and confirmed; and be it further

RESOLVED, that each of the foregoing instruments mentioned in these resolutions is in such form and content as the officer of the Company executing them shall approve, his approval to be conclusively evidenced by his execution thereof; and be it further

RESOLVED, that any officer of the Company is hereby designated the proper officer of the Company for the purposes of these resolutions.

4. With respect to the Public Participant Agreements;

BE IT RESOLVED, that the proper officers of the Company, and each of them acting alone is, hereby authorized on behalf of the Company, as general partner of NFHLP, acting on behalf of CALLC, to execute and deliver to BURA and the City of Buffalo a contract for lease of land and Redevelopment relating to acquisition, leasing and development of the Project site (the "Land Disposition Agreement"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, as general partner of NFHLP, acting on behalf of CALLC, to execute and deliver to the City of Buffalo, County of Erie, UDC, BURA and ECIDA a development and construction agreement relating to the development and construction of the Project (the "Development and Construction Agreement"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, as general partner of NFHLP, acting on behalf of CALLC, to execute and deliver to the City of Buffalo, County of Erie, UDC, BURA and ECIDA an operating agreement relating to the Company's occupancy, use, management and operation of the Project (the "Operating Agreement"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, as general partner of NFHLP, acting on behalf of CALLC, to execute and deliver to ECIDA an agency lease agreement relating to the Company's leasehold interest in the Project (the "Agency Lease Agreement"), and to execute and deliver a memorandum of such lease agreement to such persons as shall be determined by

the members of the Company, and each of them acting alone; and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, as a member of BSCLLC, and as general partner of NFHLP (for itself, and on behalf of BSCLLC and CALLC), to execute and deliver to the Public Participants a nondisturbance and attornment agreement to which the Construction Lenders, Construction Loan Agent, Concession Lenders, Concession Loan Agent, NFHLP, BSCLLC and CALLC will agree to the nondisturbance by the lessors and attornment by the lessees in each of the lessor-lessee relationships established by the ground leases and operating leases with respect to the Project in the event that any of such leases is terminated ("NDAA"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, as a member of BSCLLC, and as general partner of NFHLP (for itself, and on behalf of BSCLLC and CALLC), to execute and deliver to the Public Participants the acknowledgement and agreement of BSCLLC, CALLC, and NFHLP to a lenders cooperation agreement pursuant to which the National Hockey League shall consent to (i) issuance of certain guaranties and security interests by NFHLP with respect to the Project and (ii) the Nonrelocation Agreements (the "Lenders Cooperation Agreement"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, as general partner of NFHLP, acting on behalf of CALLC, to execute and deliver to the City of Buffalo, County of Erie and BURA an environmental inquiry authorization, compliance and indemnification agreement with respect to the property on which the Crossroads Arena Project is to be located ("Environmental Agreement"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, for itself and as general partner of NFHLP, to execute and deliver to the City of Buffalo, County of Erie and UDC the Public Participants Nonrelocation Agreement;

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, as general partner of NFHLP, to execute and deliver to the City of Buffalo and BURA a non-competition agreement pertaining to the City of Buffalo's use of Memorial Auditorium upon completion of the Project (the "Non-competition Agreement"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, as a member of BSCLLC, and as general partner of NFHLP (for itself, and acting on behalf of BSCLLC and CALLC), to execute and deliver to the Public Participants a financing participants agreement by and among the Public Participants, Construction Lenders, Construction Loan Agent, Concession Lenders, and Concession Loan Agent, Sportservice, Inc., New York Sportservice, Inc., NFHLP, CALLC and BSCLLC containing certain agreements of various public and private financing participants ("Financing Participants") in connection with the Project and outlining certain responsibilities of the Company to the Financing Participants with respect to the Project ("Financing Participants Agreement"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, as general partner of NFHLP, to execute and deliver to the City of Buffalo, County of Erie and UDC, its guaranty of up to $12.0 million of Public Participant financing (the "NFHLP Public Participant Guaranty");

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, as general partner of NFHLP, acting on behalf of CALLC, to execute and deliver to the UDC a promissory note in the amount of up to $25.0 million (the "UDC Note"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, for itself and as general partner of NFHLP (for itself, and acting on behalf of CALLC), to execute and deliver to the City of Buffalo, BURA, UDC, and the County of Erie a inducement agreement with respect to public financing of the Project (the "Inducement Agreement"); and be it further;

RESOLVED, that the proper officeres of the Company are, and each of them acting alone is, hereby authorized, as general partner of NFHLP, for itself and as a member of CALLC, to execute and deliver to the Public Participants a conditional assignment of project documents (the "Conditional Assignment of Project Documents"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, for itself, as a member of BSCLLC, and as general partner of NFHLP (for itself, or acting on behalf of BSCLLC or CALLC), as the case may be, to execute and deliver to the Public Participants such other documents and agreements and do any and all other acts necessary or appropriate to effectuate the purposes of these resolutions,

including, without limitation, executing and delivering any subsequent amendments, extensions, renewals or replacements of the Land Disposition Agreement, Development and Construction Agreement, Operating Agreement, Agency Lease Agreement, NDAA, Lenders Cooperation Agreement, Environmental Agreement, Public Participants Nonrelocation Agreement, Non-competition Agreement, Financing Participants Agreement, NFHLP Public Construction Guaranty, UDC Note, Inducement Agreement, Conditional Assignment of Project Documents, and any other agreement or instrument contemplated by these resolutions, which any of such persons deems necessary or appropriate; and that any and all documents heretofore executed and acts heretofore done in connection with said agreements or to effectuate the purposes of these resolutions are hereby in all respects ratified and confirmed; and be it further

RESOLVED, that each of the foregoing instruments mentioned in these resolutions is in such form and content as the officer of the Company executing them shall approve, his approval to be conclusively evidenced by his execution thereof; and be it further

RESOLVED, that any officer of the Company is hereby designated the proper officer of the Company for the purposes of these resolutions.

5. With Respect to the Construction Loan Agreements;

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, as general partner of NFHLP, acting on behalf of CALLC, to execute and deliver to the Construction Loan Agent for the benefit of the Construction Lenders and any future lenders or participants, a building loan contract between the Company and Construction Loan Agent ("Building Loan Contract") providing for a $35,000,000 credit facility ("Construction Credit Facility") to be provided to CALLC by the Construction Lenders and any future lenders or participants; and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, as general partner of NFHLP, acting on behalf of CALLC, to execute and deliver to Marine a building loan note in the original principal amount of $17,500,000.00 ("Marine Note"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, as general partner of NFHLP, acting on behalf of CALLC, to execute and deliver to Key a

building loan note in the original principal amount of $17,500,000.00 ("Key Note"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, as general partner of NFHLP, acting on behalf of CALLC, to execute and deliver to Construction Loan Agent a leasehold mortgage covering the Crossroads Arena Project ("Project"), as continuing collateral security for the payment of any and all indebtedness and liabilities, now or hereafter existing, of the Company to the Construction Lenders and/or the Construction Loan Agent to the extent of $35,000,000.00 ("Construction Loan Mortgage"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, as general partner of NFHLP, acting on behalf of CALLC, to execute and deliver to Construction Loan Agent one or more security agreements ("Construction Loan Security Agreements") granting to Construction Loan Agent security interests in the following property, whether now owned or hereafter owned or acquired by CALLC, in all Proceeds and Products thereof in any form, in all parts, accessories, attachments, special tools, additions, replacements, substitutions and accessions thereto or therefor, and in all increases or profits received therefrom: any and all "Equipment", except Concession Equipment as defined in the Financing Participants Agreement, "Inventory", "Accounts", "Chattel Paper", "General Intangibles", "Fixtures", "Documents" and "Instruments" as defined in the Uniform Commercial Code of New York, including, without limitation, Equipment, Fixtures, Inventory, Accounts, Chattel Paper, General Intangibles, Documents and Instruments in connection with the Project; all furnishings and fixtures located on or used, or to be located on or used, in connection with the Project; and all building materials delivered to or acquired for use in connection with the Project; and any and all accounts, chattel paper, sales contracts, insurance contracts, income, payments, profits, general intangibles and other rights to the payment of money, and all proceeds of all of the foregoing, whether now existing or hereafter arising in connection with the Project; and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, as general partner of NFHLP, acting on behalf of CALLC, to execute and deliver to the Construction Loan Agent an assignment of leases and rents assigning to Construction Loan Agent CALLC's right, title and interest in and to present and future Project leases, rents and income ("Assignment of Leases and Rents); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, as general partner of NFHLP, acting on behalf of CALLC, to execute and deliver to Construction Loan Agent (a) an assignment of a certain segregated bank account of the Company into which the Company shall make annual deposits for the purpose of making capital repairs and improvements to the Project, (b) an assignment of a certain bank account into which revenues from the Project shall be deposited, and (c) an assignment of a certain segregated bank account of the Company into which the Company shall deposit amounts necessary to cause the balance of such account to be equal to debt service payments on the loan which will become due in the following year (collectively "Bank Account Assignments"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, as general partner of NFHLP, acting on behalf of CALLC, to execute and deliver to the Construction Loan Agent an environmental inquiry authorization, compliance and indemnification agreement with respect to the property on which the Crossroads Arena Project is to be located ("Environmental Agreement"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, for itself, as a member of BSCLLC, and as general partner of NFHLP (for itself, and acting on behalf of BSCLLC and CALLC), to execute and deliver to Construction Loan Agent a financing participants agreement by and among the Public Participants, Construction Lenders, Construction Loan Agent, Concession Lenders, Concession Loan Agent, Sportservice Corporation, New York Sportservice, Inc., CALLC, BSCLLC and NFHLP containing certain agreements of various public and private financing participants ("Financing Participants") in connection with the Project and outlining certain responsibilities of CALLC, BSCLLC and NFHLP to the Financing Participants with respect to the Project ("Financing Participants Agreement"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, as general partner of NFHLP, acting on behalf of CALLC, to execute and deliver to Construction Loan Agent an assignment of project documents assigning to Construction Loan Agent (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; (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 CALLC or which have been or will hereafter be assigned to the Company in connection with the construction, use, operation, maintenance, occupancy and servicing of the Project and the Improvements, together with all franchise and license agreements; and (c) the Company's books and records relating to the Project ("Assignment of Project Documents"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, as general partner of NFHLP, acting on behalf of CALLC, to execute and deliver to the Construction Loan Agent a sale and assignment agreement containing certain agreements of Key, Fleet, Shawmut, the Construction Loan Agent and the Company with respect to the purchase by Fleet and Shawmut of a portion of Key's share of the Construction Credit Facility (the "Sale and Assignment Agreement"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, as general partner of NFHLP, acting on behalf of CALLC, to execute and deliver to the Construction Loan Agent the consent of CALLC to an agency agreement pursuant to which the Construction Lenders, Shawmut and Fleet select Marine to act as the collateral and disbursing agent for the parties with respect to the Construction Credit Facility (the "Construction Loan Agency Consent"); and be it

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, as a member of BSCLLC, and as general partner of NFHLP (for itself, and acting on behalf of BSCLLC and CALLC), to execute and deliver to the Construction Loan Agent a nondisturbance and attornment agreement pursuant to which the Construction Lenders, Construction Loan Agent, Concession Lenders, Concession Loan Agent, Public Participants, CALLC, BSCLLC NFHLP will agree to the nondisturbance by the lessors and attornment by the lessees in each of the lessor-lessee relationships established by the ground leases and operating leases with respect to the Project in the event that any of such leases is terminated ("NDAA"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, as general partner of NFHLP, acting on behalf of CALLC, to execute and deliver to Key Bank of New York a rate protection agreement relating to Construction Credit Facility and to assign such rate protection agreement to or for the benefit of the

Construction Lenders and/or Construction Loan Agent the ("Construction Loan Rate Protection Agreement and Assignment"); and be if further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, as a member of BSCLLC, and as general partner of NFHLP (for itself, and acting on behalf of BSCLLC and CALLC), to execute and deliver to the Construction Loan Agent the acknowledgement and agreement of BSCLLC, CALLC, and NFHLP to a lenders cooperation agreement pursuant to which the NHL shall consent to (i) issuance of certain guaranties and security interests by NFHLP with respect to the Project and (ii) the Nonrelocation Agreements (the "Lenders Cooperation Agreement"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company as general partner of NFHLP, to execute and deliver to the Construction Loan Agent a guaranty pursuant to which NFHLP shall guaranty to the Construction Loan Agent the full and prompt payment of all indebtedness and other liabilities of CALLC to Construction Lenders and/or Construction Loan Agent up to a maximum amount of $12,000,000, plus interest, costs and expenses arising out of (i) the Building Loan Contract, (ii) Marine Note and Key Note and (iii) the Collateral Documents, as defined in the Building Loan Contract (the "NFHLP Construction Loan Guaranty"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company as general partner of NFHLP, to execute and deliver to the Construction Loan Agent one or more security agreements granting to Construction Loan Agent security interests in all property of the following types, wherever located and whether now owned or hereafter owned or acquired by NFHLP, whether or not affixed to realty, in all Proceeds and Products thereof in any form, in all parts, accessories, attachments, special tools, additions, replacements, substitutions and accessions thereto or therefor, and in all increases or profits received therefrom: all Equipment, Fixtures, Inventory, Accounts, Chattel Paper, Documents, Instruments and General Intangibles; including, without limitation, (i) NFHLP's 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; (ii) player rights to amateur and professional players held by NFHLP or hereafter acquired by NFHLP in any future drafts or proceedings or otherwise and contracts of employment with any professional or amateur players now or hereafter entered into by NFHLP; and (iii) all proceeds from the sale of suite and premium seats at the Crossroads Arena ("Project") for Buffalo Sabres (or any successor team owned by NFHLP) hockey games in excess of $45 (increasing annually by 3% after the

1996-1997 hockey season) per seat per game, whether in the form of accounts, instruments, general intangibles, chattel paper, documents, money or any other form; and together with appropriate financing statements and other documents as deemed necessary by the Construction Loan Agent to perfect such security interests, as continuing collateral security for the payment of any and all indebtedness and liabilities, now or hereafter existing, of CALLC to Construction Lenders and/or Construction Loan Agent (collectively, "NFHLP Construction Loan Security Agreements"); and be it further

RESOLVED that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, as general partner of NFHLP, to execute and deliver to Agent an assignment of a certain bank account of NFHLP into which NFHLP will deposit 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 Assignment"); and be it further

RESOLVED that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, as general partner of NFHLP, to execute and deliver to Construction Loan Agent the Construction Lenders Nonrelocation Agreement ; and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting as general partner of NFHLP, to execute and deliver to Marine, as line lender, an amended and restated general security agreement ("Line Security Agreement"); and be it further

RESOLVED FURTHER, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, as a member of BSCLLC, to execute and deliver to Agent one or more security agreements granting to Agent a security interest in all Equipment, as defined in the Uniform Commercial Code, of BSCLLC, whether now or hereafter owned, as collateral security for the payment of any and all indebtedness and liabilities, now or hereafter existing of CALLC to Construction Lenders and/or Construction Loan Agent ("BSCLLC Security Agreement"); and

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, for itself, as a member of BSCLLC, or as general partner of NFHLP (for itself, or acting on behalf of BSCLLC or CALLC), as the case may be, to execute and deliver to the Construction Loan Agent such other documents and agreements and do any and all other acts necessary or appropriate to effectuate the purposes of these resolutions, including, without limitation, executing and delivering to the Construction Loan

Agent any subsequent amendments, extensions, renewals or replacements of the Building Loan Contract, the Marine Note, the Key Note, the Construction Loan Mortgage, the Construction Loan Security Agreements, the Assignment of Leases and Rents, the Bank Account Assignments, the Environmental Agreement, the Assignment of Project Documents, Sale and Assignment Agreement, Construction Loan Agency Consent, the NDAA, the Financing Participants Agreement, the Construction Loan Rate Protection Agreement and Assignment, the Lenders Cooperation Agreement, the NFHLP Construction Loan Guaranty, the NFHLP Construction Loan Security Agreements, the Ticket Proceeds Account Assignment, the Construction Lenders Nonrelocation Agreement, the Line Security Agreement, the BSCLLC Security Agreement, and any other agreement or instrument contemplated by these resolutions, which any of such persons deems necessary or appropriate; and that any and all documents heretofore executed and acts heretofore done in connection with any financing arrangements with Construction Loan Agent and/or Lenders or to effectuate the purposes of these resolutions are hereby in all respects ratified and confirmed; and be it further

RESOLVED, that each of the foregoing instruments mentioned in these resolutions is in such form and content as the officer of the Company executing them shall approve, his approval to be conclusively evidenced by his execution thereof; and be it further

RESOLVED, that any officer of the Company is hereby designated the proper officer of The Company for the purposes of these resolutions.

6. With respect to the Concession Loan Agreements;

BE IT RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, as a member of BSCLLC, and as general partner of NFHLPfor itself, and acting on behalf of BSCLLC, to execute and deliver to the Concession Lenders and/or Concession Loan Agent for the benefit of the Concession Lenders and any future lenders or participants, an interim and term concession loan agreement (the "Concession Loan Agreement") providing for a $32,500,000 credit facility ("Credit Facility") to be provided to BSCLLC by Shawmut, Fleet and any future lenders or participants; and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, as a member of BSCLLC, and as general partner of NFHLP, acting on behalf of BSCLLC, to

execute and deliver to Shawmut a concession loan note in the original principal amount of $22,500,000.00 ("Shawmut Note"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, as a member of BSCLLC, and as general partner of NFHLP, acting on behalf of BSCLLC, to execute and deliver to Fleet a concession loan note in the original principal amount of $10,000,000.00 ("Fleet Note"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, as a member of BSCLLC, and as general partner of NFHLP, acting on behalf of BSCLLC, to execute and deliver to Shawmut a rate protection agreement relating to Concession Credit Facility and to assign such rate protection agreement to or for the benefit of the Concession Lenders and/or Concession Loan Agent the ("Concession Loan Rate Protection Agreement and Assignment"); and be if further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, as a member of BSCLLC, and as general partner of NFHLP, acting on behalf of BSCLLC, to execute and deliver to the Concession Lenders and/or Concession Loan Agent a leasehold mortgage on the real property described in the Concession Leases, and a fixture financing statement covering the Concession Equipment as defined in the Financing Participants Agreement, as continuing collateral security for the payment of any and all indebtedness and liabilities, now or hereafter existing, of BSCLLC to the Concession Lenders and/or the Concession Loan Agent to the extent of $32,500,000.00 ("Concession Loan Mortgage"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, as a member of BSCLLC, and as general partner of NFHLP for itself, and acting on behalf of BSCLLC, to execute and deliver to the Concession Lenders and/or Concession Loan Agent an assignment of leases and rents assigning to Construction Loan Agent BSCLLC's right, title and interest in and to present and future concession leases (including without limitation the Sportservice Lease), rents and income ("Assignment of Leases and Rents"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, as a member of BSCLLC, and as general partner of NFHLP, acting on behalf of BSCLLC, to execute and deliver to the Concession Lenders and/or Concession Loan Agent a collateral assignment and security agreement in regard to contracts, licenses, permits agreements warranties and approvals relating directly or indirectly to

BSCLLC's occupancy and use with respect to the Project's concession facilities and Parking Structures ("Assignment of Concession Documents"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, as a member of BSCLLC, and as general partner of NFHLP for itself, and acting on behalf of BSCLLC, to execute and deliver to the Concession Lenders and/or Concession Loan Agent a security agreement by and among BSCLLC, CALLC, NFHLP and ECIDA in favor of the Concession Lenders and/or Concession Loan Agent ("Concession Loan Security Agreement"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, as a member of BSCLLC, and as general partner of NFHLP, for itself, and on behalf of BSCLLC, to execute and deliver to the Concession Lenders and/or Concession Loan Agent a refinancing agreement by and among BSCLLC, NFHLP, New York Sportservice, Inc., Sportservice Corporation the Concession Lenders and the Concession Loan Agent (the "Refinancing Agreement"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company as general partner of NFHLP for itself, to execute and deliver to the Concession Lenders and/or Concession Loan Agent a guaranty pursuant to which NFHLP shall guaranty to the Concession Loan Lenders and/or Concession Loan Agent the full and prompt payment of certain indebtedness and other liabilities of CALLC to Concession Lenders and/or Concession Loan Agent arising out of (i) the Concession Loan Agreement, (ii) Shawmut Note and Fleet Note and (iii) the Collateral Documents, as defined in the Concession Loan Agreement (the "NFHLP Concession Loan Guaranty"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company as general partner of NFHLP, to execute and deliver to the Concession Lenders and/or Concession Loan Agent a security agreement granting to Concession Lenders and/or Concession Loan Agent security interests in the following property, whether now owned or hereafter owned or acquired by the Company, in all Proceeds and Products thereof in any form, in all parts, accessories, attachments, special tools, additions, replacements, substitutions and accessions thereto or therefor, and in all increases or profits received therefrom: any and all "Equipment", except Concession Equipment as defined in the Financing Participants Agreement, "Inventory", "Accounts", "Chattel Paper", "General Intangibles", "Fixtures", "Documents" and "Instruments" as defined in the Uniform

Commercial Code of New York, including, without limitation, Equipment, Fixtures, Inventory, Accounts, Chattel Paper, General Intangibles, Documents and Instruments in connection with the Project; all furnishings and fixtures located on or used, or to be located on or used, in connection with the Project; and all building materials delivered to or acquired for use in connection with the Project; and any and all accounts, chattel paper, sales contracts, insurance contracts, income, payments, profits, general intangibles and other rights to the payment of money, and all proceeds of all of the foregoing, whether now existing or hereafter arising in connection with the Project; and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company as general partner of NFHLP, to execute and deliver to the Concession Lenders and/or Concession Loan Agent a mortgage and security interest in Parcel III (the "Parcel III Mortgage")

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company as general partner of NFHLP, to execute and deliver to the Concession Lenders and/or Concession Loan Agent a collateral assignment of leases and rents (the "NFHLP Assignment of Leases and Rents"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company as general partner of NFHLP, to execute and deliver an equity line of credit in an amount not to exceed $3,731,950 for the benefit of Marine Midland Bank as agent for the Concession Lenders and Construction Lenders (the "Equity Line of Credit")

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, as a member of BSCLLC, and as general partner of NFHLP (for itself, and acting on behalf of BSCLLC and CALLC), to execute and deliver to the Concession Lenders and/or Concession Loan Agent a financing participants agreement by and among the Public Participants, Construction Lenders, Construction Loan Agent, Concession Lenders, Concession Loan Agent, Sportservice Corporation, New York Sportservice, Inc., NFHLP and BSCLLC and the Company containing certain agreements of various public and private financing participants ("Financing Participants") in connection with the Project and outlining certain responsibilities of BSCLLC, CALLC and NFHLP to the Financing Participants with respect to the Project ("Financing Participants Agreement"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, as a member of

BSCLLC, and as general partner of NFHLP (for itself, and acting on behalf of BSCLLC and CALLC), to execute and deliver to the Concession Lenders and/or Concession Loan Agent, the acknowledgement and agreement of BSCLLC, CALLC, and NFHLP to a lenders cooperation agreement pursuant to which the National Hockey League shall consent to (i) issuance of certain guaranties and security interests by NFHLP with respect to the Project and (ii) the Nonrelocation Agreements (the "Lenders Cooperation Agreement");

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the Concession Lenders and/or Concession Loan Agent a nondisturbance and attornment agreement to which the Construction Lenders, Construction Loan Agent, Concession Lenders, Concession Loan Agent, NFHLP, BSCLLC and CALLC will agree to the nondisturbance by the lessors and attornment by the lessees in each of the lessor-lessee relationships established by the ground leases and operating leases with respect to the Project in the event that any of such leases is terminated ("NDAA"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, for itself, as a member of BSCLLC, or as general partner of NFHLP (for itself, or acting on behalf of BSCLLC or CALLC), as the case may be, to execute and deliver to the Concession Loan Agent such other documents and agreements and do any and all other acts necessary or appropriate to effectuate the purposes of these resolutions, including, without limitation, executing and delivering to the Concession Loan Agent any subsequent amendments, extensions, renewals or replacements of the Concession Loan Agreement, the Shawmut Note, the Fleet Note, the Concession Loan Rate Protection Agreement, the Concession Loan Mortgage, the Assignment of Leases and Rents, the Assignment of Concession Documents, the Concession Loan Security Agreement, the Refinancing Agreement, the NFHLP Concession Loan Guaranty, the NFHLP Concession Loan Security Agreement, the Parcel III Mortgage, the NFHLP Assignment of Leases and Rents, the Equity Line of Credit, the Financing Participants Agreement, the Lenders Cooperation Agreement, the NDAA, and any other agreement or instrument contemplated by these resolutions, which any of such persons deems necessary or appropriate; and that any and all documents heretofore executed and acts heretofore done in connection with any financing arrangements with Concession Loan Agent and/or Lenders or to effectuate the purposes of these resolutions are hereby in all respects ratified and confirmed; and be it further

RESOLVED, that each of the foregoing instruments mentioned in these resolutions is in such form and content as the officer of the Company executing

them shall approve, his approval to be conclusively evidenced by his execution thereof; and be it further

RESOLVED, that any officer of the Company is hereby designated the proper member of The Company for the purposes of these resolutions.

7. With Respect to the Parcel III Contract and Sabreland Guaranty

BE IT RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, as general partner of NFHLP, to execute and deliver to Four R Realty the Parcel III Contract and such ancillary documents as described in the Parcel III Contract, including without limitation, a promissory note in an amount not to exceed $710,000 (the "Parcel III Note"); and be it further

RESOLVED: that the Company, as managing partner of Sabreland, is hereby authorized to execute and deliver to Four R Realty a guaranty of NFHLP's obligations under the Parcel III Contract and any ancillary document described therein, including without limitation the Parcel III Note (the "Sabreland Guaranty"); and be it further

RESOLVED: that the Company, as managing partner of Sabreland, is hereby authorized to execute and deliver to Four R Realty a mortgage on certain real property located at 3385 Niagara Falls Boulevard, Wheatfield, New York, in a principal amount not to exceed the sum of $710,000 (the "Sabreland Mortgage"); and be it further

RESOLVED: That the Company is hereby authorized, as general partner of NFHLP and managing partner of Sabreland, to execute and deliver to the Four R Realty such other documents and agreements and do any and all other acts necessary or appropriate to effectuate the purposes of these resolutions, including, without limitation, executing and delivering to the Four R Realty any subsequent amendments, extensions, renewals or replacements of the Parcel III Contract, Parcel III Note, Sabreland Guaranty, Sabreland Mortgage, and any other agreement or instrument contemplated by these resolutions, which any of such persons deems necessary or appropriate; and that any and all documents heretofore executed and acts heretofore done in connection with any financing arrangements with Concession Loan Agent and/or Lenders or to effectuate the purposes of these resolutions are hereby in all respects ratified and confirmed; and be it further

RESOLVED, that each of the foregoing instruments mentioned in these resolutions is in such form and content as the officer of the Company executing

them shall approve, his approval to be conclusively evidenced by his execution thereof; and be it further

RESOLVED, that any officer of the Company is hereby designated the proper member of The Company for the purposes of these resolutions.

AGENCY GENERAL CERTIFICATE

The undersigned, Executive Director of the Erie County Industrial Development Agency (the "Agency"), a corporate governmental agency constituting a body corporate and politic and a public benefit corporation organized and existing under the laws of the State of New York, HEREBY CERTIFIES, as follows:

1.A. The following persons are the members of the Agency, holding the offices, if any, set forth opposite their names:

Daniel R. Acker
Thomas J. Ahern
George K. Arthur
Carl J. Calabrese
David J. G. Chambers
Anthony N. Diina
Michael Fitzpatrick
Dennis H. Gabryszak
Robert D. Gioia
Dennis T. Gorski
David K. Grant
Bernard J. Kennedy
Anthony M. Masiello
Thomas J. Monaghan
William A. O'Loughlin, Jr. - Chair
Richard C. Pohlman
Andrew J. Rudnick
Elizabeth Robinson Coffin Sadler
George L. Wessel - Vice Chair

B. The following persons are officers of the Agency, holding the offices set forth opposite their names:

William D. Reuter is Treasurer of the Agency.

Alfred D. Culliton, Karen M. Folmsbee and David W. Kerchoff are Assistant Treasurers of the Agency.

Robert P. Fine is Secretary of the Agency.

Christopher J. Hurley and John C. Garas are Assistant Secretaries of the Agency.

2. That attached hereto is a true and correct copy of the By-Laws of the Agency as in effect on the date hereof and that said copy has been compared by the undersigned with the original thereof on file in the Minutes Book of the Agency and that said copy is a correct copy thereof and of the whole of said By-Laws and that the same has not been altered, amended or repealed, but is in full force and effect.

3. That attached hereto are true, correct and complete copies of the notices or waivers thereof of the meetings of the Agency held on March 16, 1994, August 10, 1994, October 31, 1994 and December 14, 1994, which were given pursuant to the By-Laws and duly sent to each member of the Agency, all in accordance with the applicable provisions of the Agency's By-Laws.

4. That attached to the Record of Proceedings is a true, correct and complete copy of the Agency Lease Agreement dated as of May 10, 1995 (the "Lease Agreement") between the Agency and Crossroads Arena LLC (the "Lessee"), which was duly authorized by the members of the Agency by resolutions dated October 31, 1994 and December 14, 1994, and which was executed and delivered by the officers of the Agency authorized to do so.

5. That attached hereto is a true, correct and complete copy of a resolution duly adopted on March 25, 1994 by the Agency authorizing approval of the

Memorandum of Understanding ("MOU") in connection with the Project and further authorizing the Executive Director to execute the MOU on the Agency's behalf.

6. That attached hereto is a true, correct and complete copy of a resolution duly adopted on August 10, 1994, by the Agency describing the Project (as defined in the Lease Agreement) and the financial assistance the Agency at that time contemplated with respect to the Project.

7. That attached hereto is a true, correct and complete copy of a resolution duly adopted on October 31, 1994 (the "Inducement Resolution") by the Agency (1) authorizing the acquisition, construction and installation of the Project and the leasing of the Project (as defined in the Lease Agreement) to the Lessee; and (2) approving State Environmental Quality Review Act ("SEQRA") proceedings and other matters in connection therewith.

8. That attached hereto is a true, correct and complete copy of a special resolution adopted on December 14, 1994 by the Agency, which authorized the Agency to (i) execute the master ground lease and subleases required in connection with the Project with the City of Buffalo, the County of Erie and/or City of Buffalo Urban Renewal Agency in form acceptable to Agency staff and counsel, (ii) execute the various agreements contemplated by the MOU, including the Development and Construction Agreement, the Operating Agreement, the Coordinating Agreement, the Financing Participants' Agreement and related intercreditor agreements as contemplated by the MOU in form acceptable to Agency staff and counsel, (iii) ratify and confirm the Inducement Resolution, (iv) execute

the mortgages, security agreements and lease assignments to secure all Project related debt, along with related subordination, nondisturbance and attornment agreements, covenants and intercreditor agreements in form acceptable to Agency staff and counsel, (v) confer upon the Project a nonstandard payment in lieu of tax arrangement, the form and content of which is to be approved in writing by the Mayor of the City and the County Executive, and (vi) have the Agency's Chairman or Executive Director execute the agreements authorized by the special resolution and such officers were also authorized on behalf of the Agency to execute and deliver such other documents and to do any and all other acts necessary or appropriate to effectuate the purposes of said special resolution, including, without limitation, executing and delivering any subsequent amendments, extensions or renewals and any other agreement or instrument contemplated by said special resolution.

9. That the resolutions described above were duly adopted at meetings of the Agency duly called and held, and at which a quorum was present and acted throughout and that said resolutions are in full force and effect and have not been modified or amended as of the date of this Certificate.

10. That attached hereto is a true, correct and complete copy of the notice of public hearing with respect to the Project held by the Agency, which notice was published by the Buffalo News in its August 14, 1994 edition and by the Metro Community News in its August 15, 1994 edition, and which notice was forwarded to the chief executive officer of each affected tax jurisdiction, by certified mail, return receipt requested, on August 11, 1994.

11. That attached hereto is a true, correct and complete copy of the transcript of the public hearing for the Project held on August 26, 1994, at the Erie County Industrial Development Agency, at 3:00 o'clock p.m., along with copies of any written submissions made by any party subsequent to the date of said public hearing with respect to the Project. The items attached were presented to the Agency and duly considered at its October 31, 1994 meeting, prior to adopting the resolution with regard to this Project referenced above at said meeting. Also attached hereto is the confirmation of the Project by the Erie County Executive.

THE UNDERSIGNED FURTHER CERTIFIES AS FOLLOWS:

1. On or before the date hereof the undersigned officially signed the Lease Agreement, being at the date of such signing and on this date, the duly chosen, qualified and acting officer authorized to execute the Lease Agreement.

2. The Lease Agreement has been duly executed in the name and on behalf of the Agency by the manual signature of the Executive Director of the Agency.

3. No controversy or litigation of any nature is now pending or threatened (either in State or Federal Courts) against or affecting the Agency or restraining or enjoining the execution or delivery of the Lease Agreement or application of the proceeds derived from the Lease Agreement, or questioning or affecting directly or indirectly the validity of or the authority for the making and entering into of the Lease Agreement or any proceedings taken by the Agency with respect to the foregoing or the organization, creation, corporate existence or powers of the Agency or the title of any of the present officers to

the respective offices or the right or power of the Agency to acquire, construct and install the Project or own, improve, sell, mortgage, assign or lease the Project and that none of the proceedings or authority for the execution of the Lease Agreement has been repealed, revoked or rescinded.

4. The seal which has been impressed upon this Certificate the legally adopted, proper and only official corporate seal of the Agency.

5. The copies of the resolutions adopted by the Agency on March 25, 1994, August 10, 1994, October 31, 1994 and December 14, 1994, and attached hereto are true, correct and complete copies of the resolutions as adopted and said resolutions have not been modified, amended or rescinded as of the date of this Certificate.

6. The Agency has filed with the New York State Comptroller in a timely and complete fashion all submittals required pursuant to Section 859 of the General Municipal Law, and the Agency has received no notices from the New York State Comptroller indicating any noncompliance by the Agency with the provisions of Section 859 of the General Municipal Law.

7. The Lease Agreement and any and all other agreements and documents required to be executed and delivered by the Agency in order to carry out, give effect to and consummate the transactions contemplated by the Lease Agreement have each been duly authorized, executed and delivered by the Agency, and as of the date of this Certificate each is in full force and effect, and each constitutes the valid, binding and

enforceable obligation of the Agency, and the Agency is entitled to the benefits of the same.

8. With respect to the Lease Agreement, the undersigned further certifies that the undersigned has made a careful inquiry of each member, officer and employee of the Agency having the power or duty to (a) negotiate, prepare, authorize or approve the Lease Agreement, or authorize or approve payment thereunder, (b) audit bills or claims under the Lease Agreement, or (c) appoint an officer or employee who has any of the powers or duties as set forth above, as to whether or not such member, officer or employee has an interest (as defined pursuant to Article 18 of the General Municipal Law) in the Lease Agreement, and upon information and belief, as a result of such inquiry, no such member, officer or employee has any such interest in the Lease Agreement.

IN WITNESS WHEREOF, the undersigned has hereunto set his official signature and the corporate seal of the Agency this 2nd day of ~~May~~ June, 1995.

ERIE COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

[SEAL]

By _____
Ronald W. Coan,
Executive Director

AMENDED AND RESTATED

BY-LAWS

of

ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

ARTICLE I

THE AGENCY

Section 1. Name. The name of the Agency shall be "Erie County Industrial Development Agency".

Section 2. Seal of Agency. The seal of the Agency shall be in the form of a circle and shall bear the name of the Agency and the year of its organization.

Section 3. Office of the Agency. The office of the Agency shall be at the Liberty Building, 424 Main Street, Buffalo, New York 14202, but the Agency may have other offices at such other places as the Agency from time to time designates by resolution.

Section 4. Members of the Agency. The membership of the Agency shall consist of those individuals designated as members, pursuant to Section 891-a of the General Municipal Law of the State of New York, as the same may be amended from time to time. The members who serve by virtue of their office, either private or public, shall enjoy a term of office on this Agency congruent with the term of office by virtue of which they derive their membership on this Agency; the five members from among leaders in business, labor and minority communities of Erie County shall enjoy a term of office of two (2) years and shall be appointed by County Executive of the County of Erie and the Chairman of the Legislature of the County of Erie upon consultation with the other members of the Agency.

ARTICLE II

OFFICERS

Section 1. Officers. The Officers of the Agency shall be: a Chair, a Vice-Chair, the Executive Director, a Secretary, one or more Assistant Secretaries, a Treasurer

and one or more Assistant Treasurers. The officers of the Agency (with the exception of the Executive Director) shall enjoy a term of office of one (1) year or until their successors are appointed.

Section 2. Chair. The Chair shall be a member of the Agency and preside at all meetings of the Agency and its Executive Committee. The Chair shall sign all agreements, contracts, deeds and any other instruments on behalf of the Agency, except as otherwise authorized or directed by resolution of the Agency. The Chair shall submit his/her recommendation and such information as he/she shall deem pertinent concerning the business, affairs, and policies of the Agency at each meeting.

Section 3. Vice-Chair. The Vice-Chair shall be a member of the Agency and perform the duties of the Chair in the absence or incapacity of the Chair. In the event of the resignation or death of the Chair, the Vice-Chair shall become acting Chair and perform the duties of the Chair until such time as the Agency shall appoint a new Chair.

Section 4. Executive Director. The Executive Director may or may not be a member of the Agency. He/She shall be the chief executive officer of the Agency, and shall be hired by the Agency for such term of employment as the Agency deems proper. He/She shall exercise supervision and control of all administrative functions of the Agency, including personnel, budgeting, program and policy implementation. He/She shall be responsible to the Agency for the implementation of all resolutions, orders, programs or projects of the Agency. The Executive Director shall have the power to sign and execute on behalf of the Agency all contracts, agreements, deeds, notes, bonds, or other evidence of indebtedness and to affix and attest to the seal of the Agency as follows: The Executive Director shall have full authority to execute contracts up to and including the amount of $5,000.00 for purchase on behalf of the Agency so long as said contracts are in accordance with the budget of the Agency or in accordance with any grants, Federal, State, County, local or otherwise received by the Agency and any such guidelines as may be promulgated thereunder. The Executive Director shall have full authority to execute contracts up to and including the amount of $10,000.00 for consultant's services so long as said contracts are in accordance with the budget of the Agency or in accordance with any grants, Federal, State, County, local or otherwise received by the Agency and any such guidelines as may be promulgated thereunder. The Executive Director shall have full authority to execute any other contracts on behalf of the Agency up to and including the amount of $5,000.00 so long as said contracts are in accordance with the budget of the Agency or in accordance with any grants, Federal, State, County, local or otherwise received by the Agency and any such guidelines as may be promulgated thereunder. He/She shall attend all meetings of the Agency and its committees with the right to take part in discussions and to recommend such measures as he/she may deem necessary or expedient, and he/she shall perform such

other duties and have such other powers as may be prescribed for him/her by law or by the Agency. The Executive Director shall have all necessary incidental powers to perform and exercise any of the duties and functions as specified above or lawfully delegated to him/her.

Section 5. Secretary. The Secretary may or may not be a member of the Agency. He/She shall keep all records of the Agency, shall act as a Secretary at the meetings of the Agency, shall keep a record of all votes thereat. He/She shall record the proceedings of the Agency in a journal of proceedings to be kept for such purpose. He/She shall perform all duties incident to this office. He/She shall have custody of the seal of the Agency, and shall have the power to affix such seal to all contracts and other instruments authorized by the Agency to be executed.

Section 5(a). Assistant Secretary. The Assistant Secretary may or may not be a member of the Agency. During the absence or disability of the Secretary, the Assistant Secretary, or if there are more than one, the one so designated by the Chair, shall perform the duties of the Secretary. In the event of the resignation or death of the Secretary, the Assistant Secretary, or if there are more than one, the one so designated by the Chair, shall become the Acting Secretary and perform the duties of the Secretary until such time as the Agency shall appoint a new Secretary.

Section 6. Treasurer. The Treasurer may or may not be a member of the Agency. He/She shall have the care and custody of all funds of the Agency and shall deposit all such funds in the name of the Agency in such bank or banks as the Agency may designate. The Treasurer shall sign all instruments of indebtedness, orders, and checks for the payment of money by the Agency pursuant to the direction of the Agency. Except as otherwise authorized by resolution of the Agency, all such instruments of indebtedness, orders and checks shall be countersigned by the Chair or the Executive Director. The Treasurer shall keep regular books of accounts showing all receipts and expenditures. He/She shall render to the Agency at each regular meeting an account of the financial transactions and the current financial conditions of the Agency. He/She shall give such bond for the faithful performance of his/her duties as the Agency may determine. The Treasurer, as well as the Chair, Vice-Chair, the Executive Director or the Assistant Treasurer(s), shall also have the power to sign and execute on behalf of the Agency all contracts, agreements, deeds, notes, bonds or other evidence of indebtedness and to affix and attest to the seal of the Agency when it is so authorized by resolution of the Agency. If the Treasurer, notwithstanding anything herein to the contrary, is not a full time employee of the Agency, the aforementioned duties under this section may be delegated to one or more of the Assistant Treasurers by a resolution of the Board.

Section 6(a). Assistant Treasurer. The Assistant Treasurer may or may not be a member of the Agency. During the absence or disability of the Treasurer, the Assistant Treasurer, or if there are more than one, the one so designated by the Chair, shall perform the duties of the Treasurer. The Assistant Treasurer shall also have the power to sign and execute on behalf of the Agency all contracts, agreements, deeds, notes, bonds or other evidence of indebtedness and to affix and attest to the seal of the Agency when it is so authorized by resolution of the Agency. In the event of the resignation or death of the Treasurer, the Assistant Treasurer, or if there are more than one, the one so designated by the Chair, shall become Acting Treasurer and perform the duties of the Treasurer until such time as the Agency shall appoint a new Treasurer.

Section 7. Additional Duties. The officers of the Agency shall perform such other duties and functions as may from time to time be required by the Agency, by its by-laws, or by its rules and regulations.

Section 8. Appointment of Officers. All officers of the Agency except the first Chair shall be appointed at the annual meeting of the Agency. Except for the Executive Director, officers shall hold office for one (1) year or until their successors are appointed. Should the term of an Agency member expire, or should the term of employment with the Agency of an officer who is not a member of the Agency expire, his/her term as an officer shall simultaneously expire.

Section 9. Vacancies. Should any office become vacant, the Agency shall appoint a successor at the next regular meeting, and such appointment shall be for the unexpired term of said office.

ARTICLE III

RESERVED

ARTICLE IV

COMMITTEES

Section 1. Executive Committee. There shall be an Executive Committee which shall consist of the Executive Director, the Chair, the Vice-Chair, and three other members of the Agency, designated by the Agency, plus the Mayor of the City of Buffalo

and the County Executive of the County of Erie as ex-officio voting members. The Executive Committee shall function as a steering committee and shall advise and direct the membership of the Agency in said Agency's accomplishment of its purposes. Four (4) members shall constitute a quorum of the Executive Committee. With the exception of the Mayor of the City of Buffalo, the County Executive of the County of Erie and the Executive Director, the term of office for members of the Executive Committee shall be one (1) year.

Section 2. Nominating Committee. There shall be a nominating committee which shall consist of three members of the Agency selected by the Agency to nominate such members of the Agency as they deem appropriate for the offices of Chair, Vice-Chair, Secretary, Treasurer, the three other members of the Agency to serve upon the Executive Committee, and the five members of the Agency to serve upon its Policy, Program and Audit Committees. Two (2) members shall constitute a quorum, and members of the Nominating Committee shall serve a term of one (1) year.

Section 3. Policy Committee.

(a) The Policy Committee shall be comprised of the following:

(i) Five (5) members of the Agency appointed by the Chair with the consent of the Agency at its annual meeting, who shall serve for terms of one (1) year, and thereafter until their successors are appointed;

(ii) The Chair; and

(iii) Such other individuals as the Agency may designate, from time to time.

(b) The committee chair for the Policy Committee shall be designated by the Agency. Such committee shall only function through meetings of its members, and fifty percent (50%) of the individuals then serving on such Committee shall constitute a quorum thereof. In the event of a vacancy, a successor to fill the unexpired portion of the term may be designated by the Chair.

(c) The Policy Committee shall:

(i) have the power to call for such reports and documentation as it deems necessary to properly monitor the Agency's operation;

(ii) propose to the Executive Committee policy guidelines and policy statements appropriate to the Agency and its mission; and

(iii) perform such other duties as may be delegated to them by the Agency, from time to time.

Section 4. Audit Committee.

(a) The Audit Committee shall be comprised of the following:

(i) Five (5) members of the Agency appointed by the Chair with the consent of the Agency at its annual meeting, who shall serve for terms of one (1) year and thereafter until their successors are appointed;

(ii) The Chair; and

(iii) Such other individuals as the Agency may designate from time to time.

(b) The committee chair for the Audit Committee shall be designated by the Agency. Such committee shall only function through meetings of its members, and fifty percent (50%) of the individuals then serving on such committee shall constitute a quorum thereof. In the event of a vacancy, a successor to fill the unexpired portion of the term may be designated by the Chair.

(c) The Audit Committee shall be responsible:

(i) To provide assistance to members of the Agency in fulfilling their fiduciary responsibilities relating to accounting, reporting and regulatory compliance practices;

(ii) To maintain, by way of regularly scheduled meetings (at least once prior to the commencement and once after the completion of the annual audit process), a direct line of communication between the members of the Agency and the Agency's independent accountants and auditors to provide for exchanges of views and information; and

(iii) To maintain, as appropriate, a direct line of communication between the members of the Agency and the governmental authorities having audit authority or fiscal oversight of the Agency.

Particularly, and without limiting the generality of the foregoing, the Audit Committee shall be responsible for recommending to the members of the Agency the appointment of independent accountants and auditors. The Audit Committee shall report to the members of the Agency on a periodic basis, at least annually, the findings of its independent accountants and auditors. These reports shall include careful consideration of the actions taken by management on the independent accountants' and auditors' suggestions for correcting weaknesses, if any, in the Agency's internal controls, regulatory compliance, organizational structure and operations. These reports may include the adequacy of the audit effort by the Agency's independent accountants and auditors, the financial and regulatory compliance reporting decisions of management, the adequacy of disclosure of information essential to a fair presentation of the financial affairs and regulatory compliance efforts of the Agency, and the organization and quality of the Agency's system of management and internal accounting controls.

Section 5. Program Committee.

(a) The Program Committee shall be comprised of the following:

(i) Five (5) members of the Agency appointed by the Chair with the consent of the Agency at its annual meeting, who shall serve for terms of one (1) year, and thereafter until their successors are appointed;

(ii) The Chair; and

(iii) Such other individuals as the Agency may designate from time to time.

(b) The committee chair for the Program Committee shall be designated by the Agency. Such committee shall only function through meetings of its members, and fifty percent (50%) of the individuals then serving on such committee shall constitute a quorum thereof. In the event of a vacancy, a successor to fill the unexpired portion of the term may be designated by the Chair.

(c) The Program Committee shall:

(i) monitor the administrative implementation and effectiveness of programs operated by the Agency;

(ii) direct the Executive Director or such other appropriate officer(s) of the Agency to undertake research and to give reports with regard to the feasibility of programs operated or proposed to be operated by the Agency;

(iii) give advice and recommendation to Agency staff relative to existing and proposed Agency programs; and

(iv) perform such other duties as may be delegated to them by the Agency, from time to time.

Any reports of, or formal recommendations to be made by, the Program Committee shall be delivered to the Executive Committee for further action.

Section 6. Special Committees. The Agency at any time, and from time to time, by resolution, may create such special committees as may be deemed desirable, to serve at the pleasure of the Agency, and members of which shall be appointed by the Chair with the consent of the Agency. Such special committees shall have only the lawful powers specifically delegated to them by the Agency.

ARTICLE V

MEETINGS

Section 1. Monthly Meeting. Monthly meetings of the Agency shall be held at such time and place as directed by the Chair. One such monthly meeting per year shall be designated by the Agency as its Annual Meeting.

Section 2. Special Meeting. The Chair of the Agency may, when he/she deems it desirable, and shall, upon the written request of two members of the Agency, call a special meeting of the Agency for the purpose of transacting any business designated in the call. The call for a special meeting may be delivered to each member of the Agency or may be mailed to the business or home address of each member of the Agency at least two (2) days prior to the date of special meeting. Waivers of notice may be signed by any members failing to receive a proper notice. At such special meeting no business shall be considered other than as designated in the call, but if all members of the Agency are present at a special meeting, with or without notice thereof, and are all agreeable thereto, any and all business may be transacted at such special meeting.

Section 3. Executive Sessions. When determined by the Agency that any matter pending before it is confidential in nature, it may, upon its own motion, establish an

executive session and exclude non-members from such session, to the extent permitted by applicable law.

Section 4. Quorum. At all meetings of the Agency ten (10) members shall constitute a quorum for the purpose of transacting business; provided that a smaller number may meet and adjourn to some other time when a quorum is obtained. The non-voting members shall not be considered for the purpose of quorum requirements.

Section 5. Order of Business. At the regular meeting of the Agency, the following shall be the order of business:

a. Roll call.
b. Reading and approval of the minutes of previous meeting.
c. Report of the Treasurer.
d. Reports of Committees.
e. Unfinished business.
f. New business.
g. Executive Session.
h. Adjournment.

Notwithstanding the foregoing, the Chair shall have the authority to vary the order of business, as the need arises. All resolutions shall be in writing and shall be recorded in the journal of the proceedings of the Agency.

Section 6. Manner of Voting. The voting on all questions coming before the Agency shall be by roll call, and yeas and nays shall be entered in the minutes of such meeting, except as in the case of appointments when the vote may be by ballot. Unless otherwise provided for in these Bylaws, any action of the Agency shall require the affirmative vote of ten (10) members of the Agency. Action of the Agency authorizing transactions under its bond or lease programs, or other resolutions in connection with such transactions, shall require the affirmative vote of a majority of a quorum.

ARTICLE VI

PURPOSES

Section 1. Purposes. Purposes of the Agency are as follows:

a. to integrate and strengthen the planning and promotion of industrial, commercial and economic development in Erie County, on a unified, county-wide basis; and to that end to seek the cooperation and coordinate the operations of public and private organizations to such planning and promotion;

b. to advertise and promote industrial, commercial and economic opportunities in Erie County, and to publicize the advantages of the County;

c. to conduct research into business and industrial conditions in the County, to study the needs and conditions of the County, and to prepare plans or elements of plans relating to the industrial, commercial and economic development of the County or any part of the County;

d. to study, recommend, plan, coordinate, and evaluate projects and programs relating to industrial, commercial, and economic development in Erie County; and

e. to achieve the purposes set forth in Section 858 of the General Municipal Law of the State of New York and in furtherance of those purposes, to execute, as necessary, the powers set forth in Section 858, of the General Municipal Law of the State of New York.

ARTICLE VII

POLICIES AND PROCEDURES

Section 1. Projects to be considered by this Agency. It is the policy of this Agency that any project shall be considered by it which shall conform to the Laws of the State of New York, Chapter 1030, Article 18-A, and the policy statements of this Agency as enunciated from time to time by resolution of this Agency.

Section 2. Audit of Records and Accounts.

a. The Agency shall annually secure a certified audit of its financial records and accounts and shall file a copy of such

certified audit with the Legislature of the County of Erie within ninety (90) days after the close of the Agency's fiscal year for its proceedings and its activities during the preceding fiscal year. In addition, the Agency shall submit to the Erie County Legislature an uncertified, internally prepared statement of its financial records and account as of the end of the sixth month of the Agency's fiscal year.

b. The Agency may require any other operating statements which it shall determine is required for daily operation.

Section 3. Conveyance of Property. The Agency may insert in a contract for a project that upon the payment in full of all notes, bonds and indebtedness incurred in connection with a project that the Agency will convey the lands, buildings and equipment involved in said project and so paid for to the tenant or operator of the same upon terms set forth in such contract and that the additional consideration for such conveyance may be nominal.

Section 4. The Agency by resolution may adopt such rules, regulations, policies and procedures as it may deem necessary and appropriate to the operation so long as the same shall not be contrary to these by-laws as they may be amended from time to time.

ARTICLE VIII

ETHICAL STANDARDS

Section 1. Disclosure and Abstention. Any member of the Agency who is a director, officer or employee of a corporation which is a party to a proposed contract with the Agency shall disclose his or her relation to such corporation in writing to the Agency and shall abstain from voting and discussion in respect to such contract.

Section 2. The members of the Agency be bound by, and conduct themselves in accordance with, any ethical standards imposed upon members of industrial development agencies generally under the General Municipal Law of the State of New York, as the same may be amended from time to time.

ARTICLE IX

INDEMNIFICATION OF MEMBERS AND OFFICERS

Section 1. Indemnification. Any person made a party to any action, suit or proceeding by reason of the fact that he or she is or was a member or officer of the Agency, or any corporation which he or she served as such at the request of this Agency, shall be indemnified by this Agency against the reasonable expenses, including attorneys' fees, actually and necessarily incurred by him or her in connection with the defense of such action, suit or proceeding or in connection with any appeal therein, except in relation to matters as to which it shall be adjudged in such action, suit or proceeding that (i) such member or officer acted in bad faith, (ii) liability resulted from the active and deliberate dishonesty of such individual, or (iii) such individual gained in fact a financial profit or other advantage to which he or she was not legally entitled. Such right of indemnification shall not be exclusive of any other rights to which such member or employee may be entitled to apart from the provisions of this Article.

ARTICLE X

AMENDMENTS

Section 1. Amendments to By-Laws. The by-laws of the Agency may be amended with the approval of a majority of all members of the Agency at a regular meeting or a special meeting called for that purpose; but no such amendment shall be adopted unless written notice thereof has been previously given to all members of the Agency, not less than ten (10) nor more than fifty (50) days before the scheduled date of the meeting.

Erie County Industrial Development Agency

Suite 300 - Liberty Building
424 Main Street
Buffalo, New York 14202-3595
716/856-6525
FAX 716/856-6754

Dr. Ronald W. Coan, Executive Director

March 4, 1994

ECIDA BOARD OF DIRECTORS MEETING

DATE: Wednesday, March 16, 1994

TIME: 10:00 a.m.

PLACE: ECIDA
Liberty Building
424 Main Street
Suite 300
Buffalo, New York 14202

William A. O'Loughlin, Jr.
William A. O'Loughlin, Jr.,
Chairman

Please R.S.V.P. -- Linda Matusiak
856-6525

Officers and Board of Directors

William A. O'Loughlin, Jr. — Chairman of the Board
Robert P. Fine — Secretary
George L. Wessel — Vice Chairman
William D. Reuter — Treasurer

Daniel R. Acker, Thomas J. Ahern, George K. Arthur, Carl J. Calabrese, David J. G. Chambers, Anthony N. Diina, Michael A. Fitzpatrick, Dennis H. Gabryszak, Robert D. Gioia, Dennis T. Gorski, David K. Grant, Anthony M. Masiello, Thomas J. Monaghan, William A. O'Loughlin, Jr., Donald P. Quinlan, Loyce Stewart, George L. Wessel

Erie County Industrial Development Agency

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424 Main Street
Buffalo, New York 14202-3595
716/856-6525
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Dr. Ronald W. Coan, Executive Director

July 29, 1994

ECIDA BOARD OF DIRECTORS MEETING

DATE: Wednesday, August 10, 1994

TIME: 10:00 a.m.

PLACE: ECIDA
Liberty Building
424 Main Street
Suite 300
Buffalo, New York 14202

William A. O'Loughlin, Jr.
Chairman

Please R.S.V.P. -- Linda Matusiak
856-6525

Officers and Board of Directors

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Buffalo, New York 14202-3595
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Dr. Ronald W. Coan, Executive Director

MEMORANDUM

TO: ECIDA Board of Directors

FROM: William A. O'Loughlin, Jr.

RE: Special Meeting

DATE: October 20, 1994

This will serve as notification that a special meeting of the board to facilitate the groundbreaking and construction of the Crossroads Arena will be held as follows:

Date: Monday, October 31, 1994
Time: 10:00 a.m.
Place: ECIDA Conference Room
Suite 300, Liberty Building
Buffalo, NY 14202

Officers and Board of Directors

William A. O'Loughlin, Jr. Chairman of the Board
Robert P. Fine Secretary
George L. Wessel Vice Chairman
William D Reuter Treasurer

Daniel R. Acker
Thomas J. Ahern
George K. Arthur
Carl J Calabrese
David J. G. Chambers
Anthony N. Diina
Michael A. Fitzpatrick
Dennis H. Gabryszak
Robert D. Gioia
Dennis T. Gorski
David K. Grant
Anthony M. Masiello
Thomas J. Monaghan
William A. O'Loughlin, Jr
Richard C. Pohlman
Donald P. Quinlan
Andrew J. Rudnick
Loyce Stewart
George L Wessel

Erie County Industrial Development Agency

Suite 300 - Liberty Building
424 Main Street
Buffalo, New York 14202-3595
716/856-6525
FAX 716/856-6754

Dr. Ronald W. Coan, Executive Director

December 2, 1994

ECIDA BOARD OF DIRECTORS MEETING

DATE: Wednesday, December 14, 1994

TIME: 10:00 a.m.

PLACE: ECIDA
Liberty Building
424 Main Street
Suite 300
Buffalo, New York 14202

William A. O'Loughlin, Jr.
William A. O'Loughlin, Jr.,
Chairman

Please R.S.V.P. -- Linda Matusiak
856-6525

Officers and Board of Directors

William A. O'Loughlin, Jr. — Chairman of the Board
George L. Wessel — Vice Chairman
Robert P. Fine — Secretary
William D. Reuter — Treasurer

Daniel R. Acker, Thomas J. Ahern, George K. Arthur, Carl J. Calabrese, David J. G. Chambers, Anthony N. Dina, Michael A. Fitzpatrick, Dennis H. Gabryszak, Robert D. Gioia, Dennis T. Gorski, David K. Grant, Anthony M. Masiello, Thomas J. Monaghan, William A. O'Loughlin, Jr., Richard C. Pohlman, Donald P. Quinlan, Andrew J. Rudnick, Loyce Stewart, George L. Wessel

Mr. O'Loughlin then called upon Dr. Coan to review the Crossroads Arena Memorandum of Understanding, copies of which had been previously distributed to Board members. Dr. Coan stated that the Memorandum of Understanding had been approved by all parties except the Agency, and that it is not a legally binding agreement. Dr. Coan stated that the Memorandum of Understanding outlines the Agency's participation in this project. Dr. Coan then reviewed a diagram explaining the Memorandum of Understanding, describing the Agency's various roles in assisting the project. In response to a question by Mr. Acker, Dr. Coan confirmed that a broad affirmative action program will be required in connection with the project. Lawrence K. Rubin, Esq., representing the City of Buffalo, indicated that the New York State Urban Development Corporation will monitor the affirmative action program during the construction phase of the project and the City of Buffalo will monitor it during the operational phase of the project. Dr. Coan then indicated that with respect to financing, the issuance of bonds for this project would be in compliance with State authorizing legislation and with the Agency's current policies. Dr. Coan also stated that the Agency's standard fees and indemnification would apply to this transaction. In response to a question by Mr. Grant, Dr. Coan indicated that a special State law allows the Agency to provide an exemption for this project from "Buffalo Place" special district charges if the Board so chooses, but that this issue is not specifically addressed in the Memorandum of Understanding. There being no further discussion, and upon motion duly made by Mr. Diina, seconded by Mr. Arthur and (with Mr. Chambers abstaining) carried with 11 affirmative votes, it was

> **RESOLVED**, that the Agency authorize approval of the Crossroads Arena Memorandum of Understanding, a true copy of which is annexed to the minutes of this meeting and made a part hereof; and be it further
>
> **RESOLVED**, that the Executive Director is hereby authorized to execute such Memorandum of Understanding on behalf of the Agency.

At this point, Mr. Masiello was excused from the meeting.

Mr. O'Loughlin then called upon Dr. Coan to summarize the proposed Tax Incentive Program. Dr. Coan stated that the program was developed by the Agency to serve the City of Buffalo and portions of the Town of Tonawanda. Mr. Paul R. Leone, Director of Business Development, indicated that the Agency had reduced its bond limits and fees and that the Agency's counsel, Hurwitz & Fine, P.C., had also reduced its fees, in order to enable the Agency to provide assistance to smaller companies in distressed areas and within certain Economic Development Zones. In response to a question by Mr. Calabrese, Dr. Coan indicated that the program was primarily aimed toward companies located in the central City of

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING A PUBLIC HEARING PURSUANT TO NEW YORK GENERAL MUNICIPAL LAW §859-a IN RESPECT OF THE APPLICATION OF CROSSROADS ARENA CORPORATION AND ERIE COUNTY DEVELOPMENT CORPORATION

WHEREAS, Crossroads Arena Corporation ("CAC") and the Erie County Development Corporation, a to-be-formed New York local development corporation ("ECDC") (CAC and ECDC are collectively referred to herein as the "Company") have jointly entered into negotiations with officials of the Erie County Industrial Development Agency (the "Agency") with respect to the construction of a multi-purpose arena along with commercial retail and restaurant space and parking and the acquisition of machinery and equipment, all for commercial purposes (the "Project"), and the lease of a portion of the Project to CAC and the balance to ECDC for sublease in whole to CAC, with CAC subleasing the Project to various end users, such Project to be located within the area bounded by Perry Street on the north, Main Street on the west, Michigan Street on the east and South Park Avenue on the south, in Buffalo, New York all as more particularly set forth in the drawing entitled "Site Plan Surface Parking Plan" by Ellerbe, Becket Architects & Engineers, P.C., dated May 16, 1994; and

WHEREAS, the Company has submitted an Eligibility Questionnaire to the Agency to initiate the accomplishment of the above; and

WHEREAS, the Eligibility Questionnaire sets forth certain information with respect to the Company, including the following: that CAC is a corporation and ECDC is

a to-be-formed local development corporation; that the Company desires Agency financing to construct a 20,000+/- seat multi-purpose arena with commercial retail and restaurant space and parking, and to acquire and install machinery and equipment in connection therewith, all at a cost of approximately $122,500,000.00; and

WHEREAS, the Agency has determined that this Project is subject to the public hearing requirements of New York General Municipal Law §859-a.

NOW, THEREFORE, THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY HEREBY RESOLVES AS FOLLOWS:

Section 1. The Chairman, Vice Chairman, Treasurer, Assistant Treasurer and Executive Director of the Agency and other appropriate officials of the Agency and its agents and employees are hereby authorized and directed to take whatever steps may be necessary to cause a public hearing to be held respecting the Project upon appropriate prior notice and at an appropriate place and time and otherwise in all respects in accordance with the provisions of New York General Municipal Law §859-a.

Section 2. Nothing herein shall be construed as giving rise on the part of the Agency any obligation to undertake the Project or as an inducement by the Agency to the Company to proceed with the Project.

Section 3. This Resolution shall take effect immediately.

ADOPTED: August 10, 1994

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING CROSSROADS ARENA CORPORATION AND ERIE COUNTY DEVELOPMENT CORPORATION TO ACQUIRE, RENOVATE AND CONSTRUCT A FACILITY FOR SALE TO THE AGENCY AND SUBSEQUENT LEASE TO CROSSROADS ARENA CORPORATION AND ERIE COUNTY DEVELOPMENT CORPORATION AND TO TAKE OTHER PRELIMINARY ACTION.

WHEREAS, Crossroads Arena Corporation ("CAC") and Erie County Development Corporation, a to-be-formed New York local development corporation ("ECDC"), for themselves or for related individuals or entities (collectively, the "Company"), have entered into negotiations with officials of the Erie County Industrial Development Agency (the "Agency") with respect to the acquisition, renovation and construction by the Agency with the proceeds of a bond issue of a facility for commercial purposes (the "Project") and the lease of a portion of the Project to CAC and the balance to ECDC for sublease in whole to CAC, with CAC subleasing the Project to various end users, such Project to be located within the area bounded by Perry Street on the north, Main Street on the west, Michigan Street on the east and South Park Avenue on the south, in Buffalo, New York, all as more particularly set forth in the attached drawing entitled "Site Plan Surface Parking Plan" by Ellerbe Becket Architects & Engineers, P.C., dated May 16, 1994, (the "Premises"); and

WHEREAS, CAC and the Company have submitted Eligibility Questionnaires to the Agency to initiate the accomplishment of the above; and

WHEREAS, the Eligibility Questionnaires set forth certain information with respect to the Project, including the following: that the Company desires Agency financing for the construction of a multi-purpose arena with commercial retail and restaurant space and parking, along with the acquisition and installation of related machinery and equipment, all to be located at the Premises, for commercial purposes, all at a cost of approximately $122,500,000.00; that the Company anticipates that up to 175 full time and 675 part time employees will be employed at the Project at the end of one (1) year of operation thereof; that (i) but for the availability of financing by the Agency, it would not locate the Project within Erie County or New York State, (ii) there will be no substantial adverse disruption of existing employment of facilities of a similar nature in Erie County, and (iii) the Project will retain present employment, provide substantial employment and substantial capital investment; that if Agency financing is disapproved, the Company would likely not proceed with the Project; and that, therefore, Agency financing is necessary to encourage the Company to proceed with the Project in Erie County and in New York State; and

WHEREAS, the Agency, at its regular meeting held on August 10, 1994, adopted a resolution describing the Project and the financial assistance then contemplated by the Agency, as well as authorizing a public hearing with regard to the Project; and

WHEREAS, after the giving of all required notices (including published notice), the Agency held a public hearing on the Project on August 26, 1994, and has

considered all oral and written presentations made at or in connection with said public hearing; and

WHEREAS, (i) the Company would, but for the assistance to be provided by the Agency, locate the jobs related to the Project outside the State of New York, (ii) the predominant purpose of the Project is to make available goods or services which would not, but for the Project, be reasonably accessible to the residents of the City of Buffalo because of a lack of reasonably accessible retail trade facilities offering such goods or services, and (iii) the Project is located in a "highly distressed area", as defined in Section 854(18) of the New York General Municipal Law; and

WHEREAS, based upon the Eligibility Questionnaire, the Agency hereby determines that its assistance in financing the Project is reasonably necessary to encourage the Company to proceed with the Project; and

WHEREAS, the Agency desires to further encourage the Company with respect to the consummation of the Project, if by doing so it is able to induce the Company to proceed with the Project in Erie County; and

WHEREAS, participation by the Agency in the Project has been authorized by statute, pursuant to Chapter 652 of the Laws of 1993 of the State of New York, effective August 4, 1993; and

WHEREAS, the Agency previously entered into a nonbinding Memorandum of Understanding ("MOU") dated as of March 28, 1994 among CAC, the Agency, the City

of Buffalo, the New York State Urban Development Corporation, the City of Buffalo Urban Renewal Agency, Niagara Frontier Hockey, L.P. and the County of Erie, pursuant to which certain agreements with regard to the development and operation of the Project were described, with the Agency contemplated therein as a party to such agreements; and

WHEREAS, the Company has not yet determined whether it will provide the funds necessary to complete the Project without requiring the issuance of a bond by the Agency or will later require the issuance of a bond to finance the Project, and if the Company provides the funds necessary to complete the Project without requiring the issuance of a bond by the Agency, the Company has requested that the Agency take title to the Project and enter into a lease agreement with the Company, and execute any and all documents required by the parties; and

WHEREAS, the Project should not be delayed by the requirement of determining the details of a bond issue, which cannot be immediately accomplished, and the Company has agreed to expend its own funds with respect to the Project, subject to reimbursement from the proceeds of the bonds.

NOW, THEREFORE, THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY HEREBY RESOLVES AS FOLLOWS:

Section 1. The Agency hereby determines that (i) the Project and the financing thereof by the Agency pursuant to the New York State Industrial Development Agency Act will promote and is authorized by and will be in furtherance of the policy of

the State as set forth in said Act, (ii) the Company would, but for the assistance to be provided by the Agency, locate the jobs related to the Project outside the State of New York, (iii) the predominant purpose of the Project is to make available goods or services which would not, but for the Project, be reasonably accessible to the residents of the City of Buffalo because of a lack of reasonably accessible retail trade facilities offering such goods or services, (iv) the Project is located in a "highly distressed area", as defined in Section 854(18) of the New York General Municipal Law, and (v) undertaking the Project will serve the public purposes of Article 18-A of the General Municipal Law by preserving permanent, private sector jobs or increasing the overall number of permanent, private sector jobs in the State of New York.

Section 2. The Agency hereby authorizes the Company to proceed with the Project as herein authorized, which Project will be financed through the issuance of the bonds of the Agency, which bonds will be special obligations of the Agency payable solely from the revenues and other amounts derived pursuant to a lease of the Project.

Section 3. The Agency will undertake, as soon as it is furnished with sufficient information as to the particular amounts, interest rates, maturities, redemption and other terms, the purchaser, the security and other conditions to permit the authorization, issuance and sale of the bonds, to use its best efforts to proceed, subject to agreement among the Agency, the Company and the purchaser of the bonds as to terms in all agreements to be entered into with respect to the Project, including, without

limitation, agreements relating to payment in lieu of taxes or municipal services (provided that no abatement of special district charges of any kind shall be conferred upon the Project), with the issuance of the bonds to finance the Project in an aggregate amount not to exceed $122,500,000.00.

Section 4. The Chairman, Vice Chairman, Treasurer, Assistant Treasurer and Executive Director of the Agency and other appropriate officials of the Agency and its agents and employees are hereby authorized and directed to take whatever steps may be necessary to complete the Project in cooperation with the Company.

Section 5. The Company is authorized as agent of the Agency, to initiate the construction of buildings and other improvements and the acquisition of machinery and equipment which will be a part thereof, and to advance such funds as may be necessary to accomplish such purposes, subject to reimbursement for all qualifying expenditures out of the proceeds of the bonds to be issued by the Agency. The Agency is hereby authorized to enter into such agreements with the Company as the Chairman, Vice Chairman, Treasurer, Assistant Treasurer or Executive Director may deem necessary in order to accomplish the above.

Section 6. In the event the Company provides the funds necessary to complete the Project without the issuance of bonds, the Agency is hereby authorized to acquire title to the Project site and construct a facility thereon, and the execution and delivery of an Agency Lease Agreement between the Agency and the Company, a Payment

in Lieu of Tax Agreement between the Agency and the Company, and such other documents as may be necessary to fulfill the intent of the parties to the transaction, in form satisfactory to Agency counsel, are hereby authorized. The Chairman, Vice Chairman, Treasurer, Assistant Treasurer or the Executive Director are authorized to make or approve such amendments or modifications to the Agency Lease Agreement, the Payment in Lieu of Tax Agreement and such other documents executed and delivered in connection herewith as they deem necessary under the circumstances provided, however, that such modifications do not materially alter the risk to the Agency.

Section 7. Any such action heretofore taken by the Company initiating the acquisition and construction of the Project is hereby ratified, confirmed and approved.

Section 8. Any expenses incurred by the Agency with respect to the Project and the financing thereof (including, but not limited to, the fees and disbursements of the Agency's counsel and the Agency's Bond counsel) shall be reimbursed out of the proceeds of the bonds, or, in the event such proceeds are insufficient after payment of other costs of the Project or bonds are not issued by the Agency due to inability to consummate the transaction herein contemplated, shall be paid by the Company. By acceptance hereof, the Company agrees to pay such expenses and further agrees to indemnify the Agency, its members, employees and agents and hold the Agency and such persons harmless against claims for losses, damage or injury or any expenses or damages incurred as a result of

action taken by or on behalf of the Agency in good faith with respect to the Project and the financing thereof.

Section 9. The commitment of the Agency expressed herein will expire one year from the date of adoption of this Resolution.

Section 10. In the event a lease is not executed between the Company and the Agency by the expiration date of this Resolution, the Company shall then be required to pay all sales taxes which would have been levied in connection with the acquisition, construction and installation of all improvements of the real property and the machinery and equipment which constitute the Project, as if the Project had been owned by the Company from the date the Company commenced its acquisition, construction and installation.

Section 11. The Agency has made and makes no representation or warranty whatsoever, either express or implied, with respect to the merchantability, condition, environmental status, fitness, design, operation or workmanship of any part of the Project, its fitness for any particular purpose, the quality or capacity of the materials in the Project, or the suitability of the Project for the Company's purposes or needs or to the extent to which proceeds derived from the sale of the bonds will be sufficient to pay the cost of the acquisition, construction, renovation and installation of the Project. The Company is satisfied that the Project is suitable and fit for its purposes. The Agency shall not be liable in any manner whatsoever to anyone for any loss, damage or expense of any kind or nature

caused, directly or indirectly, by the Project property or the use or maintenance thereof or the failure of operation thereof, or the repair, service or adjustment thereof, or by any delay or failure to provide any such maintenance, repairs, service or adjustment, or by any interruption of service or loss of use thereof or for any loss of business howsoever caused, and the Company hereby indemnifies and holds the Agency harmless from any such loss, damage or expense.

Section 12. The Executive Director is hereby authorized to negotiate the terms and provisions of the various agreements contemplated by the MOU to have the Agency as a party, provided that further Board authorization shall be required to authorize the execution of the same.

Section 13. Should the appropriate officers of the Agency determine, in their absolute discretion, that there is reason to believe that the activities of any past or present owner or operator of the Premises have resulted in the generation of any "hazardous substance" (as the term has been defined from time to time in any applicable federal or state law, rule or regulation), or that any party has stored, disposed or released any such substance on the Premises or within a one (1) mile radius thereof, the Agency shall be under no obligation to issue and sell the bonds or enter into a lease as contemplated by this Resolution.

Section 14. Any commitment of the Agency set forth herein is expressly conditioned upon full compliance of the Company and the Project with all applicable laws,

rules and regulations, and the Company shall be required to provide satisfactory evidence of the same to the Agency prior to the issuance of any bonds or the execution of any lease agreement.

Section 15. The obligation of the Agency to consummate any transaction contemplated herein or hereby is subject to and conditioned upon (a) full compliance by the Company and its principals with the "Erie County Industrial Development Agency Statement of Procedures Regarding Compliance with Environmental Requirements" receipt of which is acknowledged by the Company; and (b) the execution and delivery of an Environmental Compliance and Indemnification Agreement in favor of the Agency in form and substance acceptable by the Agency and its counsel by the Company and some or all of its principals, in the discretion of the appropriate Agency officers.

Section 16. This Resolution is subject to and contingent upon confirmation of the proposed actions of the Agency set forth herein by the Erie County Executive. If such confirmation is not received by the Agency within sixty (60) days of the date of this Resolution, this Resolution shall become null, void and of no further force and effect.

Section 17. This Resolution shall take effect immediately.

ADOPTED: October 31, 1994

ACCEPTED: November 2, 1994

CROSSROADS ARENA CORPORATION

By: _____

ERIE COUNTY DEVELOPMENT CORPORATION, a to-be-formed local development corporation

By: _____

MAIN STREET
ILLINOIS ST.
SOUTH PARK AVE.
PERRY ST.
(440) SPACES

SPECIAL RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY WITH REGARD TO 1994 CROSSROADS ARENA PROJECT

WHEREAS, the Erie County Industrial Development Agency ("Agency"), pursuant to resolution adopted on March 25, 1994, authorized the execution of a certain Memorandum of Understanding dated March 28, 1994 (the "MOU") among Crossroads Arena Corporation ("CAC"), Niagara Frontier Hockey L.P. ("Sabres"), the City of Buffalo ("City"), the County of Erie ("County"), the New York State Urban Development Corporation ("UDC"), the City of Buffalo Urban Renewal Agency ("BURA") and the Agency; and

WHEREAS, the MOU sets forth agreements in principal with respect to the development, financing, construction and operation of the Crossroads Arena Project (the "Project"); and

WHEREAS, the MOU contemplates that, in connection with the Project, the Agency would be a party to various agreements to be entered into in connection with the construction, development and operation of the Project; and

WHEREAS, the Agency, at its August 10, 1994 meeting, adopted a resolution describing the Project and authorizing a public hearing on the same, which public hearing was held on August 26, 1994; and

WHEREAS, the Agency adopted its inducement resolution for the Project on October 31, 1994 (the "Inducement Resolution"), which Inducement Resolution authorized CAC and Erie County Development Corporation, a to-be-formed New York local development corporation ("ECDC"), for themselves or related individuals or entities, to proceed with the Project as agent for the Agency; and

WHEREAS, CAC has changed its name to Arena Inc., and has assigned its rights in connection with the Project to Crossroads Arena, LLC ("CALLC"), of which Arena, Inc. is a member; and

WHEREAS, while the MOU contemplated the formation of ECDC and the issuance by the Agency of bonds for the benefit of said entity, the County has determined not to form ECDC and to instead issue its own general obligation bonds; and

WHEREAS, in connection with the County general obligation bonds, the Agency will be required to enter into several master ground leases and subleases with the City, the County and/or BURA; and

WHEREAS, pursuant to the Inducement Resolution, the Agency has previously authorized the acquisition of the Project and the lease of the same by the Agency to CALLC; and

WHEREAS, CALLC has requested that the Agency execute various mortgages, security agreements and lease agreements with regard to the private financing, as well as nondisturbance agreements, consents, and other intercreditor agreements; and

WHEREAS, the County and the City, through their chief executive officers, have agreed to a nonstandard payment in lieu of tax arrangement with regard to the Project; and

WHEREAS, the provisions of the agreements to be executed by the Agency as well as the nonstandard payment in lieu of tax arrangement are more particularly set forth in a memorandum dated December 12, 1994 from Dr. Ronald W. Coan, Executive Director, and in the approval letters of the Mayor of the City of Buffalo and the Erie County Executive, true and correct copies of which are attached to these resolutions and made a part hereof; and

WHEREAS, the Agency desires to approve execution of aforementioned agreements and any other documentation required in connection with the Project.

NOW, THEREFORE, be it resolved by the Erie County Industrial Development Agency as follows:

1. The Agency is hereby authorized to execute the master ground lease and subleases required in connection with the Project with the City, the County and/or BURA, as generally described in the attached memorandum and in form acceptable to Agency staff and counsel, with such additions, deletions or modifications as they may deem necessary under the circumstances provided, however, that such additions, deletions or modifications do not materially alter the risk to or the role of the Agency.

2. The Agency is hereby authorized to execute the various agreements as contemplated by the MOU, including the Development and Construction Agreement, the Operating Agreement, the Coordinating Agreement, the Financing Participants Agreement and related intercreditor agreements as contemplated by the MOU, as generally described in the attached memorandum and in form satisfactory to Agency staff and counsel, with such additions, deletions or modifications as they may deem necessary under the circumstances provided, however, that such additions, deletions or modifications do not materially alter the risk to or the role of the Agency.

3. The authorization set forth in the Inducement Resolution for the Agency to acquire leasehold title to the Project, to enter into a lease agreement with CALLC and to constitute CALLC as the Agency's agent (and the County's and/or the City's subagent), to develop and construct the Project and to operate the same, as generally described in the attached memorandum and in form acceptable to Agency staff and counsel, with such additions, deletions or modifications as they may deem necessary under the circumstances provided, however, that such additions, deletions or modifications do not materially alter the risk to or the role of the Agency, is hereby ratified and confirmed.

4. The Agency is hereby authorized to execute the mortgages, security agreements, and lease assignments to secure all project related debt, along with related subordination, nondisturbance and attornment agreements, consents and intercreditor agreements, as generally described on the attached memorandum and in form acceptable to Agency staff and counsel, with such additions, deletions and modifications as they may deem necessary under the circumstances provided, however, that such additions, deletions or modifications do not materially alter the risk to or the role of the Agency.

5. The Agency is hereby authorized to confer upon the Project the nonstandard payment in lieu of tax arrangement more particularly set forth in the approval letters of the Mayor of the City of Buffalo and the Erie County Executive, copies of which are attached hereto and made a part hereof.

6. Either the Chairman or the Executive Director are hereby authorized to execute the agreements authorized by these resolutions and such officers are hereby authorized on behalf of the Agency to execute and deliver such other documents and to do any and all other acts necessary or appropriate to effectuate the purposes of these resolutions, including, without limitation, executing and delivering any subsequent amendments, extensions, or renewals and any other agreement or instrument contemplated by these resolutions, which any of such persons deems necessary or appropriate.

7. These resolutions shall take effect immediately.

DATED: December 14, 1994

NOTICE OF PUBLIC HEARING
PURSUANT TO NEW YORK GENERAL MUNICIPAL LAW §859-a

PLEASE TAKE NOTICE that the Erie County Industrial Development Agency will conduct a public hearing at the time and place described below with respect to the project described below and the proposal of said Agency to provide financial assistance relative to such project:

DATE:	August 26, 1994
TIME:	3:00 p.m.
PLACE:	Erie County Industrial Development Agency Suite 300, Liberty Building 424 Main Street Buffalo, New York 14202
DESCRIPTION OF PROJECT:	Construction, equipping and operation of an approximate 20,000 seat multi-purpose arena along with commercial retail and restaurant space and parking and related improvements, to be used for commercial and related purposes.
LOCATION OF PROJECT:	An area bounded by Perry Street on the north, Main Street on the west, Michigan Street on the east and South Park Avenue on the south, Buffalo, New York
PROJECT OPERATOR	Crossroads Arena Corporation, Erie County Development Corporation
AGENCY ASSISTANCE:	1. Issuance and sale of Industrial Revenue Bond and/or Lease Financing in the estimated amount of up to $122,500,000.00; 2. Sales tax exemption for certain materials and/or equipment purchased for incorporation in the project; and 3. Property tax benefits with respect to the City of Buffalo and Erie County taxes in accordance with a non-standard payment in lieu of tax arrangement to be approved by the Chief Elected Officers of the City of Buffalo and Erie County.

PUBLIC HEARING OFFICER'S STATEMENT

Good afternoon. ladies and gentlemen.

My name is Nick Monafo. I am Business Development Officer for the Erie County Industrial Development Agency.

I have been asked by the Erie County Industrial Development Agency. otherwise known as ECIDA. to conduct today's hearing which is being held pursuant to Section 859-a of the General Municipal Law.

The transcript of this hearing as well as all comments received from the public will be considered by ECIDA prior to committing to provide financial assistance for the Crossroads Arena Project. which I will refer to as the "Project".

As required by General Municipal Law Section 859-a. the following notice was published on August 14. 1994 in the Buffalo News and on August 15. 1994 in the Metro Community News. The text of the notice is as follows:

NOTICE OF PUBLIC HEARING

PURSUANT TO NEW YORK GENERAL MUNICIPAL LAW SECTION 859-A.

PLEASE TAKE NOTICE that the Erie County Industrial Development Agency will conduct a Public Hearing at the time and place described below with respect to the project described below and the proposal of said Agency to provide financial assistance relative to such project:

DATE:	August 26. 1994
TIME:	3:00 p.m.
PLACE:	Erie County Industrial Development Agency Suite 300. Liberty Building 424 Main Street Buffalo. New York 14202
DESCRIPTION OF PROJECT:	Construction. equipping and operation of an approximate 20,000 seat multi-purpose arena along with commercial retail and restaurant space and parking and related improvements.

to be used for commercial and related purposes.

LOCATION OF PROJECT: An area bounded by Perry Street on the north. Main Street on the west. Michigan Avenue on the east and South Park Avenue on the south. Buffalo. New York.

PROJECT OPERATOR Crossroads Arena Corporation.
Erie County Development Corporation

AGENCY ASSISTANCE:

1. Issuance and sale of Industrial Revenue Bond/or Lease Financing in the estimated amount of $122,500.000.00;
2. Sales tax exemption for certain materials and/or equipment purchased for incorporation in the project; and
3. Property tax benefits with respect to the City of Buffalo and Erie County taxes in accordance with a non-standard payment in lieu of tax arrangement to be approved by the Chief Elected Officers of the City of Buffalo and Erie County.

That concludes the text of the published notice. Copies of the notice were also sent to the County Executive. the Mayor of the City of Buffalo and the Chief Executive Officer of the City School District of the City of Buffalo on August 11, 1994.

The purpose of this hearing is to provide all interested parties with a reasonable opportunity. both orally and in writing. to present their views with respect to the Project.

This afternoon's session will extend for as long as reasonably necessary to hear everyone's comments.

A transcript of this hearing will be made. A copy of the transcript and copies of any written statements or comments filed with ECIDA will be available for public review during the normal business hours at the office of ECIDA. located at Suite 300. Liberty Building, 424 Main Street. Buffalo. New York 14202. Requests to review these materials should be made to Dr. Ronald W. Coan.

Executive Director of ECIDA. Should you wish. upon written request and payment of reproduction costs. a copy of the transcript will be furnished to anyone so requesting it.

All those in attendance are requested to register with me at the front of the room. If you have not already done so. please indicate if you desire to speak. You will not be permitted to speak unless you have registered. So that everyone has an opportunity to speak. I request that speakers keep their oral presentations to no more than five minutes, and I urge you to try to limit them to three minutes if at all possible.

Any speaker representing a public organization with a substantial number of members will be asked to register as such and. should you so request. that organization will be afforded ten minutes for its presentation.

I want to stress that there are no limitations of any kind on your submission of written statements. comments or materials. If you wish to submit written statements. comments or materials. you can mail them or deliver them to ECIDA at Suite 300, Liberty Building, 424 Main Street, Buffalo, New York 14202.

The record of this hearing and the comment period will remain open until September 12. 1994, and ECIDA will consider all comments received up until such time.

Now, in order to ensure an accurate transcript and to enable all assembled today to hear your remarks. I ask that each speaker. when called, go to the other microphone in the front of the room. When you begin to speak, please state clearly your name and address. If you are appearing as a representative of an organization or governmental agency, please identify that organization or entity and state its address.

If you wish to submit a written statement or any other documents during this hearing. please register with me in the front of the room. and when you are called upon. hand the statement or document up to me so that I may be sure it is included in the record.

I want to remind you that there will be no questioning of the speakers. public officials or ECIDA representatives today. You will have an opportunity to make your statements and comments about the proposed Project and they will be listened to. Representatives of Crossroads Arena Corporation and the Erie County Development Corporation are here. and will attempt to respond to any questions raised by any speaker before the end of the hearing.

I will now call upon those individuals who have indicated a desire to speak at today's hearing:

Monaro: Richard Tobe

Tobe: Thank you, Mr. Chairman. I have a written statement provided. My name is Richard Tobe. I am Commissioner of the Erie County Department of Environment and Planning. My address is the Rath Building, County Hall. I am speaking on behalf of Erie County Executive Dennis Gorski. and I'm speaking in favor of the project. We have prepared a written statement. I think I'll not read through it but rather make it available as I have to you and hope it will be included in the transcript. The gist of our statement is twofold. We believe that this project is critical to the economic revitalization of City of Buffalo and of the County of Erie. We believe that participation by ECIDA is not only appropriate. and this is the second point. but is clearly a matter of statewide public concern and local concern. state law has so stated and we quote at some length the

state law that has made clear that both Erie County and the Erie County Industrial Development Agency either has the power previously or is granted the power to the state legislation to carry forward with this project. I'm going to quote the state law very briefly.

Refer to attached statement. We believe this project is both necessary and appropriate for ECIDA involvement and we urge the Board to take such action. Thank you.

Statement attached.

Monaco: Thank you. Carolyn Hoyt, representing Crossroads.

Hoyt: Good afternoon. My name is Carolyn Hoyt. I'm Project Director for the Crossroads Arena Corporation and I am here today representing Crossroads and the Buffalo Sabres who, as you know along with the County, are the applicant on this project. I have submitted a full statement for the record but I just want to say a few things about the Crossroads project and urge the ECIDA's Board's support. The Crossroads Arena Project will allow for the development of significant waterfront attractions in the City of Buffalo. It will support the efforts of the Horizons Waterfront Commission and it will also guarantee that the Sabres stay in Buffalo. The Crossroads is, as you know, designed to replace Memorial Auditorium which was built over fifty years ago. As you know, the Aud is in need of major renovations and it's been the determination of the Sabres that the Aud can no longer serve the purpose and support the team in an economically viable way. The Crossroads Arena is designed to address some of these revenue generating issues. It will include all the amenities of a state-of-the-art entertainment complex. As you know.

there'll be 80 private suites. around 2500 premium seats. various bars and restaurants. The Crossroads will not only be home to the Sabres it will be home to the Buffalo Blizzards soccer team. the Bandits LaCross team. it will be a location where all the concerts and circus and other events that are currently held in the Aud will take place. The estimated cost of development and construction of the Crossroads is $122.500.000. Due to the size of that budget, development and construction of the Crossroads is wholly dependent on obtaining financing. The proposed financing arrangement for the Crossorads relies on the participation of a number of public and private sources including the ECIDA. Any source of financing is necessary for the completion of the project. The ECIDA's participation will act as the cornerstone for achieving the development and construction of the Crossroads within the project budget thereby allowing the Crossroads Arena Corporation to secure the financing necessary for the project. Obviously, if the Crossroads Arena Corporation is unable to arrange suitable financing, the Crosroads simply will not be built. Let me just state quickly that there's been several economic impact studies done on the Sabres and the potential impact of the Crossroads project. Total annual economic output was estimated in one study to be approximately $36,000.000 and was estimated to increase to approximately $82.000.000 within five years after construction of the Crossroads. Just in closing I would like to thank you for holding the public hearing and urge the Board to vote in favor of the Crossroads Project. Thank you.

See attached statement.

Monafo: Thank you. There are no further speakers registered so this Public Hearing is now concluded.

Number of non-project related parties in attendance at the hearing - 0.

ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
1994 CROSSROADS ARENA PROJECT

PUBLIC HEARING

Friday, August 26, 1994, 3:00 p.m.
Erie County Industrial Development Agency
Suite 300, Liberty Building
Buffalo, NY 14202

Testimony to be Submitted on Behalf of

DENNIS T. GORSKI, Erie County Executive

by

RICHARD M. TOBE, Commissioner
Erie County Department of Environment and Planning
95 Franklin Street, Buffalo, NY 14202
716-858-6716

My name is Richard Tobe. I am Commissioner of the Erie County Department of Environment and Planning. I am making this statement on behalf of Erie County Executive Dennis T. Gorski. This statement is the official position of Erie County.

Erie County is a partner in the development of the Crossroads Arena project along with the City of Buffalo, the State of New York and the Buffalo Sabres. The Erie County Executive, as an agent for the Erie County Development Corporation, a corporation to be formed, has requested that ECIDA provide assistance for the project.

We believe the Crossroads Arena project is vital to the economic revitalization of the City of Buffalo. It has become an integral part of the Buffalo Inner Harbor plan prepared by the Horizons Waterfront Commission. That plan proposes to undertake a number of interrelated projects which will lead to the redevelopment of the foot of Main Street. These projects, when taken together, will significantly enhance the cultural, social, recreational and economic prospects of the City of Buffalo and of Erie County.

New York State enacted special state legislation, Chapter 652 of the Laws of 1993, to grant and confirm the powers of the City of Buffalo, the County of Erie and the Erie County Industrial Development Agency to undertake the Crossroads Arena project. This legislation provided that:

> "... The promotion, attraction and development of commerce in the city of Buffalo and county of Erie is a matter of state concern. It is hereby further declared that the county of Erie and city of Buffalo have suffered...economic dislocation and unemployment so as to warrant...governmental action. It is further found that participation by the city of Buffalo, the county of Erie and state

> of New York in the construction, operation, maintenance and financing of a sports and entertainment complex is...declared to be for a public and governmental purpose and in the public interest for the benefit of the people of said city, county and state and the improvement of their health, education, welfare, recreation, well-being and prosperity and for the advancement and improvement of recreation, trade and commerce."

The Erie County Legislature has made similar findings regarding the importance of this project to the City and County.

The Environmental Impact Statement prepared for this project estimates that there will be 1,010 construction jobs and 469 jobs associated with the operation of the arena when it is completed. This represents a net increase of 118 jobs over current employment at Memorial Auditorium. There will be approximately $122 million in construction spending and a significant increase in annual economic activity at the Crossroads Arena.

Significant increases in economic activity are projected for the other waterfront projects which will be spurred and supported by the Crossroads project.

For these reasons, on behalf of County Executive Dennis Gorski, I urge ECIDA to provided assistance in the issuance and sale of industrial revenue bond and/or lease financing, the granting of sales tax exemptions for certain material and equipment, and the granting of certain property tax benefits.

CROSSROADS

Statement of:

Carolyn H. Hoyt, Project Director
Crossroads Arena Corporation
ECIDA Public Hearing
August 26, 1994

The applicant, Crossroads Arena Corporation, was formed for the purpose of developing a multi-event capacity sports and entertainment complex in downtown Buffalo. Crossroads Arena Corporation is engaged in the business of developing, obtaining necessary financing for, and, once constructed, managing the operation of, the Crossroads, and is overseeing the design and construction of the Crossroads.

The Crossroads Arena Project will allow for the development of significant waterfront attractions in the City of Buffalo, support the efforts of the Horizons Waterfront Commission and will guarantee that the Sabres stay in Buffalo. The Crossroads is designed to replace Memorial Auditorium ("Aud"), which was built over fifty years ago. The Aud has needed major renovations to maintain the facilities needed to house professional hockey and other events, and lacks the size, amenities and "draw" to keep the Sabres franchise profitable in the face of dramatic increases in operating costs. The Crossroads is designed to address many of the revenue-generating issues facing promoters that cannot be met by the Aud's facilities: all the amenities of a state-of-the-art community entertainment complex, including approximately 80 private suites and approximately 2,500 premium seats, a premium seat club, sports bar restaurant, concession facilities and a sports shop, increased seating capacity for hockey, basketball, indoor soccer, indoor lacrosse, concerts, family shows and other events and will seat approximately 19,400 for hockey, 21,000 for basketball and up to 21,500 for concerts, an ability to attract patrons in the absence of sporting or other entertainment events, and an ability to increase the amount of time patrons spend at the facility both before and after sporting and entertainment events. If the Crossroads is not built, the Sabres, and the other sports franchises currently using the Aud, may not be able to sustain their operations in Buffalo and may, in the worst case, be forced to seek a new venue in another, more profitable, surrounding.

The estimated cost of development and construction of the Crossroads project is set at one hundred twenty-two million five hundred thousand dollars ($122,500,000). Due to the size of the project's budget, development and construction of the Crossroads is wholly dependent on obtaining financing. The proposed financing arrangement for the Crossroads relies on the participation of a number of public and private sources, including the ECIDA, and each source of financing is necessary for the completion of the Crossroads project. The ECIDA's participation will act as the cornerstone for achieving the development and construction of the Crossroads within the project budget, thereby allowing Crossroads Arena Corporation to secure the financing necessary for the project. If Crossroads Arena Corporation is unable to arrange suitable financing, the Crossroads simply will not be built.

As previously noted, the Crossroads is viewed as a key component of Buffalo's waterfront redevelopment plan and an integral part of the revitalization of the waterfront area and downtown Buffalo. An economic impact study prepared for the Crossroads project estimates that the potential annual incremental economic contributions to the Western New York economy associated with the income and expenditures involved in the operations of the sports franchises currently using the Aud and construction and operation of the Crossroads ("total annual economic output") would grow dramatically. Total annual economic output was estimated in the study to be approximately thirty-six million dollars ($36,000,000), and was estimated to increase to approximately eighty-two million dollars ($82,000,000) within five years after construction of the Crossroads. During the construction years of the Crossroads, total annual economic output was estimated to reach a peak of approximately one hundred twenty four million dollars ($124,000,000).

In addition to the enhancement and revitalization of Buffalo's waterfront and downtown, and the estimated financial benefits brought to the Western New York economy, the development and construction of the Crossroads project will allow the professional sports franchises currently using the Aud, and specifically the Buffalo Sabres, the ability to remain economically viable, and to remain in the City of Buffalo. Due to the size of the media market, the size, condition and limited amenities of the Aud, and the dramatic increases in the operating expenses associated with professional sports franchises, the Buffalo Sabres need to achieve substantial gains in revenues in order to survive. The Crossroads has been designed to address and increase sources of revenues that the Buffalo Sabres believe will allow them to reach necessary financial targets required to stay in the City of Buffalo. If the Crossroads is not built, the Buffalo Sabres,, and the sports franchises associated with the Sabres; the Buffalo Bandits, the Buffalo Blizzard, and the Rochester Americans, may have to relocate to another region in order to remain viable.

If the ECIDA does not participate in the Crossroads project, Crossroads Arena Corporation will probably not be able to arrange suitable financing for the project. If financing is not secured for the Crossroads, it will not be built. The absence of the Crossroads would jeopardize Buffalo's waterfront revitalization plan, would cause the Western New York economy to forego substantial annual increases in output, and may cause the Buffalo Sabres, and associated sports franchises to relocate to another region.

County of Erie

DENNIS T. GORSKI
COUNTY EXECUTIVE

PHONE: 716-858-8500

Pursuant to General Municipal Law Section 862(2)(c), the undersigned, County Executive of the County of Erie, New York, hereby confirms the proposed action of the Erie County Industrial Development Agency as set forth in its inducement resolution relative to the Crossroads Arena Project, a copy of such inducement resolution being attached hereto and made a part hereof.

Dated: November 15, 1994

Dennis T. Gorski
Erie County Executive

APPROVED AS TO FORM

Richard J. Schechter
Assistant County Attorney
Doc. No. 94-1248-EP

CLERK'S CERTIFICATE

I, LAURIE A. MANZELLA, Clerk of the Erie County Legislature, Erie County, New York (the "Legislature"), HEREBY CERTIFY that the attached extract from the minutes of the meeting of the Legislature duly called and held on June 2, 1970, has been compared by me with the original minutes of said meeting as officially recorded in the Minute Book of the Legislature, and said extract is a correct transcript of the whole of said original minutes so far as said original minutes related to the subject matter referred to in said extract, and the resolution contained in said extract has been duly adopted and said resolution, as amended, is in full force and effect.

I HEREBY FURTHER CERTIFY that the attached copy of the Certificate of Establishment of the Erie County Industrial Development Agency was duly filed with the Secretary of State on August 5, 1970, and pursuant to Section 856, subdivision 2 of the General Municipal Law, the undersigned hereby certifies that the following persons have been appointed or reappointed and are currently serving as members of the Erie County Industrial Development Agency and that the attached copies of the Certificate of Appointment of said members are true copies of the originals filed with the Secretary of State on the date or dates receipted thereon:

1. Daniel R. Acker
2. Thomas J. Ahern
3. George K. Arthur
4. Carl J. Calabrese
5. David J.G. Chambers
6. Anthony N. Diina
7. Michael Fitzpatrick
8. Dennis H. Gabryszak
9. Robert D. Gioia
10. Dennis T. Gorski
11. David K. Grant
12. Bernard J. Kennedy
13. Anthony M. Masiello
14. Thomas J. Monaghan
15. William A. O'Loughlin, Jr.
16. Richard C. Pohlman
17. Andrew J. Rudnick
18. Elizabeth Robinson Coffin Sadler
19. George L. Wessel

IN WITNESS WHEREOF, I have hereunto set my hand as aforesaid and affixed the seal of the Erie County Legislature as of February 9, 1995.

(SEAL)

Laurie A. Manzella, Clerk

State of New York } ss.:
DEPARTMENT OF STATE }

It is Hereby Certified, That the attached copy of the certificate of establishment for the Erie County Industrial Development Agency is a true copy of the original thereof as filed in this office on August 5, 1970

Witness my hand and the official seal of the Department of State at the City of Albany, this 25th day of January one thousand nine hundred and ninety-one

Secretary of State

382101-019 (3/85)

Mr. PORDUM moved that the 4th Resolve of the report be amended to read as follows:

RESOLVED, that the Erie County Industrial Development Agency shall consist of five members. The Chairman of the Erie County Legislature shall recommend the names of the five members to be appointed — one of which must be a member of the Buffalo Chamber of Commerce and one member of the Economic Development, Transportation and Planning Committee of the Erie County Legislature. The recommendations for agency membership are subject to approval by a majority of the Erie County Legislature.

Mr. FLOSS seconded the motion.

Carried. (Viva Voce.)

* * * * *

Mr. FLOSS moved that the 4th Resolve of the report as amended be adopted and requested a roll call vote.

Part II — Design — As per Design Contract Schedule

Part III — Right-of-way Parcel Maps
$250.00 for each individual parcel map plus $50.00 for each individual parcel map, if any, from one ownership in one location:

and be it further

RESOLVED, that the County Executive be and he hereby is authorized to execute the above contract, and payment is hereby authorized from County Road Fund Project CR 570-70, further

Item 19, Page 429

4. WHEREAS, pursuant to chapter 293 of the Laws of 1970 of the State of New York, there was created The Erie County Industrial Development Agency, and

WHEREAS, such agency will act to further the economic well-being of the County of Erie;

NOW, THEREFORE, BE IT

RESOLVED, That the following members be appointed and they hereby are appointed to such agency:

WALTER J. FLOSS, JR.
6221 Transit Road — CHAIRMAN
East Amherst, New York

PAUL WILLAX
c/o Erie County Savings Bank — MEMBER
Main Place
Buffalo, New York

CLAUDE SCHUCTER
M & T Trust Company — MEMBER
1 M & T Plaza
Buffalo, New York

GEORGE L. WESSEL
1311 Claudette Court — MEMBER
Cheektowaga, New York

DANIEL A. ROBLIN
290 Main Street — MEMBER
Buffalo, New York,

and be it further

RESOLVED, That Walter J. Floss, Jr., 6221 Transit Road, East Amherst, New York, be and he is hereby appointed chairman of said agency, and be it further

RESOLVED, That this Legislature hereby declares that the need for the establishment of such agency is to promote the economic welfare of the inhabitants of Erie County and to actively promote, attract, encourage and develop economically sound commerce and industry in Erie County for the purpose of preventing unemployment and economic deterioration; and be it further

RESOLVED, That the Clerk of this Legislature file a certificate of establishment of The Erie County Industrial Development Agency with the Secretary of State of the State of New York, a copy of which is annexed hereto and made a part hereof, further

Item 38, Page 490

5. RESOLVED, That the communication from Dr. Victor Reinstein relative to an Industrial Development Agency, be received and filed, further

Item 54, Page 492

6. RESOLVED, That the following parcels of land as listed below showing the location thereof, owners, parcel numbers, area required and a consideration agreed upon as follows:

COLUMBIA AVENUE, C.R. No. 352 — Town of Lancaster

Parcel No. 30 —Stanley Koscialski	Area 0.017 ac.	(fee)	$ 110.00

LAKE AVENUE, C.R. No. 200 — Town of Hamburg and Orchard Park

Parcel No. 32 —Stephen Peters, Sr. Mary Peters	Area 0.011 ac. Damages	(fee)	$ 120.00 520.00
Parcel No. 110A—William H. Parks Mary C. Parks	Area 0.005 ac.	(fee)	$ 50.00
Parcel No. 201 —Jeanne M. Burns Robert E. Burns	Area 0.097 ac. Damages	(fee)	$ 150.00 100.00
Parcel No. 313 —Frank A. Delia Noreen R. Delia	Area 0.025 ac. Damages	(fee)	$ 218.00 250.00

and required for the construction of roads, titles and easements be approved, and be it further

RESOLVED, That the County Attorney be and hereby is authorized and directed to commence Condemnation Proceedings against the following owners, pursuant to Chapter 758 of the Laws of 1937, as amended:

Mr. BOWLES seconded the motion.

Ayes — Abgott, Bowles, Carlsen, Doering, Floss, Keane, Miller, Pordum, Tauriello, Vackel, Wolf, Zagora.

Noes — Abbott, Clark, Ludera, Pieto, Tipple, Tuppen, Wnek.

AYES—12

NOES— 7

Carried.

CERTIFICATE

OF

ESTABLISHMENT

OF

THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

For Filing With Secretary of State

THIS IS TO CERTIFY that the Erie County Industrial Development Agency has been established by special act of the New York State Legislature, and the following is set forth pursuant to section 856 of the New York State Industrial Development Agency Act:

(1) The special act establishing the Agency was passed April 28, 1970 by Chapter 293 of the Laws of 1970 which became effective April 28, 1970.

(2) The name of the Agency is: Erie County Industrial Development Agency.

(3) The names of the members of the Agency, their Chairman, and their terms of office are as follows:

WALTER J. FLOSS, JR. 6221 Transit Road East Amherst, New York	Chairman
PAUL WILLAX c/o Erie County Savings Bank Main Place Buffalo, New York	Member
CLAUDE SHUCHTER M & T Trust Company 1 M & T Plaza Buffalo, New York	Member
GEORGE L. WESSEL 1311 Claudette Court Cheektowaga, New York	Member
DANIEL A. ROBLIN 290 Main Street Buffalo, New York	Member

STATE OF NEW YORK
DEPARTMENT OF STATE
FILED AUG 5 - 1970

John P. Lomenzo

The term of office of the Chairman and of all members of the Agency is at the pleasure of the Erie County Legislature and until the successor of such Chairman or Member is appointed and has qualified.

(4) The facts establishing the need for such Agency in Erie County are as follows:

To promote the economic welfare of the inhabitants of Erie County and to actively promote, attract, encourage and develop economically sound commerce and industry in Erie County for the purpose of preventing unemployment and economic deterioration.

THE COUNTY LEGISLATURE OF THE COUNTY OF ERIE

By _____
County Clerk

Dated: August 3rd, 1970

STATE OF NEW YORK
DEPARTMENT OF STATE
FILED AUG 5 - 1970
Secretary of State

SEAL OF LEGISLATURE COUNTY ORGANIZED 1821 ERIE COUNTY NEW YORK

CERTIFICATE OF APPOINTMENT
OF MEMBER OF ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

TO the Honorable Secretary of State of the State of New York :

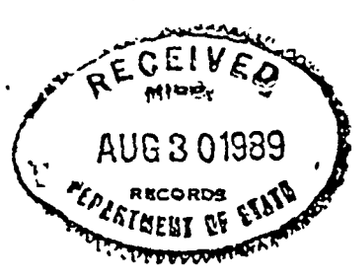
Pursuant to Section 856, Subdivision 2 of the General Municipal Law, the undersigned hereby certified that the following person has been appointed and is currently serving as Member of the Erie County Industrial Development Agency:

Daniel R. Acker
President
NAACP - Buffalo Chapter
531 East Ferry Street
Buffalo, New York 14208

Effective: August 9, 1989

THE COUNTY LEGISLATURE OF
THE COUNTY OF ERIE

BY _____
Roseann Scibilia, Clerk



CERTIFICATE OF APPOINTMENT
OF MEMBER OF ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

To the Honorable Secretary of the State of New York:

Pursuant to Section 856, Subdivision 2 of the General Municipal Law, the undersigned hereby certifies that the following person has been appointed and is currently serving as a Member of the Erie County Industrial Development Agency:

The Honorable Thomas J. Ahern
Supervisor, Town of Amherst
5583 Main Street
Amherst, New York 14221

Effective: January 6, 1994

THE COUNTY LEGISLATURE OF
THE COUNTY OF ERIE

By _____
Roseann Scibilia, Clerk

RECEIVED
RECORDS
JAN 13 1994
DEPARTMENT OF STATE

CERTIFICATE OF APPOINTMENT
OF MEMBER OF ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

To the Honorable Secretary of State of the State of New York:

Pursuant to Section 856, subdivision 2 of the General Municipal Law, the undersigned hereby certifies that the following person has been appointed or reappointed and is currently serving as a Member of the Erie County Industrial Development Agency:

George K. Arthur
1315 City Hall
Buffalo, New York 14202

Dated: January 7, 1985

THE COUNTY LEGISLATURE OF
THE COUNTY OF ERIE

By David J. Swarts
David J. Swarts, Clerk

JMCmg
12

CERTIFICATE OF APPOINTMENT
OF MEMBER OF ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

To the Honorable Secretary of the State of New York:

Pursuant to Section 856, Subdivision 2 of the General Municipal Law, the undersigned hereby certifies that the following person has been appointed and is currently serving as a Member of the Erie County Industrial Development Agency:

Carl J. Calabrese
2919 Delaware Avenue
Kenmore, New York 14217

Effective: January 28, 1993

THE COUNTY LEGISLATURE OF
THE COUNTY OF ERIE

By _____
Roseann Scibilia, Clerk

NOTICE OF APPOINTMENT

The undersigned, being respectively the County Executive of Erie County and the Chairman of the Erie County Legislature, hereby confirm that we have appointed DAVID J.G. CHAMBERS as a member of the Erie County Industrial Development Agency, for a term of two years, retroactive to June 13, 1994, pursuant to Section 891-a of the General Municipal Law.

DATED: October 31st, 1994.

DENNIS T. GORSKI
Erie County Executive

LEONARD R. LENIHAN, Chairman
Erie County Legislature

CERTIFICATE OF APPOINTMENT
OF MEMBER OF ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

To the Honorable Secretary of the State of New York:

Pursuant to Section 856, Subdivision 2 of the General Municipal Law, the undersigned hereby certifies that the following person has been appointed and is currently serving as a Member of the Erie County Industrial Development Agency:

David J.G. Chambers
Delaware North Companies, Inc.
One Delaware North Place
438 Main Street
Buffalo, New York 14202

Effective: November __, 1994

THE COUNTY LEGISLATURE OF
THE COUNTY OF ERIE

By_____
Laurie A. Manzella, Clerk

NOTICE OF APPOINTMENT

The undersigned, being respectively the County Executive of Erie County and the Chairman of the Erie County Legislature, hereby confirm that we have appointed ANTHONY N. DIINA as a member of the Erie County Industrial Development Agency, for a term of two years, retroactive to March 11, 1994, pursuant to Section 891-a of the General Municipal Law.

DATED: October 31st, 1994.

DENNIS T. GORSKI
Erie County Executive

LEONARD R. LENIHAN, Chairman
Erie County Legislature

CERTIFICATE OF APPOINTMENT
OF MEMBER OF ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

To the Honorable Secretary of the State of New York:

Pursuant to Section 856, Subdivision 2 of the General Municipal Law, the undersigned hereby certifies that the following person has been appointed and is currently serving as a Member of the Erie County Industrial Development Agency:

Anthony N. Diina
193 Huntington Avenue
Buffalo, New York 14214

Effective: November __, 1994

THE COUNTY LEGISLATURE OF
THE COUNTY OF ERIE

By_____
Laurie A. Manzella, Clerk

P&F

BASIL A. PATERSON
Secretary of State

RECEIVED
ERIE COUNTY
LEGISLATURE
FEB 29 12 24 PM '82

STATE OF NEW YORK
DEPARTMENT OF STATE
162 WASHINGTON AVENUE
ALBANY, NEW YORK 12231

February 25, 1982

Mr. David J. Swarts
Clerk, Erie County Legislature
25 Delaware Avenue
Buffalo,NY 14202

RE: Michael A. Fitzpatrick

Dear Mr. Swarts:

This will acknowledge the receipt and filing on February 16 of the Certificate of Appointment for Michael A. Fitzpatrick as a Member of the Erie County Industrial Development Agency.

Sincerely,

Mona L. Orciuoli
Miscellaneous Records

mlo

I-M-16

CERTIFICATE OF APPOINTMENT
OF MEMBER OF ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

To the Honorable Secretary of the State of New York:

Pursuant to Section 856, Subdivision 2 of the General Municipal Law, the undersigned hereby certifies that the following person has been appointed and is currently serving as a Member of the Erie County Industrial Development Agency:

Mr. Dennis H. Gabryszak
Supervisor
Town of Cheektowaga
3301 Broadway
Cheektowaga, New York 14227

Effective: May 20, 1993

THE COUNTY LEGISLATURE OF
THE COUNTY OF ERIE

By _____
Roseann Scibilia, Clerk

CERTIFICATE OF APPOINTMENT
OF MEMBER OF ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

To the Honorable Secretary of State of the State of New York:

Pursuant to Section 856, Subdivision 2 of the General Municipal Law, the undersigned hereby certified that the following person has been appointed and is currently serving as Member of the Erie County Industrial Development Agency:

Robert D. Gioia
Chairman, Board of Commissioners
Niagara Frontier Transportation Authority
181 Ellicott Street
Buffalo, New York 14203

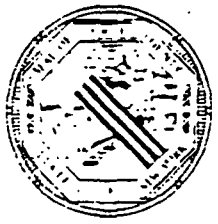
Effective: February 14, 1990

THE COUNTY LEGISLATURE OF
THE COUNTY OF ERIE

BY _____
Roseann Scibilia, Clerk

FILED
FEB 27 1990
DEPT. OF STATE

ERIE COUNTY LEGISLATURE
ROSEANN SCIBILIA
CLERK



25 Delaware Avenue
Buffalo, New York 14202
(716) 858-7500
FAX (716) 858-8895

RECEIVED
JAN 16 1992

January 8, 1992

RECEIVED
MISC. RECORDS
JAN 10 1992
DEPARTMENT OF STATE

Department of State
162 Washington Avenue
Albany, New York 12231

ATTENTION: Mona L. Orciuoli
Miscellaneous Records Office

Dear Ms. Orciuoli:

Pursuant to Section 856, Subdivision 2 of the General Municipal Law, I have enclosed Certificates of Appointment evidencing the reappointment of Dennis T. Gorski, Ronald H. Moline and Frank E. Swiatek as members of the Erie County Industrial Development Agency together with two photocopies of each Certificate.

Will you please file the Certificates and send a stamped receipted copy of each Certificate acknowledging receipt and filing to:

(1) The undersigned, and

(2) Robert P. Fine, Esq.
Hurwitz & Fine, P.C.
1400 Liberty Building
Buffalo, New York 14202-3614

As per your previous instructions, I have enclosed two duplicate copies of this letter and Certificates for acknowledgment.

Thank you for your cooperation.

Very truly yours,

ROSEANN SCIBILIA
CLERK
ERIE COUNTY LEGISLATURE

RS/js
Encls.

CERTIFICATE OF APPOINTMENT
OF MEMBER OF ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

To the Honorable Secretary of the State of New York:

Pursuant to Section 856, Subdivision 2 of the General Municipal Law, the undersigned hereby certifies that the following person has been reappointed and is currently serving as a Member of the Erie County Industrial Development Agency:

Dennis T. Gorski
95 Franklin Street
Buffalo, New York 14202

Effective: January 1, 1992

THE COUNTY LEGISLATURE OF
THE COUNTY OF ERIE

By _____
Roseann Scibilia, Clerk

CERTIFICATE OF APPOINTMENT
OF MEMBER OF ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

To the Honorable Secretary of the State of New York:

Pursuant to Section 856, Subdivision 2 of the General Municipal Law, the undersigned hereby certifies that the following person has been appointed and is currently serving as a Member of the Erie County Industrial Development Agency:

David K. Grant
Manager Human Resource
Eastern Area
Praxair
P.O. Box 44
Tonawanda, New York 14151

Effective: November 30, 1992

THE COUNTY LEGISLATURE OF
THE COUNTY OF ERIE

By _____
Roseann Scibilia, Clerk

CERTIFICATE OF APPOINTMENT
OF MEMBER OF ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

To the Honorable Secretary of the State of New York:

Pursuant to Section 856, Subdivision 2 of the General Municipal Law, the undersigned hereby certifies that the following person has been appointed and is currently serving as a Member of the Erie County Industrial Development Agency:

Bernard J. Kennedy
10 Lafayette Square
18th Floor
Buffalo, New York 14203

Effective: August __, 1994

THE COUNTY LEGISLATURE OF
THE COUNTY OF ERIE

By_____
Laurie A. Manzella, Clerk

CERTIFICATE OF APPOINTMENT
OF MEMBER OF ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

To the Honorable Secretary of the State of New York:

Pursuant to Section 856, Subdivision 2 of the General Municipal Law, the undersigned hereby certifies that the following person has been appointed and is currently serving as a Member of the Erie County Industrial Development Agency:

The Honorable Anthony M. Masiello
Mayor, City of Buffalo
City Hall
Buffalo, New York 14202

Effective: January 6, 1994

THE COUNTY LEGISLATURE OF
THE COUNTY OF ERIE

By _____
Roseann Scibilia, Clerk

RECEIVED
MISC. RECORDS
JAN 13 1994
DEPARTMENT OF STATE

NOTICE OF APPOINTMENT

The undersigned, being respectively the County Executive of Erie County and the Chairman of the Erie County Legislature, hereby confirm that we have appointed THOMAS J. MONAGHAN a member of the Erie County Industrial Development Agency, for a term of two years, retroactive to March 11, 1994, pursuant to Section 891-a of the General Municipal Law.

DATED: October 31st, 1994.

DENNIS T. GORSKI
Erie County Executive

LEONARD R. LENIHAN, Chairman
Erie County Legislature

CERTIFICATE OF APPOINTMENT
OF MEMBER OF ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

To the Honorable Secretary of the State of New York:

Pursuant to Section 856, Subdivision 2 of the General Municipal Law, the undersigned hereby certifies that the following person has been appointed and is currently serving as a Member of the Erie County Industrial Development Agency:

Thomas J. Monaghan
Area Director
Region 9 United Auto Workers
4285 Genesee Street
Buffalo, New York 14225

Effective: November __, 1994

THE COUNTY LEGISLATURE OF
THE COUNTY OF ERIE

By_____
Laurie A. Manzella, Clerk

NOTICE OF APPOINTMENT

The undersigned, being respectively the County Executive of Erie County and the Chairman of the Erie County Legislature, hereby confirm that we have appointed WILLIAM A. O'LOUGHLIN as a member of the Erie County Industrial Development Agency, for a term of two years, retroactive to June 13, 1994, pursuant to Section 891-a of the General Municipal Law.

DATED: October 31st, 1994.

DENNIS T. GORSKI
Erie County Executive

LEONARD R. LENIHAN, Chairman
Erie County Legislature

CERTIFICATE OF APPOINTMENT
OF MEMBER OF ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

To the Honorable Secretary of the State of New York:

Pursuant to Section 856, Subdivision 2 of the General Municipal Law, the undersigned hereby certifies that the following person has been appointed and is currently serving as a Member of the Erie County Industrial Development Agency:

William A. O'Loughlin, Jr.,
Vice President
Essex Investment Group Inc.
5830 Main Street
Williamsville, New York 14221

Effective: November __, 1994

THE COUNTY LEGISLATURE OF
THE COUNTY OF ERIE

By_____
Laurie A. Manzella, Clerk

CERTIFICATE OF APPOINTMENT
OF MEMBER OF ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

To the Honorable Secretary of the State of New York:

Pursuant to Section 856, Subdivision 2 of the General Municipal Law, the undersigned hereby certifies that the following person has been appointed and is currently serving as a Member of the Erie County Industrial Development Agency:

Richard C. Pohlman
Management Co-Chair
Buffalo and Erie County Labor Management Council
c/o 532 Ellicott Square Building
Buffalo, New York 14203

Effective: March 31, 1994

THE COUNTY LEGISLATURE OF
THE COUNTY OF ERIE

By _____
Roseann Scibilia, Clerk

RECEIVED
MISC. RECORDS
APR 27 1994
DEPARTMENT OF STATE

CERTIFICATE OF APPOINTMENT
OF MEMBER OF ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

To the Honorable Secretary of the State of New York:

Pursuant to Section 856, Subdivision 2 of the General Municipal Law, the undersigned hereby certifies that the following person has been appointed and is currently serving as a Member of the Erie County Industrial Development Agency:

Dr. Andrew J. Rudnick
President
Greater Buffalo Partnership
300 Main Place Tower
Buffalo, New York 14202

Effective: January 6, 1994

THE COUNTY LEGISLATURE OF
THE COUNTY OF ERIE

By _____
Roseann Scibilia, Clerk

CERTIFICATE OF APPOINTMENT
OF MEMBER OF ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

To the Honorable Secretary of the State of New York:

Pursuant to Section 856, Subdivision 2 of the General Municipal Law, the undersigned hereby certifies that the following person has been appointed and is currently serving as a Member of the Erie County Industrial Development Agency:

Ms. Elizabeth Robinson Coffin Sadler
35 New Amsterdam Avenue
Buffalo, New York 14216

Effective: February __, 1995

THE COUNTY LEGISLATURE OF
THE COUNTY OF ERIE

By_____
Laurie A. Manzella, Clerk

NOTICE OF APPOINTMENT

The undersigned, being the Erie County Executive and the Chairman of the Erie County Legislature, hereby confirm that we have appointed, for a term of two years, ELIZABETH ROBINSON COFFIN SADLER, a member of the Erie County Industrial Development Agency, effective January 31, 1995, pursuant to Section 891-a of the General Municipal Law.

DATED: January 31, 1995

DENNIS T. GORSKI
Erie County Executive

LEONARD R. LENIHAN, Chairman
Erie County Legislature

CERTIFICATE OF APPOINTMENT
OF MEMBER OF ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

To the Honorable Secretary of State of the State of New York:

Pursuant to Section 856, subdivision 2 of the General Municipal Law, the undersigned hereby certifies that the following person has been appointed or reappointed and is currently serving as a Member of the Erie County Industrial Development Agency:

George L. Wessel
686 Ellicott Square Building
Buffalo, New York 14203

Dated: January 7, 1985

THE COUNTY LEGISLATURE OF
THE COUNTY OF ERIE

By David J. Swarts
David J. Swarts, Clerk

JNCwg
12

ELIGIBILITY QUESTIONNAIRE

FOR

STATE AND LOCAL TAX-EXEMPT (SALE) BOND OR LEASE

PROJECT FINANCING

THIS ELIGIBILITY QUESTIONNAIRE IS TO BE READ IN CONJUNCTION WITH AN ELIGIBILITY QUESTIONNAIRE SUBMITTED CONTEMPORANEOUSLY HEREWITH BY ERIE COUNTY DEVELOPMENT CORPORATION, A TO-BE-FORMED NEW YORK LOCAL DEVELOPMENT CORPORATION

ELIGIBILITY QUESTIONNAIRE
TABLE OF CONTENTS

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Part A: Narrative Applicant and Project Description	1
Part B. General Applicant Information	2-3
Part C: Applicant's Business Information	4-5
Part D: Project Details	6-9
Part E: Project Expenditures	10-11
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Certifications (Use applicable certification)	
Addendum A: Environmental Assessment	

Part A: Narrative Project Description

1. Please describe briefly the nature of business in which the applicant is engaged: (Type of business, products or services, market area, employment and any other general information).

   See attached response.

2. Please describe briefly the project proposed to be undertaken: (Who will undertake the project? What does it entail? When will it occur? Where will it occur? Why is it necessary? How will it impact employment opportunities for Erie County residents?).

   See County response.

Part B: General Applicant Information

3. Company Name: Crossroads Arena Corporation

   Address: 140 Main Street

   Buffalo, New York Zip Code: 14202

4. Chief Executive Officer: Lawrence Quinn

   Title: Executive Vice President Telephone: 856-7300

5. Person Completing Application: Carolyn Hoyt

   Title: Project Director Telephone: 856-7300

6. Communications Contact: Lawrence Quinn

7. Type Business Organization:
   (X) Corporation ( ) Partnership
   ( ) Subchapter "S" ( ) Sole Proprietorship
   ( ) Other (Specify)

8. If applicant is a corporation, indicate:

   If the corporation is (X) privately, or ( ) publicly held.

   State of Incorporation: New York

   Officers and Directors of the Corporation (list):

Title	Name/Home Address	% Ownership
President/ Chairman of the Board of Directors	Seymour H. Knox, III 437 Buffalo Road East Aurora, NY 14052	0%
Executive Vice President	Lawrence Quinn 21 St. Catherine's Ct. Buffalo, New York 14222	0%
Secretary/ Director	Robert Swados 168 Wedgewood Drive Williamsville, NY 14221	0%

9. If the Applicant is a partnership, indicate: N/A

Partners in the Partnership (list and indicate all general and limited partners):

Name/Home Address % Ownership

10. If the project is to be occupied by one or more other entities or if the applicant's obligations are to be guaranteed by one or more other entities, attach a separate sheet giving all information requested in questions numbered 1 through 8 above for each entity. If not, check ( ).

See attached response.

11. Counsel to the Applicant:

Attorney: Gerald S. Lippes Telephone: 853-5100

Law Firm: Lippes, Silverstein, Mathias & Wexler

Address: 700 Guaranty Building, 28 Church Street

Buffalo, New York Zip Code: 14202

Attorney: Robert Swados Telephone: 856-4600
Law Firm: Cohen, Swados, Wright, Hanifin, Bradford & Brett
Address: 70 Niagara Street, Buffalo, New York Zip Code: 14202

12. Applicant's Accountant:

Accountant: James Kilzer Telephone: 856-4650

Accounting Firm: Price-Waterhouse

Address: 3600 Marine Midland Center

Buffalo, New York Zip Code 14203

Part C: Applicant's Business Information

13. Type of Business (Check):

( ) Manufacturing (Circle appropriate two-digit SIC code):

20 - Food & Kindred Products	30 - Rubber & Misc. Plastic Products
21 - Tobacco Products	31 - Leather & Leather Products
22 - Textile Mill Products	32 - Stone, Clay & Glass Products
23 - Apparel & Other Textiles	33 - Primary Metal Products
24 - Lumber & Wood Products	34 - Fabricated Metal Products
25 - Furniture & Fixtures	35 - Machinery, Except Electrical
26 - Paper & Allied Products	36 - Electric & Electronic Equipment
27 - Printing & Publishing	37 - Transportation Equipment
28 - Chemicals & Allied Products	38 - Instruments & Related Products
29 - Petroleum & Coal Products	39 - Miscellaneous Manufacturing

( ) Warehouse	( ) Wholesale
( ) Industrial Service	( ) Retail
( ) Commercial Service	( ) Recreational
(X) Other	

14. Specific Products and/or Services (Describe): N/A

15. Product Market Area (Approximate): N/A

(%) Local - Western New York	(%) National
(%) Regional - Northeastern U.S.	(%) International

16. Applicant's Business References:

Banking (list names of banks, location, account officers and telephone):

Marine Midland Bank
One Marine Midland Center
Buffalo, New York 14203
Attn: Carol Kociela 841-7253

[other banks to be determined]

Suppliers (list three largest - name, address, telephone and terms of sale):

[to be determined]

Customers (list three largest - name, address, telephone and % of gross business represented):

N/A

17. Present Business Facilities Located in Erie County (List):

City, Town, Village	School District	Own	Lease	Total Square Feet
140 Main Street Buffalo, New York	City of Buffalo		X	

Current Annual Taxes Paid On Facilities Listed Above (List):

Location	County Taxes		Municipal Taxes		School Taxes	
	Land	Buildings	Land	Buildings	Land	Buildings

None

18. Present Business Facilities Located in New York State Outside of Erie County (List):

City, Town, Village	Own	Lease	Total Square Feet

None

Part D: Project Details

19. Will the completion of this proposed project lead to the applicant moving a plant or major operation from another location in New York State:
(X) No ( ) Yes, explain

[Section 862 of New York State's General Municipal Law provides that "No funds of the agency shall be used in respect of any project if the completion thereof would result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state, provided, however, that neither restriction shall apply if ... the project is reasonably necessary to discourage the project occupant from removing such other plant or facility to a location outside the state or is reasonably necessary to preserve the competitive position of the project occupant in its respective industry."]

If the Company is moving from another New York State location and it can represent that the Project is necessary to prevent the Company from moving out of New York State or to preserve the Company's competitive position in its industry, it should do so on a separate sheet of paper, detailing and documenting the basis for such a representation.

20. Proposed Project Location: See Exhibit A20-Site Plan.

Street Address: _____

City: Buffalo Town: _____ Village: _____

County: Erie State: New York Zip Code: _____

School District(s): City of Buffalo

21. Project Use:

( ) Manufacturing
( ) Warehouse
( ) Industrial Service
(X) Other (Specify)

( ) Research & Development
( ) Commercial/Recreational
( ) Pollution Control

State-of-the-art community entertainment complex.

22. Project consists of (check each that applies):

(X) Land Acquisition
Indicate number of acres: 13 (approximately)

(X) Existing Building(s) Acquisition and Demolition
Indicate number of bldgs.: 8 Sq. Ft.: N/A

( ) Building Addition
Indicate additional sq. ft.: _____ Addition cost: _____

( ) Building Renovation
Indicate Renovation Cost: $_____ Sq. Ft.: _____

(X) New Building(s) Construction
Indicate number of bldgs.: 2 Sq. Ft.: 980,000 +/- sq. ft. (approximately)

(x) Machinery and/or Equipment Purchase(s)
Indicate purchase cost: $ 13,434,000 (approximately)

23. Current Project Site Owner:

( ) Applicant
Indicate: Date of Purchase: _____

Purchase Price: _____

Balance Owed: _____

Mortgage Holder: _____

(X) Other Entity
Indicate: Current Owner: Buffalo Urban Renewal Agency (see attached response)

Purchase Option/Contract of Sale in effect (X) No ( ) Yes
Indicate: Date Signed: _____

Stated Purchase Price: _____

Option Expiration Date: _____

Stated Settlement Date: _____

Is option/contract contingent upon financing by ECIDA? N/A
( ) No ( ) Yes

Does the applicant currently lease any portion of the Project site?
(X) No ( ) Yes

Indicate: Square Feet: _____

% of Total Square Feet: _____

(23. cont'd) Is there a relationship by virtue of common control or ownership between the applicant and the current owner of the project site?
(X) No ( ) Yes; as follows:

24. Site Use at Project Completion:

(100%) Applicant
Indicate: Sq. Ft.: 980,000 +/- sq. ft.

(%) Other (Specify Other Entity):_____
Indicate: Sq. Ft.:_____ Use:_____

(%) Other (Specify Other Entity):_____
Indicate: Sq. Ft.:_____ Use:_____

(%) Other (Specify Other Entity):_____
Indicate: Sq. Ft.:_____ Use:_____

25. If this project involves building construction, renovations or additions, has any of the following work begun?

( ) No	Site Clearance	(X) Yes;	20	% Complete
(X) No	Footings Installation	( ) Yes;		% Complete
(X) No	Foundation Installation	( ) Yes;		% Complete
(X) No	Steel Erection	( ) Yes;		% Complete
(X) No	Masonry Work	( ) Yes;		% Complete
(X) No	Building Renovations	( ) Yes;		% Complete

26. Machinery and equipment purchases (List):

MACHINERY & EQUIPMENT:

Item	Date Ordered	Delivery Date	Price
[to be determined].			

Are proposed project machinery and equipment purchases currently ordered contingent upon ECIDA financing? (X) No ( ) Yes. If yes, please attach purchase order(s) and list:

Item	Cancellation Date

27. Will the project have a significant effect on the environment?
(X) No ( ) Yes, as follows:

See County response.

28. If the construction or operation of the proposed project will require a permit or prior approval of any local, state or federal jurisdictional authority, please specify:

See attached response.

Part E: Project Expenditures: Note: All figures are estimates

29. Projected Costs (List in round numbers to nearest thousand)

ITEM	AMOUNT
Land	$ 5,750,600.00
Building(s)	80,995,325.00
Renovation(s)	0.00
Addition(s)	0.00
Machinery and Equipment	13,434,200.00
Installation	0.00
Architectural/Engineering Fees	7,518,700.00
Legal Fees	800,000.00
Agency Fee	[to be determined]
Interest on Construction Financing	6,525,000.00
Other (Specify) Technical Fees, Project Management, Marketing Expense	7,480,000.00
Total Project Cost	$ 122,500,000.00
Total Bond Issue Face Amount	$ [to be determined]

30. If any of the above expenditures have been made or incurred but not paid, please list: [to be determined]

ITEM	AMOUNT	PAID	INCURRED

31. Project Financing Schedule (List):

	DATE	AMOUNT OF FUNDS REQUIRED
Commencement of Project	September, 1994	[to be determined]
Completion of Project	August, 1996	[to be determined]
Anticipated Bond Closing	[to be determined]	[to be determined]

32. Will the real estate be held by the stockholder(s) of the applicant, a real estate holding company, partnership or other such entity?
( ) Yes (X) No
If yes, please indicate name of the individual(s) or entity:

33. Will project funds be used for the following purposes (Indicate use and amount):

(X)	No	Working Capital	( )	Yes;	$_____
(X)	No	Moving Expenses	( )	Yes;	$_____
(X)	No	Work in Progress	( )	Yes;	$_____
(X)	No	Stock in Trade	( )	Yes;	$_____
(X)	No	Debt Repayment/ Refinancing	( )	Yes;	$_____

Part F: PROJECT ECONOMIC IMPACT

34. Project Justification: (Briefly describe why project is necessary and effect on applicant's business):

See attached response.

35. Financing Impact: (Briefly describe impact on applicant and Erie County if suitable financing is unable to be arranged. Would project proceed without Agency financing?):

See attached response.

36. Employment Impact: (Please complete the following chart describing your projected employment plans).

[this paragraph is to be completed on the attached ADDENDUM B]

37. Project Payroll Impact (Estimate):

	Full Time	Part Time	Seasonal
At Present: Payroll	$_____	$_____	$_____
After First Year: Payroll	$_____	$_____	$_____
After Two Years: Payroll	$_____	$_____	$_____

No payroll estimate is currently available; however, see the projected economic impact of the project described in question 35.

38. Economic Development Coordination (Please specify any other governmental agencies that have been contacted or involved with respect to this project and briefly indicate the nature of such involvement):

See March 28, 1994 Memorandum of Understanding.

(To be Completed Only if the Applicant is a Corporation)

CERTIFICATION

Lawrence Quinn
(Name of Chief Executive Officer of the Company submitting Application)

deposes and says that he is the Executive Vice President
of Crossroads Arena Corporation, the corporation named in
(Company Name)

the attached application; that he has read the foregoing application, addendums and enclosures and knows the contents thereof; that the same is true to his knowledge, contains no information or data that is false or incorrect and is truly descriptive of the project which is intended as the security for the requested financing.

Deponent further says that the reason this verification is made by the deponent and not by Crossroads Arena Corporation
(Company Name)
is because the said Company is a corporation. The grounds of deponent's belief relative to all matters in the said application which are not stated upon his own personal knowledge, are investigations which deponent has caused to be made concerning the subject matter of this application as well as information acquired by deponent in the course of his duties as an officer of and from the books and papers of said corporation.

As an officer of said corporation (hereinafter referred to as the "applicant") deponent acknowledges and agrees that applicant shall be and is responsible for all costs incurred by the non-profit Erie County Industrial Development Agency (hereinafter referred to as the "Agency") acting in connection with the attendant negotiations and ultimately the necessary issue of bonds whether or not ever carried to successful conclusion. If, for any reason whatsoever, the applicant fails to conclude or consummate necessary negotiations or fails to act within a reasonable or specified period of time to take reasonable, proper, or requested action or withdraws, abandons, cancels, or neglects the application or if the Agency or applicant are unable to find buyers willing to purchase the total bond issue required, then upon presentation of invoice, applicant shall pay to the Agency, its agents, or assigns all actual costs involved in conduct of the application, up to that date and time, including fees of bond counsel for the Agency and fees of general counsel for the Agency. The costs incurred by the Agency and paid by the applicant, including bond counsel and the Agency's general counsel's fees and the administrative fee, may be considered as a cost of the project and included as part of the resultant bond issue.

(Chief Executive Officer's signature)

NOTARY

Sworn to before me this

_____day of _____, 19___

SEAL

_____

Question 1

The applicant, Crossroads Arena Corporation, was formed for the purpose of developing a multi-event capacity sports and entertainment complex in downtown Buffalo. Crossroads Arena Corporation is engaged in the business of developing, obtaining necessary financing for, and, once constructed, managing the operation of, the Crossroads, and is overseeing the design and construction of the Crossroads.

Question 10

Crossroads Arena Corporation will hold the prime operating lease for the Crossroads and it anticipates that it will enter into sub-leases with other parties expected to be involved in the Crossroads, such as sports franchises (including the Buffalo Sabres, the Buffalo Bandits, the Buffalo Blizzard, the Buffalo Stampede), concessionaires and retailers, where such parties may occupy some space in the Crossroads. However, all obligations relating to the financing and construction of the Crossroads will be borne by Crossroads Arena Corporation. Determination of whether and to what extent any of Crossroads Arena Corporation's obligations relating to the development, construction and operation of the Crossroads will be guaranteed by others is not possible at this time.

Crossroads Site Plan

Project Area

SITE PLAN

EXHIBIT A20-SITE PLAN

Question 23

The Buffalo Urban Renewal Agency presently owns a portion of the real property on the proposed site for the Crossroads and will own the rest of the real property on the site upon completion of condemnation proceedings. The Buffalo Urban Renewal Agency filed a condemnation petition relating to the remaining real property on the Crossroads site on May 26, 1994 (Index No. I 1994/5719).

Question 28

Legislation was enacted by the State of New York on August 4, 1993 authorizing the participation of local government units and agencies in the development and construction of the Crossroads, and specifically authorizing the ECIDA's participation in, and conferring of benefits on, the Crossroads project (see the attached Exhibit A28--Enabling Legislation). The construction of the Crossroads will require the issuance of a building permit by the City of Buffalo, and the approval of the State of New York Code Division. Crossroads Arena Corporation has filed a petition with the NYS Code Division (Petition No. 138-94-15), and a hearing on the petition is scheduled for August 25, 1994. Additional permits and approvals for the project are described on the attached Exhibit A28--Permits and Approvals.

STATE OF NEW YORK

30003

Rec. No. 1146

1993-1994 Regular Sessions

IN ASSEMBLY

July 7, 1993

Senate Bill Pr. No. 6116, Rec. No. 1146 by COMMITTEE ON RULES — read once and referred to the Committee on Local Governments — Committee discharged, bill substituted for Assembly bill Int. 8778 Introduced by COMMITTEE ON RULES — (at request of M. of A. Eve, Pordum, Tokasz, Boyt, Keane, Schimminger, Pillittere, Parment, Reynolds, Anderson) — amended on the special order of third reading, ordered reprinted as amended, retaining its place on the special order of third reading

AN ACT to authorize the participation of local government units and agencies in the development and construction of a sports and entertainment complex in the city of Buffalo

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Policy and purposes. It is hereby declared to be the policy of this state to promote the economic welfare and prosperity of inhabitants of cities and counties which are suffering undue economic dislocation and unemployment, and to actively promote, attract, encourage and develop commerce through cooperative governmental action for the purpose of preventing further unemployment and economic deterioration. The promotion, attraction and development of commerce in the city of Buffalo and county of Erie is a matter of state concern. It is hereby further declared that the county of Erie and the city of Buffalo have suffered such economic dislocation and unemployment so as to warrant such governmental action. It is further found that participation by the city of Buffalo, the county of Erie and state of New York in the construction, operation, maintenance and financing of a sports and entertainment complex is hereby declared to be for a public and governmental purpose and in the public interest for the benefit of the people of said city, county and state and the improvement of their health, edu-

EXPLANATION--Matter in *italics* (underscored) is new; matter in brackets [ ] is old law to be omitted.

LBD11871-03-3

EXHIBIT A28--
ENABLING LEGISLATION

cation, welfare, recreation, well-being and prosperity and for the advancement and improvement of recreation, trade and commerce.

§ 2. The following terms, whenever used or referred to in this Act, unless the context indicates otherwise, shall have the following meanings:

(a) "Ancillary development agreement". Any contract, document or agreement resulting from, arising out of or necessary to effectuate any term, covenant or condition of the development and operation plan.

(b) "BURA". The Buffalo urban renewal agency, a public benefit corporation created pursuant to article 15-B of the general municipal law.

(c) "City". The City of Buffalo.

(d) "Corporation". The New York state urban development corporation, a public benefit corporation created by chapter 174 of the laws of 1968.

(e) "County". The County of Erie.

(f) "Participating development entities". Each of (i) the city, county, ECIDA, ECDC, and/or BURA, (ii) the state, the corporation or any subsidiary thereof, acting pursuant to the state financing assistance legislation, and (iii) any other governmental unit, agency or instrumentality acting in accordance with the development and operation plan described in section three of this act and any effective amendments thereto.

(g) "ECDC". The Erie county development corporation, a not-for-profit corporation incorporated by county officials under section 1411 of the not-for-profit corporation law.

(h) "ECIDA". The Erie county industrial development agency, a public benefit corporation created pursuant to Article 18-a of the general municipal law.

(i) "Development and operation plan". A plan for the project agreed to by the participating development entities, which sets forth the respective rights, powers and duties of the participating development entities and any and all other parties participating in the project pursuant to such plan, including but not limited to, project financing, planning, design, construction, operation and maintenance.

(j) "Project". A sports and entertainment arena and entertainment complex at a site located at Main Street and South Park Avenue in the city of Buffalo and any and all facilities and improvements appurtenant thereto, including, without limitation, parking lots and structures, transportation facilities and public areas.

(k) "State". Any state agency, department, board, bureau, division or office of the state of New York.

(l) "State financing assistance legislation". Omnibus state financing legislation.

§ 3. Notwithstanding the provisions of any general, special or local law or charter, the participating development entities are authorized and empowered to prepare or cause to be prepared a development and operation plan for the project which may include, but not be limited to, provisions concerning the following:

(a) Plans for securing, by the participating development entities or others, private, federal or local financial support for the development and construction of the project,

(b) Commitments or expressions of intentions to commit by tenants of the project,

(c) The estimated total cost and date of completion of the project,

(d) The sources of revenues that are projected to be available to meet all costs of the financing, operation, repair and continuing use and maintenance of the project,

(e) A description of the principal arrangements and agreements regarding the development, financing, construction, equipping, operation, repair and continuing use and maintenance of the project, including leases and such other agreements as may be determined appropriate.

(f) Arrangements and agreements concerning the coordination of the participation in any and all aspects of the project by development participants and other parties; and

(g) Agreements concerning the interests and rights of the participating development entities and other parties in the project and in any leasehold improvement, appurtenant facilities or other property or rights included therein or related thereto.

§ 4. Notwithstanding the provisions of any general, special or local law or charter, but subject to the state financing assistance legislation:

(a) Each of the participating development entities are hereby authorized and empowered to take any action and enter into any agreement including, but not limited to, the ancillary development agreements, with any party or parties, including private persons or entities, that any of the participating development entities find necessary or appropriate for the development, operation, management, repair and continuing use and maintenance of the project.

(b) The county shall have the power to appropriate county funds and to permit the use of county property of all kinds to support the activities of and assist in funding the obligations of the ECDC or ECIDA, in such amounts and upon such terms and conditions as may be agreed between the county and ECDC or ECIDA, in furtherance of the development and operation plan.

(c) The acquisition of land or rights in land, demolition of existing structures thereon, grading or improving of the project site, construction of parking areas and other facilities appurtenant thereto and improvements in relation thereto for development of the project pursuant to the development and operation plan, is hereby declared to be a specific object or purpose for which indebtedness may be contracted and serial bonds and bond anticipation notes of the city of Buffalo may be issued pursuant to the applicable provisions of the local finance law, and the period of probable usefulness thereof is hereby determined to be forty years. Preliminary costs of surveys, maps, plans, estimates and hearings in connection with such capital improvements and costs incidental to such improvements, including but not limited to legal fees, printing or engraving, costs of issuance of such bonds and notes, publication of notices, taking of title, apportionment of costs and interest during construction shall be deemed part of the cost of such object or purpose.

(d) The ECIDA is authorized to confer any of its benefits and exercise any or all of its rights, powers and privileges under Article 18-A of the general municipal law with respect to the project as if it were a project defined in subdivision 4 of section 854 of such article, including without limitation, that the project shall be exempt from taxation and assessment and any special district service charge created pursuant to chapter 673 of the laws of 1993 if the project is financed in whole or in part with funding provided for, by or through the ECIDA. The ECIDA shall have the power and is hereby authorized to issue its bonds and notes, for or on behalf of the ECDC in connection with the project.

§ 5. This act shall take effect immediately.

PRINTED ON RECYCLED PAPER

CITY OF BUFFALO, ERIE COUNTY, AND NEW YORK STATE REVIEWS AND APPROVALS REQUIRED FOR THE PROPOSED CROSSROADS SPORTS ARENA AND ENTERTAINMENT COMPLEX

Agency	Permit/Approval
CITY OF BUFFALO	
Common Council	• Urban Renewal Plan Amendment • Approval of City Funding Arrangement • Approval of Operating Agreement with Sabres/Crossroads Arena Corporation • Abandonment of Street Rights-of-Way
Department of Community Development	• SEQR Lead Agency for EIS • Capital budget funding
Department of Public Works	• Street design and planning • Issuance of building permits • Issuance of certificate of occupancy
Buffalo Urban Renewal Agency	• Approval of Urban Renewal Plan Amendment • Approval of disposition agreement with redeveloper • Approval of site plan for development • Acquisition, eminent domain, and ground lease
City of Buffalo Planning Board	Review of Urban Renewal Plan, Public Hearing, and Recommendation to Common Council
City of Buffalo Division of Water	Water connection
Buffalo Sewer Authority	Sewer connection
COUNTY OF ERIE	
County Department of Environment and Planning	Review of EIS
County Health Department	Issuance of health permits
ECIDA	County funding
County Legislature	Approval of county funding arrangements
NEW YORK STATE	
New York State Legislature	Approval of state funding arrangements
New York State Urban Development Corp.	Administration of state funds.
Department of Environmental Conservation	Review of site sewer plans
Department of Parks, Recreation and Historic Preservation (State Historic Preservation Office)	Review of effects on cultural resources
Department of Transportation	Realignment of state highways

EXHIBIT A28--PERMITS AND APPROVALS

Question 34

The Crossroads Arena Project will allow for the development of significant waterfront attractions in the City of Buffalo, support the efforts of the Horizons Waterfront Commission and will guarantee that the Sabres stay in Buffalo. The Crossroads is designed to replace Memorial Auditorium ("Aud"), which was built over fifty years ago. The Aud has needed major renovations to maintain the facilities needed to house professional hockey and other events, and lacks the size, amenities and "draw" to keep the Sabres franchise profitable in the face of dramatic increases in operating costs. The Crossroads is designed to address many of the revenue-generating issues facing promoters that cannot be met by the Aud's facilities: all the amenities of a state-of-the-art community entertainment complex, including approximately 80 private suites and approximately 2,500 premium seats, a premium seat club, sports bar restaurant, concession facilities and a sports shop, increased seating capacity for hockey, basketball, indoor soccer, indoor lacrosse, concerts, family shows and other events and will seat approximately 19,400 for hockey, 21,000 for basketball and up to 21,500 for concerts, an ability to attract patrons in the absence of sporting or other entertainment events, and an ability to increase the amount of time patrons spend at the facility both before and after sporting and entertainment events. If the Crossroads is not built, the Sabres, and the other sports franchises currently using the Aud, may not be able to sustain their operations in Buffalo and may, in the worst case, be forced to seek a new venue in another, more profitable, surrounding.

Question 35

The estimated cost of development and construction of the Crossroads project is set at one hundred twenty-two million five hundred thousand dollars ($122,500,000.00). Due to the size of the project's budget, development and construction of the Crossroads is wholly dependent on obtaining financing. The proposed financing arrangement for the Crossroads relies on the participation of a number of public and private sources, including the ECIDA, and each source of financing is necessary for the completion of the Crossroads project. The ECIDA's participation will act as the cornerstone for achieving the development and construction of the Crossroads within the project budget, thereby allowing Crossroads Arena Corporation to secure the financing necessary for the project. If Crossroads Arena Corporation is unable to arrange suitable financing, the Crossroads simply will not be built.

As previously noted, the Crossroads is viewed as a key component of Buffalo's waterfront redevelopment plan and an integral part of the revitalization of the waterfront area and downtown Buffalo. An economic impact study prepared for the Crossroads project estimates that the potential annual incremental economic contributions to the Western New York economy associated with the income and expenditures involved in the operations of the sports franchises currently using the Aud and construction and operation of the Crossroads ("total annual economic output") would grow dramatically. Total annual economic output was estimated in the study to be approximately thirty-six million dollars ($36,000,000.00), and was estimated to increase to approximately eighty-two million dollars ($82,000,000.00) within five years after construction of the Crossroads. During the construction years of the Crossroads, total annual economic output was estimated to reach a peak of approximately one hundred twenty four million dollars ($124,000,000.00).

In addition to the enhancement and revitalization of Buffalo's waterfront and downtown, and the estimated financial benefits brought to the Western New York economy, the development and construction of the Crossroads project will allow the professional sports franchises currently using the Aud, and specifically the Buffalo Sabres, the ability to remain economically viable, and to remain in the City of Buffalo. Due to the size of the media market, the size, condition and limited amenities of the Aud, and the dramatic increases in the operating expenses associated with professional sports franchises, the Buffalo Sabres need to achieve substantial gains in revenues in order to survive. The Crossroads has been designed to address and increase sources of revenues that the Buffalo Sabres believe will allow them to reach necessary financial targets required to stay in the City of Buffalo. If the Crossroads is not built, the

Buffalo Sabres, and the sports franchises associated with the Sabres; the Buffalo Bandits, the Buffalo Blizzard, and the Rochester Americans, may have to relocate to another region in order to remain viable.

If the ECIDA does not participate in the Crossroads project, Crossroads Arena Corporation will probably not be able to arrange suitable financing for the project. If financing is not secured for the Crossroads, it will not be built. The absence of the Crossroads would jeopardize Buffalo's waterfront revitalization plan, would cause the Western New York economy to forego substantial annual increases in output, and may cause the Buffalo Sabres and associated sports franchises to relocate to another region.

ADDENDUM B

PROJECTED EMPLOYMENT PLAN
for
State And Local Exempt (SALE) Industrial Revenue Bonds

All applicants for industrial revenue bond project financing must complete and sign the attached Projected Employment Plan.

PROJECTED EMPLOYMENT PLAN

COMPANY NAME: CROSSROADS ARENA CORPORATION

ADDRESS: 140 MAIN STREET

BUFFALO, NEW YORK 14202

CONTACT PERSON: LAWRENCE QUINN PHONE 856-7300

Please complete the following chart describing your projected employment plans:

This employment plan is required for Agency purposes of projecting expected employment growth by firms utilizing industrial revenue bonds. Failure to achieve the projected number or types of jobs shall not affect the bonding authority of the ECIDA nor result in any penalty to the the company or bond purchasers.

Occupational Category by Code		Current Number Full Time Jobs Per Occupation	Estimated Number of Full Time Jobs After Completion of the Project Year 1	Year 2
0/1	Professional, technical and managerial occupations			
2	Clerical and sales occupations			
3	Service occupations			
4	Agricultural, fishery, forestry and related occupations			
5	Processing occupations			
6	Machine Trades occupations			
7	Benchwork occupations			
8	Structural work occupations			
9	Miscellaneous occupations			
TOTAL*				

ee ttached xhibit B -Projected mployment lan

The local private industry council offers employment and skills training through financial assistance, tax credits and specialized classroom or on the job training. Do you want the ECIDA to refer your company's name to the PIC serving your area?

Yes_____ No X

Prepared By: CAROLYN HOYT

Title: PROJECT DIRECTOR

Signature: _____ Date: 8/ /94

*NOTE: THE APPLICANT SHOULD INDICATE ONLY THE ESTIMATED NUMBER OF PERMANENT FULL TIME JOBS (OR JOBS THAT WILL BE CONVERTED FROM TEMPORARY TO PERMANENT WITHIN A 90-DAY PERIOD FROM THE DATE OF HIRE) WITHIN THREE YEARS OF PROJECT COMPLETION.

EXHIBIT B--PROJECTED EMPLOYMENT PLAN

Employer	Current Employment		Estimated Number of Jobs 1 Year After Completion	
	Full Time	Part Time	Full Time	Part Time
Niagara Frontier Hockey Club, L.P.	125	225	125	300
Aud Club	70	30	[Included elsewhere]	
Concessionaires	8	140	25	300
Buffalo Blizzard	10	80	*	*
Buffalo Bandits	0	25	*	*
Buffalo Stampede	8	14	*	*
Auditorium/ Crossroads Arena	14	65	25	75

* No estimate of future employment for these franchises is currently available; however, future employment is not expected to decrease.

Note: Estimated employment levels for the above are not anticipated to dramatically increase between years 1 and 2 after completion of the project.

ELIGIBILITY QUESTIONNAIRE

FOR

STATE AND LOCAL TAX-EXEMPT (SALE) BOND OR LEASE

PROJECT FINANCING

THIS ELIGIBILITY QUESTIONNAIRE IS TO BE READ IN CONJUNCTION WITH AN ELIGIBILITY QUESTIONNAIRE SUBMITTED CONTEMPORANEOUSLY HEREWITH BY CROSSROADS ARENA CORPORATION

ELIGIBILITY QUESTIONNAIRE
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Certifications (Use applicable certification)	
Addendum A: Environmental Assessment	

Part A: Narrative Project Description

1. Please describe briefly the nature of business in which the applicant is engaged: (Type of business, products or services, market area, employment and any other general information).

Erie County Development Corporation (ECDC) will be a Local Development Corporation formed pursuant to Section 1411 of the Not-for-profit Corporation Law. ECDC will carry out business on behalf of the County of Erie.

2. Please describe briefly the project proposed to be undertaken: (Who will undertake the project? What does it entail? When will it occur? Where will it occur? Why is it necessary? How will it impact employment opportunities for Erie County residents?).

The project will be undertaken by the County of Erie, ECDC, the City of Buffalo, the Urban Development Corporation, Crossroads Arena Corporation, the Buffalo Urban Renewal Agency, Niagara Frontier Hockey, L.P., and the Erie County Industrial Development Agency pursuant to the terms and conditions of the March 28, 1994 Memorandum of Understanding.

The Crossroads Arena Project will have all the amenities of a state-of-the-art community entertainment center, including approximately 80 private suites and approximately 2,500 premium seats, a premium seat club, sports bar restaurant; concession facilities, and sports shop. The Project will accommodate hockey, basketball, indoor soccer, indoor lacrosse, concerts, family shows and other events and will seat approximately 19,400 for hockey, 21,000 for basketball and up to 21,500 for concerts.

Part B: General Applicant Information

3. Company Name: Erie County Development Corporation (to be formed)

   Address: to be determined

   _____ Zip Code: _____

4. Chief Executive Officer: to be determined

   Title: _____ Telephone: _____

5. Person Completing Application: Richard J. Schechter

   Title: Assistant County Attorney Telephone: 858-2225

6. Communications Contact: to be determined

7. Type Business Organization:
   ( ) Corporation ( ) Partnership
   ( ) Subchapter "S" ( ) Sole Proprietorship
   (X) Other (Specify)
   Local Development Corporation form pursuant to Section 1411 of the Not-for-Profit Corporation Law.

8. If applicant is a corporation, indicate:

   If the corporation is (X) privately, or ( ) publicly held.

   State of Incorporation: New York

   Officers and Directors of the Corporation (list):

Title	Name/Home Address	% Ownership
to be determined		

9. If the Applicant is a partnership, indicate:

Partners in the Partnership (list and indicate all general and limited partners):

Name/Home Address	% Ownership
Not applicable	

10. If the project is to be occupied by one or more other entities or if the applicant's obligations are to be guaranteed by one or more other entities, attach a separate sheet giving all information requested in questions numbered 1 through 8 above for each entity. If not, check ( ).

See Crossroads Arena Corporation response.

11. Counsel to the Applicant:

Attorney: Erie County Attorney
Richard J. Schecter, Asst. Co. Atty. Telephone: 858-2225

Law Firm: Erie County Attorney

Address: 69 Delaware Avenue

Buffalo, New York Zip Code: 14202

12. Applicant's Accountant:

Accountant: to be determined Telephone: _____

Accounting Firm: _____

Address: _____

_____ Zip Code _____

Part C: Applicant's Business Information

13. Type of Business (Check):

( ) Manufacturing (Circle appropriate two-digit SIC code):

20 - Food & Kindred Products
21 - Tobacco Products
22 - Textile Mill Products
23 - Apparel & Other Textiles
24 - Lumber & Wood Products
25 - Furniture & Fixtures
26 - Paper & Allied Products
27 - Printing & Publishing
28 - Chemicals & Allied Products
29 - Petroleum & Coal Products
30 - Rubber & Misc. Plastic Products
31 - Leather & Leather Products
32 - Stone, Clay & Glass Products
33 - Primary Metal Products
34 - Fabricated Metal Products
35 - Machinery, Except Electrical
36 - Electric & Electronic Equipment
37 - Transportation Equipment
38 - Instruments & Related Products
39 - Miscellaneous Manufacturing

( ) Warehouse
( ) Industrial Service
( ) Commercial Service
(X) Other
( ) Wholesale
( ) Retail
( ) Recreational

14. Specific Products and/or Services (Describe):

Not applicable

15. Product Market Area (Approximate):

(%) Local - Western New York
(%) Regional - Northeastern U.S.
(%) National
(%) International

Not applicable

16. Applicant's Business References:
Banking (list names of banks, location, account officers and telephone):

Not applicable

Suppliers (list three largest - name, address, telephone and terms of sale):

Not applicable

Customers (list three largest - name, address, telephone and % of gross business represented):

Not applicable

17. Present Business Facilities Located in Erie County (List):

City, Town, Village	School District	Own	Lease	Total Square Feet
None				

Current Annual Taxes Paid On Facilities Listed Above (List):

	County Taxes		Municipal Taxes		School Taxes	
Location	Land	Buildings	Land	Buildings	Land	Buildings
None						

18. Present Business Facilities Located in New York State Outside of Erie County (List):

City, Town, Village	Own	Lease	Total Square Feet
None			

22. Project consists of (check each that applies): See Crossroads Arena Corporation response

( ) Land Acquisition
Indicate number of acres:_____

( ) Existing Building(s) Acquisition
Indicate number of bldgs.:_____ Sq. Ft.:_____

( ) Building Addition
Indicate additional sq. ft.:_____Addition cost:_____

( ) Building Renovation
Indicate Renovation Cost: $_____Sq. Ft.:_____

( ) New Building(s) Construction
Indicate number of bldgs.:_____ Sq. Ft.:_____

( ) Machinery and/or Equipment Purchase(s)
Indicate purchase cost: $_____

23. Current Project Site Owner: See Crossroads Arena Corporation response

( ) Applicant
Indicate: Date of Purchase:_____

Purchase Price:_____

Balance Owed:_____

Mortgage Holder:_____

( ) Other Entity
Indicate: Current Owner:_____

Purchase Option/Contract of Sale in effect ( ) No ( ) Yes
Indicate: Date Signed:_____

Stated Purchase Price:_____

Option Expiration Date:_____

Stated Settlement Date:_____

Is option/contract contingent upon financing by ECIDA?
( ) No ( ) Yes

Does the applicant currently lease any portion of the Project site?
( ) No ( ) Yes

Indicate: Square Feet:_____

% of Total Square Feet:_____

(23. cont'd) Is there a relationship by virtue of common control or ownership between the applicant and the current owner of the project site?
( ) No ( ) Yes; as follows:

24. Site Use at Project Completion: See Crossroads Arena Corporation response

(%) Applicant
Indicate: Sq. Ft.:_____

(%) Other (Specify Other Entity):_____
Indicate: Sq. Ft.:_____Use:_____

(%) Other (Specify Other Entity):_____
Indicate: Sq. Ft.:_____Use:_____

(%) Other (Specify Other Entity):_____
Indicate: Sq. Ft.:_____Use:_____

25. If this project involves building construction, renovations or additions, has any of the following work begun? See Crossroads Arena Corporation response

( ) No	Site Clearance	( ) Yes;	% Complete
( ) No	Footings Installation	( ) Yes;	% Complete
( ) No	Foundation Installation	( ) Yes;	% Complete
( ) No	Steel Erection	( ) Yes;	% Complete
( ) No	Masonry Work	( ) Yes;	% Complete
( ) No	Building Renovations	( ) Yes;	% Complete

26. Machinery and equipment purchases (List):

MACHINERY & EQUIPMENT:

Item	Date Ordered	Delivery Date	Price

to be determined

Are proposed project machinery and equipment purchases currently ordered contingent upon ECIDA financing? ( ) No ( ) Yes. If yes, please attach purchase order(s) and list:

Item	Cancellation Date

to be determined

27. Will the project have a significant effect on the environment?
( ) No (X) Yes, as follows:

See Draft Environmental Impact Statement, accepted by City of Buffalo Department of Community Development, as lead agency, on July 14, 1993, and Final Environmental Impact Statement accepted by City of Buffalo Department of Community Development on November 5, 1993.

28. If the construction or operation of the proposed project will require a permit or prior approval of any local, state or federal jurisdictional authority, please specify:

See Crossroads Arena Corporation response.

Part E: Project Expenditures:

29. Projected Costs (List in round numbers to nearest thousand)

ITEM	AMOUNT
Land	$ See Crossroads Arena Corporation response
Building(s)	"
Renovation(s)	"
Addition(s)	"
Machinery and Equipment	"
Installation	"
Architectural/Engineering Fees	"
Legal Fees	to be determined
Agency Fee	to be determined
Interest on Construction Financing	See Crossroads Arena Corporation response
Other (Specify)_____	"
Total Project Cost	$ "
Total Bond Issue Face Amount	$to be determined

30. If any of the above expenditures have been made or incurred but not paid, please list:

ITEM	AMOUNT	PAID	INCURRED
Nixon, Hargrave, Devans & Doyle legal fees through June 30, 1994	$43,391.38	0	$43,391.38

31. Project Financing Schedule (List):

	DATE	AMOUNT OF FUNDS REQUIRED
Commencement of Project	See Crossroads Arena Corporation response	See Crossroads Arena Corporation response
Completion of Project	"	"
Anticipated Bond Closing	2/15/95	to be determined

32. Will the real estate be held by the stockholder(s) of the applicant, a real estate holding company, partnership or other such entity?
( ) Yes (X) No
If yes, please indicate name of the individual(s) or entity:

33. Will project funds be used for the following purposes (Indicate use and amount):

(X)	No	Working Capital	( )	Yes;	$_____
(X)	No	Moving Expenses	( )	Yes;	$_____
(X)	No	Work in Progress	( )	Yes;	$_____
(X)	No	Stock in Trade	( )	Yes;	$_____
(X)	No	Debt Repayment/ Refinancing	( )	Yes;	$_____

Part F: PROJECT ECONOMIC IMPACT

34. Project Justification: (Briefly describe why project is necessary and effect on applicant's business):

See Crossroads Arena Corporation response.

35. Financing Impact: (Briefly describe impact on applicant and Erie County if suitable financing is unable to be arranged. Would project proceed without Agency financing?):

See Crossroads Arena Corporation response.

36. Employment Impact: (Please complete the following chart describing your projected employment plans).

See Addendum B to Crossroads Arena Corporation response

[this paragraph is to be completed on the attached ADDENDUM B]

37. Project Payroll Impact (Estimate): See Crossroads Arena Corporation response

	Full Time	Part Time	Seasonal
At Present: Payroll	$_____	$_____	$_____
After First Year: Payroll	$_____	$_____	$_____
After Two Years: Payroll	$_____	$_____	$_____

38. Economic Development Coordination (Please specify any other governmental agencies that have been contacted or involved with respect to this project and briefly indicate the nature of such involvement):

See March 28, 1994 Memorandum of Understanding.

(To be Completed Only if the Applicant is a Corporation)

CERTIFICATION

_____
(Name of Chief Executive Officer of the Company submitting Application)

deposes and says that he is the _____
of Erie County Development Corporation, a to-* , the corporation named in
(Company Name)
*be-formed New York local development corporation.
the attached application; that he has read the foregoing application, addendums and enclosures and knows the contents thereof; that the same is true to his knowledge, contains no information or data that is false or incorrect and is truly descriptive of the project which is intended as the security for the requested financing.

Deponent further says that the reason this verification is made by the deponent and not by Erie County Development Corporation, a to-be-formed New York local development corporation (Company Name) is because the said Company is a corporation. The grounds of deponent's belief relative to all matters in the said application which are not stated upon his own personal knowledge, are investigations which deponent has caused to be made concerning the subject matter of this application as well as information acquired by deponent in the course of his duties as an officer of and from the books and papers of said corporation.

As an officer of said corporation (hereinafter referred to as the "applicant") deponent acknowledges and agrees that applicant shall be and is responsible for all costs incurred by the non-profit Erie County Industrial Development Agency (hereinafter referred to as the "Agency") acting in connection with the attendant negotiations and ultimately the necessary issue of bonds whether or not ever carried to successful conclusion. If, for any reason whatsoever, the applicant fails to conclude or consummate necessary negotiations or fails to act within a reasonable or specified period of time to take reasonable, proper, or requested action or withdraws, abandons, cancels, or neglects the application or if the Agency or applicant are unable to find buyers willing to purchase the total bond issue required, then upon presentation of invoice, applicant shall pay to the Agency, its agents, or assigns all actual costs involved in conduct of the application, up to that date and time, including fees of bond counsel for the Agency and fees of general counsel for the Agency. The costs incurred by the Agency and paid by the applicant, including bond counsel and the Agency's general counsel's fees and the administrative fee, may be considered as a cost of the project and included as part of the resultant bond issue.

_____
(Chief Executive Officer's signature)

NOTARY

Sworn to before me this

_____day of August, 19 94

SEAL

_____

(To be Completed Only if the Applicant is a Corporation)

CERTIFICATION

DENNIS T. GORSKI AS COUNTY EXECUTIVE
(Name of Chief Executive Officer of the Company submitting Application)

deposes and says that he is the AGENT
of Erie County Development Corporation, a to-* , the corporation named in
(Company Name)
the attached application; that he has read the foregoing application, addendums and enclosures and knows the contents thereof; that the same is true to his knowledge, contains no information or data that is false or incorrect and is truly descriptive of the project which is intended as the security for the requested financing.

*be-formed New York local development corporation.

Deponent further says that the reason this verification is made by the deponent and not by Erie County Development Corporation, a to-be-formed New York local development corporation
(Company Name)
is because the said Company is a corporation. The grounds of deponent's belief relative to all matters in the said application which are not stated upon his own personal knowledge, are investigations which deponent has caused to be made concerning the subject matter of this application as well as information acquired by deponent in the course of his duties as an officer of and from the books and papers of said corporation.

As an officer of said corporation (hereinafter referred to as the "applicant") deponent acknowledges and agrees that applicant shall be and is responsible for all costs incurred by the non-profit Erie County Industrial Development Agency (hereinafter referred to as the "Agency") acting in connection with the attendant negotiations and ultimately the necessary issue of bonds whether or not ever carried to successful conclusion. If, for any reason whatsoever, the applicant fails to conclude or consummate necessary negotiations or fails to act within a reasonable or specified period of time to take reasonable, proper, or requested action or withdraws, abandons, cancels, or neglects the application or if the Agency or applicant are unable to find buyers willing to purchase the total bond issue required, then upon presentation of invoice, applicant shall pay to the Agency, its agents, or assigns all actual costs involved in conduct of the application, up to that date and time, including fees of bond counsel for the Agency and fees of general counsel for the Agency. The costs incurred by the Agency and paid by the applicant, including bond counsel and the Agency's general counsel's fees and the administrative fee, may be considered as a cost of the project and included as part of the resultant bond issue.

(Chief Executive Officer's signature)

NOTARY

Sworn to before me this

9th day of August, 1994

SEAL

VALERIE L. PORTER
Notary Public, State of New York
Qualified in Erie County
My Commission Expires Jan.31,19

ARENA, INC.

GENERAL CERTIFICATE

THE UNDERSIGNED DOES HEREBY CERTIFY that (s)he is the Secretary of ARENA, INC., a corporation organized under the laws of the State of New York (the "Member"), and that as such officer (s)he is authorized to execute and deliver this certificate in the name of and on behalf of the Member. Such officer hereby further certifies on behalf of the Member that:

1. This Certificate is being delivered in Buffalo, New York on May 10, 1995 (the "Closing Date"). The terms used in this Certificate, if not defined herein, have the meanings specified in that certain Agency Lease Agreement dated as of May 10, 1995 between the Erie County Industrial Development Agency and Crossroads Arena LLC (the "Company"). The Member is a member of the Company.

2. The Member is duly incorporated, validly existing under the laws of the State of New York and is qualified to do business and is in good standing in the State of New York.

3. The Member is the Manager of the Company and has been duly authorized to execute all agreements on the Company's behalf.

4. The Lease Agreement, the Memorandum of Lease, the Environmental Compliance Agreement, the Master Agreements, the MOU, the Non-Relocation Agreement, the Private Arena Debt Agreements and any and all other agreements and documents required to be executed and delivered by the Company in order to carry out, give effect to and consummate the transactions contemplated by the Lease Agreement (collectively, the "Company Documents") have been duly executed and delivered by the Member, as member of the Company, and have not been amended, modified or rescinded, remain in full force and effect and are the binding and enforceable obligations of the Company enforceable in accordance with their terms, except as such enforceability may be limited by applicable bankruptcy, insolvency and other similar laws affecting creditors' rights generally.

5. There is no action or proceeding pending or, to our best knowledge, threatened, looking toward the dissolution or liquidation of the Member and there is no action or proceeding pending or, to our best knowledge, threatened, by or against the Member affecting the validity or enforceability of the Company Documents.

6. Attached hereto as Exhibit A is a true, correct and complete copy of the Certificate of Incorporation, as amended, of the Member which Certificate of Incorporation is in full force and effect on and as of the Closing Date, without modification or amendment in any respect.

EXHIBIT A

Certificate of Incorporation

State of New York } *ss:*
Department of State }

I hereby certify that I have compared the annexed copy with the original documents filed by the Department of State and that the same is a correct transcript of said original.

Witness my hand and seal of the Department of State on

JAN 18 1995

Alexander F. Treadwell

Secretary of State

F92092200574

INFO.

CERTIFICATE OF INCORPORATION
OF
CROSSROADS ARENA CORPORATION

INFO.

(Under Section 402 of the Business Corporation Law)

The undersigned, for the purpose of forming a corporation under Section 402 of the Business Corporation Law, hereby certifies:

FIRST: The name of the corporation is Crossroads Arena Corporation.

SECOND: The purpose of the corporation is to engage in any lawful act or activity for which corporations may be organized pursuant to the Business Corporation Law of the State of New York; provided, however, that it is not formed to engage in any act or activity requiring the consent or approval of any state official, department, board, agency or other body without such consent or approval first being obtained.

THIRD: The office of the corporation is to be located in the County of Erie and State of New York.

FOURTH: The aggregate number of shares which the corporation shall have the authority to issue is 200 shares, without par value.

FIFTH: The Secretary of State of the State of New York is designated as the agent of the corporation upon whom process against it may be served, and the post office address to which the Secretary of State shall mail a copy of any process served upon him is: c/o Lippes, Silverstein, Mathias & Wexler, 700 Guaranty Building, 28 Church Street, Buffalo, New York 14202-3950.

SIXTH: The corporation shall, to the fullest extent permitted by Article 7 of the Business Corporation Law of the State of New York, as the same may be amended and supplemented, indemnify any and all persons whom it shall have power to indemnify under said Article from and against any and all of the expenses, liabilities, or other matters referred to in or covered by said Article, and the indemnification provided for herein shall not be deemed exclusive of any other rights to which any person, acting in any capacity at the request of the corporation, may be entitled under any By-Law, resolution of shareholders, resolution of directors, agreement, or otherwise, as permitted by said Article.

SEVENTH: The personal liability of the directors of the corporation is limited to the fullest extent permitted by the provisions of paragraph (b) of Section 402 of the Business Corporation Law of the State of New York, as the same may be amended and supplemented.

EIGHTH: The undersigned incorporator is of the age of 18 years or older.

IN WITNESS WHEREOF, this Certificate has been subscribed this 15th day of September, 1992 by the undersigned who affirms that the statements made herein are true under the penalties of perjury.

Robert J. Olivieri, Esq.
Incorporator
Lippes, Silverstein, Mathias & Wexler
700 Guaranty Building
28 Church Street
Buffalo, New York 14202-3950

F920922000574

INFO.

L4100-907287

CERTIFICATE OF INCORPORATION

OF

CROSSROADS ARENA CORPORATION

(Under Section 402 of the Business Corporation Law)

RECEIVED
SEP 21 12 10 PM '92

FILED
SEP 22 4 45 PM '92

KC
STATE OF NEW YORK
DEPARTMENT OF STATE
FILED SEP 22 1992
TAX $ 10.00
BY: SLW
E42

slw/ltr
Tax-10

BILLED

LIPPES, SILVERSTEIN, MATHIAS & WEXLER
700 GUARANTY BUILDING
28 CHURCH STREET
BUFFALO, NEW YORK 14202-3950

3

920922000640

State of New York } *ss:*
Department of State }

I hereby certify that I have compared the annexed copy with the original documents filed by the Department of State and that the same is a correct transcript of said original.

Witness my hand and seal of the Department of State on

JAN 18 1995

Alexander F. Treadwell

Secretary of State

INFO-17

(9411170003 74

CERTIFICATE OF AMENDMENT
OF
CERTIFICATE OF INCORPORATION
OF
CROSSROADS ARENA CORPORATION

(Under Section 805 of the Business Corporation Law)

The undersigned, being the President and Secretary of Crossroads Arena Corporation, (the "Corporation") hereby certify

1 The name of the Corporation is Crossroads Arena Corporation, the name under which the Corporation was formed

2 The Certificate of Incorporation of the Corporation was filed by the Department of State on September 22, 1992

3 The Certificate of Incorporation of the Corporation is hereby amended

A To change the corporate name Paragraph First of the Certificate of Incorporation, which sets forth the name of the Corporation, is amended to read

FIRST The name of the Corporation is Arena, Inc

4 The above amendment to the Certificate of Incorporation was authorized by a vote of the Board of Directors, followed by a vote of the shareholders of all outstanding shares entitled to vote thereon at a meeting of shareholders

1

IN WITNESS WHEREOF, we have executed this Certificate and affirm the truth of the statements herein under penalty of perjury this 19th day of October, 1994.

Seymour H. Knox, III
President

Robert O. Swados
Secretary

2

INFO-17

(2845085523

(9411700037

CERTIFICATE OF AMENDMENT
OF
CERTIFICATE OF INCORPORATION
OF
CROSSROADS ARENA CORPORATION

(Under Section 805 of the Business Corporation Law)

COHEN SWADOS WRIGHT HANLEN BRADFORD & BRETT
COUNSELLORS AT LAW
70 NIAGARA STREET
BUFFALO, NEW YORK

2cc

STATE OF NEW YORK
DEPARTMENT OF STATE
FILED NOV 17 1994
TAX $ —
BY: Reg

Cert

BILLED

3

9411170038 5

EXHIBIT B

By-Laws

EXHIBIT B

BY-LAWS

of

CROSSROADS ARENA CORPORATION

OFFICES

ARTICLE I.

Section 1. Office. The office of the corporation will be located in the City of Buffalo.

Section 2. Additional Offices. The corporation may also have offices and places of business at such other places as the Board of Directors may from time to time determine or the business of the corporation may require.

MEETINGS OF SHAREHOLDERS

ARTICLE II.

Section 1. Place of Meetings. The annual meeting of the shareholders for the election of directors and all special meetings of shareholders for that or for any other purpose may be held in such place within or without the State of New York as shall be stated in the notice of the meeting, or in a duly executed waiver of notice thereof.

Section 2. Date of Annual Meetings. The annual meeting of shareholders shall be held on the date fixed by the Board of Directors during the month of February or March of each year, at which they shall elect a Board of Directors and transact such other business as may properly be brought before the meeting.

Section 3. Notice of Annual Meeting. Written notice of the annual meeting, the place, date and hour of the meeting shall be given personally or by mail to each shareholder entitled to vote thereat, not less than ten (10) nor more than fifty (50) days prior to the meeting.

Section 4. Special Meetings. Special meetings of the shareholders, for any purpose or purposes, unless otherwise prescribed by statute or by the Certificate of Incorporation, may be called by the Chairman of the Board, the President or the Board of Directors, and shall be called by the President or the Secretary at the request in writing of a majority of the Board of Directors, or at the request in writing of shareholders owning at least twenty-five percent (25%) in amount of the shares of stock of the corporation issued and outstanding and entitled to vote. Such request shall state the purpose or purposes of the proposed meeting.

Section 5. Notice of Special Meeting. Written notice of a special meeting of shareholders, stating the place, date and hour of the meeting, the purpose or purposes for which the meeting is called and at whose direction it is being issued, shall be given personally or by mail to each shareholder entitled to vote thereat, not less than ten (10) nor more than fifty (50) days prior to the meeting.

Section 6. Quorum. Except as otherwise provided by the Certificate of Incorporation, the holders of a majority of

the shares of stock of the corporation issued and outstanding and entitled to vote thereat, present in person or represented by proxy, shall be requisite for and shall constitute a quorum at all meetings of the shareholders for the transaction of business. If, however, such quorum shall not be present or represented at any meeting of the shareholders, the shareholders entitled to vote thereat, present in person or represented by proxy, shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally noticed.

Section 7. Voting. At any meeting of the shareholders every shareholder having the right to vote shall be entitled to vote in person, or by proxy appointed by an instrument in writing subscribed by such shareholder. Except as otherwise provided by law or the Certificate of Incorporation, each shareholder of record shall be entitled to one vote for every share of such stock standing in his name on the books of the corporation. All elections shall be determined by a plurality vote, and, except as otherwise provided by law or the Certificate of Incorporation, all other matters shall be determined by vote of a majority of the shares present or represented at such meeting and voting on such questions.

Section 8. Proxies. Every proxy must be executed in writing by the shareholder or by his attorney-in-fact. No proxy shall be valid after the expiration of eleven (11) months from the date of its execution unless it shall have specified therein its duration. Every proxy shall be revocable at the pleasure of the person executing it or of his personal representatives or assigns, except in those cases where an irrevocable proxy is permitted by law.

Section 9. Consents. Whenever by any provision of statute or of the Certificate of Incorporation or of these By-Laws, the vote of shareholders at a meeting thereof is required or permitted to be taken in connection with any corporate action, the meeting and vote of shareholders may be dispensed with, if all the shareholders who would have been entitled to vote upon the action if such meeting were held shall consent in writing to such corporate action being taken.

DIRECTORS

ARTICLE III.

Section 1. Number; Tenure; Removal. The number of directors which shall constitute the entire board shall be fixed and may be altered by resolution adopted by the shareholders, provided that such number shall not be less than two or more than nine.

Directors shall be elected at the annual meeting of the shareholders, except as provided in Section 2 of this

Article III, and each director shall be elected to serve until his successor has been elected and has qualified.

Any director may resign at any time. The shareholder may, by majority vote, remove a director with or without cause.

Section 2. Vacancies. If any vacancies occur in the Board of Directors by reason of the death, resignation, retirement, disqualification or removal from office of any director, or if any new directorships are created, the shareholders shall, by majority vote, choose a successor or successors, or fill the newly created directorship, and the directors so chosen shall hold office until the next annual election of directors and until their successors shall be duly elected and qualified, unless sooner displaced.

MEETINGS OF THE BOARD

ARTICLE IV.

Section 1. Place. The Board of Directors of the corporation may hold meetings, both regular and special, either within or without the State of New York.

Section 2. First Meetings. The first meeting of each newly elected Board of Directors shall be held at the same place as and immediately following the annual meeting of shareholders, and no notice of such meeting shall be necessary to the newly elected directors in order legally to constitute the meeting, provided a quorum shall be present. In the event such meeting is

not held at the time and place so fixed, the meeting may be held at such time and place as shall be specified in a notice given as hereinafter provided for special meetings of the Board of Directors, or as shall be specified in a written waiver signed by all of the directors.

Section 3. Regular Meetings. Regular meetings of the Board of Directors may be held without notice at such time and at such place as shall from time to time be determined by the board.

Section 4. Special Meetings. Special meetings of the board may be called by the Chairman of the Board, if any, or by the President or Vice Chairman on two days' notice by mail or on one day's notice personally or by telegram to each director; special meetings shall be called by the Chairman, President, Vice Chairman or Secretary in like manner and on like notice on the written request of two directors.

Section 5. Quorum. At all meetings of the board a majority of directors of the entire Board of Directors shall constitute a quorum for the transaction of business and the act of a majority of the directors present at any meeting at which there is a quorum shall be the act of the Board of Directors, except as may be otherwise specifically provided by statute or by the Certificate of Incorporation, and in the event of a tie, the vote of the Chairman shall control. If a quorum shall not be present at any meeting of the Board of Directors the directors present thereat may adjourn the meeting from time to time,

without notice other than announcement at the meeting, until a quorum shall be present.

Section 6. Action By The Board. Any action required or permitted to be taken by the Board or any committee thereof may be taken without a meeting if all of the members of the Board or committee consent in writing to the adoption of a resolution authorizing such action. The resolution and written consents thereto by the members of the Board or committee shall be filed with the minutes of the proceedings of the Board or committee. Any one or more members of the board or any committee thereof may participate in a meeting of the board or committee by means of a conference telephone or similar communications equipment allowing all persons participating in the meeting to hear each other at the same time.

Section 7. Compensation. Each director shall be entitled to receive as compensation for his services such sum as shall from time to time be fixed by resolution of the Board, and each director shall be entitled to reimbursement for all traveling expenses incurred by him in attending any such meeting. Nothing herein contained shall be construed to preclude any director from serving the corporation in any other capacity and receiving compensation therefor.

COMMITTEES OF DIRECTORS

ARTICLE V.

Section 1. Creation. The Board of Directors may, by resolution or resolutions adopted by a majority of the entire Board, designate one or more committees, each committee to consist of three or more of the directors, which, to the extent provided in said resolution or resolutions and within the limitations prescribed by statute, shall have and may exercise the powers of the Board of Directors in the management of the business and affairs of the corporation, and may have power to authorize the seal of the corporation to be affixed to all papers which may require it.

NOTICES

ARTICLE VI.

Section 1. Form; Delivery. Notices to directors and shareholders shall be in writing and may be delivered personally or by mail. Notice by mail shall be deemed to be given at the time when the same shall be deposited in the post office or a letter box, in a postpaid sealed wrapper, and shall be addressed to directors or shareholders at their addresses appearing on the records of the corporation, unless any such director or shareholder shall have filed with the Secretary of the corporation a written request that notices intended for him be mailed to the address designated in such request. Notice to directors may also be given by telegram.

Section 2. Waiver. Whenever a notice is required to be given by any statute, the Certificate of Incorporation or these By-Laws, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated thereon, shall be deemed equivalent thereto.

OFFICERS

ARTICLE VII.

Section 1. Officers. The officers of the corporation shall be a Chairman, Vice Chairman, President, a Senior Vice President-Finance one or more Vice Presidents, a Treasurer and a Secretary. Any two or more offices may be held by the same person, except the offices of President and Secretary. The Board of Directors may also elect or appoint such other officers as it may determine.

Section 2. Term of Office; Removal. All officers shall hold office for such term as may be prescribed by the Board of Directors. Any officer elected or appointed by the board may be removed with or without cause at any time by the board.

Section 3. Compensation. The compensation of all elected officers of the corporation shall be fixed by the Board of Directors, and the compensation of appointed officers and agents shall either be so fixed or shall be fixed by officers thereunto duly authorized.

Section 4. Vacancies. If the office of any officer becomes vacant for any reason, the Board of Directors may fill

such vacancy. Any officer so appointed or elected by the board shall serve only until such time as the unexpired term of his predecessor shall have expired unless reelected or reappointed.

Section 5. The Chairman of the Board. The Chairman of the Board of Directors, or in his absence the Vice Chairman, shall preside at all meetings of the shareholders and directors and shall have such other powers and duties as may from time to time be assigned by the board.

Section 6. The President. In the absence of the Chairman of the Board, or if there be no Chairman, the President shall preside at all meetings of the shareholders and directors. He shall be ex officio a member of all standing committees, have general and active management and control of the business and affairs of the corporation subject to the control of the Board of Directors, and shall see that all orders and resolutions of the board are carried into effect. The President may execute in the name of the corporation all deeds, bonds, mortgages, contracts and other instruments requiring a seal, under the seal of the corporation, except where required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be expressly delegated by the Board of Directors to some other officer or agent of the corporation.

Section 7. The Vice President. The Vice President or, if there be more than one, the Vice Presidents, in the order of their seniority or in any other order determined by the board

shall, in the absence or disability of the President, perform the duties and exercise the powers of the President, and shall generally assist the President and perform such other duties as the Board of Directors shall prescribe.

Section 8. The Secretary. The Secretary shall attend all meetings of the board and all meetings of the shareholders and record all votes and the minutes of all proceedings in a book to be kept for that purpose and shall perform like duties for the standing committees when required. He shall give, or cause to be given, notice of all meetings of the shareholders and special meetings of the Board of Directors, and shall perform such other duties as may be prescribed by the Board of Directors or President, under whose supervision he shall act. He shall keep in safe custody the seal of the corporation and, when authorized by the board, affix the same to any instrument requiring it and, when so affixed, it shall be attested by his signature or by the signature of the Treasurer or an Assistant Secretary or Treasurer. He shall keep in safe custody the certificate books and stock bonds and such other books and papers as the board may direct and shall perform all other duties incident to the office of Secretary.

Section 9. Assistant Secretaries. The Assistant Secretaries, if any, in order of their seniority, shall, in the absence or disability of the Secretary, perform the duties and

exercise the powers of the Secretary and shall perform such other duties as the Board of Directors shall prescribe.

Section 10. Senior Vice President-Finance. The Senior Vice President-Finance shall have the care and custody of the corporate funds, and other valuable effects, including securities, and shall keep full and accurate accounts of receipts and disbursements in books belonging to the corporation and shall deposit all moneys and other valuable effects in the name and to the credit of the corporation in such depositories as may be designated by the Board of Directors. The Senior Vice President-Finance shall disburse the funds of the corporation as may be ordered by the board, taking proper vouchers for such disbursements, and shall render to the President and directors, at the regular meetings of the board, or whenever they may require it, an account of all his transactions as Senior Vice President-Finance and of the financial condition of the corporation.

Section 11. Treasurer. The Treasurer and Assistant Treasurers, if any, in the order of their seniority, shall, in the absence or disability of the Senior Vice President-Finance, perform the duties and exercise the power of the Senior Vice President-Finance and shall perform such other duties as the Board of Directors shall prescribe.

Section 12. Controller. The controller, if any, shall maintain adequate records of all assets, liabilities and

transactions of the corporation and shall have adequate audits thereof currently and regularly made. In conjunction with other officers, he shall initiate and enforce measures and procedures whereby the business of the corporation shall be conducted with the maximum safety, efficiency and economy.

Section 13. Voting of Securities. Unless otherwise ordered by the Board of Directors, the Chairman or the President shall have full power and authority on behalf of the corporation to vote in person or by proxy at any meetings of the stockholders or partners of any corporation or partnership in which the Corporation may hold stock or be a partner, and at any such meetings shall possess and may exercise any and all rights and powers incident to the ownership of such stock or partnership interest. The Board of Directors may, by resolution, from time to time confer like powers upon any other person or persons.

SHARE CERTIFICATES

ARTICLE VIII.

Section 1. Form; Signatures. The certificates for shares of the corporation shall be in such form as shall be determined by the Board of Directors and shall be numbered consecutively and entered in the books of the corporation as they are issued. Each certificate shall exhibit the registered holder's name and the number and class of shares, and shall be signed by the Chairman of the Board, President or a Vice President and the Treasurer or an Assistant Treasurer or the

Secretary or an Assistant Secretary, and shall bear the seal of the corporation or an engraved or printed facsimile thereof. Where any such certificate is countersigned by a transfer agent, or by a registrar, the signature of any such officer may be facsimile. In case any officer or officers who have signed, or whose facsimile signature or signatures have been used on any such certificate or certificates, shall cease to be such officer or officers of the corporation, whether because of death, resignation or otherwise, before such certificate or certificates have been delivered by such corporation, such certificate or certificates may nevertheless be issued and delivered as though the person or persons who signed such certificate or certificates or whose facsimile signature or signatures have been used thereon had not ceased to be such officer or officers of the corporation.

Section 2. Lost Certificates. The Board of Directors may direct a new share certificate or certificates to be issued in place of any certificate or certificates theretofore issued by the corporation alleged to have been lost or destroyed, upon the making of an affidavit of that fact by the person claiming the certificate to be lost or destroyed. When authorizing such issue of a new certificate or certificates, the Board of Directors may, in its discretion and as a condition precedent to the issuance thereof, require the owner of such lost or destroyed certificate or certificates, or his legal representative, to advertise the same in such manner as it shall require and/or to give the

corporation a bond in such sum as it may direct as indemnity against any claim that may be made against the corporation with respect to the certificate alleged to have been lost or destroyed.

Section 3. Registered Shareholders. The corporation shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends, and to vote as such owner, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of New York.

Section 4. Record Date. For the purpose of determining the shareholders entitled to notice of or to vote at any meeting of shareholders or any adjournment thereof, or to express consent to or dissent from any proposal without a meeting, or for the purpose of determining shareholders entitled to receive payment of any dividend or the allotment of any rights, or for the purpose of any other action affecting the interests of shareholders, the Board of Directors may fix, in advance, a record date. Such date shall not be more than fifty (50) nor less than ten (10) days before the date of any such meeting, nor more than fifty (50) days prior to any other action.

In each such case, except as otherwise provided by law, only such persons as shall be shareholders of record on the date

so fixed shall be entitled to notice of, and to vote at, such meeting and any adjournment thereof, or to express such consent or dissent, or to receive payment of such dividend, or such allotment of rights, or otherwise to be recognized as shareholders for the related purpose, notwithstanding any registration of transfer of shares on the books of the corporation after any such record date so fixed.

GENERAL PROVISIONS

ARTICLE IX.

Section 1. Checks. All checks or demands for money and notes of the corporation shall be signed by such officer or officers or such other person or persons as the Board of Directors may from time to time designate.

Section 2. Fiscal Year. The fiscal year of the corporation shall be fixed by resolution of the Board of Directors.

Section 3. Corporate Seal. The corporate seal shall have inscribed thereon the name of the corporation, the year of its organization and the words "Corporate Seal, New York". The seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

AMENDMENTS

ARTICLE X.

Section 1. Power to Amend. The Board of Directors shall have power to make, alter, amend and repeal the By-Laws of

the corporation at any regular or special meeting of the board. However, any by-law adopted by the board may be amended or repealed by vote of the holders of shares entitled at the time to vote in the election of any directors.

Section 2. Amendment Affecting Election of Directors. If any by-laws regulating an impending election of directors is adopted, amended or repealed by the board, there shall be set forth in the notice of the next meeting of shareholders for the election of directors the by-law so adopted, amended or repealed, together with a concise statement of the changes made.

INDEMNIFICATION

ARTICLE XI.

Indemnification of Directors and Officers. Any person made, or threatened to be made, a party to any action or proceeding, whether civil or criminal, by reason of the fact that he, his testator or intestate, is or was a director or officer of the Corporation or serves or served any other corporation in any capacity at the request of the Corporation, shall be indemnified by the Corporation, and the Corporation may advance his related expenses, to the full extent permitted by law.

EXHIBIT C

Resolutions

RESOLUTIONS OF THE DIRECTORS OF

ARENA, INC. (the "Company")

WHEREAS, the Company is a member of Crossroads Arena LLC, a New York limited liability company; and

WHEREAS, CALLC is the developer of the Crossroads Arena, a sports and entertainment complex to be located in Buffalo, New York, including approximately eighty (80) private suites and approximately two thousand five hundred (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 nineteen thousand four hundred (19,400) for hockey and up to twenty one thousand five hundred (21,500) for concerts and other events, and including associated parking structures and surface parking lots ("The Crossroads" or the "Project"); and

WHEREAS, under the Operating Agreement of CALLC, CALLC must act through one or both of its members, namely Niagara Frontier Hockey, L.P. ("NFHLP") and/or the Company; and

WHEREAS, the directors have reviewed certain agreements relating to the design, development and construction of the Project (the "Design, Construction and Development Agreements"), and such ancillary documents as described in each respective Design, Construction and Development Agreement; and

WHEREAS, the directors have reviewed certain agreements by, between and among CALLC and the Buffalo Urban Renewal Agency ("BURA"), the City of Buffalo, County of Erie, Erie County Industrial Development Agency ("ECIDA") and New York State Urban Development Corporation ("UDC") (BURA, the City of Buffalo, County of Erie , ECIDA and UDC collectively referred to as the "Public Participants"), relating to the acquisition and leasing of the Project site and the financing, development, construction and operation of the Project (the "Public Participant Agreements"), and such ancillary documents as described in each respective Public Participant Agreement; and

WHEREAS, the directors have reviewed certain agreements by, between and among CALLC and Marine Midland Bank ("Marine") Key Bank of New York ("Key") (Marine and Key collectively referred to as the "Construction Lenders"), Marine as collateral agent for the Construction Lenders (the "Construction Loan Agent"), relating to the financing of the Project (the "Construction Loan Agreements") and such ancillary documents as described in each respective Construction Loan Agreement; and

WHEREAS, Buffalo Sabres Concession LLC ("BSCLLC") and NFHLP have approved certain agreements by, between and among BSCLLC, NFHLP, Shawmut Bank, N.A. ("Shawmut"), Fleet Bank ("Fleet") (Shawmut and Fleet referred to collectively as the "Concession Lenders"). Shawmut as collateral agent for the Concession Lenders (the "Concession Loan Agent"). Sportservice Corporation, New York Sportservice, Inc. and the ECIDA relating to additional financing for the Project (the "Concession Loan Agreements"); and the directors have reviewed those Concession Loan Agreements requiring execution and delivery by CALLC, and such ancillary documents as described in such Concession Loan Agreements; and

WHEREAS, the directors have reviewed a lease of the Project by and between CALLC and NFHLP (the "Lease"), which Lease has been approved by NFHLP as tenant, and certain other agreements by and between CALLC and NFHLP related to and attached as Exhibits to the Lease, including but not limited to the Box Office Operating Agreement, the Sales Agency Agreement, and the Marketing and Advertising Agreement (the "Related Agreements"), each of which agreements have been approved by NFHLP; and

NOW THEREFORE, be it RESOLVED as follows:

1. With respect to the Design, Construction and Development Agreements;

BE IT RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to Huber, Hunt & Nichols, a construction contract relating to the construction of the arena (the "Guaranteed Maximum Price Contract"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to Ellerbe-Becket Architects & Engineers, P.C. an agreement relating to the design and development of the arena (the "Arena Architect's Agreement"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to the Krog Corporation, a construction management contract relating to construction management services in connection with the construction of the Project parking structures (the "Parking Structures Construction Management Agreement"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver such other documents and agreements and do any and all other acts necessary or appropriate to effectuate the purposes of these resolutions, including, without limitation, executing and delivering, on behalf of CALLC, any subsequent amendments, extensions, renewals or replacements of the Guaranteed Maximum Price Contract, Arena Architect's Agreement and Parking Structures Construction Management Agreement and any other agreement or instrument contemplated by these resolutions, which any of such persons deems necessary or appropriate; and that any and all documents heretofore executed and acts heretofore done in connection with said agreements or to effectuate the purposes of these resolutions are hereby in all respects ratified and confirmed; and be it further

RESOLVED, that each of the foregoing instruments mentioned in these resolutions is in such form and content as the officer of the Company executing them shall approve, his approval to be conclusively evidenced by his execution thereof; and be it further

RESOLVED, that any officer of the Company is hereby designated the proper officer of the Company for the purposes of these resolutions.

2. With respect to the Public Participant Agreements;

BE IT RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to BURA and the City of Buffalo a contract for lease of land and Redevelopment relating to acquisition, leasing and development of the Project site (the "Land Disposition Agreement"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to the City of Buffalo, County of Erie, UDC, BURA and ECIDA a development and construction agreement relating to the development and construction of the Project (the "Development and Construction Agreement"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to the City of Buffalo, County of

Erie, UDC, BURA and ECIDA an operating agreement relating to the Company's occupancy, use, management and operation of the Project (the "Operating Agreement"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to ECIDA an agency lease agreement relating to the Company's leasehold interest in the Project (the "Agency Lease Agreement"), and to execute and deliver a memorandum of such lease agreement to such persons as shall be determined by the members of the Company, and each of them acting alone; and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to the Public Participants a nondisturbance and attornment agreement to which the Construction Lenders, Construction Loan Agent, Concession Lenders, Concession Loan Agent, NFHLP, BSCLLC and CALLC will agree to the nondisturbance by the lessors and attornment by the lessees in each of the lessor-lessee relationships established by the ground leases and operating leases with respect to the Project in the event that any of such leases is terminated ("NDAA"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to the Public Participants its acknowledgement of and agreement to a lenders cooperation agreement pursuant to which the National Hockey League shall consent to (i) issuance of certain guaranties and security interests by NFHLP with respect to the Project and (ii) certain non-relocation agreements between NFHLP and the Public Participants, Construction Lenders and Concession Lenders, respectively (the "Lenders Cooperation Agreement"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to the City of Buffalo, County of Erie, BURA and ECIDA an environmental inquiry authorization, compliance and indemnification agreement with respect to the property on which the Crossroads Arena Project is to be located ("Environmental Agreement"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to the City of Buffalo, BURA and NFHLP its acknowledgement and acceptance of a non-competition agreement pertaining to the City of Buffalo's use of Memorial Auditorium upon completion of the Project (the "Non-Competition Agreement"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to the Public Participants a financing participants agreement by and among the Public Participants, Construction Lenders, Construction Loan Agent, Concession Lenders, and Concession Loan Agent, Sportservice Corporation., New York Sportservice Corporation, CALLC, NFHLP and BSCLLC containing certain agreements of various public and private financing participants ("Financing Participants") in connection with the Project and outlining certain responsibilities of CALLC to the Financing Participants with respect to the Project ("Financing Participants Agreement"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to the UDC a promissory note in the amount of up to $25.0 million ("UDC Note"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, for itself and as general partner of NFHLP (for itself, and acting on behalf of CALLC), to execute and deliver to the City of Buffalo, BURA, UDC, and the County of Erie a inducement agreement with respect to public financing of the Project (the "Inducement Agreement"); and be it further;

RESOLVED, that the proper officeres of the Company are, and each of them acting alone is, hereby authorized, as general partner of NFHLP, for itself and as a member of CALLC, to execute and deliver to the Public Participants a conditional assignment of project documents (the "Conditional Assignment of Project Documents"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the Public Participants such other documents and agreements and do any and all other acts necessary or appropriate to effectuate the purposes of

these resolutions, including, without limitation, executing and delivering, on behalf of CALLC, any subsequent amendments, extensions, renewals or replacements of the Land Disposition Agreement, Development and Construction Agreement, Operating Agreement, Agency Lease Agreement, NDAA, Lenders Cooperation Agreement, Environmental Agreement, Non-Competition Agreement, Financing Participants Agreement, UDC Note, Inducement Agreement, Conditional Assignment of Project Documents, and any other agreement or instrument contemplated by these resolutions, which any of such persons deems necessary or appropriate; and that any and all documents heretofore executed and acts heretofore done in connection with said agreements or to effectuate the purposes of these resolutions are hereby in all respects ratified and confirmed; and be it further

RESOLVED, that each of the foregoing instruments mentioned in these resolutions is in such form and content as the officer of the Company executing them shall approve, his approval to be conclusively evidenced by his execution thereof; and be it further

RESOLVED, that any officer of the Company is hereby designated the proper officer of the Company for the purposes of these resolutions.

3. With Respect to the Construction Loan Agreements;

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to Construction Loan Agent for the benefit of the Construction Lenders and any future lenders or participants, a building loan contract between the Company and Construction Loan Agent ("Building Loan Contract") providing for a $35,000,000 credit facility ("Construction Credit Facility") to be provided to the Company by the Construction Lenders, and any future lenders or participants; and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to Marine a building loan note in the original principal amount of $17,500,000.00 ("Marine Note"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on

behalf of CALLC, to execute and deliver to Key a building loan note in the original principal amount of $17,500,000.00 ("Key Note"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to Construction Loan Agent a leasehold mortgage covering the Crossroads Arena Project ("Project"), as continuing collateral security for the payment of any and all indebtedness and liabilities, now or hereafter existing, of CALLC to the Construction Lenders and/or the Construction Loan Agent to the extent of $35,000,000.00 ("Construction Loan Mortgage"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to Construction Loan Agent one or more security agreements ("Construction Loan Security Agreements") granting to Construction Loan Agent security interests in the following property, whether now owned or hereafter owned or acquired by CALLC, in all Proceeds and Products thereof in any form, in all parts, accessories, attachments, special tools, additions, replacements, substitutions and accessions thereto or therefor, and in all increases or profits received therefrom: any and all "Equipment", except Concession Equipment as defined in the Financing Participants Agreement, "Inventory", "Accounts", "Chattel Paper", "General Intangibles", "Fixtures", "Documents" and "Instruments" as defined in the Uniform Commercial Code of New York, including, without limitation, Equipment, Fixtures, Inventory, Accounts, Chattel Paper, General Intangibles, Documents and Instruments in connection with the Project; all furnishings and fixtures located on or used, or to be located on or used, in connection with the Project; and all building materials delivered to or acquired for use in connection with the Project; and any and all accounts, chattel paper, sales contracts, insurance contracts, income, payments, profits, general intangibles and other rights to the payment of money, and all proceeds of all of the foregoing, whether now existing or hereafter arising in connection with the Project; and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to the Construction Loan Agent an assignment of leases and rents assigning to Construction Loan Agent CALLC's right, title and interest in and to present and future Project leases, rents and income ("Assignment of Leases and Rents); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to Construction Loan Agent (a) an assignment of a certain segregated bank account of CALLC into which CALLC shall make annual deposits for the purpose of making capital repairs and improvements to the Project, (b) an assignment of a certain bank account into which revenues from the Project shall be deposited, and (c) an assignment of a certain segregated bank account of CALLC into which CALLC shall deposit amounts necessary to cause the balance of such account to be equal to debt service payments on the loan which will become due in the following year (collectively "Bank Account Assignments"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to the Construction Loan Agent an environmental inquiry authorization, compliance and indemnification agreement with respect to the property on which the Crossroads Arena Project is to be located ("Environmental Agreement"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to Construction Loan Agent a financing participants agreement by and among the Public Participants, Construction Lenders, Construction Loan Agent, Concession Lenders, and Concession Loan Agent, Sportservice Corporation., New York Sportservice, Inc., NFHLP, BSCLLC and CALLC containing certain agreements of various public and private financing participants ("Financing Participants") in connection with the Project and outlining certain responsibilities of CALLC to the Financing Participants with respect to the Project ("Financing Participants Agreement"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to Construction Loan Agent an assignment of project documents assigning to Construction Loan Agent (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; (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 CALLC or which have been or will hereafter be assigned to CALLC in connection with the construction, use, operation, maintenance, occupancy and servicing of the Project and the Improvements, together with all franchise and license agreements; and (c) CALLC's records relating to the Project ("Assignment of Project Documents"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to the Construction Loan Agent a sale and assignment agreement containing certain agreements of Key, Fleet, Shawmut, the Construction Loan Agent and CALLC with respect to the purchase by Fleet and Shawmut of a portion of Key's share of the Construction Credit Facility (the "Sale and Assignment Agreement"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to the Construction Loan Agent the consent of CALLC to an agency agreement pursuant to which the Construction Lenders, Shawmut and Fleet select Marine to act as the collateral and disbursing agent for the parties with respect to the Construction Credit Facility (the "Construction Loan Agency Consent"); and be it

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to the Construction Loan Agent a nondisturbance and attornment agreement pursuant to which the Construction Lenders, Construction Loan Agent, Concession Lenders, Concession Loan Agent, Public Participants, NFHLP, BSCLLC and CALLC will agree to the nondisturbance by the lessors and attornment by the lessees in each of the lessor-lessee relationships established by the ground leases and operating leases with respect to the Project in the event that any of such leases is terminated ("NDAA"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to Key Bank of New York a rate protection agreement relating to the Construction Credit Facility and to assign such rate protection agreement to or for the benefit of the Construction Lenders

and/or Construction Loan Agent ("Construction Loan Rate Protection Agreement and Assignment"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to the Construction Loan Agent its acknowledgement of and agreement to a lenders cooperation agreement pursuant to which the National Hockey League shall consent to (i) issuance of certain guaranties and security interests by NFHLP with respect to the Project and (ii) certain non-relocation agreements between NFHLP and the Public Participants, Construction Lenders and Concession Lenders, respectively (the "Lenders Cooperation Agreement"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to the Construction Loan Agent such other documents and agreements and do any and all other acts necessary or appropriate to effectuate the purposes of these resolutions, including, without limitation, executing and delivering on behalf of CALLC, to the Construction Loan Agent any subsequent amendments, extensions, renewals or replacements of the Building Loan Contract, the Marine Note, the Key Note, the Construction Loan Mortgage, the Construction Loan Security Agreements, the Assignment of Leases and Rents, the Bank Account Assignments, the Environmental Agreement, the Assignment of Project Documents, the Sale and Assignment Agreement, the Construction Loan Agency Consent, the NDAA, the Construction Loan Rate Protection Agreement and Assignment, and any other agreement or instrument contemplated by these resolutions, which any of such persons deems necessary or appropriate; and that any and all documents heretofore executed and acts heretofore done in connection with any financing arrangements with Construction Loan Agent and/or Lenders or to effectuate the purposes of these resolutions are hereby in all respects ratified and confirmed; and be it further

RESOLVED, that each of the foregoing instruments mentioned in these resolutions is in such form and content as the officer of the Company executing them shall approve, his approval to be conclusively evidenced by his execution thereof; and be it further

RESOLVED, that any officer of the Company is hereby designated the proper officer of the Company for the purposes of these resolutions.

4. <u>With respect to the Concession Loan Agreements</u>;

BE IT RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to the Concession Lenders and/or Concession Loan Agent for the benefit of the Concession Lenders and any future lenders or participants an interim and term concession loan agreement (the "Concession Loan Agreement") providing for a $32,500,000 credit facility ("Credit Facility") to be provided to BSCLLC by Shawmut, Fleet and any future lenders or participants; and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to the Concession Lenders and/or Concession Loan Agent a financing participants agreement by and among the Public Participants, Construction Lenders, Construction Loan Agent, Concession Lenders, Concession Loan Agent, Sportservice Corporation, New York Sportservice, Inc., NFHLP, BSCLLC and CALLC containing certain agreements of various public and private ("Financing Participants") in connection with the Project and outlining certain responsibilities of CALLC to the Financing Participants with respect to the Project ("Financing Participants Agreement"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to the Concession Lenders and/or Concession Loan Agent, a security agreement among CALLC, NFHLP and ECIDA in favor of Concession Lenders in all Concession Equipment as described in the Financing Participants Agreement (the "Concession Loan Security Agreement"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to the Concession Lenders and/or Concession Loan Agent, its acknowledgement of and agreement to a lenders cooperation agreement pursuant to which the National Hockey League shall consent to (i) issuance of certain guaranties and security interests by NFHLP with respect to the Project and (ii) certain non-relocation agreements between NFHLP and the Public Participants, Construction Lenders and Concession Lenders, respectively (the "Lenders Cooperation Agreement");

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on

behalf of CALLC, to execute and deliver to the Concession Lenders and/or Concession Loan Agent a nondisturbance and attornment agreement to which the Construction Lenders, Construction Loan Agent, Concession Lenders, Concession Loan Agent, NFHLP, BSCLLC and CALLC will agree to the nondisturbance by the lessors and attornment by the lessees in each of the lessor-lessee relationships established by the ground leases and operating leases with respect to the Project in the event that any of such leases is terminated ("NDAA"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to the Concession Lenders and/or Concession Loan Agent such other documents and agreements and do any and all other acts necessary or appropriate to effectuate the purposes of these resolutions, including, without limitation, executing and delivering, on behalf of CALLC to the Concession Loan Agent any subsequent amendments, extensions, renewals or replacements of the Concession Loan Agreement, the Financing Participants Agreement, the Concession Loan Security Agreements, the Lenders Cooperation Agreement, the NDAA, and any other agreement or instrument contemplated by these resolutions, which any of such persons deems necessary or appropriate; and that any and all documents heretofore executed and acts heretofore done in connection with any financing arrangements with Concession Loan Agent and/or Lenders or to effectuate the purposes of these resolutions are hereby in all respects ratified and confirmed; and be it further

RESOLVED, that each of the foregoing instruments mentioned in these resolutions is in such form and content as the officer of the Company executing them shall approve, his approval to be conclusively evidenced by his execution thereof; and be it further

RESOLVED, that any officer of the Company is hereby designated the proper officer of The Company for the purposes of these resolutions.

5. With respect to the Lease and Related Agreements:

BE IT RESOLVED: that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on behalf of CALLC, to execute and deliver to NFHLP the Lease and Related Agreements; and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, acting on

behalf of CALLC, to execute and deliver to NFHLP such other documents and agreements and do any and all other acts necessary or appropriate to effectuate the purposes of these resolutions, including, without limitation, executing and delivering to NFHLP any subsequent amendments, extensions, renewals or replacements of the Lease and any or all of the Related Agreements and any other agreement or instrument contemplated by these resolutions, which any of such persons deems necessary or appropriate; and that any and all documents heretofore executed and acts heretofore done in connection with the Lease and the Related Agreements with NFHLP or to effectuate the purposes of these resolutions are hereby in all respects ratified and confirmed; and be it further

RESOLVED, that each of the foregoing instruments mentioned in these resolutions is in such form and content as the officer of the Company executing them shall approve, his approval to be conclusively evidenced by his execution thereof; and be it further

RESOLVED, that any officer of the Company is hereby designated the proper officer of the Company for the purposes of these resolutions.

EXHIBIT D

Good Standing Certificate

State of New York
Department of State

ss:

I hereby certify, that the certificate of incorporation of ARENA, INC. was filed on 09/22/1992, under the name of CROSSROADS ARENA CORPORATION, with perpetual duration, and that I have made a diligent examination of the index of corporation papers filed in this Department for a certificate, order, or record of a dissolution, and upon such examination, I find no such certificate, order or record, and that so far as indicated by the records of this Department, such corporation is a subsisting corporation.

A Certificate of Amendment CROSSROADS ARENA CORPORATION, changing name to ARENA, INC., was filed 11/17/1994.

***

Witness my hand and the official seal of the Department of State at the City of Albany, this 28th day of April one thousand nine hundred and ninety-five.

Alexander F. Treadwell

Secretary of State

199505010416

EXHIBIT E

Franchise Tax Report

New York State Department of Taxation and Finance
Taxpayer Assistance Bureau
W. A. Harriman Campus
Albany, NY 12227

Tax Status

Articles 9, 9-A, 9-B, 9-C, 13, 13-A, 32 and 33

Prentice Hall Corporation Services

84-A

According to our records, tax liens exist under the above Articles for the periods listed below.

Name of Corporation
Arena, Inc.

Incorporated	Filing period	Terminated date	Terminated code	Search date
9/22/92	December			1/25/95

Owes franchise tax reports for period(s) ended:

None

Owes franchise taxes for period(s) ended.

None

Owes license fee (Article 9, Sec. 181)	Owes maintenance fee for period(s) ended:
None	None

Lien Provision

The tax shall become a lien on the date on which the return is required to be filed (without regard to any extension of time for filing such return), except that such tax shall become a lien not later than the date the taxpayer ceases to be subject to the tax or to exercise its franchise or to do business in this state in a corporate or organized capacity. A dissolved corporation which continues to conduct business shall also be subject to the tax imposed by this article.

Terminated

Reason	Code
Merger	1
Consolidation	2
Reorganization	3
Take over	4
Charter Expires	5
Certificate of Termination	6
Surrendered Authority	8
Voluntary Dissolution	9
Dissolved by Proclamation	P
Revocation of Authority	R

Official only

when perforated

7. Attached hereto as Exhibit B is a true, correct and complete copy of the operating agreement of the Company, which operating agreement is in full force and effect on and as of the Closing Date, without modification or amendment in any respect.

8. Attached hereto as Exhibit C is a true, correct and complete copy of the resolutions adopted by the Members of the Company, and such resolutions are in full force and effect on and as of the Closing Date, not having been amended, altered or repealed.

9. Attached hereto as Exhibit D is a true, correct and complete copy of the Certificate of the Secretary of State of New York State that the Company is in Good Standing in the State.

10. Attached hereto as Exhibit E are true and correct copies of those certificates of insurance evidencing the compliance by the Company with the insurance requirements set forth in Sections 9.1 and 18.6 of the Lease Agreement.

11. The Company Documents have been duly authorized, executed and delivered in the name of and on behalf of the Company by the undersigned.

IN WITNESS WHEREOF, the undersigned has executed and delivered this Certificate in the name of and on behalf of said Company on the Closing Date.

ARENA, INC.

By:_____

Lawrence Quinn,
Executive Vice President

7. Attached hereto as Exhibit B is a true, correct and complete copy of the operating agreement of the Company, which operating agreement is in full force and effect on and as of the Closing Date, without modification or amendment in any respect.

8. Attached hereto as Exhibit C is a true, correct and complete copy of the resolutions adopted by the Members of the Company, and such resolutions are in full force and effect on and as of the Closing Date, not having been amended, altered or repealed.

9. Attached hereto as Exhibit D is a true, correct and complete copy of the Certificate of the Secretary of State of New York State that the Company is in Good Standing in the State.

10. Attached hereto as Exhibit E are true and correct copies of those certificates of insurance evidencing the compliance by the Company with the insurance requirements set forth in Sections 9.1 and 18.6 of the Lease Agreement.

11. The Company Documents have been duly authorized, executed and delivered in the name of and on behalf of the Company by the undersigned.

IN WITNESS WHEREOF, the undersigned has executed and delivered this Certificate in the name of and on behalf of said Company on the Closing Date.

ARENA, INC.

By:_____
Lawrence Quinn,
Executive Vice President

7. Attached hereto as Exhibit B is a true, correct and complete copy of the operating agreement of the Company, which operating agreement is in full force and effect on and as of the Closing Date, without modification or amendment in any respect.

8. Attached hereto as Exhibit C is a true, correct and complete copy of the resolutions adopted by the Members of the Company, and such resolutions are in full force and effect on and as of the Closing Date, not having been amended, altered or repealed.

9. Attached hereto as Exhibit D is a true, correct and complete copy of the Certificate of the Secretary of State of New York State that the Company is in Good Standing in the State.

10. Attached hereto as Exhibit E are true and correct copies of those certificates of insurance evidencing the compliance by the Company with the insurance requirements set forth in Sections 9.1 and 18.6 of the Lease Agreement.

11. The Company Documents have been duly authorized, executed and delivered in the name of and on behalf of the Company by the undersigned.

IN WITNESS WHEREOF, the undersigned has executed and delivered this Certificate in the name of and on behalf of said Company on the Closing Date.

ARENA, INC.

By:_____
Lawrence Quinn,
Executive Vice President

7. Attached hereto as Exhibit B is a true, correct and complete copy of the operating agreement of the Company, which operating agreement is in full force and effect on and as of the Closing Date, without modification or amendment in any respect.

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ARENA, INC.

By:_____
Lawrence Quinn,
Executive Vice President

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ARENA, INC.

By:_____

Lawrence Quinn,
Executive Vice President

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11. The Company Documents have been duly authorized, executed and delivered in the name of and on behalf of the Company by the undersigned.

IN WITNESS WHEREOF, the undersigned has executed and delivered this Certificate in the name of and on behalf of said Company on the Closing Date.

ARENA, INC.

By:_____
Lawrence Quinn,
Executive Vice President

CROSSROADS ARENA LLC

COMPANY GENERAL CERTIFICATE

THE UNDERSIGNED DOES HEREBY CERTIFY that he is the Executive Vice President of Arena, Inc., the Manager of Crossroads Arena LLC, a limited liability company organized under the laws of the State of New York (the "Company"), and that as such officer, he is authorized to execute and deliver this certificate in the name of and on behalf of the Company. Such officer hereby further certifies on behalf of the Company that:

1. This Certificate is being delivered in Buffalo, New York on May 10, 1995 (the "Closing Date"). The terms used in this Certificate, if not defined herein, have the meanings specified in that certain Agency Lease Agreement dated as of May 10, 1995 between the Erie County Industrial Development Agency and the Company.

2. The Company is duly organized, validly existing under the laws of the State of New York and is qualified to do business and is in good standing in the State of New York.

3. The Lease Agreement, the Memorandum of Lease, the Environmental Compliance Agreement, the Master Agreements, the MOU, the Non-Relocation Agreement, the Private Arena Debt Agreements and any and all other agreements and documents required to be executed and delivered by the Company in order to carry out, give effect to and consummate the transactions contemplated by the Lease Agreement (collectively, the "Company Documents") have been duly executed and delivered by the Company and have not been amended, modified or rescinded, remain in full force and effect and are the binding and enforceable obligations of the Company enforceable in accordance with their terms, except as such enforceability may be limited by applicable bankruptcy, insolvency and other similar laws affecting creditors' rights generally.

4. The representations and warranties of the Company contained in the Company Documents are true, complete and correct and in full force and effect as of the Closing Date, with the same effect as if those representations and warranties were made on and as of the Closing Date.

5. There is no action or proceeding pending or, to our best knowledge, threatened, looking toward the dissolution or liquidation of the Company, and there is no action or proceeding pending or, to our best knowledge, threatened, by or against the Company affecting the validity or enforceability of the Company Documents.

6. Attached hereto as Exhibit A is a true, correct and complete copy of the Articles of Organization of the Company, which Articles of Organization are in full force and effect on and as of the Closing Date, without modification or amendment in any respect.

EXHIBIT A

Articles of Organization

State of New York } *ss:*
Department of State }

I hereby certify that I have compared the annexed copy with the original documents filed by the Department of State and that the same is a correct transcript of said original.

Witness my hand and seal of the Department of State on

FEB 13 1995

Alexander F. Treadwell

Secretary of State

INFO-17

ARTICLES OF ORGANIZATION

OF F941118000283

CROSSROADS ARENA, LLC

Under Section 203 of the Limited Liability Company Law

THE UNDERSIGNED, being a natural person at least eighteen (18) years of age and acting a the organizer of the limited liability company (the "Company") hereby being formed under Section 203 of the Limited Liability Company Law of the State of New York (the "LLCL"), hereby certifies that:

FIRST: The name of the Company is CROSSROAD ARENA, LLC.

SECOND: The county within the State of New York in which the office of the Company is to be located is Erie County.

THIRD: The Secretary of State is designated as the agent of the Company upon whom process against the Company may be served. The post office address within or without the State of New York to which the Secretary of State shall mail a copy of any process against the Company served upon him is:

Gregory T. Ivancic
Cohen Swados Wright Hanifin
Bradford & Brett
70 Niagara Street
Buffalo, New York 14202

FOURTH: The Company is to be managed by all of its members.

FIFTH: The purposes of the Company are:

(i) to develop, manage and operate a sports and entertainment complex located in the City of Buffalo including an arena with ice rink suitable for professional ice hockey, one or more restaurants, shops, private club facilities, parking facilities and other amenities reasonably related to the operation of a state-of-the-art community sports and entertainment center, and

(ii) to engage in any lawful act or activity for which the limited liability companies may be organized under the LLCL.

IN WITNESS WHEREOF, I have subscribed this certificate an do hereby affirm the foregoing as true under penalties of perjury this 24th day of October, 1994.

Gregory T. Ivancic
Sole Organizer

Cohen Swados Wright Hanifin
Bradford & Brett
70 Niagara Street
Buffalo, New York 14202

RECEIVED
NOV 18 1 28 PM '94

ARTICLES OF ORGANIZATION

OF

CROSSROADS ARRNA, LLC

Under Section 203 of the Limited Liability Company Law

STATE OF NEW YORK
DEPARTMENT OF STATE
FILED NOV 18 1994
TAX $ ____
BY: ____

COHEN SVADOS WRIGHT HANIFIN BRADFORD & BRETT
COUNSELLORS AT LAW
70 NIAGARA STREET
BUFFALO, NEW YORK

941118000283 INFO 1 7

State of New York } *ss:*
Department of State }

I hereby certify that I have compared the annexed copy with the original documents filed by the Department of State and that the same is a correct transcript of said original.

Witness my hand and seal of the Department of State on MAR - 2 1995

Alexander F. Treadwell

Secretary of State

NEW YORK STATE DEPARTMENT OF STATE
DIVISION OF CORPORATIONS AND STATE RECORDS

FILING RECEIPT

Duplicate

ENTITY NAME: CROSSROADS FIRM LLC

ENTITY TYPE: DOMESTIC LIMITED LIABILITY COMPANY

DATE: NOV 12

PURSUANT TO SECTION 203 OF THE LIMITED LIABILITY COMPANY LAW

NOV. 12 12: 58 PURCHASE ********** CASH # 000000001 FIL # 000000000

PREPARED BY:

[illegible]

FILED

SUSAN SWARTZ UPTIGHT HAPPILY CRAFTSMAN
C/ CRET
70 NIAGARA ST.
BUFFALO, NY 1202

FEES	200.00	PAYMENT	200.00
FILING	60.00	CASH	0.00
TP.	0.00	CHECK	200.00
DEPT.	0.00	CHARGE	0.00
PUBLIC	200.00		
HANDLING	0.00		
		REFUND	0.00

DOS-1025 11/09

CERTIFICATE OF AMENDMENT

OF f 9503020002

ARTICLES OF ORGANIZATION

OF

CROSSROAD ARENA, LLC

Under Section 211 of the Limited Liability Company Law

FIRST: The name of the limited liability company is CROSSROAD ARENA, LLC., the name under which the Company was formed.

SECOND: The date of the filing of the articles of organization is November 18, 1994.

THIRD: The amendment effected by this Certificate of Amendment is as follows:

(A) Paragraph FIRST of the Articles of Organization dealing with the name of the limited liability company incorrectly states the name of the Company as CROSSROAD ARENA, LLC. and is hereby amended to read as follows:

FIRST: The name of the Company is CROSSROADS ARENA LLC.

IN WITNESS WHEREOF, this Certificate has been subscribed this 24th day of February, 1995, by the undersigned who affirms that the statements made herein are true under penalties of perjury.

Gregroy T. Ivancic
Sole Organizer

Cohen Swados Wright Hanifin
Bradford & Brett
70 Niagara Street
Buffalo, New York 14202

1

f950302000 20

CERTIFICATE OF AMENDMENT

OF

ARTICLES OF ORGANIZATION

OF

CROSSROAD ARENA, LLC

Under Section 211 of the Limited Liability Company Law

COHEN SWADOS WRIGHT HANIFIN BRADFORD & BRETT
COUNSELLORS AT LAW
70 NIAGARA STREET
BUFFALO, NEW YORK 14202

2 — C

STATE OF NEW YORK
DEPARTMENT OF STATE
FILED MAR 2 1995
TAX $
BY SB

950302000 21

2

EXHIBIT B

Operating Agreement

OPERATING AGREEMENT

OF

CROSSROADS ARENA LLC

DATED: as of November 18, 1994

OPERATING AGREEMENT

OF

CROSSROADS ARENA LLC

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OPERATING AGREEMENT

OF

CROSSROADS ARENA LLC

THIS OPERATING AGREEMENT, made and entered into by and between NIAGARA FRONTIER HOCKEY, L.P., a Delaware Limited Partnership ("NFHLP") and ARENA, INC., a New York corporation ("Arena, Inc.") (NFHLP and Arena, Inc. hereinafter referred to collectively as "Initial Members") and such other Persons who or which shall be admitted as Members, as provided herein, recite as a preamble the following:

A. The Initial Members have caused Crossroads Arena LLC (the "Company") to be formed as a New York Limited Liability Company by filing Articles of Organization with the New York Secretary of State pursuant to Section 206 of the New York State Limited Liability Company Law, for the purposes of developing, maintaining, and operating a sports and entertainment complex to be located in the City of Buffalo, New York; and

B. The Initial Members desire to mutually agree on the respective rights, interests and obligations of each in and to the Company and each Member thereof, for the benefit of the Initial Members and any Additional or Substitute Members of the Company,

NOW, THEREFORE, in view of the premises and in consideration of the agreements and mutual covenants hereinafter set forth, the parties agree as follows:

ARTICLE 1

Introduction

Section 1.1. Formation of Limited Liability Company. The Initial Members have caused CROSSROADS ARENA LLC to be formed as a New York Limited Liability Company. The Company's business shall be conducted under such name until such time as all the Members shall hereafter designate otherwise and file amendments to the Articles of Organization in accordance with applicable law.

This Operating Agreement is subject to, and governed by, the New York Limited Liability Company Law and the Articles of Organization filed by the New York Secretary of State. In the event of a direct conflict between the provisions of this Operating Agreement and the mandatory provisions of the New York Limited Liability Company Law or the provisions of the Articles of Organization of the Company, such provisions of the New York Limited Liability Company Law or the Articles of Organization, as the case may be, shall be controlling.

Section 1.2 Defined Terms. The terms used in this Agreement with their initial letters capitalized, shall, unless the context otherwise requires or unless otherwise expressly provided herein, have the meanings specified in this Section 1.2. The singular shall include the plural and the masculine general shall include the feminine and neuter, and vise versa, as the context requires. When used in this Agreement, the following terms shall have the meanings set forth below:

(a) "Additional Member" shall mean any person or Entity admitted as a Member pursuant to Sections 2.6 or 6.2 hereof.

(b) "Adjusted Capital Account" means the Capital Account maintained for each Member as of the end of each fiscal year of the Company after giving effect to the following adjustments:

(1) Increased by any amounts which the member is obligated to restore under the standards set forth in Treas. Reg. § 1.704-1(b)(2)(ii)(c) or is deemed obligated to restore under Treas. Reg. § 1.704-2(g)(1) (relating to minimum gains) and Treas. Reg. § 1.704-2(i)(5) (relating to member minimum gains); and

(2) Decreased by:

(i) All losses and deductions that, as of the end of the applicable fiscal year, are reasonably expected to be allocated to the Member in years subsequent to the applicable fiscal year under Code §§ 704(e)(2) and 706(d) and under Treas. Reg. § 1.751-1(b)(ii); and

(ii) Distributions that are reasonably expected to be made to the applicable Member to the extent that such distributions exceed offsetting increases in the applicable Member's Capital Account that are reasonably expected to occur during (or prior to) the year in which such distributions are reasonably expected to be made. Notwithstanding anything to the contrary contained herein, an Adjusted Capital Account Deficit shall be determined in accordance with Treas. Reg. § 1.704-1(b)(2)(ii)(d).

(c) "Adjusted Capital Account Deficit" shall mean, with respect to a Member, an Adjusted Capital Account with a negative balance.

(d) "Affiliate" shall mean any individual, partnership, corporation, limited liability company, trust, or other Entity or association, directly or indirectly, through one or more intermediaries, controlling, controlled by, or under common control with a Member. The term "control," as used in the immediately preceding sentence, means, with respect to a corporation the right to exercise, directly or indirectly, more than 50% of the voting rights attributable to the

controlled corporation, and, with respect to any individual, partnership, trust, other Entity or association, the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of the controlled Entity.

(e) "Agreement" or "Operating Agreement" shall mean this Operating Agreement, as originally executed and as amended from time to time.

(f) "Available Cash" of the Company shall mean all cash funds of the Company on hand from time to time (other than cash funds obtained as contributions to the capital of the Company by the Members and cash funds obtained from loans to the Company) after payment of all expenses, provision for all reserves and payment of all other amounts payable out of the Project Revenue Account (including without limitation the Operating Fee) as provided in the Public Sector Operating Agreement.

(g) "Anticipated Tax Liabliltiy of the Members" shall mean, with respect to any Member, the total federal and state tax cost arising from the allocation of Company income or gain in excess of Company loss or deduction to such Member, based on the maximum federal and state tax rates then applicable to the Members; provided however, that if such Member is a Pass-through Entity, such Member's Anticipated Tax Cost shall equal the aggregate Anticipated Tax Cost of all of such Member's owners (including, if such owner is also a Pass-through Entity, the Anticipated Tax Cost of such owner's owners) attributable to Company income or gain. For purposes of this paragraph, the term Pass-through Entity shall mean any Entity taxable under Subchapters K or S of the Code.

(h) "Articles" or "Articles of Organization" shall mean the Articles of Organization of the Company filed by the New York Secretary of State.

(i) "Bankruptcy" shall mean, and a Member shall be deemed a "Bankrupt Member", upon (i) the entry of a decree or order for relief against the Member by a court of competent jurisdiction in any involuntary case brought against the Member under any bankruptcy, insolvency or other similar law (collectively, "Debtor Relief Laws") generally affecting the rights of creditors and relief of debtors now or hereafter in effect, (ii) the appointment of a receiver, liquidator, assignee, custodian, trustee, sequestrator or other similar agent under applicable Debtor Relief Laws for the Member or for any substantial part of its assets or property, (iii) the ordering of the winding up or liquidation of the Member's affairs, (iv) the filing of a petition in any such involuntary bankruptcy case, which petition remains undismissed for a period of 180 days or which is not dismissed or suspended pursuant to Section 305 of the Federal Bankruptcy Code (or any corresponding provision of any future United States bankruptcy law), (v) the commencement by the Member of a voluntary case under any applicable Debtor Relief Law now or hereafter in effect, (vi) the consent by the Member to the entry of an order for relief in an involuntary case under any such law or to the appointment of or the taking of possession by a receiver, liquidator,

assignee, trustee, custodian, sequestrator or other similar agent under any applicable Debtor Relief Laws for the Member or for any substantial part of its assets or property, or (vii) the making by a Member of any general assignment for the benefit of its creditors.

(j) "Capital Account" shall mean the individual accounts established and maintained to Section 2.4 hereof.

(k) "Capital Contribution" shall mean the total value of cash and agreed fair market value of property contributed and agreed to be contributed to the Company by each Member, as shown in Exhibit A, as the same may be amended from time to time. Any reference in this Agreement to the Capital Contribution of a then Member shall include a Capital Contribution previously made by any prior Member for the interest of such then Member, reduced by any distribution to such Member in return of Capital Contribution as contemplated herein. Additional Capital Contributions may only be made by a Member with the consent of all other Members.

(l) "Code" shall mean the Internal Revenue Code of 1986, as amended. All references herein to section of the Code shall include any corresponding provisions of succeeding law.

(m) "Company" shall refer to this Crossroads Arena LLC.

(n) "Crossroads Arena" shall mean a certain sports and entertainment complex to be constructed in the City of Buffalo, to be developed, operated and maintained by the Company.

(o) "Crossroads Participants" shall mean each and every party involved in the development, financing, construction and operation of the Crossroads Arena, including without limitation, all private lending institutions, service providers, all governmental bodies and instrumentalities, and all public corporations described in the Memorandum of Understanding.

(p) "Entity" shall mean any association, corporation, general partnership, limited partnership, limited liability company, joint stock association, joint venture, firm, trust, business trust, cooperative, and foreign association or like structure.

(q) "Initial Members" shall refer to NFHLP and Arena, Inc..

(r) "Interest" in the Company shall mean the entire ownership interest of a Member in the Company at any particular time, including the right of such Member to any and all benefits to which a Member may be entitled as provided in this Agreement and under the Act, together with the obligations of such Member to comply with all of the terms and provision of this Agreement.

(s) "Operating Fee" shall mean the amounts payable to the Operating Fee Recipients as provided in the Public Sector Operating Agreement.

(t) "Percentage Interest" of a Member shall mean the percentage of such member set forth opposite the name of such member under the Column "Percentage Interest" in Exhibit A hereto, as such percentage may be adjusted from time to time pursuant to the terms hereof.

(u) "Principal Office" shall mean Memorial Auditorium, 140 Main Street, Buffalo, New York 14202, or other such address as may be established pursuant to the agreement of all the Members.

(v) "Pro Rata Share" shall mean the proportion that a Percentage Interest of a Member bears to the aggregate Interests in the Company of all Members.

(w) "Project Revenue Account" shall have the meaning provided in the Public Sector Operating Agreement.

(x) "Public Participants" shall mean the parties to the Public Sector Operating Agreement other than the Company.

(y) "Public Sector Operating Agreement" shall mean a certain agreement to be entered into by and among the City of Buffalo, the New York State Urban Development Corporation, the Buffalo Urban Renewal Agency, the Erie County Industrial Development Agency and the County of Erie relating to the management and operation of the Crossroads Arena.

(z) "Regulation", "Treasury Regulation" or "Treas. Reg." shall mean the income tax regulation promulgated under the Code from time to time (including corresponding provisions of succeeding regulations.

(aa) "Substitute Member" shall mean any person or Entity who or which is admitted into Membership upon the written consent of all Members pursuant to Section 6.4 hereof.

Section 1.3. Company Purpose. The general purposes of the Company are as set forth in the Articles. The Company may exercise all powers reasonable or necessary to pursue the same. In addition, the Company may engage in and do any act concerning any or all lawful businesses for which limited liability companies may be organized according to the New York Limited Liability Company Law.

ARTICLE II

Members, Membership Interests

Section 2.1 Names, Addresses and Capital Contributions of Initial Members. The Initial Members, their respective addresses, their initial Capital Contributions to the Company, and their respective Percentage Interest in the Company are set forth on Exhibit A, attached hereto and made a part hereof.

Section 2.2 Form of Contributions. The initial Capital Contributions shall be in the form and amount set forth on Exhibit A. Subsequent contributions shall be in such amounts and may be in any type of property as may be agreed upon by all of the Members. No Initial Member shall be required to make any Capital Contributions to the Company other than the Capital Contributions required to be made by such Initial Member under Section 2.1 hereof.

Section 2.3. Member Loans or Services. Loans or services by any Member to the Company shall not be considered contributions to the capital of the Company.

Section 2.4 Capital and Capital Accounts.

(a) The initial Capital Contribution of each Member shall be as set forth on Exhibit A. No interest shall be paid on any Capital Contribution.

(b) An individual capital account (the "Capital Account") shall be established and maintained on behalf of each Member, including any Additional or Substituted Member who shall hereunder receive an Interest in the Company, in accordance with Treas. Reg. § 1.704-1(b)(2)(iv). The Capital Account of each Member shall consist of (i) the amount of cash such Member has contributed to the Company, plus (ii) the agreed fair market value of any property such Member has contributed to the Company, net of any liabilities assumed by the Company or to which such property is subject, plus (iii) the amount of profits or income (including tax-exempt income) allocated to such Member, less, (iv) the amount of losses and deduction allocated to such Member, less (v) the amount of all cash distributed to such Member, less (vi) the fair market value of any property distributed to such Member, net of any liability assumed by such Member or to which such property is subject, less (vii) such Member's share of any other expenditures which are not deductible by the Company for federal income tax purposes or which are not allowable as additions to the basis of Company property, and (viii) subject to such other adjustments as may be required under the Code. The Capital Account of a member shall not be affected by any adjustments to basis made pursuant to Section 743 of the Code but shall be adjusted with respect to adjustments to basis made pursuant to Section 734 of the Code.

(c) No Member shall have the right to withdraw his Capital Contribution or to demand and receive property of the Company or any distribution in return for his Capital Contribution, except as may be specifically provided in this Agreement or required by law. No Member shall

receive out of Company property any part of his or its Capital Contribution until (i) all liabilities of the Company, except liabilities to members have been paid or there remains property of the Company sufficient to pay them, and (ii) the consent of all Members is had, unless the return of the Contribution to Capital may be rightfully demanded as provided under applicable law.

(d) Subject to the provisions of subsection (c) of this section, a Member may rightfully demand the return of his or its Capital Contribution (i) on the dissolution of the Company, or (ii) as may otherwise be provided in the Limited Liability Company Law of the State of New York. A Member shall have only the right to demand and receive cash in return for the Member's Capital Contribution.

(e) Except as is specifically provided otherwise in this Agreement or in the Limited Liability Company Law of the State of New York, no Member shall have any liability or obligation to restore a negative or deficit balance in such Member's Capital Account.

Section 2.5 Admission of Additional Capital. As provided in the Articles, in order to obtain additional funds or for other business purposes, additional capital may be contributed to the Company, but only upon the written consent of all Members.

Section 2.6. Admission of Additional Members. The Members may admit to the Company Additional Members pursuant to this Section 2.6. Admission of an Additional Member shall take effect on the date that (i) admission of such Additional Member is approved by all of the other Members, and (ii) such Additional Member executes an instrument satisfactory to all of the Members accepting and adopting the terms and provisions of this Agreement. Upon admission to the Company, an Additional Member shall participate in the profits, losses, available cash flow and ownership of the assets and management of the Company on the same terms as all other Members, provided however, that such Additional Members shall be allocated gain, loss, income or expense by such method as may be provided in this Agreement, and if no method is specified, then as may be permitted by §706(d) of the Code.

Section 2.7. Limitation on Liability. No Member shall be liable under a judgment, decree, or order of the court, or in any other manner, for a debt, obligation or liability of the Company. No Member shall be required to loan any funds to the Company. Except as may be expressly provided otherwise herein, no Member shall be required to make any contribution to the Company by reason of any negative balance in his capital account, nor shall any negative balance in a Member's capital account create any liability on the part of the Member to any third party.

Section 2.8. No Individual Authority. Except as is expressly provided in Article III hereof, no Member, acting alone, shall have any authority to act for, or to undertake or assume, any obligation, debt, duty or responsibility on behalf of, any other Member or the Company.

Section 2.9. No Member Responsible for Other Member's Commitment. In the event that any Member (or any such Member's shareholders, partners, members, owners, or Affiliates) has incurred any indebtedness or obligation prior to the date hereof that relate to or otherwise affect the Company, neither the Company nor any other Member shall have any liability or responsibility on or with respect to such indebtedness or obligation unless such indebtedness or obligation is assumed by the Company pursuant to a written instrument signed by all Members. Furthermore, neither the Company nor any Member shall be responsible or liable for any indebtedness or obligation that is hereafter incurred by any other Member (or any of such Member's shareholders, partners, members, owners, or Affiliates). In the event that a Member (or any of such Member's shareholders, partners, members, owners, or Affiliates (collectively, the "liable Member")), whether prior to or after the date hereof, incurs (or has incurred) debt or obligation that neither the Company nor any of the other Members is to have any responsibility or liability for, the liable Member shall indemnify and hold harmless the Company and the other Members from any liability or obligation they may incur in respect thereof.

ARTICLE III

Management and Control of Business

Section 3.1. Overall Management Vested in Members. Except as expressly provided otherwise herein, management of the Company shall be vested in the Members in proportion to their Percentage Interests in the Company, as adjusted from time to time to reflect any additional contributions to or withdrawals from the capital of the Company by the Members.

Section 3.2 Meetings of the Members.

(a) As provided in subsection (b) of this Section 3.2, meetings of Members may be called by Members representing in the aggregate more than 50% of the Percentage Interests in the Company.

(b) The Company shall deliver or mail written notice stating the date, time, and place of any meeting of Members and, when otherwise required by law, a description of the purposes for which the meeting is called, to each Member of record entitled to vote at the meeting, at such address as appears in the records of the Company, such notice to be mailed at least ten, but not more than sixty, days before the date and time of the meeting. A Member may waive notice of any meeting, before or after the date of the meeting, by delivering a signed waiver to the Company for inclusion in the minutes of the Company. A Member's attendance at any meeting, in person or by proxy (i) waives objection to lack of notice or defective notice of the meeting, unless the Member at the beginning of the meeting objects to holding the meeting or transacting business at the meeting, and (ii) waives objection to consideration of a particular matter at the

meeting that is not within any purposes described in the meeting notice, unless the Member objects to considering the matter when it is presented.

(c) The record date for the purpose of determining the Members entitled to notice of a Members' meeting, for demanding a meeting, for voting, or for taking any other action shall be the tenth (10th) day prior to the date of the meeting or other action.

(d) A Member may appoint a proxy to vote or otherwise act for the Member pursuant to a written appointment form executed by the member of the Member's duly authorized attorney-in-fact. An appointment of a proxy is effective when received by the Company. The general proxy of a fiduciary is given the same effect as the general proxy of any other Member. A proxy appointment is valid for eleven months unless otherwise expressly stated in the appointment form.

(e) At any meeting of the Members, each Member entitled to vote shall have a number of votes equal to the product of (i) his or her Percentage Interest as set forth on Exhibit A hereto, as the same may be amended from time to time, times (ii) one hundred (100). At any meeting of Members, presence of all Members in the Company entitled to vote at such meeting shall be required for the particular matter under consideration. Any assignee of a Member's Interest in the Company shall not be entitled to vote or participate on any matters at any meeting unless such assignee shall become an Additional or Substitute Member as contemplated in Section 6.2 hereof.

(f) Subject to subsection (b) of this Section and the applicable laws of the State of New York, any action required or permitted to be taken at a Members' meeting may be taken without a meeting if the action is taken by all of the Members entitled to vote on the action. The action must be evidenced by one of more written consents describing the action to be taken, signed by all the Members entitled to vote on the action, and delivered to the Company for inclusion in the minutes. The record date for determining Members entitled to take action without a meeting is the first date a Member signs the consent to such action.

(g) Any or all members may participate in any members' meeting by, or through the use of, any means of communication by which all Members participating may simultaneously hear each other during the meeting. A Member so participating is deemed to be present in person at the meeting.

(h) At any Members' meeting the Members shall appoint a person to preside at the meeting and a person to act as secretary of the meeting. The secretary of the meeting shall prepare minutes of the meeting which shall be placed in the minute books of the Company.

(i) Except as provided in Section 3.3 below, all powers of the Company shall be exercised by or under the authority of, and the business and affairs of the Company shall be managed under the direction of the Members.

Section 3.3 **Managing Members(s).** Notwithstanding the foregoing provisions of Section 3.2 above, Management of the business and property of the Company may be vested in the Members other than in proportion to their Capital Contributions to the extent provided in this Section 3.3.

(a) **Major Decisions.** No act shall be taken, sum expended, decision made or obligation incurred by the Company except by the unanimous consent of all Members with respect to a matter within the scope of any of the major decisions enumerated below (the "Major Decisions"). The Major Decisions shall include (i) the sale of all or substantially all assets of the Company, (ii) a mortgage or encumbrance upon all or substantially all assets of the Company, (iii) any matter which could result in a change in the amount or character of the Company's contributions to capital, (iv) a change in the character of the business of the Company, (v) correction of a false or erroneous statement in the Articles, (vi) disposal of the goodwill or the Company, (vii) confession of a judgment, (viii) commission of any act which would make it impossible for the Company to carry on its ordinary business, or (ix) any action which would contravene this Agreement.

(b) **Allocation of Management Responsibility.** Without limiting the right of each Member to manage the Company in the manner provided in Sections 3.1 and 3.3(a) hereof and without affecting the agency of the Company's Members described in Section 412 of the New York Limited Liability Company Law, the parties intend that Arena, Inc. shall be primarily responsible for the management of the business of the Company on a day-to-day basis and that books and records relating to the business of the Company shall be maintained by Arena, Inc.. Arena, Inc. shall be entitled to such compensation for administrative or managerial services provided to the Company as agreed by all the Members.

Section 3.4 **Powers of Members.**

(a) Except as expressly provided in Section 3.3 above, the Members and each of them shall have all necessary powers to cause the Company to carry out the purposes, business, and objectives of the Company, including, but not limited to, the right to execute and deliver contracts of all kinds on behalf of the Company; to employ employees, agents, consultants and advisors on behalf of the Company, to lend or borrow money and to issue evidences of indebtedness; to bring and defend actions in law or at equity; to buy, own, manage, sell, lease, mortgage, pledge or otherwise acquire or dispose of Company property.

(b) The Members may employ a competent person or persons to be employees of the Company who shall be responsible for: authenticating the records of the Company, including keeping correct and complete books of account which show accurately at all times the financial condition of the Company, safeguarding all funds, notes, securities, and other valuables which may from time to time come into possession of the Company, depositing all funds of the Company with such depositories as the Members shall designate. Such employees shall have such other duties as the Members may from time to time prescribe, but under no circumstance shall such employee have any of the rights, powers, responsibilities or duties of a Member of the Company as prescribed herein or by law.

(c) Every contract, deed, mortgage, lease and other instrument executed by any Member shall be conclusive evidence in favor of every person relying thereon or claiming thereunder that at the time of the delivery thereof, (i) the Company was in existence (ii) neither this Agreement nor the Articles had been amended in any manner so as to restrict the delegation of authority among Members and (iii) the execution and delivery of such instrument was duly authorized by the Members. Any person may always rely on a certificate addressed to him and signed by any member hereunder:

(i) as to who are the Members hereunder;

(ii) as to the existence or non-existence of any fact which constitutes a condition precedent to acts by the Members or in any other manner germane to the affairs of the Company;

(iii) as to who is authorized to execute and deliver any instrument or document of the Company;

(iv) as to the authenticity of any copy of the Articles, this Agreement, amendments thereto and any other document relating to the conduct of the affairs of the Company; or

(v) as to any act or failure to act by the Company or as to any other matter whatsoever involving the Company or any Member in the capacity as a Member of the Company.

Section 3.5 Reimbursement of Expenses. Any Member shall be entitled to reimbursement from the Company of all expenses of the Company reasonably incurred and paid by such Member on behalf of the Company.

Section 3.6 Organization Expenses. The Company shall pay all expenses incurred in the organization of the Company.

ARTICLE IV

Accounting and Records

Section 4.1 Records and Accounting. The books and records of the Company shall be kept, and the financial position and the results of its operations recorded, in accordance with the accounting methods elected to be followed by the Company for federal income tax purposes. The books and records of the Company shall reflect all Company transactions and shall be appropriate and adequate for the Company's business. The fiscal year of the Company for financial reporting and for federal income tax purposes shall be the calendar year.

Section 4.2 Access to Accounting Records. All books and records of the Company shall be maintained at the Company's principal place of business, and each Member, and his duly authorized representative, shall have access to them at such office of the Company and the right to inspect and copy them at reasonable times.

Section 4.3 Annual Tax Information. The Members shall use their best efforts to cause the Company to deliver to each Member within 90 days after the end of each fiscal year all information necessary for the preparation of such Member's federal income tax return. The Members shall also use their best efforts to cause the Company to prepare, within 120 days after the end of each fiscal year, a financial report of the Company for such fiscal year, containing a balance sheet as of the last day of the year then ended, an income statement for the year then ended, a statement of sources and application of funds, and a statement of reconciliation of the Capital Accounts of the Members.

Section 4.4 Accounting Decisions. All decisions as to accounting matters, except as otherwise specifically set forth herein, shall be made by unanimous agreement of the Members. The Members may rely upon the advice of their accountants as to whether such decisions are in accordance with accounting methods followed for federal income tax purposes.

Section 4.5 Federal Income Tax Elections. The Company may make all elections for federal income tax purposes, including, but not limited to, the following:

(a) To the extent permitted by applicable law and regulations, to use an accelerated depreciation method on any depreciable assets of the Company; and

(b) In case of a transfer of all or part of the Company Interest of any Member, the Company may elect, pursuant to Section 734, 743, and 754 of the Code, as amended (or corresponding provisions of future law) to adjust the basis of the assets of the Company.

ARTICLE V

Allocations; Distributions; And Interests

Section 5.1 Allocation of Net Income, Net Loss or Capital Gains. Except as may be expressly provided otherwise in this Article V, and subject to the provision of §704(c) of the Code, the net income, net loss or capital gains of the Company for each fiscal year of the Company shall be allocated to the Members, pro rata in accordance with their Percentage Interests; provided, however, that losses allocated pursuant to this Section 5.1 shall not exceed the maximum amount of losses that can be allocated without causing any Member to have an Adjusted Capital Account Deficit at the end of any fiscal year. In the event some but not all Members would have an Adjusted Capital Account Deficit as a result of an allocation of losses at the end of any fiscal year, the limitations provided in this Section 5.1 shall be applied on a Member by Member basis so as to allocate the maximum permissible loss to each Member under the Regulations.

Section 5.2 Special Allocations. Items of income, gain, loss and deduction shall be allocated in accordance with the provisions of this Section 5.2, without regard to the allocation provisions contained in Section 5.1, in the following order:

(a) Qualified Income Offset. If any Member's Capital Account is unexpectedly adjusted for, or such Member is unexpectedly allocated or there is unexpectedly distributed to such Member, at any time described in Treas: Reg. § 1.704-1(b)(2)(ii)(d)(4)-(6), and such treatment creates or increases a Member's Adjusted Capital Account Deficit, then without regard to the allocations provided in Section 5.1, the Company shall allocate to such Member items of Company income and gain (consisting of a pro rata portion of each item of Company income, including gross income, and gain for such year) in an amount and manner sufficient to eliminate such Adjusted Capital Account Deficit as quickly as possible.

(b) Gross Income Allocation. In the event that a Member has a deficit Capital Account at the end of any Company fiscal year which is in excess of the sum of (i) the amount the Member is obligated to restore pursuant to any provision of this Operating Agreement, and (ii) the amount the Member is deemed to be obligated to restore pursuant to Treas. Reg. § 1.704-2(g) and (i)(5), the Member shall be specially allocated items of Company income and gain in the amount of such excess as quickly as possible, provided that an allocation pursuant to this paragraph shall be made if and to the extent that the Member would have a deficit Capital Account in excess of such sum after all other allocations provided for in this Section 5.2 have been tentatively made as if this Section 5.2(b) were not in this Operating Agreement.

Section 5.3 Curative Allocations. The allocations set forth in Section 5.2 ("Regulatory

Allocations") are intended to comply with certain requirements of Treas. Reg § 1.704-1(b). Notwithstanding any other provision of Article V (other than the Regulatory Allocations), the Regulatory Allocations shall be taken into account in allocating other profits, losses, and items of income, gain, loss and deduction among the Members so that, to the extent possible, the net amount of such allocations of other profits, losses and other items and the Regulatory Allocations to each Member shall be equal to the amount that would have been allocated if the Regulatory Allocations had not occurred.

Section 5.4 **Distributions of Available Cash.** The Available Cash of the Company, if any, shall be distributed to the Members, pro-rata in accordance with their Percentage Interests, at such times and in such amounts as may be determined by agreement of all of the Members.

Section 5.5 **Allocations and Distributions with Respect to Transferred Interests.**

(a) If any Interest in the Company is transferred, or is increased or decreased by reason of the admission of a new Member or otherwise, during any fiscal year of the Company, each item of income, gain, loss, deduction, or credit of the Company for such fiscal year shall be assigned pro rata to each day in the particular period of such fiscal year to which such item is attributable (i.e., the day on or during which it is accrued or otherwise incurred) and the amount of each such item so assigned to any such day shall be allocated to the Member based upon its respective Interest in the Company at the close of such day. For the purpose of accounting convenience and simplicity, the Company may treat a transfer of, or an increase or decrease in, an Interest in the Company which occurs at any time during a semi-monthly period (commencing with the semi-monthly period including the date hereof) as having been consummated on the first day of such semi-monthly period, regardless of when during such semi-monthly period such transfer, increase, or decrease actually occurs (i.e., sales and dispositions made during the first 15 days of any month will be deemed to have been made on the 16th day of the month).

(b) Distributions of Company assets in respect of an Interest in the Company shall be made only to the Members who, according to the books and records of the Company, are the holders of record of the Interests in respect of which such distribution are made on the actual date of distribution. Neither the Company nor any Member shall incur any liability for making distributions in accordance with the provisions of the preceding sentence, whether or not the Company or the Member has knowledge or notice of any transfer or purported transfer of ownership of Interest in the Company which has not been approved by unanimous vote of the Members. Notwithstanding any provision above to the contrary, gain or loss of the Company realized in connection with a sale or other disposition of any of the assets of the Company shall be allocated solely to the parties owning Interest in the Company as of the date of such sale or other disposition occurs.

ARTICLE VI

Transfer of Member's Interests

Section 6.1 Transfer and Assignment of Member's Interest. A member may transfer or assign all or part of his Interest in the Company, provided however that such transfer shall be effective only to the extent provided in Section 6.3(b) until such time as such assignee or transferee is admitted as an Additional or Substitute Member of the Company pursuant to Section 6.2 hereof.

Section 6.2 Additional or Substitute Members. An assignee of all of a Member's Interest shall become a Substitute Member of the Company and an assignee of a part of a Member's Interest shall become an Additional Member of the Company on the first day of the calendar month immediately following the date on which (i) such assignee's admission as a Substitute Member or Additional Member is approved by the consent of the holders of the remaining Interests in the Company (ii) such transferee or assignee executes an instrument satisfactory to all of the remaining Members accepting and adopting the terms and provisions of this Agreement, and (iii) such person pays any reasonable expenses in connection with his or her admission as a new Member.

Section 6.3. Effect of Transfer.

(a) Any permitted transfer of all or any portion of a Member's Interest in the Company will take effect on the first day of the month following receipt by the Members of written notice of transfer unless another date is designated by all of the remaining Members of the Company.

(b) Upon any transfer of a Member's Interest in the Company, the assignee shall have no right to participate in the management of the business and affairs of the Company or to become a Member until such time as such assignee shall become as Additional or Substitute Member pursuant to Section 6.2 hereof, but such assignee shall only be entitled to receive the share of profits or other compensation by way of income and the return of contributions to which the transferor of such Interest in the Company would otherwise be entitled.

ARTICLE VII

Termination

Section 7.1. Dissolution of the Company. The Company shall be dissolved, its assets shall be disposed of, and its affairs wound up on the first to occur of the following:

(i) A unanimous determination by the Members that the Company should be dissolved;

(ii) The occurrence of any event which makes it unlawful or impossible to carry on the Company's business;

(iii) the sale, disposition or abandonment of all or substantially all of the assets of the Company;

(iv) The entry of a decree of judicial dissolution under Limited Liability Company Law of the State of New York; or

(v) The death, insanity, dissolution, bankruptcy, withdrawal or expulsion of a Member, or any other event which terminates the membership of a Member, unless within ninety (90) days after such even, the remaining Member or Members agree to continue the business with the representative of the withdrawing Member or a new Member admitted to the Company.

Section 7.2 **Winding Up.** Upon the dissolution of the Company for any reason. the Members shall commence to wind up the affairs of the Company and to liquidate its assets. The Members shall continue to share in the profits and losses of the Company during the period of liquidation in the same proportions as before the dissolution. After the sale or other disposition (other than by distribution to the Members) of all assets of the Company to be disposed of (other than by distribution to the Members) in the liquidation, gains and losses thereon shall be calculated, allocated in the manner described in Article V hereof, and applied to the capital accounts of each Member to whom the allocations are made, pursuant to section 2.4 hereof.

Section 7.3 **Liquidating Distributions to Members.** Following the payment of all debts and liabilities of the Company to persons other than the Members and the payment of all expenses of liquidation, and subject to the reserves which the Members unanimously agree are reasonably necessary for any contingent or unforeseen liabilities or obligations of the Company, the proceeds of the liquidation and any other funds shall be applied to the payment of any debts and liabilities to the Members, if any, and then shall be distributed to the members in accordance with their Capital Accounts as of the date of such distribution, after giving effect to all contributions, distributions, and allocations for all periods.

Section 7.4 **No Recourse Against Members.** The assets of the Company shall be a Member's source of all Distributions with respect to the Company, the return of his or its Capital Contribution thereto and his or its share of profits and losses thereof, and such Members shall have no recourse therefor (upon dissolution or otherwise) against any other Members.

Section 7.5 **Termination of Company.** Upon the completion of the liquidation of the Company and the distribution of all Company funds, the Company shall terminate, and the Members may authorize one or more Members to execute and record such articles of dissolution

for the Company and any and all other documents necessary to effectuate the dissolution and termination of the Company.

ARTICLE VIII

Indemnification

Section 8.1 Indemnification of Organizers and Members.

(a) The Company shall indemnify any Organizer or Member made party to any action, suit, claim or proceeding, arbitration, alternative dispute resolution mechanism, administrative or legislative hearing or any other threatened, pending, or completed proceeding, whether civil or criminal, formal or informal, to which such Organizer or Member is made a party by reason of being an Organizer or Member of the Company (a "Proceeding"), against all judgment, fines, penalties, amounts paid in settlement, and expenses, including attorneys' fees, actually and reasonably accrued in connection with any such Proceeding; unless it shall be determined by the Company that indemnification of such Organizer or Member is not permissible by reason of subsection (b) hereof. For purposes of this Article VIII, the term Organizer or Member shall include, but shall not be limited to (i) the Organizer identified in the Articles of Organization of the Company, (ii) the Initial Members, (iii) any and all Additional or Substitute Members, (iv) any responsible officers, partners, shareholders, directors or managers of such Organizer or Member if such Organizer or Member is an Entity, and (v) if such Organizer or Member is an Entity wholly or partly owned by another Entity, any responsible officers, partners, shareholders, directors or managers of such owning Entity.

(b) No indemnification shall be made to or on behalf of any such person if a judgment or other final adjudication adverse to such person establishes, or the Company otherwise determines, that such person's acts were committed in bad faith or were the result of active and deliberate dishonesty, or that such person personally gained in fact a financial profit or other advantage to which such person was not legally entitled. In addition, no indemnification shall be made with respect to any Proceeding initiated by any such Organizer or Member against the Company, or another Member, other than to enforce the terms of this Article VIII. Further, no indemnification shall be made with respect to any settlement or compromise of any Proceeding unless and until the Company has consented to such settlement or compromise. A determination by the Company that indemnification is not permissible under this subsection (b) may be made only;

(i) By the Members by a unanimous written consent of Members not at the time parties to the Proceeding; or

(ii) By legal counsel selected by the Members in the manner prescribed in subsection (b)(i) above.

In making any such determination, it shall be presumed that such person is entitled to indemnification, and the Company shall provide such indemnification absent a final adjudication described in this subsection (b) hereof or clear and convincing evidence of bad faith, dishonesty or unlawful financial gain as described herein.

(c) Written notice of any Proceeding for which indemnification may be sought by any person shall be given to the Company as soon as practicable. The Company shall then be permitted to participate in the defense of any such proceeding or, unless conflicts of interest exist between such person and the Company in the conduct of such defense, to assume such defense. In the event that the Company assumes the defense of any such Proceeding, legal counsel selected by the Company shall be acceptable to such person. After such an assumption, the Company shall not be liable to such person for any legal or other expenses subsequently incurred unless such expense have been expressly authorized by the Company. In the event that the Company participates in the defense of any such Proceeding, such person may select counsel to represent such person in regard to such a Proceeding; however, such person shall cooperate in good faith with any request that common counsel be utilized by the parties to any Proceeding who are similarly situated unless to do so would be inappropriate due to actual or potential differing interests between or among such parties.

(d) A Member or Organizer of the Company who is a party to a proceeding may apply for indemnification from the Company to the court, if any, conducting the proceeding or to another court of competent jurisdiction. On receipt of an application, the court, after giving notice the court considers necessary, may order indemnification if it determines:

(i) If a proceeding in which the Member or Organizer is wholly successful, on the merits or otherwise, the Member or Organizer is entitled to indemnification under this Section, in which case the court shall order the Company to pay the individual his or her reasonable expenses incurred to obtain such court ordered indemnification; or

(ii) The individual is fairly and reasonably entitled to indemnification in view of all the relevant circumstances.

Section 8.2 Advancement of Expenses. Except in the case of a Proceeding against the Company or another Member, the Corporation shall, subject to Section 8.1 above, pay expenses actually and reasonably incurred by or on behalf of an Organizer or Member in defending any Proceeding in advance of the final disposition of such Proceeding. Such payments shall be made promptly upon receipt by the Company, from time to time, of a written demand of such person for such advancement, together with an undertaking by or on behalf of such person to repay any expenses so advanced to the extent that the person receiving the advancement is ultimately found not to be entitled to indemnification for part or all of such expenses.

Section 8.3 Indemnification of Employees and Agents. The Company shall have the power, but not the obligation, to indemnify any individual who is or was an employee or agent of the Company to the same extent as if such individual was a Member or Organizer.

Section 8.4 Rights Not Exclusive. The rights to indemnification and advancement of expenses granted by or pursuant to this Article VIII: (i) shall not limit or exclude, but shall be in addition to, any other rights which may be granted by or pursuant to any statute, articles of organization or agreement among the Members; (ii) shall be deemed to constitute contractual obligations of the Company to any person or Entity who or which served in such capacity at any time while this Article VIII is in effect; (iii) shall continue to exist after the repeal or modification of this Article VIII with respect to events occurring prior thereto and (iv) shall continue as to a person or Entity who has ceased to be an Organizer or Member and shall inure to the benefit of the estate, spouse, heirs, executors, administrators or assigns of such person or Entity. It is the intent of this Article VIII to require the Company to indemnify the persons or Entities referred to herein for the aforementioned judgments, fines, penalties, amounts paid in settlement, and expenses, including attorney's fees, in each and every circumstance in which such indemnification could lawfully be permitted by express provisions of this Operating Agreement, and the indemnification required by this Article VIII shall not be limited by the absence of an express recital of such circumstances.

Section 8.5 Insurance. The Company may purchase and maintain insurance for its benefit, the benefit of any person or Entity who or which is entitled to indemnification under this section, or both, against any liability asserted against or incurred by such person or Entity in any capacity or arising out of service with the Company, whether or not the Company would have the power to indemnify such individual against such liability.

ARTICLE IX

Miscellaneous

Section 9.1. Complete Agreement. This Agreement and the Articles constitute the complete and exclusive statement of agreement among the Members with respect to the subject matter hereof. This Agreement and the Articles replace and supersede all prior agreements by and among the Members or any of them. This Agreement and the Articles supersede all prior written and oral statements and no representation, statement, or condition or warranty not contained in this Agreement or the Articles will be binding on the Members or have any force of effect whatsoever.

Section 9.2 Governing Law. This Agreement and the rights of the parties hereunder will be governed by, interpreted, and enforced in accordance with the laws of the State of New York.

Section 9.3 **Binding Effect.** Except as herein otherwise specifically provided, this Agreement shall be binding upon and inure to the benefit of the parties and their legal representatives, heirs, administrators, executors, successors and assigns, and in the case if a corporate party, any successor of such party whether by way of merger, reorganization consolidation or transfer of substantially all of such Company's assets.

Section 9.4. **Terms.** Wherever from the context it appears appropriate, each term stated in either the singular or the plural shall include the singular and the plural, and pronouns stated in either the masculine, the feminine or the neuter gender shall include the masculine, feminine and neuter.

Section 9.5. **Captions.** Captions contained in this Agreement are inserted only as a matter of convenience and in no way define, limit or extend the scope of intent of this Agreement or any provision hereof.

Section 9.6. **Severability.** If any provision of this Agreement, or the application of such provision to any person or circumstance, shall be held invalid, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those to which it is held invalid, shall not be affected thereby.

Section 9.7. **References to Agreement.** Words such as "herein", "hereinafter", "hereof", "hereto", "hereby", and "hereunder", when used in reference to the Agreement, refer to this Agreement as a whole, unless the context otherwise requires.

Section 9.8. **Notices.** Any notice to be given or to be served upon the Company or any party hereto in connection with this Agreement must be in writing and will be deemed to have been given and received when delivered to the address specified by the party to receive the notice. Such notices will be given to a Member at the address specified in Exhibit A hereto. Any Member or the Company may, at any time by giving five (5) days prior written notice to the other Members and the Company, designate any other address in substitution of the forgoing address to which such notice will be given.

Section 9.9. **Amendments.** All amendments to this Agreement will be in writing and signed by all the Members.

Section 9.10. **Title to Company Property.** Legal title to all property of the Company will be held and conveyed in the name of the Company.

Section 9.11. **Reliance on Authority of Person Signing Agreement.** Neither the Company nor any Member will be required to determine the authority of the individual signing this Agreement to make any commitment or undertaking on behalf of a Member or to determine any fact or circumstance bearing upon the existence of the authority of such individual.

IN WITNESS WHEREOF, the undersigned have executed this Agreement effective as of November 18, 1994.

NIAGARA FRONTIER HOCKEY, L.P.

By: Niagara Frontier Hockey Management Corporation, its General Partner

By: _____ VP FINANCE/CFO

ARENA, INC.
(f/k/a Crossroads Arena Corporation)

By: _____

EXHIBIT A

Capital Contributions and Membership Interest

Name and Address	Initial Cash Contribution	Anticipated Additional Contribution*	Agreed Fair Market Value of Property Contributed per Assignment and Assumption Agreement	Debt Assumed by Company Per Assignment and Assumption Agreement	Net Contribution	Percentage Interest
1. NFHLP Memorial Auditorium 140 Main Street Buffalo, NY 14202	$99	$32,174,901	$0	$0	$32,175,000	99%
2. Arena, Inc. Memorial Auditorium 140 Main Street Buffalo, NY 14202	$1	$324,999	$6,356,751.69**	$6,356,751.69	$ 325,000	1%

* Amount represents the anticipated proceeds available from the Concession Loan which will ultimately be contributed by NFHLP and Arena, Inc. to Crossroads Arena LLC. All amounts contributed will be made so as to maintain the 99:1 ratio between the members of Crossroads Arena LLC.

** Represents cash advances made by NFHLP to Arena, Inc. for project expenses incurred prior to formation of Crossroads Arena LLC and reflected in a promissory note dated November 18, 1994 to NFHLP which has been assigned by Arena, Inc. and assumed by Crossroads Arena LLC.

EXHIBIT C

Resolutions

RESOLUTIONS OF MEMBERS OF

CROSSROADS ARENA LLC (the "Company")

WHEREAS, the Company is the developer of the Crossroads Arena, a sports and entertainment complex to be located in Buffalo, New York, including approximately eighty (80) private suites and approximately two thousand five hundred (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 nineteen thousand four hundred (19,400) for hockey and up to twenty one thousand five hundred (21,500) for concerts and other events, and including associated parking structures and surface parking lots ("The Crossroads" or the "Project"); and

WHEREAS, the undersigned members have reviewed certain agreements relating to the design, development and construction of the Project (the "Design, Construction and Development Agreements"), and such ancillary documents as described in each respective Design, Construction and Development Agreement; and

WHEREAS, the undersigned members have reviewed certain agreements with the Buffalo Urban Renewal Agency ("BURA"), the City of Buffalo, County of Erie, Erie County Industrial Development Agency ("ECIDA") and New York State Urban Development Corporation ("UDC") (collectively, the "Public Participants"), relating to the acquisition and leasing of the Project site and the financing, development, construction and operation of the Project (the "Public Participant Agreements"), and such ancillary documents as described in each respective Public Participant Agreement; and

WHEREAS, the undersigned members have reviewed certain agreements with Marine Midland Bank and Key Bank of New York (the "Construction Lenders"), and Marine Midland Bank as collateral agent for the Construction Lenders (the "Construction Loan Agent"), relating to the financing of the Project (the "Construction Loan Agreements"), and such ancillary documents as described in each respective Construction Loan Agreement; and

WHEREAS, Buffalo Sabres Concession LLC ("BSCLLC") and Niagara Frontier Hockey, L.P. ("NFHLP") have approved certain agreements by, between and among, BSCLLC, NFHLP, Shawmut Bank, N.A. ("Shawmut"), Fleet Bank ("Fleet") (Shawmut and Fleet referred to collectively as "Concession Lenders"), Shawmut as collateral agent for the Concession Lenders (the "Concession Loan Agent"), Sportservice Corporation, New York Sportservice, Inc. and the ECIDA relating to additional financing for the Project (the "Concession Loan Agreements"), and the undersigned members have reviewed those Concession Loan Agreements requiring execution and delivery by the Company and such ancillary documents as described in such concession Loan Agreements; and

WHEREAS, the undersigned members have reviewed a lease of the Project by and between the Company and NFHLP (the "Lease"), which Lease has been approved by NFHLP as tenant, and certain other agreements with NFHLP related to and attached as Exhibits to the Lease, including but not limited to the Box Office Operating Agreement, the Sales Agency Agreement, and the Marketing and Advertising Agreement (the "Related Agreements"), each of which agreements have been approved by NFHLP; and

NOW THEREFORE, be it RESOLVED as follows:

1. With respect to the Design, Construction and Development Agreements;

BE IT RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to Huber, Hunt & Nichols, a construction contract relating to the construction of the arena (the "Guaranteed Maximum Price Contract"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to Ellerbe-Becket Architects & Engineers, P.C. an agreement relating to the design and development of the arena (the "Arena Architect's Agreement"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the Krog Corporation, a construction management contract relating to construction management services in connection with the construction of the Project parking structures (the "Parking Structures Construction Management Agreement"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver such other documents and agreements and do any and all other acts necessary or appropriate to effectuate the purposes of these resolutions, including, without limitation, executing and delivering any subsequent amendments, extensions, renewals or replacements of the Guaranteed Maximum Price Contract, Arena Architect's Agreement and Parking Structures Construction Management Agreement and any other agreement or instrument contemplated by these resolutions, which any of such persons deems necessary or appropriate; and that any and all documents heretofore executed and acts heretofore done in connection with said agreements or to effectuate the purposes of these resolutions are hereby in all respects ratified and confirmed; and be it further

RESOLVED, that each of the foregoing instruments mentioned in these resolutions is in such form and content as the member of the Company executing them shall approve, his approval to be conclusively evidenced by his execution thereof; and be it further

RESOLVED, that any member of the Company is hereby designated the proper member of the Company for the purposes of these resolutions.

2. With respect to the Public Participant Agreements;

BE IT RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to BURA and the City of Buffalo a contract for lease of land and Redevelopment relating to acquisition, leasing and development of the Project site (the "Land Disposition Agreement"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the City of Buffalo, County of Erie, UDC, BURA and ECIDA a development and construction agreement relating to the development and construction of the Project (the "Development and Construction Agreement"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the City of Buffalo, County of Erie, UDC, BURA and ECIDA an operating agreement relating to the Company's occupancy, use, management and operation of the Project (the "Operating Agreement"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to ECIDA an agency lease agreement relating to the Company's leasehold interest in the Project (the "Agency Lease Agreement"), and to execute and deliver a memorandum of such lease agreement to such persons as shall be determined by the members of the Company, and each of them acting alone; and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the Public Participants a nondisturbance and attornment agreement to which the Construction Lenders, Construction Loan Agent, Concession Lenders, Concession Loan Agent, NFHLP, BSCLLC and the Company will agree to the

nondisturbance by the lessors and attornment by the lessees in each of the lessor-lessee relationships established by the ground leases and operating leases with respect to the Project in the event that any of such leases is terminated ("NDAA"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the Public Participants its acknowledgement of and agreement to a lenders cooperation agreement pursuant to which the National Hockey League shall consent to (i) issuance of certain guaranties and security interests by NFHLP with respect to the Project and (ii) certain non-relocation agreements between NFHLP and the Public Participants, Construction Lenders and Concession Lenders, respectively (the "Lenders Cooperation Agreement"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the City of Buffalo, County of Erie, BURA and ECIDA an environmental inquiry authorization, compliance and indemnification agreement with respect to the property on which the Crossroads Arena Project is to be located ("Environmental Agreement"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the City of Buffalo, BURA and NFHLP its acknowledgement and acceptance of a non-competition agreement pertaining to the City of Buffalo's use of Memorial Auditorium upon completion of the Project (the "Non-Competition Agreement"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the Public Participants a financing participants agreement by and among the Public Participants, Construction Lenders, Construction Loan Agent, Concession Lenders, and Concession Loan Agent, Sportservice Corporation, New York Sportservice, Inc., NFHLP, BSCLLC and the Company containing certain agreements of various public and private financing participants ("Financing Participants") in connection with the Project and outlining certain responsibilities of the Company to the Financing Participants with respect to the Project ("Financing Participants Agreement"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the UDC a promissory note in the amount of up to $25.0 million (the "UDC Note") (the "UDC Note"); and be it further

RESOLVED, that the proper officers of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, for itself and as general partner of NFHLP (for itself, and acting on behalf of CALLC), to execute and deliver to the City of Buffalo, BURA, UDC, and the County of Erie a inducement agreement with respect to public financing of the Project (the "Inducement Agreement"); and be it further;

RESOLVED, that the proper officeres of the Company are, and each of them acting alone is, hereby authorized, as general partner of NFHLP, for itself and as a member of CALLC, to execute and deliver to the Public Participants a conditional assignment of project documents (the "Conditional Assignment of Project Documents"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the Public Participants such other documents and agreements and do any and all other acts necessary or appropriate to effectuate the purposes of these resolutions, including, without limitation, executing and delivering any subsequent amendments, extensions, renewals or replacements of the Land Disposition Agreement, Development and Construction Agreement, Operating Agreement, Agency Lease Agreement, NDAA, Lenders Cooperation Agreement, Environmental Agreement, Non-Competition Agreement, Financing Participants Agreement, UDC Note, Inducement Agreement, Conditional Assignment of Project Documents, and any other agreement or instrument contemplated by these resolutions, which any of such persons deems necessary or appropriate; and that any and all documents heretofore executed and acts heretofore done in connection with said agreements or to effectuate the purposes of these resolutions are hereby in all respects ratified and confirmed; and be it further

RESOLVED, that each of the foregoing instruments mentioned in these resolutions is in such form and content as the member of the Company executing them shall approve, his approval to be conclusively evidenced by his execution thereof; and be it further

RESOLVED, that any member of the Company is hereby designated the proper member of the Company for the purposes of these resolutions.

3. With Respect to the Construction Loan Agreements;

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and

deliver to the Construction Loan Agent for the benefit of the Construction Lenders and any future lenders or participants, a building loan contract between the Company and Construction Loan Agent ("Building Loan Contract") providing for a $35,000,000 credit facility ("Construction Credit Facility") to be provided to the Company by the Construction Lenders and any future lenders or participants; and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to Marine a building loan note in the original principal amount of $17,500,000.00 ("Marine Note"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to Key a building loan note in the original principal amount of $17,500,000.00 ("Key Note"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to Construction Loan Agent a leasehold mortgage covering the Crossroads Arena Project ("Project"), as continuing collateral security for the payment of any and all indebtedness and liabilities, now or hereafter existing, of the Company to the Construction Lenders and/or the Construction Loan Agent to the extent of $35,000,000.00 ("Construction Loan Mortgage"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to Construction Loan Agent one or more security agreements ("Construction Loan Security Agreements") granting to Construction Loan Agent security interests in the following property, whether now owned or hereafter owned or acquired by the Company, in all Proceeds and Products thereof in any form, in all parts, accessories, attachments, special tools, additions, replacements, substitutions and accessions thereto or therefor, and in all increases or profits received therefrom: any and all "Equipment", except Concession Equipment as defined in the Financing Participants Agreement, "Inventory", "Accounts", "Chattel Paper", "General Intangibles", "Fixtures", "Documents" and "Instruments" as defined in the Uniform Commercial Code of New York, including, without limitation, Equipment, Fixtures, Inventory, Accounts, Chattel Paper, General Intangibles, Documents and Instruments in connection with the Project; all furnishings and fixtures located on or used, or to be located on or used, in connection with the Project; and all building materials delivered to or acquired for use in connection with the Project; and any and all accounts, chattel paper, sales contracts, insurance contracts, income, payments, profits, general intangibles

and other rights to the payment of money, and all proceeds of all of the foregoing, whether now existing or hereafter arising in connection with the Project; and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the Construction Loan Agent an assignment of leases and rents assigning to Construction Loan Agent the Company's right, title and interest in and to present and future Project leases, rents and income ("Assignment of Leases and Rents); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to Construction Loan Agent (a) an assignment of a certain segregated bank account of the Company into which the Company shall make annual deposits for the purpose of making capital repairs and improvements to the Project, (b) an assignment of a certain bank account into which revenues from the Project shall be deposited, and (c) an assignment of a certain segregated bank account of the Company into which the Company shall deposit amounts necessary to cause the balance of such account to be equal to debt service payments on the loan which will become due in the following year (collectively "Bank Account Assignments"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the Construction Loan Agent an environmental inquiry authorization, compliance and indemnification agreement with respect to the property on which the Crossroads Arena Project is to be located ("Environmental Agreement"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to Construction Loan Agent a financing participants agreement by and among the Public Participants, Construction Lenders, Construction Loan Agent, Concession Lenders, and Concession Loan Agent, Sportservice Corporation, New York Sportservice, Inc., NFHLP, BSCLLC and the Company containing certain agreements of various public and private financing participants ("Financing Participants") in connection with the Project and outlining certain responsibilities of the Company to the Financing Participants with respect to the Project ("Financing Participants Agreement"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and

deliver to Construction Loan Agent an assignment of project documents assigning to Construction Loan Agent (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; (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 Company or which have been or will hereafter be assigned to the Company in connection with the construction, use, operation, maintenance, occupancy and servicing of the Project and the Improvements, together with all franchise and license agreements; and (c) the Company's books and records relating to the Project ("Assignment of Project Documents"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the Construction Loan Agent a sale and assignment agreement containing certain agreements of Key, Fleet, Shawmut, the Construction Loan Agent and the Company with respect to the purchase by Fleet and Shawmut of a portion of Key's share of the Construction Credit Facility (the "Sale and Assignment Agreement"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the Construction Loan Agent the consent of the Company to an agency agreement pursuant to which the Construction Lenders, Shawmut and Fleet select Marine to act as the collateral and disbursing agent for the parties with respect to the Construction Credit Facility (the "Construction Loan Agency Consent"); and be it

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the Construction Loan Agent a nondisturbance and attornment agreement pursuant to which the Construction Lenders, Construction Loan Agent, Concession Lenders, Concession Loan Agent, Public Participants, NFHLP, BSCLLC, and the Company will agree to the nondisturbance by the lessors and attornment by the lessees in each of the lessor-lessee relationships established by the ground leases and operating leases with respect to the Project in the event that any of such leases is terminated ("NDAA"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to Key Bank of New York a rate protection agreement relating to Construction Credit Facility and to assign such rate protection agreement to or for the benefit of the Construction Lenders and/or Construction Loan Agent the ("Construction Loan Rate Protection Agreement and Assignment"); and be if further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the Construction Loan Agent its acknowledgement of and agreement to a lenders cooperation agreement pursuant to which the NHL shall consent to (i) issuance of certain guaranties and security interests by NFHLP with respect to the Project and (ii) certain non-relocation agreements between NFHLP and the Public Participants Construction Lenders and Concession Lenders, respectively (the "Lenders Cooperation Agreement"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the Construction Loan Agent such other documents and agreements and do any and all other acts necessary or appropriate to effectuate the purposes of these resolutions, including, without limitation, executing and delivering to the Construction Loan Agent any subsequent amendments, extensions, renewals or replacements of the Building Loan Contract, the Marine Note, the Key Note, the Construction Loan Mortgage, the Construction Loan Security Agreements, the Assignment of Leases and Rents, the Bank Account Assignments, the Environmental Agreement, the Financing Participants Agreement, the Sale and Assignment Agreement, Construction Loan Agency Consent, the NDAA, the Construction Loan Rate Protection Agreement and Assignment, Lenders Cooperation Agreement and any other agreement or instrument contemplated by these resolutions, which any of such persons deems necessary or appropriate; and that any and all documents heretofore executed and acts heretofore done in connection with any financing arrangements with Construction Loan Agent and/or Lenders or to effectuate the purposes of these resolutions are hereby in all respects ratified and confirmed; and be it further

RESOLVED, that each of the foregoing instruments mentioned in these resolutions is in such form and content as the member of the Company executing them shall approve, his approval to be conclusively evidenced by his execution thereof; and be it further

RESOLVED, that any member of the Company is hereby designated the proper member of The Company for the purposes of these resolutions.

4. With respect to the Concession Loan Agreements;

BE IT RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the Concession Lenders and/or Concession Loan Agent for the benefit of the Concession Lenders and any future lenders or participants, an interim and term concession loan agreement (the "Concession Loan Agreement") providing for a $32,500,000 credit facility ("Credit Facility") to be provided to BSCLLC by Shawmut, Fleet and any future lenders or participants; and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the Concession Lenders and/or Concession Loan Agent a financing participants agreement by and among the Public Participants, Construction Lenders, Construction Loan Agent, Concession Lenders, Concession Loan Agent, Sportservice Corporation., New York Sportservice Corporation, NFHLP, BSCLLC and the Company containing certain agreements of various public and private financing participants ("Financing Participants") in connection with the Project and outlining certain responsibilities of the Company to the Financing Participants with respect to the Project ("Financing Participants Agreement"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the Concession Lenders and/or Concession Loan Agent, a security agreement by and among the Company, NFHLP and ECIDA in favor of Concession Lenders in all Concession Equipment as described in the Financing Participants Agreement (the "Concession Loan Security Agreement"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the Concession Lenders and/or Concession Loan Agent, its acknowledgement of and agreement to a lenders cooperation agreement pursuant to which the National Hockey League shall consent to (i) issuance of certain guaranties and security interests by NFHLP with respect to the Project and (ii) certain non-relocation agreements between NFHLP and the Public Participants, Construction Lenders and Concession Lenders, respectively (the "Lenders Cooperation Agreement");

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and

deliver to the Concession Lenders and/or Concession Loan Agent a nondisturbance and attornment agreement to which the Construction Lenders, Construction Loan Agent, Concession Lenders, Concession Loan Agent, NFHLP, BSCLLC and the Company will agree to the nondisturbance by the lessors and attornment by the lessees in each of the lessor-lessee relationships established by the ground leases and operating leases with respect to the Project in the event that any of such leases is terminated ("NDAA"); and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to the Concession Loan Agent such other documents and agreements and do any and all other acts necessary or appropriate to effectuate the purposes of these resolutions, including, without limitation, executing and delivering to the Concession Loan Agent any subsequent amendments, extensions, renewals or replacements of the Concession Loan Agreement, the Financing Participants Agreement, the Concession Loan Security Agreement, the Lenders Cooperation Agreement, the NDAA, and any other agreement or instrument contemplated by these resolutions, which any of such persons deems necessary or appropriate; and that any and all documents heretofore executed and acts heretofore done in connection with any financing arrangements with Concession Loan Agent and/or Lenders or to effectuate the purposes of these resolutions are hereby in all respects ratified and confirmed; and be it further

RESOLVED, that each of the foregoing instruments mentioned in these resolutions is in such form and content as the member of the Company executing them shall approve, his approval to be conclusively evidenced by his execution thereof; and be it further

RESOLVED, that any member of the Company is hereby designated the proper member of The Company for the purposes of these resolutions.

5. With respect to the Lease and Related Agreements:

BE IT RESOLVED: that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to NFHLP the Lease and Related Agreements; and be it further

RESOLVED, that the proper members of the Company are, and each of them acting alone is, hereby authorized on behalf of the Company, to execute and deliver to NFHLP such other documents and agreements and do any and all other acts necessary or appropriate to effectuate the purposes of these resolutions, including, without limitation, executing and delivering to NFHLP any subsequent

amendments, extensions, renewals or replacements of the Lease and any or all of the Related Agreements and any other agreement or instrument contemplated by these resolutions, which any of such persons deems necessary or appropriate; and that any and all documents heretofore executed and acts heretofore done in connection with the Lease and the Related Agreements with NFHLP or to effectuate the purposes of these resolutions are hereby in all respects ratified and confirmed; and be it further

RESOLVED, that each of the foregoing instruments mentioned in these resolutions is in such form and content as the member of the Company executing them shall approve, his approval to be conclusively evidenced by his execution thereof; and be it further

RESOLVED, that any member of the Company is hereby designated the proper member of The Company for the purposes of these resolutions.

EXHIBIT D

Good Standing Certificate

State of New York
Department of State

ss:

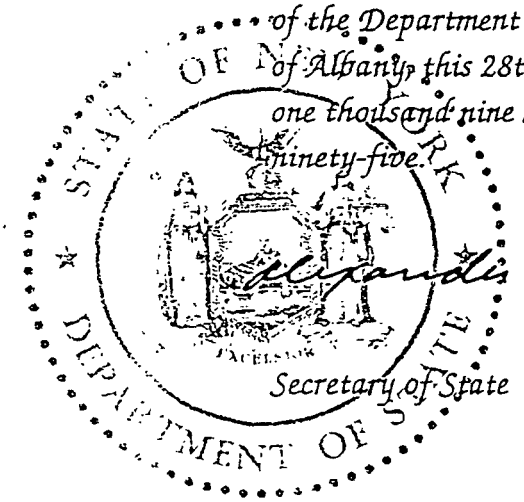
I hereby certify, that CROSSROAD ARENA, LLC. a NEW YORK limited liability company filed a Certificate of Articles of Organization pursuant to section 206 of the Limited Liability Law on 11/18/1994, and that the limited liability company is subsisting so far as shown by the records of the Department.

A Certificate of Amendment CROSSROAD ARENA, LLC., changing name to CROSSROADS ARENA LLC, was filed 03/02/1995.

The limited liability company has filed proofs of publication under section 206 (c) of the Limited Liability Company Law.

***

Witness my hand and the official seal of the Department of State at the City of Albany, this 28th day of April one thousand nine hundred and ninety-five.



Alexandria F. Treadwell

Secretary of State

199505010423

EXHIBIT E

Insurance Certificates

ACORD. CERTIFICATE OF INSURANCE

CAW 01715

ISSUE DATE (MM/DD/YY) 05/04/95

PRODUCER

WALSH DUFFIELD CO., INC.
801 MAIN STREET
BUFFALO NY 14205

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

CROSSROADS ARENA LLC
ATTN: CAROLYN H. HOYT
140 MAIN STREET
BUFFALO, NY 14202

COMPANIES AFFORDING COVERAGE

COMPANY LETTER	A	ST. PAUL INSURANCE
COMPANY LETTER	B	AMERICAN ALLIANCE
COMPANY LETTER	C	NATIONAL UNION
COMPANY LETTER	D	FEDERAL INSURANCE CO
COMPANY LETTER	E	

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO TR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY	590ID0348	10/27/94	10/27/96	GENERAL AGGREGATE	$ 3,000,000
	X COMMERCIAL GENERAL LIABILITY				PRODUCTS-COMP/OP AGG	$ 3,000,000
	CLAIMS MADE [X] OCCUR.				PERSONAL & ADV INJURY	$ 2,000,000
	OWNER'S & CONTRACTOR'S PROT				EACH OCCURRENCE	$ 2,000,000
	X BLANKET CONTRAC				FIRE DAMAGE (Any one fire)	$ 100,000
	3 YR COMPL OPS				MED.EXP. (Any one person)	$
A	AUTOMOBILE LIABILITY	590ID0348	10/27/94	10/27/96	COMBINED SINGLE LIMIT	$ 1,000,000
	ANY AUTO				BODILY INJURY (Per person)	$
	ALL OWNED AUTOS					
	SCHEDULED AUTOS				BODILY INJURY (Per accident)	$
	X HIRED AUTOS					
	X NON-OWNED AUTOS				PROPERTY DAMAGE	$
	GARAGE LIABILITY					
B	EXCESS LIABILITY	UMB7637299	10/27/94	10/27/96	EACH OCCURRENCE	$ 20,000,000
	X UMBRELLA FORM				AGGREGATE	$ 20,000,000
	OTHER THAN UMBRELLA FORM					
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				STATUTORY LIMITS	
					EACH ACCIDENT	$
					DISEASE-POLICY LIMIT	$
					DISEASE-EACH EMPLOYEE	$
C	OTHER EXCESS UMBRELLA	4267169	10/27/94	10/27/96	$25,000,000	
D	EXCESS UMBRELLA	79086818	10/27/94	10/27/96	$25,000,000	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

THE CERTIFICATE HOLDER IS INCLUDED AS AN ADDITIONAL INSURED WITH COVERAGE PROVIDED ON A PRIMARY BASIS - PURSUANT TO THE DEVELOPMENT AND CONSTRUCTION AGREEMENT & ECIDA LEASE - SEE ADDENDA.

CERTIFICATE HOLDER

ERIE COUNTY INDUSTRIAL
DEVELOPMENT AGENCY
MR. ALFRED D. CULLITON
424 MAIN STREET
BUFFALO NY 14202

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ~~ENDEAVOR TO~~ MAIL 60 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, ~~BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES~~

AUTHORIZED REPRESENTATIVE

ACORD 25-S (7/90)

© ACORD CORPORATION 1990

ADDENDUM TO CERTIFICATE OF INSURANCE

FOR

CROSSROADS ARENA LLC

Effective May , 1995

Special Conditions:

The policies described herein contain all of the insurance provision requirements included under Article IX, Insurance and Article XVIII, Indemnity of the Agency Lease Agreement between the Erie County Industrial Development Agency and Crossroads Arena LLC, dated as of May 10, 1995.

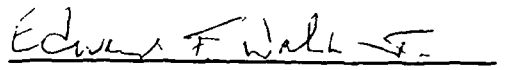
Cancellation:

If this insurance is cancelled for any reason whatsoever, or the same is allowed to lapse or 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 mortgagee, loss payee or additional insured until at least thirty (30) days after receipt by such party of written notice by the insurer of such cancellation, lapse, expiration, reduction or change.

ADDITIONAL INSURED:

Erie County Industrial Development Agency
Suite 300, Liberty Building
424 Main Street
Buffalo, New York 14202

Walsh Duffield Companies, Inc.

By 

Edward F. Walsh, Jr., President

ADDENDUM TO GENERAL LIABILITY, NON-OWNED & HIRED AUTO LIABILITY AND EXCESS "UMBRELLA" LIABILITY CERTIFICATE

1. Named Insured under General Liability, Non-Owned & Hired Auto Liability and Excess "Umbrella" Liability policies:

   Crossroads Arena, LLC, Niagara Frontier Hockey Management Corporation, Niagara Frontier Hockey, L.P., Buffalo Sabres Concession LLC, Arena, Inc. and their affiliated and subsidiary companies now existing or hereafter created; Huber Hunt & Nichols, Inc. (General Contractor); and all tiers of subcontractors; and others whom the Owner contracts to furnish insurance under its Owner Controlled Insurance Program for the Crossroads Arena Project.

2. Additional Insureds Covered Under General Liability & Excess "Umbrella" Liability policies (pursuant to the Development and Construction Agreement, ECIDA Lease, Construction Loan Agreement, Concession Loan Agreement and Financing Participants Agreement) with coverage afforded on a primary basis:

   a. County of Erie
   95 Franklin Street, 10th Floor
   Buffalo, New York 14202
   Attn: Commissioner, Dept. of Environment & Planning

   (Pursuant to the Development and Construction Agreement and ECIDA Lease)

   b. Erie County Industrial Development Agency
   424 Main Street
   Buffalo, New York 14202
   Attn: Mr. Alfred D. Culliton

   (Pursuant to the Development and Construction Agreement and ECIDA Lease)

   c. Buffalo Urban Renewal Agency
   920 City Hall
   Buffalo, New York 14202
   Attn: M.L. McCarthy, Esq.

   (Pursuant to the Development and Construction Agreement and ECIDA Lease)

ADDENDUM TO GENERAL LIABILITY & EXCESS "UMBRELLA" LIABILITY CERTIFICATE OF INSURANCE (CONT.)

d. City of Buffalo
City Hall, Room 110
Buffalo, New York 14202
Attn: Mr. Edward D. Peace, Esq.

(Pursuant to the Development and Construction Agreement and ECIDA Lease)

e. New York State Urban Development Corporation
1515 Broadway, 53rd Floor
New York, New York 10036
Attn: Mr. Larry Panicali

(Pursuant to the Development and Construction Agreement)

f. Marine Midland Bank, On its own behalf
and as agent for itself and Key Bank of New York
c/o Real Estate Finance Department
One Marine Midland Center, 15th Floor
Buffalo, New York 14203

(Pursuant to the Construction Loan Agreement)

g. Shawmut Bank, N.A., On its own behalf
and as agent for its co-lenders
One Federal Street
Boston, MA 02211
Attn: Mr. David Spaline, V.P.

(Pursuant to the Concession Loan Agreement)

3. There shall be no recourse against the Public Sector Participants or Private Sector Participants for the payment of premiums or commissions or additional premiums or assessments. (See Schedule of Public Sector Participants and Private Sector Participants below.)

ADDENDUM TO GENERAL LIABILITY & EXCESS "UMBRELLA" LIABILITY CERTIFICATE OF INSURANCE (CONT.)

4. With respect to the Public Sector Participants and the Private Sector Participants, the insurance shall not be invalidated by any action or inaction of Crossroads Arena LLC and shall insure the Public Sector Participants and Private Sector Participants regardless, and any losses shall be payable notwithstanding any foreclosure or other proceeding or notice of sale relating to the Crossroads.

5. The insurance provided hereunder for the Public Sector Participants and Private Sector Participants shall be primary insurance without any right of contribution from any other insurance carried by the Public Sector Participants or the Private Sector Participants to the extent that such other insurance provides Public Sector Participants or Private Sector Participants, as the case may be, with contingent and/or excess liability insurance with respect to its respective interests as such in the construction project. All provisions of this policy, 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 Crossroads Arena LLC) shall operate in the same manner as if there were a separate policy covering each insured.

6. In the event that the Insurance Company cancels this policy for any reason whatsoever, or the policy 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 and Private Sector Participants, until as least sixty (60) days after receipt by the Public Sector Participants and Private Sector Participants, respectively, of written notice by the Insurance Company of such cancellation, lapse, expiration, reduction or change. In the event of cancellation for non-payment of premium, 10 days notice thereof shall be provided.

7. It is agreed that the Insurance Company waives any right of subrogation of the Insurance Company hereunder against any insured hereunder, and waives any right of the Insurance Company to any setoff or counterclaim or any other deduction, whether by attachment or otherwise, in respect to any liability of any person insured under this policy.

ADDENDUM TO GENERAL LIABILITY & EXCESS "UMBRELLA" LIABILITY CERTIFICATE OF INSURANCE (CONT.)

SCHEDULE OF PARTICIPANTS

PUBLIC SECTOR PARTICIPANTS

City of Buffalo
City Hall, Room 110
Buffalo, New York 14202
Attn: Mr. Edward D. Peace, Esq.

County of Erie
95 Franklin Street, 10th Floor
Buffalo, New York 14202
Attn: Commissioner Dept. of
Environment & Planning

New York State Urban Development Corp
1515 Broadway, 53rd Floor
New York, New York 10036
Attn: Mr. Larry Panicali

Buffalo Urban Renewal Agency
920 City Hall
Buffalo, New York 14202
Attn: M.L. McCarthy, Esq.

Erie County Industrial Development
Agency
424 Main Street
Buffalo, New York 14202
Attn: Mr. Alfred D. Culliton

PRIVATE SECTOR PARTICIPANTS

Shawmut Bank, N.A
One Federal Street
Boston, MA 02211
Attn: Mr. David Spaline, VP

Fleet Bank, NA
10 Fountain Plaza
Buffalo, New York 14202

Marine Midland Bank
c/o Real Estate Finance
Department
One Marine Midland Center,
15th Floor
Buffalo, New York 14203

Key Bank of New York
Commercial Loan Servicing
P.O. Box 686
Buffalo, New York 14240

Authorized Representative

May 4, 1994

ACORD. EVIDENCE OF PROPERTY INSURANCE

CSR FB DATE (MM/DD/YY) 05/04/95

CROS-08

THIS IS EVIDENCE THAT INSURANCE AS IDENTIFIED BELOW HAS BEEN ISSUED, IS IN FORCE, AND CONVEYS ALL THE RIGHTS AND PRIVILEGES AFFORDED UNDER THE POLICY.

PRODUCER

Lawley Service Inc
120 Delaware Avenue
Buffalo NY 14202

COMPANY

St Paul Fire & Marine Ins
PO Box 2129
Syracuse NY 13220

CODE 3102606 SUB-CODE

INSURED

Crossroads Arena LLC,
(See addendum)
140 Main Street
Buffalo NY 14202

LOAN NUMBER

POLICY NUMBER IM03100344

EFFECTIVE DATE (MM/DD/YY) 10/27/94

EXPIRATION DATE (MM/DD/YY) 10/27/95

CONT. UNTIL TERMINATED IF CHECKED

THIS REPLACES PRIOR EVIDENCE DATED:

PROPERTY INFORMATION

LOCATION/DESCRIPTION 001

Project: Crossroads Arena

COVERAGE INFORMATION

COVERAGE/PERILS/FORMS	AMOUNT OF INSURANCE	DEDUCTIBLE
Builders Risk Coverage - All Risk	88,000,000	$25,000
Additional Coverages:		
Occupancy Clause Excluded		
Debris Removal		
Building Ordinance Coverage		
Soft Costs & Extra Expense	11,250,000	INCLUDED
Loss of Income	19,600,000	INCLUDED
Flood & Earthquake	25,000,000	INCLUDED

REMARKS (Including Special Conditions)

CANCELLATION

SEE ADDENDUM

XXXX

ADDENDUM TO BUILDERS RISK CERTIFICATE OF INSURANCE

1. *Named Insured under Builders Risk Policy:*

   Crossroads Arena, LLC, Niagara Frontier Hockey Management Corporation, Niagara Frontier Hockey, L.P., Buffalo Sabres Concession LLC, Arena, Inc. and their affilitated and subsidiary companies now existing or hereafter created; and all contractors and subcontractors of any tier.

2. *It is agreed that, except for business interruption insurance proceeds in connection with the Concession Lease Agreement, all insurance proceeds with respect to all loss or damage to the Arena be endorsed and made payable to Crossroads Arena LLC and Marine Midland Bank, as agent for all Public and Private Sector Participants.*

   It is further agreed that proceeds with respect to any business interruption loss shall be endorsed and made payable to Crossroads Arena LLC and Shawmut Bank, N.A. and Fleet Bank, N.A. as Loss Payes with respect to their interest in such business interruption proceeds pursuant to the Concession Loan Agreement.

3. *Additional Interests covered under the Builders Risk Coverage (pursuant to the Development and Construction Agreement, ECIDA Lease, Construction Loan Agreement, Concessiion Loan Agreement and Financing Participants Agreement):*

   A. *County of Erie*
   95 Franklin Street
   10th Floor
   Bufalo, New York 14202
   Attn: Commissioner
   Department of Environment & Planning

   Included as Additional Insured

   B. *Erie County Industrial Development Agency*
   424 Main Street
   Buffalo, New York 14202
   Attn: Mr. Alfred D. Culliton

   Included as Additional Insured

C. *Buffalo Urban Renewal Agency*
920 City Hall
Buffalo, New York 14202
Attn: M.L. McCarthy, Esq.

Included as Additional Insured

D. *Marine Midland Bank*
c/o Real Estate Finance Department
One Marine Midland Center
15th Floor
Buffalo, New York 14203

Included as Mortgagee on its own behalf and as agent for itself and Key Bank of New York

E. *Shawmut Bank, N.A.*
One Federal Street
Boston, MA 02211
Attn: Mr. David Spaline, V.P.

Included as Loss Payee in connection with Business Interruption Losses pursuant to the Concession Loan Agreement

F. *Fleet Bank, N.A.*
10 Fountain Plaza
Buffalo, New York 14202

Added as Loss Payee in connection with Business Interruption Losses pursuant to the Concession Loan Agreement

4. *There shall be no recourse against the Public Sector Participants or Private Sector Partcipants for the payment of premiums or commissions or additional premiums or assessments. (See Schedule of Public Sector Partcipants and Private Sector Participants attached.)*

5. *With respect to the Public Sector Participants and Private Sector Participants insured hereunder, the insurance shall not be invalidated by any action or inaction of Crossroads Arena LLC and shall insure such Public Sector Participants and Private Sector Participants regardless, and any losses shall be payable notwithstanding, any foreclosured or other proceeding or notice of sale relating to the Crossroads.*

6. *In the event that the Insurance Company cancels this policy for any reason whatsoever, or the policy is allowed to lapse, expire or there by 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 and Private Sector Participants, until at least sixty (60) days after receipt by the Public Sector Participants and Private Sector Participants, respectively, of written notice by the Insurance Company of such cancellation, lapse, expiration, reduction or change. In the event of cancellation for non-payment of premium, ten (10) days notice thereof shall be provided.*

7. *It is agreed that the Insurance Company waives any right of subrogation of the Insurance Company hereunder against any insured hereunder and/or any of the Public Sector Participants or Private Sector Participants, and waives any right of the Insurance Company to any setoff or counterclaim or any other deduction, whether by attachment or otherwise. In respect to any liability of any person insured under this policy and/or any of the Public Sector Participants and Private Sector Participants.*

SCHEDULE OF PARTICIPANTS

Public Sector Participants

City of Buffalo
Attn: Mr. Edward D. Peace, Esq.
City Hall Room 110
Buffalo, New York 14202

County of Erie
Attn: Mr. Richard M. Tobe
Dept. of Environment & Planning
95 Franklin St. 10th Floor
Buffalo, New York 14202

New York State Urban Development Corp.
Attn: Mr. Larry Panicali
1515 Broadway 53rd Floor
New York, New York 10036

Buffalo Urban Renewal Agency
Attn: M.L. McCarthy, Esq.
920 City Hall
Buffalo, New York 14202

Erie County Industrial
Development Agency
Attn: Mr. Alfred D. Culliton
424 Main Street
Buffalo, New York 14202

Private Participants

Shawmut Bank, N.A.
Attn: Mr. David Spaline, VP
One Federal Street
Boston, MA 02211

Fleet Bank, N.A.
10 Fountian Plaza
Buffalo, New York 14202

Marine Midland Bank
C/O Real Estate Finance
Department
One Marine Midland Ctr
15th Floor
Buffalo, New York 14203

Key Bank of New York
Commerical Loan Servicing
P.O. Box 686
Buffalo, New York 14240

ACORD. CERTIFICATE OF INSURANCE

DATE (MM/DD/YY) 4/24/95

PRODUCER

Rice & Company
37 Franklin St.
Buffalo, New York 14202

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Crossroads Arena, LLC, Niagara Frontier Hockey Management Corportion, Niagara Frontier Hockey L.P., Buffalo Sabres Concession LLC and Arena, Inc.
140 Main St., Buffalo, New York 14202

COMPANIES AFFORDING COVERAGE

COMPANY A: The Travelers (Phoenix)
COMPANY B:
COMPANY C:
COMPANY D:

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
	GENERAL LIABILITY				GENERAL AGGREGATE	$
	COMMERCIAL GENERAL LIABILITY				PRODUCTS-COMP/OP AGG	$
	CLAIMS MADE / OCCUR				PERSONAL & ADV INJURY	$
	OWNER'S & CONT PROT				EACH OCCURRENCE	$
					FIRE DAMAGE (Any one fire)	$
					MED EXP (Any one person)	$
A	**AUTOMOBILE LIABILITY**				COMBINED SINGLE LIMIT	$ 1,000,000
	X ANY AUTO	I-810-318K2832-PHX-95	1/1/95	1/1/96		
	ALL OWNED AUTOS				BODILY INJURY (Per person)	$
	SCHEDULED AUTOS					
	X HIRED AUTOS				BODILY INJURY (Per accident)	$
	X NON-OWNED AUTOS					
					PROPERTY DAMAGE	$
	GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT	$
	ANY AUTO				OTHER THAN AUTO ONLY	
					EACH ACCIDENT	$
					AGGREGATE	$
	EXCESS LIABILITY				EACH OCCURRENCE	$
	UMBRELLA FORM				AGGREGATE	$
	OTHER THAN UMBRELLA FORM					$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY				STATUTORY LIMITS	
	THE PROPRIETOR/ PARTNERS/EXECUTIVE OFFICERS ARE INCL / EXCL				EACH ACCIDENT	$
					DISEASE - POLICY LIMIT	$
					DISEASE - EACH EMPLOYEE	$
	OTHER					

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

Pursuant to the Development and Construction Agreement & ECIDA Lease

CERTIFICATE HOLDER

Erie County Indus. Dev. Agency
424 Main Street
Buffalo, New York 14202
Attn.: Mr. Alfred D. Culliton

CANCELLATION See Page 2 of Certificate

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL XXXXXXXXX MAIL 60 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED XXXXXXX XXXXXXXX

Page 2 of Certificate

Cancellation Provision

In the event that the Insurance Company cancels this policy for any reason whatsoever, or the policy 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 Certificate Holder, until at least sixty (60) days after receipt by the Certificate Holder of written notice by the insurance company of such cancellation, lapse, expiration, reduction or change.

THUNDERGATE CORPORATION
37 FRANKLIN STREET SUITE 400 BUFFALO NEW YORK 14202
PHONE 716·854 3344 FAX 716 854 3346
TOLL FREE 800 733 7423

ACORD. CERTIFICATE OF INSURANCE

DATE (MM/DD/YY) 4/18/95

PRODUCER
Rice & Company
37 Franklin St.
Buffalo, New York 14202

INSURED
Crossroads Arena, LLC, Buffalo Sabres
Concession LLC and Arena Inc.
140 Main St.
Buffalo, New York 14202

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

COMPANIES AFFORDING COVERAGE

COMPANY A: National Surety Corporation
COMPANY B:
COMPANY C:
COMPANY D:

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
	GENERAL LIABILITY				GENERAL AGGREGATE	$
	COMMERCIAL GENERAL LIABILITY				PRODUCTS-COMP/OP AGG	$
	CLAIMS MADE / OCCUR				PERSONAL & ADV INJURY	$
	OWNER'S & CONT PROT				EACH OCCURRENCE	$
					FIRE DAMAGE (Any one fire)	$
					MED EXP (Any one person)	$
	AUTOMOBILE LIABILITY				COMBINED SINGLE LIMIT	$
	ANY AUTO					
	ALL OWNED AUTOS				BODILY INJURY (Per person)	$
	SCHEDULED AUTOS					
	HIRED AUTOS				BODILY INJURY (Per accident)	$
	NON OWNED AUTOS					
					PROPERTY DAMAGE	$
	GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT	$
	ANY AUTO				OTHER THAN AUTO ONLY	
					EACH ACCIDENT	$
					AGGREGATE	$
	EXCESS LIABILITY				EACH OCCURRENCE	$
	UMBRELLA FORM				AGGREGATE	$
	OTHER THAN UMBRELLA FORM					$
A	**WORKERS COMPENSATION AND EMPLOYERS' LIABILITY**				STATUTORY LIMITS	
	THE PROPRIETOR/ PARTNERS/EXECUTIVE OFFICERS ARE X INCL / EXCL	W 05 WC 80653125	10/1/94	10/1/95	EACH ACCIDENT	$ 500,000
					DISEASE - POLICY LIMIT	$ 500,000
					DISEASE - EACH EMPLOYEE	$ 500,000
	OTHER					

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

Pursuant to the Development and Construction Agreement & ECIDA Lease

CERTIFICATE HOLDER

Erie County Indus. Dev. Agency
424 Main Street
Buffalo, New York 14202
Attn.: Mr. Alfred D. Culliton

CANCELLATION See page 2 of Certificate

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ~~XXXXXXXX~~ ENDEAVOR TO MAIL 60 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, ~~BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.~~

AUTHORIZED REPRESENTATIVE

ACORD 25-S (3/93)

© ACORD CORPORATION 1993

RICE & COMPANY

Page 2 of Certificate

Cancellation Provision

In the event that the Insurance Company cancels this policy for any reason whatsoever, or the policy 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 Certificate Holder, until at least sixty (60) days after receipt by the Certificate Holder of written notice by the insurance company of such cancellation, lapse, expiration, reduction or change.

THUNDERGATE CORPORATION
37 FRANKLIN STREET SUITE 400 BUFFALO NEW YORK 14202
PHONE 716-854 3344 FAX 716 854 3346
TOLL FREE 800 733 7423

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY) 4/18/95

PRODUCER

BWD GROUP LIMITED
3000 MARCUS AVENUE
CB 5028
LAKE SUCCESS, NY 11042
516-328-8300

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

Niagara Frontier Hockey, L.P.
and Niagara Frontier Hockey
Management Corporation
140 Main Street
Buffalo,
NY 14202

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A	CHUBB - NHL
COMPANY LETTER B	
COMPANY LETTER C	
COMPANY LETTER D	
COMPANY LETTER E	

COVERAGES

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CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
	GENERAL LIABILITY				GENERAL AGGREGATE	$
	___ COMMERCIAL GENERAL LIABILITY				PRODUCTS-COMP/OP AGG.	$
	___ CLAIMS MADE ___ OCCUR.				PERSONAL & ADV INJURY	$
	___ OWNER'S & CONTRACTOR'S PROT.				EACH OCCURRENCE	$
	___				FIRE DAMAGE (Any one fire)	$
					MED. EXPENSE (Any one person)	$
	AUTOMOBILE LIABILITY				COMBINED SINGLE LIMIT	$
	___ ANY AUTO				BODILY INJURY (Per person)	$
	___ ALL OWNED AUTOS					
	___ SCHEDULED AUTOS				BODILY INJURY (Per accident)	$
	___ HIRED AUTOS					
	___ NON-OWNED AUTOS				PROPERTY DAMAGE	$
	___ GARAGE LIABILITY					
	EXCESS LIABILITY				EACH OCCURRENCE	$
	___ UMBRELLA FORM				AGGREGATE	$
	___ OTHER THAN UMBRELLA FORM					
A	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY	71632534	1/01/95	1/01/96	___ STATUTORY LIMITS	
					EACH ACCIDENT	$ 1000000
					DISEASE-POLICY LIMIT	$ 1000000
					DISEASE-EACH EMPLOYEE	$ 1000000
	OTHER					

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

Re: Development & Construction Agreement & ECIDA Lease.
Policy applies to the ownership &/or operation of the Hockey Team only.
See attached Cancellation Addendum.

CERTIFICATE HOLDER

Erie County Indus. Dev. Agency
424 Main Street
Buffalo, NY 14202
Att: Mr. Alfred D. Culliton

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 60 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

502937024

©ACORD CORPORATION 1990

CANCELLATION PROVISION:

In the event that the Insurance Company cancels this policy for any reason whatsoever, or the policy 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 Certificate Holder, until at least sixty (60) days after receipt by the Certificate Holder of written notice by the insurance company of such cancellation, lapse, expiration, reduction or change.

ACORD. CERTIFICATE OF INSURANCE

DATE (MM/DD/YY) 4/24/95

PRODUCER
Rice & Company
37 Franklin St.
Buffalo, New York 14202

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

COMPANIES AFFORDING COVERAGE

COMPANY A: National Surety Corporation

COMPANY B:

COMPANY C:

COMPANY D:

INSURED
Crossroads Arena, LLC, Niagara Frontier Hockey Management Corporation, Niagara Frontier Hockey L.P., Buffalo Sabres Concession LLC and Arena, Inc.
140 Main Street, Buffalo, New York 14202

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
	GENERAL LIABILITY				GENERAL AGGREGATE	$
	COMMERCIAL GENERAL LIABILITY				PRODUCTS-COMP/OP AGG	$
	CLAIMS MADE / OCCUR				PERSONAL & ADV INJURY	$
	OWNER'S & CONT PROT				EACH OCCURRENCE	$
					FIRE DAMAGE (Any one fire)	$
					MED EXP (Any one person)	$
	AUTOMOBILE LIABILITY				COMBINED SINGLE LIMIT	$
	ANY AUTO					
	ALL OWNED AUTOS				BODILY INJURY (Per person)	$
	SCHEDULED AUTOS					
	HIRED AUTOS				BODILY INJURY (Per accident)	$
	NON-OWNED AUTOS					
					PROPERTY DAMAGE	$
	GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT	$
	ANY AUTO				OTHER THAN AUTO ONLY	
					EACH ACCIDENT	$
					AGGREGATE	$
	EXCESS LIABILITY				EACH OCCURRENCE	$
	UMBRELLA FORM				AGGREGATE	$
	OTHER THAN UMBRELLA FORM					$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY				STATUTORY LIMITS	
	THE PROPRIETOR/ PARTNERS/EXECUTIVE OFFICERS ARE INCL / EXCL				EACH ACCIDENT	$
					DISEASE - POLICY LIMIT	$
					DISEASE - EACH EMPLOYEE	$
A	OTHER Portfolio Policy	S 05 MXX 80611786	1/1/95	1/1/96	Crime Coverages $500,000 Employee Dishonesty	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS
Pursuant to the Development and Construction Agreement & ECIDA Lease

CERTIFICATE HOLDER

Erie County Indus. Dev. Agency
424 Main Street
Buffalo, New York 14202
Attn.: Mr. Alfred D. Culliton

CANCELLATION See page 2 of Certificate

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL XXXXXXXXXXXXXXX 60 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED XXXXXXXXXX BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

ACORD 25-S (3/93)

© ACORD CORPORATION 1993

RICE & COMPANY

Page 2 of Certificate

Cancellation Provision

In the event that the Insurance Company cancels this policy for any reason whatsoever, or the policy 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 Certificate Holder, until at least sixty (60) days after receipt by the Certificate Holder of written notice by the insurance company of such cancellation, lapse, expiration, reduction or change.

THUNDERGATE CORPORATION
37 FRANKLIN STREET SUITE 400 BUFFALO NEW YORK 14202
PHONE 716 854 3344 FAX 716 854 3346
TOLL FREE 800 733 7423

CROSSROADS ARENA, LLC, ET. AL. 05/04/95

EVIDENCE OF NEW YORK DISABILITY BENEFITS COVERAGE

Pursuant to the Development and Construction Agreement & ECIDA Lease

PUBLIC SECTOR PATICIPANTS

1. City of Buffalo
   City Hall, Room 110
   Buffalo, NY 14202
   Attention: Edward D. Peace, Esq.

2. County of Erie
   95 Franklin St., 10th Floor
   Buffalo, NY 14202
   Attn.: Commissioner Dept. of Environment & Planning

3. New York State Urban Development Corp.
   1515 Broadway, 53rd Floor
   New York, NY 10036
   Attention: Mr. Larry Panicali

4. Buffalo Urban Renewal Agency
   920 City Hall
   Buffalo, NY 14202
   Attention: M. L. McCarthy, Esq.

5. Erie County Indus. Dev. Agency
   424 Main Street
   Buffalo, NY 14202
   Attention: Mr. Alfred D. Culliton

STATE OF NEW YORK
WORKERS ' COMPENSATION BOARD

EMPLOYER'S APPLICATION FOR CERTIFICATE OF COMPLIANCE WITH DISABILITY BENEFITS LAW

INSTRUCTIONS TO EMPLOYER: Complete PART I ONLY and have your Disability Benefits Insurance Carrier complete PART II.

PART I. TO BE COMPLETED BY EMPLOYER

EMPLOYER'S NAME AND ADDRESS (Home or Main Office)	LOCATION OF OPERATIONS
CROSSROADS ARENA, L.L.C. 140 MAIN STREET, MEMORIAL AUDITORIUM BUFFALO, NY 14202	
NAME UNDER WHICH BUSINESS IS CONDUCTED , IF DIFFERENT FROM ABOVE	OPERATIONS TO BEGIN ON OR ABOUT.
DISABILITY BENEFITS CARRIER (If More Than One, List All)	NYS UNEMPLOYMENT INSURANCE EMPLOYER'S REGISTRATION NUMBER
ZURICH INSURANCE COMPANY	APPLIED FOR

Application is hereby made to the CARRIER for a Certificate of Compliance with the Disability Benefits Law.

Date Signed_____ By_____
(Signature of Owner, Partner, or Authorized Officer)

Telephone No._____ Title_____

PART II. TO BE COMPLETED BY DISABILITY BENEFITS CARRIER

CERTIFICATE OF COMPLIANCE WITH DISABILITY BENEFITS LAW

This is to certify that the above-named employer is insured with ZURICH INSURANCE COMPANY POLICY#1813665-016
(Name of Carrier)
and that the policy covers:

*a. ☒ ALL of the EMPLOYER'S employees eligible under the New York Disability Benefits Law.
*b. ☐ ONLY the following class or classes of the EMPLOYER'S employees:

_____
_____
_____

Date Signed 4/24/95 By George J. Bundt
Signature of Carrier's Authorized Representative (Currently on File With D.B.Bureau)

Telephone No. (516) 342-0900 Title DIRECTOR, NEW YORK DBL OPERATIONS

***IMPORTANT:** If BOX "a" is CHECKED, this certificate is COMPLETE. Mail it directly to the employer.
If BOX "b" is CHECKED, this certificate is NOT COMPLETE for purposes of Section 220, subd. 8 of the Disability Benefits Law. It must be mailed for completion to the Workers' Compensation Board, Disability Benefits Bureau, 180 Livingston Street, Brooklyn, New York 11248-0005.

PART III. TO BE COMPLETED BY WORKERS' COMPENSATION BOARD (Only if Box "b" of Part II has been checked)

State of New York
WORKERS' COMPENSATION BOARD

There is on file with the Workers' Compensation Board, Certificates of Insurance indicating that the above-named employer has complied with the Disability Benefits Law with respect to all of his/ her employees.

DISABILITY BENEFITS BUREAU

Date_____ By_____

Telephone No._____ Title_____

RECEIVED

STATE OF NEW YORK
WORKERS ' COMPENSATION BOARD

EMPLOYER'S APPLICATION FOR CERTIFICATE OF COMPLIANCE WITH DISABILITY BENEFITS LAW

INSTRUCTIONS TO EMPLOYER: Complete PART I ONLY and have your Disability Benefits Insurance Carrier complete PART II.

PART I. TO BE COMPLETED BY EMPLOYER

EMPLOYER'S NAME AND ADDRESS (Home or Main Office)	LOCATION OF OPERATIONS
ARENA, INC. 140 MAIN STREET, MEMORIAL AUDITORIUM BUFFALO, NY 14202	
NAME UNDER WHICH BUSINESS IS CONDUCTED, IF DIFFERENT FROM ABOVE	OPERATIONS TO BEGIN ON OR ABOUT:
DISABILITY BENEFITS CARRIER (If More Than One, List All)	NYS UNEMPLOYMENT INSURANCE EMPLOYER'S REGISTRATION NUMBER
ZURICH INSURANCE COMPANY	APPLIED FOR

Application is hereby made to the CARRIER for a Certificate of Compliance with the Disability Benefits Law.

Date Signed_____ By_____
(Signature of Owner, Partner, or Authorized Officer)

Telephone No._____ Title_____

PART II. TO BE COMPLETED BY DISABILITY BENEFITS CARRIER

CERTIFICATE OF COMPLIANCE WITH DISABILITY BENEFITS LAW

This is to certify that the above-named employer is insured with ZURICH INSURANCE COMPANY POLICY# 1813665-014
(Name of Carrier)
and that the policy covers:

*a. ☒ ALL of the EMPLOYER'S employees eligible under the New York Disability Benefits Law.

*b. ☐ ONLY the following class or classes of the EMPLOYER'S employees:

_____

_____

_____

Date Signed 4/24/95 By George J. Bunda
Signature of Carrier's Authorized Representative (Currently on File With D.B.Bureau)

Telephone No. (516) 342-0900 Title DIRECTOR, NEW YORK DBL OPERATIONS

***IMPORTANT:** If BOX "a" is CHECKED, this certificate is COMPLETE. Mail it directly to the employer.
If BOX "b" is CHECKED, this certificate is NOT COMPLETE for purposes of Section 220, subd. 8 of the Disability Benefits Law. It must be mailed for completion to the Workers' Compensation Board, Disability Benefits Bureau, 180 Livingston Street, Brooklyn, New York 11248-0005.

PART III. TO BE COMPLETED BY WORKERS' COMPENSATION BOARD (Only if Box "b" of Part II has been checked)

State of New York
WORKERS' COMPENSATION BOARD

There is on file with the Workers' Compensation Board, Certificates of Insurance indicating that the above-named employer has complied with the Disability Benefits Law with respect to all of his/ her employees.

DISABILITY BENEFITS BUREAU

Date_____ By_____

Telephone No._____ Title_____

RECEIVED

STATE OF NEW YORK
WORKERS ' COMPENSATION BOARD

EMPLOYER'S APPLICATION FOR CERTIFICATE OF COMPLIANCE WITH DISABILITY BENEFITS LAW

INSTRUCTIONS TO EMPLOYER: Complete PART I ONLY and have your Disability Benefits Insurance Carrier complete PART II.

PART I. TO BE COMPLETED BY EMPLOYER

EMPLOYER'S NAME AND ADDRESS (Home or Main Office)	LOCATION OF OPERATIONS
NIAGARA FRONTIER HOCKEY L.P. 140 MAIN STREET, MEMORIAL AUDITORIUM BUFFALO, NY 14202	
NAME UNDER WHICH BUSINESS IS CONDUCTED, IF DIFFERENT FROM ABOVE	OPERATIONS TO BEGIN ON OR ABOUT.
DISABILITY BENEFITS CARRIER (If More Than One, List All)	NYS UNEMPLOYMENT INSURANCE EMPLOYER'S REGISTRATION NUMBER
ZURICH INSURANCE COMPANY	APPLIED FOR

Application is hereby made to the CARRIER for a Certificate of Compliance with the Disability Benefits Law.

Date Signed_____ By_____
(Signature of Owner, Partner, or Authorized Officer)

Telephone No._____ Title_____

PART II. TO BE COMPLETED BY DISABILITY BENEFITS CARRIER

CERTIFICATE OF COMPLIANCE WITH DISABILITY BENEFITS LAW

This is to certify that the above-named employer is insured with ZURICH INSURANCE COMPANY POLICY# 1813665-00
(Name of Carrier)
and that the policy covers:

*a. ☒ ALL of the EMPLOYER'S employees eligible under the New York Disability Benefits Law.

*b. ☐ ONLY the following class or classes of the EMPLOYER'S employees:

_____

_____

_____

Date Signed 4/24/95 By George J. Bundt
Signature of Carrier's Authorized Representative (Currently on File With D.B.Bureau)

Telephone No. (516) 342-0900 Title DIRECTOR, NEW YORK DBL OPERATIONS

***IMPORTANT:** If BOX "a" is CHECKED, this certificate is COMPLETE. Mail it directly to the employer.
If BOX "b" is CHECKED, this certificate is NOT COMPLETE for purposes of Section 220, subd. 8 of the Disability Benefits Law It must be mailed for completion to the Workers' Compensation Board, Disability Benefits Bureau, 180 Livingston Street, Brooklyn, New York 11248-0005.

PART III. TO BE COMPLETED BY WORKERS' COMPENSATION BOARD (Only if Box "b" of Part II has been checked)

State of New York
WORKERS' COMPENSATION BOARD

There is on file with the Workers' Compensation Board, Certificates of Insurance indicating that the above-named employer has complied with the Disability Benefits Law with respect to all of his/ her employees.

DISABILITY BENEFITS BUREAU

Date_____ By_____

Telephone No._____ Title_____

RECEIVED

STATE OF NEW YORK
WORKERS ' COMPENSATION BOARD

EMPLOYER'S APPLICATION FOR CERTIFICATE OF COMPLIANCE WITH DISABILITY BENEFITS LAW

INSTRUCTIONS TO EMPLOYER: Complete PART I ONLY and have your Disability Benefits Insurance Carrier complete PART II.

PART I. TO BE COMPLETED BY EMPLOYER

EMPLOYER'S NAME AND ADDRESS (Home or Main Office)	LOCATION OF OPERATIONS
NIAGARA FRONTIER HOCKEY MANAGEMENT CORPORATION 140 MAIN STREET, MEMORIAL AUDITORIUM BUFFALO, NY 14202	
NAME UNDER WHICH BUSINESS IS CONDUCTED . IF DIFFERENT FROM ABOVE	OPERATIONS TO BEGIN ON OR ABOUT.
DISABILITY BENEFITS CARRIER (If More Than One, List All)	NYS UNEMPLOYMENT INSURANCE EMPLOYER'S REGISTRATION NUMBER
ZURICH INSURANCE COMPANY	APPLIED FOR

Application is hereby made to the CARRIER for a Certificate of Compliance with the Disability Benefits Law.

Date Signed_____ By_____
(Signature of Owner, Partner, or Authorized Officer)

Telephone No._____ Title_____

PART II. TO BE COMPLETED BY DISABILITY BENEFITS CARRIER

CERTIFICATE OF COMPLIANCE WITH DISABILITY BENEFITS LAW

This is to certify that the above-named employer is insured with ZURICH INSURANCE COMPANY POLICY#1813665-009
(Name of Carrier)
and that the policy covers:

*a. ☒ ALL of the EMPLOYER'S employees eligible under the New York Disability Benefits Law.

*b. ☐ ONLY the following class or classes of the EMPLOYER'S employees:

_____

_____

_____

Date Signed 4/24/95 By George J. Bundt
Signature of Carrier's Authorized Representative (Currently on File With D.B.Bureau)

Telephone No. (516) 342-0900 Title DIRECTOR, NEW YORK DBL OPERATIONS

***IMPORTANT:** If BOX "a" is CHECKED, this certificate is COMPLETE. Mail it directly to the employer.
If BOX "b" is CHECKED, this certificate is NOT COMPLETE for purposes of Section 220, subd. 8 of the Disability Benefits Law. It must be mailed for completion to the Workers' Compensation Board, Disability Benefits Bureau, 180 Livingston Street, Brooklyn, New York 11248-0005.

PART III. TO BE COMPLETED BY WORKERS' COMPENSATION BOARD (Only if Box "b" of Part II has been checked)

State of New York
WORKERS' COMPENSATION BOARD

There is on file with the Workers' Compensation Board, Certificates of Insurance indicating that the above-named employer has complied with the Disability Benefits Law with respect to all of his/ her employees.

DISABILITY BENEFITS BUREAU

Date_____ By_____

Telephone No._____ Title_____

RECEIVED

STATE OF NEW YORK
WORKERS ' COMPENSATION BOARD

EMPLOYER'S APPLICATION FOR CERTIFICATE OF COMPLIANCE WITH DISABILITY BENEFITS LAW

INSTRUCTIONS TO EMPLOYER: Complete PART I ONLY and have your Disability Benefits Insurance Carrier complete PART II.

PART I. TO BE COMPLETED BY EMPLOYER

EMPLOYER'S NAME AND ADDRESS (Home or Main Office)	LOCATION OF OPERATIONS
BUFFALO SABRES CONCESSION L.L.C. 140 MAIN STREET, MEMORIAL AUDITORIUM BUFFALO, NY 14202	
NAME UNDER WHICH BUSINESS IS CONDUCTED, IF DIFFERENT FROM ABOVE	OPERATIONS TO BEGIN ON OR ABOUT:
DISABILITY BENEFITS CARRIER (If More Than One, List All)	NYS UNEMPLOYMENT INSURANCE EMPLOYER'S REGISTRATION NUMBER
ZURICH INSURANCE COMPANY	APPLIED FOR

Application is hereby made to the CARRIER for a Certificate of Compliance with the Disability Benefits Law.

Date Signed_____ By_____
(Signature of Owner, Partner, or Authorized Officer)

Telephone No._____ Title_____

PART II. TO BE COMPLETED BY DISABILITY BENEFITS CARRIER

CERTIFICATE OF COMPLIANCE WITH DISABILITY BENEFITS LAW

This is to certify that the above-named employer is insured with ZURICH INSURANCE COMPANY POLICY#1813665-015 *(Name of Carrier)* and that the policy covers:

*a. ☒ ALL of the EMPLOYER'S employees eligible under the New York Disability Benefits Law.

*b. ☐ ONLY the following class or classes of the EMPLOYER'S employees:

_____

_____

_____

Date Signed 4/24/95 By George J. Bundt
Signature of Carrier's Authorized Representative (Currently on File With D.B.Bureau)

Telephone No. (516) 342-0900 Title DIRECTOR, NEW YORK DBL OPERATIONS

***IMPORTANT:** If BOX "a" is CHECKED, this certificate is COMPLETE. Mail it directly to the employer.
If BOX "b" is CHECKED, this certificate is NOT COMPLETE for purposes of Section 220, subd. 8 of the Disability Benefits Law. It must be mailed for completion to the Workers' Compensation Board, Disability Benefits Bureau, 180 Livingston Street, Brooklyn, New York 11248-0005.

PART III. TO BE COMPLETED BY WORKERS' COMPENSATION BOARD (Only if Box "b" of Part II has been checked)

State of New York
WORKERS' COMPENSATION BOARD

There is on file with the Workers' Compensation Board, Certificates of Insurance indicating that the above-named employer has complied with the Disability Benefits Law with respect to all of his/ her employees.

DISABILITY BENEFITS BUREAU

Date_____ By_____

Telephone No._____ Title_____

RECEIVED

ACORD. INSURANCE BINDER

CSR FB ISSUE DATE (MM/DD/YY)
CROS-08 ☐ 05/04/95

THIS BINDER IS A TEMPORARY INSURANCE CONTRACT, SUBJECT TO THE CONDITIONS SHOWN ON THE REVERSE SIDE OF THIS FORM

PRODUCER

Lawley Service Inc
120 Delaware Avenue
Buffalo NY 14202

716-849-8618

CODE 3102606 SUB-CODE

COMPANY: St Paul Fire & Marine Ins

BINDER NO. 1337

EFFECTIVE DATE	EFFECTIVE TIME			EXPIRATION DATE	EXPIRATION TIME		
10/27/94	12:01	X	AM	10/27/95	X	12:01 AM	
			PM			NOON	

☐ THIS BINDER IS ISSUED TO EXTEND COVERAGE IN THE ABOVE NAMED COMPANY PER EXPIRING POLICY NO:

INSURED

Crossroads Arena LLC, Niagara
Frontier Hockey, Mgmnt Corp.*
140 Main Street
Buffalo NY 14202

DESCRIPTION OF OPERATIONS/VEHICLES/PROPERTY (Including Location)

Builders Risk Coverage
Policy #IM3100344

COVERAGES

TYPE OF INSURANCE	COVERAGE/FORMS	LIMITS AMOUNT	DEDUCTIBLE	COINSUR.
PROPERTY CAUSES OF LOSS ☐ BASIC ☐ BROAD ☐ SPEC.				
X Builders Risk - All Risk	Builders Risk	88000000	**	
**$25,000 Ded	Soft Costs & Extra Expense	11250000	INCL	
	Loss of Income	19600000	INCL	
	Flood & Earthquake	25000000	INCL	
GENERAL LIABILITY		GENERAL AGGREGATE	$	
☐ COMMERCIAL GENERAL LIABILITY		PRODUCTS - COMP/OP AGG.	$	
☐ CLAIMS MADE ☐ OCCUR		PERSONAL & ADV. INJURY	$	
☐ OWNER'S & CONTRACTOR'S PROT.		EACH OCCURRENCE	$	
		FIRE DAMAGE (Any one fire)	$	
	RETRO DATE FOR CLAIMS MADE:	MED. EXPENSE (Any one person)	$	
AUTOMOBILE LIABILITY		COMBINED SINGLE LIMIT	$	
☐ ANY AUTO		BODILY INJURY (Per person)	$	
☐ ALL OWNED AUTOS		BODILY INJURY (Per accident)	$	
☐ SCHEDULED AUTOS		PROPERTY DAMAGE	$	
☐ HIRED AUTOS		MEDICAL PAYMENTS	$	
☐ NON-OWNED AUTOS		PERSONAL INJURY PROT.	$	
☐ GARAGE LIABILITY		UNINSURED MOTORIST	$	
			$	
AUTO PHYSICAL DAMAGE DEDUCTIBLE	☐ ALL VEHICLES ☐ SCHEDULED VEHICLES	☐ ACTUAL CASH VALUE		
☐ COLLISION:		☐ STATED AMOUNT	$	
☐ OTHER THAN COL:		☐ OTHER		
EXCESS LIABILITY		EACH OCCURRENCE	$	
☐ UMBRELLA FORM		AGGREGATE	$	
☐ OTHER THAN UMBRELLA FORM	RETRO DATE FOR CLAIMS MADE:	SELF-INSURED RETENTION	$	
WORKER'S COMPENSATION AND EMPLOYER'S LIABILITY		☐ STATUTORY LIMITS		
		EACH ACCIDENT	$	
		DISEASE-POLICY LIMIT	$	
		DISEASE-EACH EMPLOYEE	$	

SPECIAL CONDITIONS/OTHER COVERAGES

*Named Insured: Crossroads Arena, LLC, Niagara Frontier Hockey Management Corporation, Niagara Frontier Hockey, L.P., Buffalo Sabres Concession LLC, Arena, Inc. and their affiliated and subsidiary companies now existing or hereafter created; and all contractors and subcontractors of any tier.

NAME & ADDRESS

Erie County Industrial
Development Agency
424 Main Street
Buffalo NY 14203

☐ MORTGAGEE ☐ ADDITIONAL INSURED
☐ LOSS PAYEE X See Addendum

LOAN #

AUTHORIZED REPRESENTATIVE

William Lawley

ACORD 75-S (7/90)a NOTE: IMPORTANT STATE INFORMATION ON REVERSE SIDE © ACORD CORPORATION 1990

CONDITIONS

This Company binds the kind(s) of insurance stipulated on the reverse side. The Insurance is subject to the terms, conditions and limitations of the policy(ies) in current use by the Company.

This binder may be cancelled by the Insured by surrender of this binder or by written notice to the Company stating when cancellation will be effective. This binder may be cancelled by the Company by notice to the Insured in accordance with the policy conditions. This binder is cancelled when replaced by a policy. If this binder is not replaced by a policy, the Company is entitled to charge a premium for the binder according to the Rules and Rates in use by the Company.

APPLICABLE IN NEVADA

Any person who refuses to accept a binder which provides coverage of less than $1,000,000.00 when proof is required: (A) Shall be fined not more than $500.00, and (B) is liable to the party presenting the binder as proof of insurance for actual damages sustained therefrom.

ADDENDUM TO BUILDERS RISK CERTIFICATE OF INSURANCE

1. *Named Insured under Builders Risk Policy:*

   Crossroads Arena, LLC, Niagara Frontier Hockey Management Corporation, Niagara Frontier Hockey, L.P., Buffalo Sabres Concession LLC, Arena, Inc. and their affilitated and subsidiary companies now existing or hereafter created; and all contractors and subcontractors of any tier.

2. *It is agreed that, except for business interruption insurance proceeds in connection with the Concession Lease Agreement, all insurance proceeds with respect to all loss or damage to the Arena be endorsed and made payable to Crossroads Arena LLC and Marine Midland Bank, as agent for all Public and Private Sector Participants.*

   It is further agreed that proceeds with respect to any business interruption loss shall be endorsed and made payable to Crossroads Arena LLC and Shawmut Bank, N.A. and Fleet Bank, N.A. as Loss Payes with respect to their interest in such business interruption proceeds pursuant to the Concession Loan Agreement.

3. *Additional Interests covered under the Builders Risk Coverage (pursuant to the Development and Construction Agreement, ECIDA Lease, Construction Loan Agreement, Concessiion Loan Agreement and Financing Participants Agreement):*

   A. *County of Erie*
   95 Franklin Street
   10th Floor
   Bufalo, New York 14202
   Attn: Commissioner
   Department of Environment & Planning

   Included as Additional Insured

   B. *Erie County Industrial Development Agency*
   424 Main Street
   Buffalo, New York 14202
   Attn: Mr. Alfred D. Culliton

   Included as Additional Insured

C. *Buffalo Urban Renewal Agency*
920 City Hall
Buffalo, New York 14202
Attn: M.L. McCarthy, Esq.

Included as Additional Insured

D. *Marine Midland Bank*
c/o Real Estate Finance Department
One Marine Midland Center
15th Floor
Buffalo, New York 14203

Included as Mortgagee on its own behalf and as agent for itself and Key Bank of New York

E. *Shawmut Bank, N.A.*
One Federal Street
Boston, MA 02211
Attn: Mr. David Spaline, V.P.

Included as Loss Payee in connection with Business Interruption Losses pursuant to the Concession Loan Agreement

F. *Fleet Bank, N.A.*
10 Fountain Plaza
Buffalo, New York 14202

Added as Loss Payee in connection with Business Interruption Losses pursuant to the Concession Loan Agreement

4. *There shall be no recourse against the Public Sector Participants or Private Sector Partcipants for the payment of premiums or commissions or additional premiums or assessments. (See Schedule of Public Sector Partcipants and Private Sector Participants attached.)*

5. *With respect to the Public Sector Participants and Private Sector Participants insured hereunder, the insurance shall not be invalidated by any action or inaction of Crossroads Arena LLC and shall insure such Public Sector Participants and Private Sector Participants regardless, and any losses shall be payable notwithstanding, any foreclosured or other proceeding or notice of sale relating to the Crossroads.*

6. *In the event that the Insurance Company cancels this policy for any reason whatsoever, or the policy is allowed to lapse, expire or there by 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 and Private Sector Participants, until at least sixty (60) days after receipt by the Public Sector Participants and Private Sector Participants, respectively, of written notice by the Insurance Company of such cancellation, lapse, expiration, reduction or change. In the event of cancellation for non-payment of premium, ten (10) days notice thereof shall be provided.*

7. *It is agreed that the Insurance Company waives any right of subrogation of the Insurance Company hereunder against any insured hereunder and/or any of the Public Sector Participants or Private Sector Participants, and waives any right of the Insurance Company to any setoff or counterclaim or any other deduction, whether by attachment or otherwise. In respect to any liability of any person insured under this policy and/or any of the Public Sector Participants and Private Sector Participants.*

SCHEDULE OF PARTICIPANTS

Public Sector Participants

City of Buffalo
Attn: Mr. Edward D. Peace, Esq.
City Hall Room 110
Buffalo, New York 14202

County of Erie
Attn: Mr. Richard M. Tobe
Dept. of Environment & Planning
95 Franklin St. 10th Floor
Buffalo, New York 14202

New York State Urban Development Corp.
Attn: Mr. Larry Panicali
1515 Broadway 53rd Floor
New York, New York 10036

Buffalo Urban Renewal Agency
Attn: M.L. McCarthy, Esq.
920 City Hall
Buffalo, New York 14202

Erie County Industrial
Development Agency
Attn: Mr. Alfred D. Culliton
424 Main Street
Buffalo, New York 14202

Private Participants

Shawmut Bank, N.A.
Attn: Mr. David Spaline, VP
One Federal Street
Boston, MA 02211

Fleet Bank, N.A.
10 Fountian Plaza
Buffalo, New York 14202

Marine Midland Bank
C/O Real Estate Finance
Department
One Marine Midland Ctr
15th Floor
Buffalo, New York 14203

Key Bank of New York
Commerical Loan Servicing
P.O. Box 686
Buffalo, New York 14240

ACORD. INSURANCE BINDER

ISSUE DATE (MM/DD/YY)
3 [ ] 01/05/95

THIS BINDER IS A TEMPORARY INSURANCE CONTRACT, SUBJECT TO THE CONDITIONS SHOWN ON THE NEXT PAGE.

PRODUCER

WALSH DUFFIELD CO., INC.
801 MAIN STREET
BUFFALO NY 14205

CODE SUB-CODE

COMPANY
ST. PAUL INSURANCE

BINDER NO.
BINDER10799

EFFECTIVE DATE	EFFECTIVE TIME		EXPIRATION DATE	EXPIRATION TIME	
10/27/94	12:01	X AM / PM	10/27/96	X 12:01 A' / NOON	

[ ] THIS BINDER IS ISSUED TO EXTEND COVERAGE IN THE ABOVE NAMED COMPANY PER EXPIRING POLICY NO:

INSURED
CROSSROADS ARENA LLC #11801
ATTN: CAROLYN H. HOYT
140 MAIN STREET
BUFFALO NY 14202

DESCRIPTION OF OPERATIONS/VEHICLES/PROPERTY (Including Location)
CROSSROADS ARENA PROJECT
(OWNER CONTROLLED INSURANCE PROGRAM)

WORKERS' COMPENSATION COVERAGE PROVIDED SEPARATELY TO EACH CONTRACTOR, AND SUBCONTRACTOR

COVERAGES

TYPE OF INSURANCE	COVERAGE/FORMS	LIMITS AMOUNT	DEDUCTIBLE	COINSUR.
PROPERTY CAUSES OF LOSS: [ ] BASIC [ ] BROAD [ ] SPEC				
GENERAL LIABILITY	3 YEAR COMPLETED OPERATIONS COVERAGE	GENERAL AGGREGATE	$ 3,000,000	
[X] COMMERCIAL GENERAL LIABILITY	DESIGNATED PREMISES/PROJECT END.	PRODUCTS - COMP/OP AGG	$ 3,000,000	
[ ] CLAIMS MADE [X] OCCUR	SEE NAMED INSUREDS/ADDITIONAL	PERSONAL & ADV. INJURY	$ 2,000,000	
[ ] OWNER'S & CONTRACTOR'S PROT.	INSUREDS ATTACHED	EACH OCCURRENCE	$ 2,000,000	
[X] BLKT CONTRACT		FIRE DAMAGE (Any one fire)	$ 100,000	
RETRO DATE FOR CLAIMS MADE:		MED EXPENSE (Any one person)	$	
AUTOMOBILE LIABILITY		COMBINED SINGLE LIMIT	$ 1,000,000	
[ ] ANY AUTO		BODILY INJURY (Per person)	$	
[ ] ALL OWNED AUTOS		BODILY INJURY (Per accident)	$	
[ ] SCHEDULED AUTOS		PROPERTY DAMAGE	$	
[X] HIRED AUTOS		MEDICAL PAYMENTS	$	
[X] NON-OWNED AUTOS		PERSONAL INJURY PROT.	$	
[ ] GARAGE LIABILITY		UNINSURED MOTORIST	$	
[ ]			$	
AUTO PHYSICAL DAMAGE DEDUCTIBLE	[ ] ALL VEHICLES [ ] SCHEDULED VEHICLES	[ ] ACTUAL CASH VALUE		
[ ] COLLISION		[ ] STATED AMOUNT	$	
[ ] OTHER THAN COL		[ ] OTHER		
EXCESS LIABILITY		EACH OCCURRENCE	$	
[ ] UMBRELLA FORM		AGGREGATE	$	
[ ] OTHER THAN UMBRELLA FORM	RETRO DATE FOR CLAIMS MADE:	SELF-INSURED RETENTION	$	
WORKER'S COMPENSATION AND EMPLOYER'S LIABILITY		[ ] STATUTORY LIMITS		
		EACH ACCIDENT	$	
		DISEASE-POLICY LIMIT	$	
		DISEASE-EACH EMPLOYEE	$	

SPECIAL CONDITIONS/OTHER COVERAGES

NAME & ADDRESS

[ ] MORTGAGEE
[ ] LOSS PAYEE
LOAN #

[X] ADDITIONAL INSURED
See attached

AUTHORIZED REPRESENTATIVE
Edward F Walsh Jr.

ACORD 75-S (7/90)

©ACORD CORPORATION 1990

ATTACHMENT TO GENERAL LIABILITY, NON-OWNED & HIRED AUTO LIABILITY, AND EXCESS "UMBRELLA" LIABILITY BINDERS

1. Named Insured under General Liability, Non-Owned & Hired Auto Liability and Excess "Umbrella" Liability policies:

   Crossroads Arena, LLC, Niagara Frontier Hockey Management Corporation, Niagara Frontier Hockey, L.P., Buffalo Sabres Concession LLC, Arena, Inc. and their affiliated and subsidiary companies now existing or hereafter created; Huber Hunt & Nichols, Inc. (General Contractor); and all tiers of subcontractors; and others whom the Owner contracts to furnish insurance under its Owner Controlled Insurance Program for the Crossroads Arena Project.

2. Additional Insureds Covered Under General Liability & Excess "Umbrella" Liability policies (pursuant to the Development and Construction Agreement, ECIDA Lease, Construction Loan Agreement, Concession Loan Agreement and Financing Participants Agreement) with coverage afforded on a primary basis:

   a. County of Erie
      95 Franklin Street, 10th Floor
      Buffalo, New York 14202
      Attn: Commissioner, Dept. of Environment & Planning

      (Pursuant to the Development and Construction Agreement and ECIDA Lease)

   b. Erie County Industrial Development Agency
      424 Main Street
      Buffalo, New York 14202
      Attn: Mr. Alfred D. Culliton

      (Pursuant to the Development and Construction Agreement and ECIDA Lease)

   c. Buffalo Urban Renewal Agency
      920 City Hall
      Buffalo, New York 14202
      Attn: M.L. McCarthy, Esq.

      (Pursuant to the Development and Construction Agreement and ECIDA Lease)

ATTACHMENT TO GENERAL LIABILITY, NON-OWNED & HIRED AUTO LIABILITY AND EXCESS "UMBRELLA" LIABILITY BINDERS (CONT.)

d. City of Buffalo
City Hall, Room 110
Buffalo, New York 14202
Attn: Mr. Edward D. Peace, Esq.

(Pursuant to the Development and Construction Agreement and ECIDA Lease)

e. New York State Urban Development Corporation
1515 Broadway, 53rd Floor
New York, New York 10036
Attn: Mr. Larry Panicali

(Pursuant to the Development and Construction Agreement)

f. Marine Midland Bank, On its own behalf
and as agent for itself and Key Bank of New York
c/o Real Estate Finance Department
One Marine Midland Center, 15th Floor
Buffalo, New York 14203

(Pursuant to the Construction Loan Agreement)

g. Shawmut Bank, N.A., On its own behalf
and as agent for its co-lenders
One Federal Street
Boston, MA 02211
Attn: Mr. David Spaline, V.P.

(Pursuant to the Concession Loan Agreement)

3. There shall be no recourse against the Public Sector Participants or Private Sector Participants for the payment of premiums or commissions or additional premiums or assessments. (See Schedule of Public Sector Participants and Private Sector Participants below.)

ATTACHMENT TO GENERAL LIABILITY, NON-OWNED & HIRED AUTO LIABILITY AND EXCESS "UMBRELLA" LIABILITY BINDERS (CONT.)

4. With respect to the Public Sector Participants and the Private Sector Participants, the insurance shall not be invalidated by any action or inaction of Crossroads Arena LLC and shall insure the Public Sector Participants and Private Sector Participants regardless, and any losses shall be payable notwithstanding any foreclosure or other proceeding or notice of sale relating to the Crossroads.

5. The insurance provided hereunder for the Public Sector Participants and Private Sector Participants shall be primary insurance without any right of contribution from any other insurance carried by the Public Sector Participants or the Private Sector Participants to the extent that such other insurance provides Public Sector Participants or Private Sector Participants, as the case may be, with contingent and/or excess liability insurance with respect to its respective interests as such in the construction project. All provisions of this policy, 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 Crossroads Arena LLC) shall operate in the same manner as if there were a separate policy covering each insured.

6. In the event that the Insurance Company cancels this policy for any reason whatsoever, or the policy 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 and Private Sector Participants, until as least sixty (60) days after receipt by the Public Sector Participants and Private Sector Participants, respectively, of written notice by the Insurance Company of such cancellation, lapse, expiration, reduction or change. In the event of cancellation for non-payment of premium, 10 days notice thereof shall be provided.

7. It is agreed that the Insurance Company waives any right of subrogation of the Insurance Company hereunder against any insured hereunder, and waives any right of the Insurance Company to any setoff or counterclaim or any other deduction, whether by attachment or otherwise, in respect to any liability of any person insured under this policy.

ATTACHMENT TO GENERAL LIABILITY, NON-OWNED & HIRED AUTO LIABILITY AND EXCESS "UMBRELLA" LIABILITY BINDERS (CONT.)

SCHEDULE OF PARTICIPANTS

PUBLIC SECTOR PARTICIPANTS

City of Buffalo
City Hall, Room 110
Buffalo, New York 14202
Attn: Mr. Edward D. Peace, Esq.

County of Erie
95 Franklin Street, 10th Floor
Buffalo, New York 14202
Attn: Commissioner Dept. of
Environment & Planning

New York State Urban Development Corp
1515 Broadway, 53rd Floor
New York, New York 10036
Attn: Mr. Larry Panicali

Buffalo Urban Renewal Agency
920 City Hall
Buffalo, New York 14202
Attn: M.L. McCarthy, Esq.

Erie County Industrial Development
Agency
424 Main Street
Buffalo, New York 14202
Attn: Mr. Alfred D. Culliton

PRIVATE SECTOR PARTICIPANTS

Shawmut Bank, N.A
One Federal Street
Boston, MA 02211
Attn: Mr. David Spaline, VP

Fleet Bank, NA
10 Fountain Plaza
Buffalo, New York 14202

Marine Midland Bank
c/o Real Estate Finance
Department
One Marine Midland Center,
15th Floor
Buffalo, New York 14203

Key Bank of New York
Commercial Loan Servicing
P.O. Box 686
Buffalo, New York 14240

ACORD. INSURANCE BINDER

ISSUE DATE (MM/DD/YY)
1 ☐ 10/26/94

THIS BINDER IS A TEMPORARY INSURANCE CONTRACT, SUBJECT TO THE CONDITIONS SHOWN ON THE NEXT PAGE.

PRODUCER

WALSH DUFFIELD CO., INC.
801 MAIN STREET
BUFFALO NY 14205

CODE SUB-CODE

COMPANY
AMERICAN ALLIANCE INS CO

BINDER NO.
BINDER10802

EFFECTIVE DATE	TIME		EXPIRATION DATE	TIME	
10/27/94	12:01	X AM / PM	10/27/96	X 12 01 AM / NOON	

☐ THIS BINDER IS ISSUED TO EXTEND COVERAGE IN THE ABOVE NAMED COMPANY PER EXPIRING POLICY NO:

INSURED
CROSSROADS ARENA LLC #11801
ATTN: CAROLYN H. HOYT
140 MAIN STREET
BUFFALO NY 14202

DESCRIPTION OF OPERATIONS/VEHICLES/PROPERTY (Including Location)
CROSSROADS ARENA PROJECT
(OWNER CONTROLLED INSURANCE PROGRAM)

SEE NAMED INSUREDS/ADDITIONAL INSUREDS PER ATTACHED

COVERAGES

TYPE OF INSURANCE	COVERAGE/FORMS	LIMITS AMOUNT	DEDUCTIBLE	COINSUR.
PROPERTY CAUSES OF LOSS ☐ BASIC ☐ BROAD ☐ SPEC				
GENERAL LIABILITY ☐ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS MADE ☐ OCCUR ☐ OWNER'S & CONTRACTOR'S PROT.	RETRO DATE FOR CLAIMS MADE:	GENERAL AGGREGATE $ / PRODUCTS - COMP/OP AGG $ / PERSONAL & ADV. INJURY $ / EACH OCCURRENCE $ / FIRE DAMAGE (Any one fire) $ / MED. EXPENSE (Any one person) $		
AUTOMOBILE LIABILITY ☐ ANY AUTO ☐ ALL OWNED AUTOS ☐ SCHEDULED AUTOS ☐ HIRED AUTOS ☐ NON-OWNED AUTOS ☐ GARAGE LIABILITY		COMBINED SINGLE LIMIT $ / BODILY INJURY (Per person) $ / BODILY INJURY (Per accident) $ / PROPERTY DAMAGE $ / MEDICAL PAYMENTS $ / PERSONAL INJURY PROT. $ / UNINSURED MOTORIST $ / $		
AUTO PHYSICAL DAMAGE DEDUCTIBLE ☐ COLLISION: ☐ OTHER THAN COL.	☐ ALL VEHICLES ☐ SCHEDULED VEHICLES	☐ ACTUAL CASH VALUE / ☐ STATED AMOUNT $ / ☐ OTHER		
EXCESS LIABILITY ☒ UMBRELLA FORM ☐ OTHER THAN UMBRELLA FORM	3 YEAR COMPLETED OPERATIONS POLICY #: UMB7637299 RETRO DATE FOR CLAIMS MADE:	EACH OCCURRENCE $20,000,000 / AGGREGATE $20,000,000 / SELF-INSURED RETENTION $ 10,000		
WORKER'S COMPENSATION AND EMPLOYER'S LIABILITY		☐ STATUTORY LIMITS / EACH ACCIDENT $ / DISEASE-POLICY LIMIT $ / DISEASE-EACH EMPLOYEE $		

SPECIAL CONDITIONS/OTHER COVERAGES

NAME & ADDRESS

☐ MORTGAGEE ☐ LOSS PAYEE ☒ ADDITIONAL INSURED See attached

LOAN #

AUTHORIZED REPRESENTATIVE
Edward F Walsh Jr

ACORD 75-S (7/90)

©ACORD CORPORATION 1990

ATTACHMENT TO GENERAL LIABILITY, NON-OWNED & HIRED AUTO LIABILITY, AND EXCESS "UMBRELLA" LIABILITY BINDERS

1. Named Insured under General Liability, Non-Owned & Hired Auto Liability and Excess "Umbrella" Liability policies:

   Crossroads Arena, LLC, Niagara Frontier Hockey Management Corporation, Niagara Frontier Hockey, L.P., Buffalo Sabres Concession LLC, Arena, Inc. and their affiliated and subsidiary companies now existing or hereafter created; Huber Hunt & Nichols, Inc. (General Contractor); and all tiers of subcontractors; and others whom the Owner contracts to furnish insurance under its Owner Controlled Insurance Program for the Crossroads Arena Project.

2. Additional Insureds Covered Under General Liability & Excess "Umbrella" Liability policies (pursuant to the Development and Construction Agreement, ECIDA Lease, Construction Loan Agreement, Concession Loan Agreement and Financing Participants Agreement) with coverage afforded on a primary basis:

   a. County of Erie
      95 Franklin Street, 10th Floor
      Buffalo, New York 14202
      Attn: Commissioner, Dept. of Environment & Planning

      (Pursuant to the Development and Construction Agreement and ECIDA Lease)

   b. Erie County Industrial Development Agency
      424 Main Street
      Buffalo, New York 14202
      Attn: Mr. Alfred D. Culliton

      (Pursuant to the Development and Construction Agreement and ECIDA Lease)

   c. Buffalo Urban Renewal Agency
      920 City Hall
      Buffalo, New York 14202
      Attn: M.L. McCarthy, Esq.

      (Pursuant to the Development and Construction Agreement and ECIDA Lease)

ATTACHMENT TO GENERAL LIABILITY, NON-OWNED & HIRED AUTO LIABILITY AND EXCESS "UMBRELLA" LIABILITY BINDERS (CONT.)

d. City of Buffalo
City Hall, Room 110
Buffalo, New York 14202
Attn: Mr. Edward D. Peace, Esq.

(Pursuant to the Development and Construction Agreement and ECIDA Lease)

e. New York State Urban Development Corporation
1515 Broadway, 53rd Floor
New York, New York 10036
Attn: Mr. Larry Panicali

(Pursuant to the Development and Construction Agreement)

f. Marine Midland Bank, On its own behalf
and as agent for itself and Key Bank of New York
c/o Real Estate Finance Department
One Marine Midland Center, 15th Floor
Buffalo, New York 14203

(Pursuant to the Construction Loan Agreement)

g. Shawmut Bank, N.A., On its own behalf
and as agent for its co-lenders
One Federal Street
Boston, MA 02211
Attn: Mr. David Spaline, V.P.

(Pursuant to the Concession Loan Agreement)

3. There shall be no recourse against the Public Sector Participants or Private Sector Participants for the payment of premiums or commissions or additional premiums or assessments. (See Schedule of Public Sector Participants and Private Sector Participants below.)

ATTACHMENT TO GENERAL LIABILITY, NON-OWNED & HIRED AUTO LIABILITY AND EXCESS "UMBRELLA" LIABILITY BINDERS (CONT.)

4. With respect to the Public Sector Participants and the Private Sector Participants, the insurance shall not be invalidated by any action or inaction of Crossroads Arena LLC and shall insure the Public Sector Participants and Private Sector Participants regardless, and any losses shall be payable notwithstanding any foreclosure or other proceeding or notice of sale relating to the Crossroads.

5. The insurance provided hereunder for the Public Sector Participants and Private Sector Participants shall be primary insurance without any right of contribution from any other insurance carried by the Public Sector Participants or the Private Sector Participants to the extent that such other insurance provides Public Sector Participants or Private Sector Participants, as the case may be, with contingent and/or excess liability insurance with respect to its respective interests as such in the construction project. All provisions of this policy, 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 Crossroads Arena LLC) shall operate in the same manner as if there were a separate policy covering each insured.

6. In the event that the Insurance Company cancels this policy for any reason whatsoever, or the policy 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 and Private Sector Participants, until as least sixty (60) days after receipt by the Public Sector Participants and Private Sector Participants, respectively, of written notice by the Insurance Company of such cancellation, lapse, expiration, reduction or change. In the event of cancellation for non-payment of premium, 10 days notice thereof shall be provided.

7. It is agreed that the Insurance Company waives any right of subrogation of the Insurance Company hereunder against any insured hereunder, and waives any right of the Insurance Company to any setoff or counterclaim or any other deduction, whether by attachment or otherwise, in respect to any liability of any person insured under this policy.

ATTACHMENT TO GENERAL LIABILITY, NON-OWNED & HIRED AUTO LIABILITY AND EXCESS "UMBRELLA" LIABILITY BINDERS (CONT.)

SCHEDULE OF PARTICIPANTS

PUBLIC SECTOR PARTICIPANTS

City of Buffalo
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Attn: Mr. Edward D. Peace, Esq.

County of Erie
95 Franklin Street, 10th Floor
Buffalo, New York 14202
Attn: Commissioner Dept. of
Environment & Planning

New York State Urban Development Corp
1515 Broadway, 53rd Floor
New York, New York 10036
Attn: Mr. Larry Panicali

Buffalo Urban Renewal Agency
920 City Hall
Buffalo, New York 14202
Attn: M.L. McCarthy, Esq.

Erie County Industrial Development
Agency
424 Main Street
Buffalo, New York 14202
Attn: Mr. Alfred D. Culliton

PRIVATE SECTOR PARTICIPANTS

Shawmut Bank, N.A
One Federal Street
Boston, MA 02211
Attn: Mr. David Spaline, VP

Fleet Bank, NA
10 Fountain Plaza
Buffalo, New York 14202

Marine Midland Bank
c/o Real Estate Finance
Department
One Marine Midland Center,
15th Floor
Buffalo, New York 14203

Key Bank of New York
Commercial Loan Servicing
P.O. Box 686
Buffalo, New York 14240

ACORD. INSURANCE BINDER

ISSUE DATE (MM/DD/YY)
1 ☐ 10/26/94

THIS BINDER IS A TEMPORARY INSURANCE CONTRACT, SUBJECT TO THE CONDITIONS SHOWN ON THE NEXT PAGE.

PRODUCER

WALSH DUFFIELD CO., INC.
801 MAIN STREET
BUFFALO NY 14205

CODE SUB-CODE

COMPANY
NATIONAL UNION

BINDER NO.
426-71-69

EFFECTIVE DATE	TIME		EXPIRATION DATE	TIME	
10/27/94	12:01	X AM / PM	10/27/96	X 12 01 AM / NOON	

☐ THIS BINDER IS ISSUED TO EXTEND COVERAGE IN THE ABOVE NAMED COMPANY PER EXPIRING POLICY NO:

INSURED
CROSSROADS ARENA LLC #11801
ATTN: CAROLYN H. HOYT
140 MAIN STREET
BUFFALO NY 14202

DESCRIPTION OF OPERATIONS/VEHICLES/PROPERTY (Including Location)
CROSSROADS ARENA PROJECT
(OWNER CONTROLLED INSURANCE PROGRAM)

SEE NAMED INSUREDS/ADDITIONAL INSUREDS PER THE ATTACHED

COVERAGES

TYPE OF INSURANCE	COVERAGE/FORMS	LIMITS AMOUNT	DEDUCTIBLE	COINSUR.
PROPERTY CAUSES OF LOSS ☐ BASIC ☐ BROAD ☐ SPEC.				
GENERAL LIABILITY		GENERAL AGGREGATE	$	
☐ COMMERCIAL GENERAL LIABILITY		PRODUCTS – COMP/OP AGG	$	
☐ CLAIMS MADE ☐ OCCUR		PERSONAL & ADV. INJURY	$	
☐ OWNER'S & CONTRACTOR'S PROT.		EACH OCCURRENCE	$	
		FIRE DAMAGE (Any one fire)	$	
	RETRO DATE FOR CLAIMS MADE.	MED. EXPENSE (Any one person)	$	
AUTOMOBILE LIABILITY		COMBINED SINGLE LIMIT	$	
☐ ANY AUTO		BODILY INJURY (Per person)	$	
☐ ALL OWNED AUTOS		BODILY INJURY (Per accident)	$	
☐ SCHEDULED AUTOS		PROPERTY DAMAGE	$	
☐ HIRED AUTOS		MEDICAL PAYMENTS	$	
☐ NON-OWNED AUTOS		PERSONAL INJURY PROT.	$	
☐ GARAGE LIABILITY		UNINSURED MOTORIST	$	
			$	
AUTO PHYSICAL DAMAGE DEDUCTIBLE	☐ ALL VEHICLES ☐ SCHEDULED VEHICLES	☐ ACTUAL CASH VALUE		
☐ COLLISION:		☐ STATED AMOUNT	$	
☐ OTHER THAN COL:		☐ OTHER		
EXCESS LIABILITY	3 YEAR COMPLETED OPERATIONS COVERAGE	EACH OCCURRENCE	$25,000,000	
X UMBRELLA FORM	POLICY #: 4267169	AGGREGATE	$25,000,000	
☐ OTHER THAN UMBRELLA FORM	RETRO DATE FOR CLAIMS MADE:	SELF-INSURED RETENTION	$20,000,000	
WORKER'S COMPENSATION AND EMPLOYER'S LIABILITY		☐ STATUTORY LIMITS		
		EACH ACCIDENT	$	
		DISEASE-POLICY LIMIT	$	
		DISEASE-EACH EMPLOYEE	$	

SPECIAL CONDITIONS/OTHER COVERAGES
EXCESS AMERICAN ALLIANCE POLICY #7637299

NAME & ADDRESS

☐ MORTGAGEE
☐ LOSS PAYEE
LOAN #

X ADDITIONAL INSURED
See attached

AUTHORIZED REPRESENTATIVE
Edward F Walsh Jr.

ACORD 75-S (7/90)

©ACORD CORPORATION 1990

ATTACHMENT TO GENERAL LIABILITY, NON-OWNED & HIRED AUTO LIABILITY, AND EXCESS "UMBRELLA" LIABILITY BINDERS

1. Named Insured under General Liability, Non-Owned & Hired Auto Liability and Excess "Umbrella" Liability policies:

   Crossroads Arena, LLC, Niagara Frontier Hockey Management Corporation, Niagara Frontier Hockey, L.P., Buffalo Sabres Concession LLC, Arena, Inc. and their affiliated and subsidiary companies now existing or hereafter created; Huber Hunt & Nichols, Inc. (General Contractor); and all tiers of subcontractors; and others whom the Owner contracts to furnish insurance under its Owner Controlled Insurance Program for the Crossroads Arena Project.

2. Additional Insureds Covered Under General Liability & Excess "Umbrella" Liability policies (pursuant to the Development and Construction Agreement, ECIDA Lease, Construction Loan Agreement, Concession Loan Agreement and Financing Participants Agreement) with coverage afforded on a primary basis:

   a. County of Erie
   95 Franklin Street, 10th Floor
   Buffalo, New York 14202
   Attn: Commissioner, Dept. of Environment & Planning

   (Pursuant to the Development and Construction Agreement and ECIDA Lease)

   b. Erie County Industrial Development Agency
   424 Main Street
   Buffalo, New York 14202
   Attn: Mr. Alfred D. Culliton

   (Pursuant to the Development and Construction Agreement and ECIDA Lease)

   c. Buffalo Urban Renewal Agency
   920 City Hall
   Buffalo, New York 14202
   Attn: M.L. McCarthy, Esq.

   (Pursuant to the Development and Construction Agreement and ECIDA Lease)

ATTACHMENT TO GENERAL LIABILITY, NON-OWNED & HIRED AUTO LIABILITY AND EXCESS "UMBRELLA" LIABILITY BINDERS (CONT.)

d. City of Buffalo
City Hall, Room 110
Buffalo, New York 14202
Attn: Mr. Edward D. Peace, Esq.

(Pursuant to the Development and Construction Agreement and ECIDA Lease)

e. New York State Urban Development Corporation
1515 Broadway, 53rd Floor
New York, New York 10036
Attn: Mr. Larry Panicali

(Pursuant to the Development and Construction Agreement)

f. Marine Midland Bank, On its own behalf
and as agent for itself and Key Bank of New York
c/o Real Estate Finance Department
One Marine Midland Center, 15th Floor
Buffalo, New York 14203

(Pursuant to the Construction Loan Agreement)

g. Shawmut Bank, N.A., On its own behalf
and as agent for its co-lenders
One Federal Street
Boston, MA 02211
Attn: Mr. David Spaline, V.P.

(Pursuant to the Concession Loan Agreement)

3. There shall be no recourse against the Public Sector Participants or Private Sector Participants for the payment of premiums or commissions or additional premiums or assessments. (See Schedule of Public Sector Participants and Private Sector Participants below.)

ATTACHMENT TO GENERAL LIABILITY, NON-OWNED & HIRED AUTO LIABILITY AND EXCESS "UMBRELLA" LIABILITY BINDERS (CONT.)

4. With respect to the Public Sector Participants and the Private Sector Participants, the insurance shall not be invalidated by any action or inaction of Crossroads Arena LLC and shall insure the Public Sector Participants and Private Sector Participants regardless, and any losses shall be payable notwithstanding any foreclosure or other proceeding or notice of sale relating to the Crossroads.

5. The insurance provided hereunder for the Public Sector Participants and Private Sector Participants shall be primary insurance without any right of contribution from any other insurance carried by the Public Sector Participants or the Private Sector Participants to the extent that such other insurance provides Public Sector Participants or Private Sector Participants, as the case may be, with contingent and/or excess liability insurance with respect to its respective interests as such in the construction project. All provisions of this policy, 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 Crossroads Arena LLC) shall operate in the same manner as if there were a separate policy covering each insured.

6. In the event that the Insurance Company cancels this policy for any reason whatsoever, or the policy 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 and Private Sector Participants, until as least sixty (60) days after receipt by the Public Sector Participants and Private Sector Participants, respectively, of written notice by the Insurance Company of such cancellation, lapse, expiration, reduction or change. In the event of cancellation for non-payment of premium, 10 days notice thereof shall be provided.

7. It is agreed that the Insurance Company waives any right of subrogation of the Insurance Company hereunder against any insured hereunder, and waives any right of the Insurance Company to any setoff or counterclaim or any other deduction, whether by attachment or otherwise, in respect to any liability of any person insured under this policy.

ATTACHMENT TO GENERAL LIABILITY, NON-OWNED & HIRED AUTO LIABILITY AND EXCESS "UMBRELLA" LIABILITY BINDERS (CONT.)

SCHEDULE OF PARTICIPANTS

PUBLIC SECTOR PARTICIPANTS

City of Buffalo
City Hall, Room 110
Buffalo, New York 14202
Attn: Mr. Edward D. Peace, Esq.

County of Erie
95 Franklin Street, 10th Floor
Buffalo, New York 14202
Attn: Commissioner Dept. of
Environment & Planning

New York State Urban Development Corp
1515 Broadway, 53rd Floor
New York, New York 10036
Attn: Mr. Larry Panicali

Buffalo Urban Renewal Agency
920 City Hall
Buffalo, New York 14202
Attn: M.L. McCarthy, Esq.

Erie County Industrial Development
Agency
424 Main Street
Buffalo, New York 14202
Attn: Mr. Alfred D. Culliton

PRIVATE SECTOR PARTICIPANTS

Shawmut Bank, N.A
One Federal Street
Boston, MA 02211
Attn: Mr. David Spaline, VP

Fleet Bank, NA
10 Fountain Plaza
Buffalo, New York 14202

Marine Midland Bank
c/o Real Estate Finance
Department
One Marine Midland Center,
15th Floor
Buffalo, New York 14203

Key Bank of New York
Commercial Loan Servicing
P.O. Box 686
Buffalo, New York 14240

ACORD. INSURANCE BINDER

CAW

ISSUE DATE (MM/DD/YY) 1 10/26/94

THIS BINDER IS A TEMPORARY INSURANCE CONTRACT, SUBJECT TO THE CONDITIONS SHOWN ON THE NEXT PAGE.

PRODUCER

WALSH DUFFIELD CO., INC.
801 MAIN STREET
BUFFALO NY 14205

CODE 63584 SUB-CODE

INSURED

CROSSROADS ARENA LLC #11801
ATTN: CAROLYN H. HOYT
140 MAIN STREET
BUFFALO NY 14202

COMPANY: FEDERAL INSURANCE CO

BINDER NO.: (95)79086818

EFFECTIVE DATE	EFFECTIVE TIME		EXPIRATION DATE	EXPIRATION TIME	
10/27/94	12:01	X AM / PM	10/27/96	X 12:01 AM / NOON	

[ ] THIS BINDER IS ISSUED TO EXTEND COVERAGE IN THE ABOVE NAMED COMPANY PER EXPIRING POLICY NO.

DESCRIPTION OF OPERATIONS/VEHICLES/PROPERTY (Including Location)

CROSSROADS ARENA PROJECT
(OWNER CONTROLLED INSURANCE PROGRAM)

SEE NAMED INSUREDS/ADDITIONAL INSUREDS PER ATTACHED

COVERAGES

TYPE OF INSURANCE	COVERAGE/FORMS	LIMITS AMOUNT		DEDUCTIBLE	COINSUR.
PROPERTY CAUSES OF LOSS: [ ] BASIC [ ] BROAD [ ] SPEC					
GENERAL LIABILITY		GENERAL AGGREGATE	$		
[ ] COMMERCIAL GENERAL LIABILITY		PRODUCTS - COMP/OP AGG.	$		
[ ] CLAIMS MADE [ ] OCCUR		PERSONAL & ADV. INJURY	$		
[ ] OWNER'S & CONTRACTOR'S PROT.		EACH OCCURRENCE	$		
		FIRE DAMAGE (Any one fire)	$		
	RETRO DATE FOR CLAIMS MADE:	MED. EXPENSE (Any one person)	$		
AUTOMOBILE LIABILITY		COMBINED SINGLE LIMIT	$		
[ ] ANY AUTO		BODILY INJURY (Per person)	$		
[ ] ALL OWNED AUTOS		BODILY INJURY (Per accident)	$		
[ ] SCHEDULED AUTOS		PROPERTY DAMAGE	$		
[ ] HIRED AUTOS		MEDICAL PAYMENTS	$		
[ ] NON-OWNED AUTOS		PERSONAL INJURY PROT.	$		
[ ] GARAGE LIABILITY		UNINSURED MOTORIST	$		
			$		
AUTO PHYSICAL DAMAGE DEDUCTIBLE	[ ] ALL VEHICLES [ ] SCHEDULED VEHICLES	[ ] ACTUAL CASH VALUE			
[ ] COLLISION:		[ ] STATED AMOUNT	$		
[ ] OTHER THAN COL:		[ ] OTHER			
EXCESS LIABILITY	3 YEAR COMPLETED OPERATIONS COVERAGE	EACH OCCURRENCE	$25,000,000		
[X] UMBRELLA FORM	POLICY #: 79086818	AGGREGATE	$25,000,000		
[ ] OTHER THAN UMBRELLA FORM	RETRO DATE FOR CLAIMS MADE:	SELF-INSURED RETENTION	$45,000,000		
		[ ] STATUTORY LIMITS			
WORKER'S COMPENSATION AND EMPLOYER'S LIABILITY		EACH ACCIDENT	$		
		DISEASE-POLICY LIMIT	$		
		DISEASE-EACH EMPLOYEE	$		

SPECIAL CONDITIONS/OTHER COVERAGES

EXCESS AMERICAN ALLIANCE AND NATIONAL UNION POLICIES

NAME & ADDRESS

[ ] MORTGAGEE
[ ] LOSS PAYEE
[X] ADDITIONAL INSURED — See attached

LOAN #

AUTHORIZED REPRESENTATIVE

Edward F Walsh Jr.

ACORD 75-S (7/90)

©ACORD CORPORATION 1990

ATTACHMENT TO GENERAL LIABILITY, NON-OWNED & HIRED AUTO LIABILITY, AND EXCESS "UMBRELLA" LIABILITY BINDERS

1. Named Insured under General Liability, Non-Owned & Hired Auto Liability and Excess "Umbrella" Liability policies:

   Crossroads Arena, LLC, Niagara Frontier Hockey Management Corporation, Niagara Frontier Hockey, L.P., Buffalo Sabres Concession LLC, Arena, Inc. and their affiliated and subsidiary companies now existing or hereafter created; Huber Hunt & Nichols, Inc. (General Contractor); and all tiers of subcontractors; and others whom the Owner contracts to furnish insurance under its Owner Controlled Insurance Program for the Crossroads Arena Project.

2. Additional Insureds Covered Under General Liability & Excess "Umbrella" Liability policies (pursuant to the Development and Construction Agreement, ECIDA Lease, Construction Loan Agreement, Concession Loan Agreement and Financing Participants Agreement) with coverage afforded on a primary basis:

   a. County of Erie
   95 Franklin Street, 10th Floor
   Buffalo, New York 14202
   Attn: Commissioner, Dept. of Environment & Planning

   (Pursuant to the Development and Construction Agreement and ECIDA Lease)

   b. Erie County Industrial Development Agency
   424 Main Street
   Buffalo, New York 14202
   Attn: Mr. Alfred D. Culliton

   (Pursuant to the Development and Construction Agreement and ECIDA Lease)

   c. Buffalo Urban Renewal Agency
   920 City Hall
   Buffalo, New York 14202
   Attn: M.L. McCarthy, Esq.

   (Pursuant to the Development and Construction Agreement and ECIDA Lease)

ATTACHMENT TO GENERAL LIABILITY, NON-OWNED & HIRED AUTO LIABILITY AND EXCESS "UMBRELLA" LIABILITY BINDERS (CONT.)

d. City of Buffalo
City Hall, Room 110
Buffalo, New York 14202
Attn: Mr. Edward D. Peace, Esq.

(Pursuant to the Development and Construction Agreement and ECIDA Lease)

e. New York State Urban Development Corporation
1515 Broadway, 53rd Floor
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Attn: Mr. Larry Panicali

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f. Marine Midland Bank, On its own behalf
and as agent for itself and Key Bank of New York
c/o Real Estate Finance Department
One Marine Midland Center, 15th Floor
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g. Shawmut Bank, N.A., On its own behalf
and as agent for its co-lenders
One Federal Street
Boston, MA 02211
Attn: Mr. David Spaline, V.P.

(Pursuant to the Concession Loan Agreement)

3. There shall be no recourse against the Public Sector Participants or Private Sector Participants for the payment of premiums or commissions or additional premiums or assessments. (See Schedule of Public Sector Participants and Private Sector Participants below.)

ATTACHMENT TO GENERAL LIABILITY, NON-OWNED & HIRED AUTO LIABILITY AND EXCESS "UMBRELLA" LIABILITY BINDERS (CONT.)

4. With respect to the Public Sector Participants and the Private Sector Participants, the insurance shall not be invalidated by any action or inaction of Crossroads Arena LLC and shall insure the Public Sector Participants and Private Sector Participants regardless, and any losses shall be payable notwithstanding any foreclosure or other proceeding or notice of sale relating to the Crossroads.

5. The insurance provided hereunder for the Public Sector Participants and Private Sector Participants shall be primary insurance without any right of contribution from any other insurance carried by the Public Sector Participants or the Private Sector Participants to the extent that such other insurance provides Public Sector Participants or Private Sector Participants, as the case may be, with contingent and/or excess liability insurance with respect to its respective interests as such in the construction project. All provisions of this policy, 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 Crossroads Arena LLC) shall operate in the same manner as if there were a separate policy covering each insured.

6. In the event that the Insurance Company cancels this policy for any reason whatsoever, or the policy 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 and Private Sector Participants, until as least sixty (60) days after receipt by the Public Sector Participants and Private Sector Participants, respectively, of written notice by the Insurance Company of such cancellation, lapse, expiration, reduction or change. In the event of cancellation for non-payment of premium, 10 days notice thereof shall be provided.

7. It is agreed that the Insurance Company waives any right of subrogation of the Insurance Company hereunder against any insured hereunder, and waives any right of the Insurance Company to any setoff or counterclaim or any other deduction, whether by attachment or otherwise, in respect to any liability of any person insured under this policy.

ATTACHMENT TO GENERAL LIABILITY, NON-OWNED & HIRED AUTO LIABILITY AND EXCESS "UMBRELLA" LIABILITY BINDERS (CONT.)

SCHEDULE OF PARTICIPANTS

PUBLIC SECTOR PARTICIPANTS

City of Buffalo
City Hall, Room 110
Buffalo, New York 14202
Attn: Mr. Edward D. Peace, Esq.

County of Erie
95 Franklin Street, 10th Floor
Buffalo, New York 14202
Attn: Commissioner Dept. of Environment & Planning

New York State Urban Development Corp
1515 Broadway, 53rd Floor
New York, New York 10036
Attn: Mr. Larry Panicali

Buffalo Urban Renewal Agency
920 City Hall
Buffalo, New York 14202
Attn: M.L. McCarthy, Esq.

Erie County Industrial Development Agency
424 Main Street
Buffalo, New York 14202
Attn: Mr. Alfred D. Culliton

PRIVATE SECTOR PARTICIPANTS

Shawmut Bank, N.A
One Federal Street
Boston, MA 02211
Attn: Mr. David Spaline, VP

Fleet Bank, NA
10 Fountain Plaza
Buffalo, New York 14202

Marine Midland Bank
c/o Real Estate Finance Department
One Marine Midland Center, 15th Floor
Buffalo, New York 14203

Key Bank of New York
Commercial Loan Servicing
P.O. Box 686
Buffalo, New York 14240

Document 57A

GENERAL CERTIFICATE

FROM: NIAGARA FRONTIER HOCKEY, L.P. ("NFHLP")

TO: MARINE MIDLAND BANK as Collateral Agent for the benefit of itself and Key Bank of New York and any future lenders or participants ("Agent")

CLOSING DATE: As of June 2, 1995

The undersigned certifies to Construction Loan Agent that NFHMC is the sole general partner of NFHLP and that as such, the undersigned is authorized to execute and deliver this certificate in the name of and on behalf of NFHLP. The undersigned further certify that:

1. This certificate is being delivered in Buffalo, New York on the Closing Date in connection with the execution and delivery of the documents described on Schedule A attached hereto and made a part hereof, each dated as of May 10, 1995 (collectively, "Agreements").

2. NFHLP is duly organized, validly existing, and in good standing under the laws of the State of Delaware.

3. Attached hereto as Exhibit A is a true, correct and complete copy of the Amended and Restated Partnership Agreement and Certificate of Limited Partnership of NFHLP, and attached hereto as Exhibit B is a true, correct and complete copy of the Amendment Number 1 to the Amended and Restated Partnership Agreement of NFHLP each of which is in full force and effect on and as of the Closing Date without modification or amendment in any respect ("Partnership Agreement").

4. NFHMC, as general partner of NFHLP, has authority to execute and deliver to Agent on behalf of NFHLP, the Agreements and any and all other documents required to be executed and delivered by NFHLP in connection with the Agreements in order to give effect to and consummate the transactions contemplated by any of the foregoing documents.

5. No other or further action by or on behalf of NFHLP or its limited partners is necessary to authorize the execution, delivery and performance of the Agreements and other documents required to be executed and delivered by NFHLP in order to give effect to and consummate the transactions contemplated thereby. None of the foregoing is or will be in contravention of any provision of the Partnership Agreement or any document or agreement to which NFHLP is a party or which is binding on NFHLP.

6. Attached hereto as Exhibit C is a true and correct copy of a Certificate of Good Standing of NFHLP from each of the States of Delaware and New York.

7. Attached hereto as Exhibit D and E, respectively, are true and correct copies of the Constitution and By laws of the National Hockey League.

IN WITNESS WHEREOF, the undersigned has executed and delivered this certificate in its name and in the name and on behalf of NFHLP on and as of the Closing Date.

NIAGARA FRONTIER HOCKEY
MANAGEMENT CORPORATION

By: _____
Robert O. Swados
Vice Chairman and Secretary

(SEAL)

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235058.04

DOCUMENT NOT IN BINDER

DOCUMENT IN POSSESSION OF
MARINE MIDLAND BANK

MEMORANDUM

To; File

From: Laurence K. Rubin

Re; Documents not in Crossroads Arena Closing Binders

Date; December 28, 1995

Certain of the documents listed on the Index to the Crossroads Arena Closing Documents are noted by an insert sheet as "Document Not In Binder. Document in Possession of Marine Midland Bank". These documents were included in Phillips, Lytle's closing list but were not distributed to us or the City or UDC. They were requested by Kavinoky & Cook, LLP of James Watz, Esq. of Phillips, Lytle . Mr. Watz refused to provide us with copies of these documents at the direction of his client and/or Larry Quinn on behalf of CALLC, NFHLP and/or BSCLLC.

Document 57B

GENERAL CERTIFICATE

FROM: NIAGARA FRONTIER HOCKEY MANAGEMENT CORPORATION ("NFHMC")

TO: MARINE MIDLAND BANK as Collateral Agent for the benefit of itself and Key Bank of New York and any future lenders or participants ("Construction Loan Agent")

CLOSING DATE: As of June 2, 1995

The undersigned certifies to Construction Loan Agent that he is the Vice Chairman and Counsel of NFHMC and that, as Vice Chairman and Counsel, the undersigned is authorized to execute and deliver this certificate in the name of and on behalf of NFHMC. The undersigned further certifies that:

1. This certificate is being delivered in Buffalo, New York on the Closing Date in connection with the execution and delivery of the documents described on Schedule A attached hereto and made a part hereof, each dated as of May 10, 1995 (collectively, "Agreements").

2. Attached hereto as Exhibit A is a true, correct and complete copy of NFHMC's Certificate of Incorporation, which Certificate of Incorporation is in full force and effect on and as of the date hereof without modification or amendment in any respect.

3. Attached hereto as Exhibit B is a true, correct and complete copy of NFHMC's By-laws, which By-laws are in full force and effect on and as of the date hereof without modification or amendment in any respect.

4. Attached hereto as Exhibit C is a true, correct and complete copy of the resolutions adopted by NFHMC's Board of Directors on or as of May 17, 1995. Such resolutions are in full force and effect on and as of the Closing Date without revocation, modification or amendment in any respect. No other or further corporate action by or on behalf of NFHMC or its shareholders is necessary or appropriate to authorize the execution and delivery by NFHMC of any or all of the agreements and documents required to be executed and delivered by NFHMC, as general partner of NFHLP, in order to give effect to and consummate the transactions contemplated by the Agreements. None of the foregoing is or will be in contravention of any provision of NFHMC's Certificate of Incorporation, By-laws, or any document or agreement to which NFHMC is a party or which is binding on NFHMC.

5. Attached hereto as Exhibit D is a true, correct and complete copy of the Stockholders and Voting Trustees Agreement among NFHMC and the stockholders of NFHMC as of

April 20, 1994, and attached hereto as Exhibit E is Amendment Number 1 to the Stockholders and Voting Trustees Agreement, each of which is in full force and effect on and as of the date hereof without modification or amendment in any respect.

6. Attached hereto as Exhibit F is a true and correct copy of a Certificate of Good Standing of NFHMC from the New York Secretary of State.

7. Each officer of NFHMC indicated below has been duly elected and is at present qualified and acting in the office indicated opposite his name, and the specimen signatures provided below of those officers who shall execute and deliver the documents described in attached Schedule A are genuine signatures of such officers:

Name	Title	Signature
Seymour H. Knox, III	Chairman	
Douglas G. Moss	President & CEO	
Robert E. Rich, Jr.	Vice Chairman	
Robert O. Swados	Vice Chairman & Counsel	
George O. Bergantz	Senior Vice President/ Administration & Marketing	
Joseph T.J. Stewart	Treasurer	
Helen A. Drew	Assistant Secretary	
Daniel J. DiPofi	Vice President Finance/Chief Financial Officer	

IN WITNESS WHEREOF, the undersigned has executed and delivered this certificate in its name and in the name and on behalf of NFHMC on and as of the Closing Date.

Robert O. Swados
Vice Chairman and Counsel

(SEAL)

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235098.05

DOCUMENT NOT IN BINDER

DOCUMENT IN POSSESSION OF
MARINE MIDLAND BANK

MEMORANDUM

To; File

From: Laurence K. Rubin

Re; Documents not in Crossroads Arena Closing Binders

Date; December 28, 1995

Certain of the documents listed on the Index to the Crossroads Arena Closing Documents are noted by an insert sheet as "Document Not In Binder. Document in Possession of Marine Midland Bank". These documents were included in Phillips, Lytle's closing list but were not distributed to us or the City or UDC. They were requested by Kavinoky & Cook, LLP of James Watz, Esq. of Phillips, Lytle . Mr. Watz refused to provide us with copies of these documents at the direction of his client and/or Larry Quinn on behalf of CALLC, NFHLP and/or BSCLLC.

GENERAL CERTIFICATE

From: BUFFALO SABRES CONCESSION LLC ("Company")

To: MARINE MIDLAND BANK as Collateral Agent for the benefit of itself and Key Bank of New York and any future lenders or participants ("Construction Loan Agent")

Closing Date: As of June 2, 1995

The undersigned hereby jointly and severally certify that they are the sole members of Company, a New York limited liability company. The undersigned further jointly and severally certify, for themselves and on behalf of the Company, that:

1. This Certificate is being delivered in Buffalo, New York on the Closing Date in connection with the execution and delivery by Company of the documents described on Schedule A attached hereto and made a part hereof, each dated as of May 10, 1995 ("Agreements").

2. Attached hereto as Exhibit A is a true, correct and complete copy of Company's Articles of Organization filed on November 17, 1994 with the New York Secretary of State ("Articles of Organization"). The Articles of Organization are in full force and effect on and as of the Closing Date without modification or amendment in any respect.

3. Attached hereto as Exhibit B is a true and correct copy of Company's Operating Agreement, which Operating Agreement has not been amended and is in full force and effect on and as of the Closing Date without modification or amendment in any respect ("Operation Agreement").

4. Attached hereto as Exhibit C is a true and correct copy of resolutions duly adopted by unanimous written consent of the members of Company dated on or as of May 17, 1995. The resolutions have not been amended or repealed and all such resolutions remain in full force and effect on and as of the Closing Date.

5. No other or further action by or on behalf of Company or its members is necessary to authorize the execution, delivery and performance of the Agreements or the other documents and instruments to be executed and delivered in connection therewith. None of the foregoing will be in contravention of the Articles of Organization, the Operating Agreement or any document to which Company is a party or which is binding on Company.

6. Attached hereto as Exhibit D is a true and correct copy of a Certificate of Good Standing of Company from the New York Secretary of State.

IN WITNESS WHEREOF, the undersigned have executed this certificate in their names and in the name and on behalf of the Company on and as of the Closing Date.

NIAGARA FRONTIER HOCKEY, L.P.

By NIAGARA FRONTIER HOCKEY MANAGEMENT CORPORATION, its Managing General Partner

By _____
Robert O. Swados
Vice Chairman and Counsel

NIAGARA FRONTIER HOCKEY MANAGEMENT CORPORATION

By _____
Robert O. Swados
Vice Chairman and Counsel

KKM/ACsz
W46959
235278.03

DOCUMENT NOT IN BINDER

DOCUMENT IN POSSESSION OF
MARINE MIDLAND BANK

MEMORANDUM

To; File

From: Laurence K. Rubin

Re; Documents not in Crossroads Arena Closing Binders

Date; December 28, 1995

Certain of the documents listed on the Index to the Crossroads Arena Closing Documents are noted by an insert sheet as "Document Not In Binder. Document in Possession of Marine Midland Bank". These documents were included in Phillips, Lytle's closing list but were not distributed to us or the City or UDC. They were requested by Kavinoky & Cook, LLP of James Watz, Esq. of Phillips, Lytle . Mr. Watz refused to provide us with copies of these documents at the direction of his client and/or Larry Quinn on behalf of CALLC, NFHLP and/or BSCLLC.

ENVIRONMENTAL COMPLIANCE AND INDEMNIFICATION AGREEMENT

THIS AGREEMENT, dated as of May 10, 1995, is given by CROSSROADS ARENA LLC, a New York limited liability company having its office and principal place of business at Memorial Auditorium, 140 Main Street, Buffalo, New York 14202 (the "Company"), to ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY, a public benefit corporation of the State of New York having its principal office at 424 Main Street, Buffalo, New York 14202 (the "Agency"), the CITY OF BUFFALO URBAN RENEWAL AGENCY, a public benefit corporation created pursuant to Article 15-B of the General Municipal Law, with offices located at 920 City Hall, Buffalo, New York 14202 ("BURA"), THE CITY OF BUFFALO, a municipal corporation of the State of New York, with offices at 65 Niagara Street, City Hall, Room 110, Buffalo, New York 14202 (the "City"), and THE COUNTY OF ERIE, a municipal corporation of the State of New York, with offices at 95 Franklin Street, Buffalo, New York 14202 (the "County").

RECITALS

WHEREAS, the Company has applied to the Agency for assistance under the Agency's State and Local Exempt Lease Program (the "Financing") and the Agency has agreed to provide the Financing subject to the terms and conditions of its Inducement Resolution dated October 31, 1994; and

WHEREAS, BURA, the City and the County are providing funds for the benefit of the Company in connection with the Financing; and

WHEREAS, the Agency is unwilling to accept an interest in the Premises or to otherwise consummate the Financing, and BURA, the City and the County are unwilling to participate in the Financing, unless the Company executes and delivers this Agreement.

NOW, THEREFORE, in consideration of the foregoing and to induce the Agency to accept an interest in the Premises and to consummate the Financing, and to induce BURA, the City and the County to participate in the Financing, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company agrees with the Agency, the City, BURA and the County as follows:

1. DEFINITIONS. All capitalized terms used in this Agreement and not heretofore defined shall have the meanings set forth below.

(a) Environment means any water or water vapor, any land, including land surface or subsurface, air, fish, wildlife, biota and all other natural resources.

(b) Environmental Laws mean all federal, state and local laws relating to the protection of the Environment and/or governing the use, storage, treatment, generation, transportation, processing, handling, production or disposal of Hazardous Substances and the rules, regulations, decisions and orders of federal, state and local governmental agencies and authorities with respect thereto.

(c) Environmental Permits mean all permits, licenses, approvals, authorizations, consents or registrations required by any applicable Environmental Law in connection with the ownership, use and/or operation of the Premises for the storage, treatment, generation, transportation, processing, handling, production or disposal of Hazardous Substances or the sale, transfer or conveyance of the Premises.

(d) Environmental Site Assessment means, collectively: (i) Phase I Environmental Site Assessment, Proposed Crossroads Arena Site, Property Bordered by Main, Perry, Baltimore and South Park Avenue, Buffalo, New York, dated March 7, 1994, prepared by Chopra-Lee Incorporated; (ii) Crossroads Asbestos Survey, dated March, 1994, prepared by Chopra-Lee Incorporated; (iii) 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 Incorporated; (iv) letter from Raj Chopra to Larry Quinn dated April 13, 1994 with regard to "Additional Soil Samples"; (v) 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; (vi) letter from Lloyd J. Marciniak to Carolyn H. Hoyt dated January, 1995, permitting the Agency to rely on environmental reports of Chopra-Lee Incorporated; (vii) Underground Tank Removal Closure Report, Tanks 1-17, proposed Crossroads Arena Location, Buffalo, New York, dated January 19, 1995, prepared by Chopra-Lee Incorporated; (viii) letter dated February 3, 1995 from Robert N. Leary, P.E. to Timothy Frances regarding "Spill Number 9407845, Crossroads, Tanks 1-17, Buffalo, New York"; (ix) letter dated February 14, 1994 (sic) from Raj Chopra to Larry Quinn regarding "27 Washington Street Soil Sampling"; (x) letter dated February 14, 1994 (sic) from Raj Chopra to Larry Quinn regarding "Background Metals Data - Proposed Crossroads Arena Site, Buffalo, New York"; (xi) letter dated February 16, 1994 (sic) from Raj Chopra to Larry Quinn regarding "Brief Summary of Letter of February 14, 1995 letter regarding Background Metals Data - Proposed Crossroads Arena Site, Buffalo, New York"; (xii) Addendum, Underground Tank Removal Closure Report, Tanks 1-17, Proposed Crossroads Arena Location, Buffalo, New York, dated February 17, 1995, prepared by Chopra-Lee Incorporated; (xiii) Underground Tank Removal Closure Report, Tanks 18-19, Proposed Crossroads Arena Location, Buffalo, New York, dated

February 27, 1995, prepared by Chopra-Lee Incorporated; (xiv) Soil Summary Report prepared by Chopra-Lee, Inc. dated December, 1994; (xv) Environmental Site Assessment Report for 143 Perry Street, prepared by GZA GeoEnvironmental, dated March 18, 1992; (xvi) Phase II Environmental Report for 143 Perry Street, prepared by GZA GeoEnvironmental, dated March 29, 1993; (xvii) Construction Issue #1 Specification Volume 3 of 3 (including soil boring logs, geotechnical report, soil profiles); (xviii) Site Acquisition Map, including locations of Underground Storage Tanks 1 through 19 and removed soils; (xix) memorandum dated February 16, 1995 to Carolyn Hoyt from Tim Francis regarding Lead Abatement: Floor of 27 Washington Street; (xx) GZA Phase II Environmental Studies review by Chopra-Lee in a letter dated January 23, 1995, to Tim Francis of Cannon Program Management from Lloyd Marciniak of Chopra-Lee; (xxi) Certification of Visual Inspection for Asbestos dated October 18, 1994, signed by Pinto Equipment, Inc. and Chopra-Lee, Inc.; (xxii) March 1992 Environmental Site Assessment for 143 Perry Street prepared for Higgins Erectors and Haulers, Inc., prepared by GZA GeoEnvironmental of New York (Phase I); (xxiii) April 29, 1993 letter to Norm Weller of Higgins Erectors & Haulers, Inc. from Peter Hitchcock of Elmwood Tank & Piping Corp., re: Tank Closure and Cleanup (cost quotations); (xxiv) March 24, 1993 letter to Norm Weller Higgins Erectors & Haulers, Inc. from Peter Hitchcock of Elmwood Tank & Piping Corp. regarding Groundwater Contamination at Perry Street Facility; and (xxv) letter to Peter Buechi, DEC, from Lawrence Quinn dated April 11, 1995, regarding environmental issues at the Crossroads Site, including CES "Proposed Clean-Up Action Plan" dated April, 1995.

(e) Hazardous Substance means any substance (i) the presence of which requires investigation or remediation under any Environmental Law; or (ii) which is or becomes defined as a "hazardous waste", "hazardous substance", "toxic substance", pollutant or contaminant under the Comprehensive Environmental Response, Compensation and Liability Act, as amended (42 U.S.C. section 9601 et seq.) and/or the Resource Conservation and Recovery Act (42 U.S.C. section 6901 et seq.) as amended and/or the Hazardous Materials Transportation Act, as amended (49 U.S.C. Section 1801 et seq.) and/or the Toxic Substances Control Act, as amended (15 U.S.C. Section 2601, et seq.), and/or Articles 15 or 27 of the New York State Environmental Conservation Law, or any other applicable Environmental Law or any regulations promulgated under any of the foregoing; or (iii) which is toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic, or otherwise hazardous and is or becomes regulated by any governmental authority, agency, department, commission, board, agency or instrumentality of the United States, the State of New York or any political subdivision thereof; or (iv) the presence of which on the Premises poses or threatens to pose a hazard to the health or safety of persons on or about the Premises; or (v) which contains gasoline, diesel fuel or other petroleum hydrocarbons; or (vi) which contains polychlorinated bipheynols (PCBs), asbestos or urea formaldehyde foam insulation.

(f) Improvements mean any buildings, structures and other improvements (if any) presently or hereafter located on the Premises.

(g) Indemnitee means, individually or collectively, as the context may require, the Agency, BURA, the City and the County, their successors and assigns, and their respective officers, directors, employees, agents (other than the Company), representatives, contractors and subcontractors.

(h) Release has the same meaning as given to that term in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. Sections 9601, et seq.), and the regulations promulgated thereunder.

2. REPRESENTATIONS AND WARRANTIES: To the best of the Company's knowledge and except as disclosed in the Environmental Site Assessment, the Company represents and warrants to each Indemnitee that as of the date of execution of this Agreement by the Company:

(a) Neither the Premises nor any property adjacent to or within the immediate vicinity of the Premises is being or has been used for the storage, treatment, generation, transportation, processing, handling, production or disposal of any Hazardous Substance or as a landfill or other waste disposal site or for military, manufacturing or industrial purposes or for the storage of petroleum or petroleum based products.

(b) Underground storage tanks are not and have not been located on the Premises.

(c) The soil, subsoil, bedrock, surface water and groundwater of the Premises are free of any Hazardous Substances.

(d) There has been no Release nor is there the threat of a Release on, at or from the Premises, or any property adjacent to or within the immediate vicinity of the Premises which through soil, subsoil, bedrock, surface water or groundwater migration could come to be located on the Premises, and the Company has not received any form of notice or inquiry from any federal, state or local governmental agency or authority with regard to a Release or the threat of a Release on, at or from the Premises or any property adjacent to or within the immediate vicinity of the Premises.

(e) All Environmental Permits have been obtained and are in full force and effect.

(f) No event has occurred with respect to the Premises which would constitute a violation of any applicable Environmental Law or non-compliance with any Environmental Permit.

(g) There are no agreements, consent orders, decrees, judgments, license or permit conditions or other orders or directives of any federal, state or local court, governmental agency or authority relating to the past, present or future ownership, use or operation of the Premises which require any change in the present condition of the Premises or any work, repairs, construction, containment, clean-up, investigations, studies, removal or other remedial action or capital expenditures with respect to the Premises.

(h) There are no actions, suits, claims or proceedings, pending or threatened, which could cause the incurrence of expenses or costs of any name or description or which seek money damages, injunctive relief, remedial action or any other remedy that arise out of, relate to or result from (i) a violation or alleged violation of any applicable Environmental Law or non-compliance or alleged non-compliance with any Environmental Permit, (ii) the presence of any Hazardous Substance or a Release or the threat of a Release on, at or from the Premises or any property adjacent to or within the immediate vicinity of the Premises or (iii) human exposure to any Hazardous Substance to the extent the same arise from the condition of the Premises or the ownership, use, operation, sale, transfer or conveyance thereof.

3. COVENANTS OF COMPANY: The Company covenants and agrees with each Indemnitee as follows:

(a) The Company shall comply with, and shall cause all operators, tenants, subtenants, licensees and occupants of the Premises to comply with, all applicable Environmental Laws, and shall obtain and comply with, and shall cause all operators, tenants, subtenants, licensees and occupants of the Premises to obtain and comply with, all Environmental Permits.

(b) The Company shall not cause or permit any change to be made in the present or intended use of the Premises which would violate any applicable Environmental Law or constitute non-compliance with any Environmental Permit.

(c) The Company shall promptly provide each Indemnitee with a copy of all notifications which it gives or receives with respect to any past or present Release or the threat of a Release on, at or from the Premises or any property adjacent to or within the immediate vicinity of the Premises.

(d) Attached hereto as Schedule "B" is, to the best of the Company's knowledge, a complete list of all Environmental Permits presently required for the ownership, use or operation of the Premises and the businesses located thereon. Upon written request by any Indemnitee, the Company agrees to notify such Indemnitee of any additions, deletions, or modifications of any Environmental Permits and the list thereof. Upon written request of each Indemnitee, the Company shall furnish such Indemnitee with true and complete copies of all Environmental Permits.

4. INDEMNIFICATION PROVISIONS: The Company hereby covenants and agrees, at its sole cost and expense, to indemnify, protect, defend, and save harmless each and every Indemnitee from and against any and all damages, losses, liabilities, obligations, penalties, claims, litigation, demands, defenses, judgments, suits, actions, proceedings, costs, disbursements and/or expenses (including, without limitation, reasonable attorneys' and experts' fees for attorneys and experts selected by the Indemnitee, expenses and disbursements) of any kind or nature whatsoever which may at any time be imposed upon, incurred by or asserted or awarded against any Indemnitee relating to, resulting from or arising out of (a) the use of the Premises for the storage, treatment, generation, transportation, processing, handling, production or disposal of any Hazardous Substance or as a landfill or other waste disposal site or for military, manufacturing or industrial purposes or for the storage of petroleum or petroleum based products, (b) the presence or claimed presence of any Hazardous Substance or a Release or the threat of a Release on, at or from the Premises, (c) the failure to promptly undertake and diligently pursue to completion investigative, containment, removal, clean-up and other remedial actions legally required by federal or state authorities with respect to a Release or the threat of a Release on, at or from the Premises, (d) human exposure to any Hazardous Substance, to the extent the same arise from the ownership, use or operation of the Premises, (e) a violation of any applicable Environmental Law, (f) non-compliance with any Environmental Permit, (g) a material misrepresentation or inaccuracy in any representation or warranty or a material breach of or failure to perform any covenant made by the Company in this Agreement, and (h) the designation by the New York State Department of Environmental Conservation, the United States Environmental Protection Agency or any other governmental authority of the Agency as a party responsible or potentially responsible for the remediation of any condition on the Premises (collectively, the "Indemnified Matters").

The obligations of the Company to each Indemnitee hereunder shall not be limited, abridged, impaired or otherwise affected by (i) the provisions of any other agreement entered into in connection with the Financing (collectively, the "Financing Documents") including, but not limited to, any extensions or release of the liability of the Company thereunder, any exculpatory provisions contained therein, the invalidity or unenforceability of any of the terms thereof or any other circumstance which might otherwise constitute a legal or equitable release or discharge of the obligations of the Company thereunder, or (ii) any investigation or inquiry conducted by or on behalf of any Indemnitee or any information which any Indemnitee may have with respect to the Premises.

The indemnification agreement contained herein is wholly independent of and in addition to any indemnification agreement heretofore given to the Agency or any other Indemnitee, as part of the application process for the Financing or otherwise.

5. EXPIRATION OF COMPANY'S OBLIGATIONS. A. Subject to the provisions hereof, the Company's obligations to the Agency shall expire upon the "Agency Expiration Date", which shall be the earlier of (a) execution by the Agency of a written instrument specifically releasing the Company from its obligations under this Agreement, (b) termination of the Agency's interest in the Premises, or (c) expiration of the Lease Agreement in accordance with its terms; provided, however, that the Company's obligations under Section 4 of this Agreement shall continue thereafter and cover any Indemnified Matters alleged to have arisen prior to the Agency Expiration Date.

B. The Company's obligations to the County hereunder shall expire on the "County Expiration Date", which shall be the earlier of: (a) execution by the County of a written instrument specifically releasing the Company from its obligations under this Agreement; or (b) termination of the County's interest in the Premises; or (c) termination of the Company's interest in the Premises; provided, however, that the Company's obligations to the County under Section 4 of this Agreement shall continue with respect to Indemnified Matters arising prior to the Expiration Date.

C. The Company's obligations to the City hereunder shall expire on the "City Expiration Date", which shall be the earlier of: (a) execution by the City of a written instrument specifically releasing the Company from its obligations under this Agreement; or (b) termination of the City's interest in the Premises; or (c) termination of the Company's interest in the Premises; provided, however, that the Company's obligations to the City under Section 4 of this Agreement shall continue with respect to Indemnified Matters arising prior to the Expiration Date.

D. The Company's obligations to BURA hereunder shall expire on the "BURA Expiration Date", which shall be the earlier of: (a) execution by BURA of a written instrument specifically releasing the Company from its obligations under this Agreement; or (b) termination of BURA's interest in the Premises; or (c) termination of the Company's interest in the Premises; provided, however, that the Company's obligations to BURA under Section 4 of this Agreement shall continue with respect to Indemnified Matters arising prior to the Expiration Date.

6. GOVERNING LAW. This Agreement shall be governed by, construed in accordance with and enforceable under the laws of the State of New York.

7. COUNTERPARTS: This Agreement may be executed in one or more counterparts, each of which shall be deemed an original. Said counterparts shall constitute but one and the same instrument and shall be binding upon each of the undersigned as fully and completely as if all had signed the same instrument.

8. SUCCESSORS AND ASSIGNS: This Agreement shall be binding upon the Company, its successors and assigns, all subsequent owners of the Premises and their respective successors, assigns, executors, administrators, legal representatives, distributees and fiduciaries and shall inure to the benefit of each Indemnitee.

9. WAIVER OF TRIAL BY JURY. THE PARTIES HEREBY EXPRESSLY WAIVE ALL RIGHTS TO TRIAL BY JURY ON ANY CAUSE OF ACTION DIRECTLY OR INDIRECTLY INVOLVING THE TERMS, COVENANTS OR CONDITIONS OF THIS AGREEMENT OR THE PREMISES, OR ANY MATTERS ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS AGREEMENT.

IN WITNESS WHEREOF, the Company has caused this Agreement to be duly executed as of the day and year first above written.

CROSSROADS ARENA LLC

By: Arena, Inc., Manager

By: _____
Lawrence Quinn,
Executive Vice President

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

On the 20th day of May, 1995, before me came LAWRENCE QUINN, to me personally known, who being by me duly sworn, did depose and say that he is the Executive Vice President of ARENA, INC., the Manager of CROSSROADS ARENA LLC, the limited liability company 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 on behalf of said limited liability company.

Diane W. Capicotto
Notary Public

DIANE W. CAPICOTTO
Notary Public, State of New York
Qualified in Niagara County
My Commission Expires May 31, 1995

Accepted and Agreed to as of
May 10, 1995:

ERIE COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

By: _____
Ronald W. Coan, Executive Director

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

On the 23rd day of May, 1995, before me came RONALD W. COAN, to me personally known, who being by me duly sworn, did depose and say that he is the Executive Director of the ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY, the agency described in and which executed the foregoing instrument; that he signed his name thereto by order of the Board of Directors of said corporation.

Notary Public

TIMOTHY J. QUINLIVAN, 02QU4991909
Notary Public, State of New York
Qualified in Erie County
My Commission Expires February 10, 1996

Accepted and Agreed to as of
May 10, 1995:

Approved as to Form

Edward D. Peace
Corporation Counsel

CITY OF BUFFALO

By: _____
Anthony M. Masiello, Mayor

Accepted and Agreed to as of
May 10, 1995:

CITY OF BUFFALO URAN RENEWAL
AGENCY

By: _____
Anthony M. Masiello, Chairman

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

On the 23 day of May, 1995, before me came ANTHONY M. MASIELLO, to me personally known, who being by me duly sworn, did depose and say that he is the Mayor of the CITY OF BUFFALO, a municipal corporation of the State of New York, described in and which executed the foregoing instrument; that he signed his name thereto by authority of the corporation, and with the intention that said corporation shall be bound thereby.

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 23 day of May, 1995, before me came ANTHONY M. MASIELLO, to me personally 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 agency described in and which executed the foregoing instrument; that he signed his name thereto by order of the Board of Directors 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

Accepted and Agreed to as of
May 10, 1995:

COUNTY OF ERIE

By: _____
Dennis T. Gorski, County Executive

Approved as to Form:

_____
County Attorney

Approved as to Content:

_____
Commissioner, Department
of Environment and Planning

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

On the 22 day of May, 1995, before me came DENNIS T. GORSKI, to me personally known, who being by me duly sworn, did depose and say that he is the County Executive of the COUNTY OF ERIE, a municipal corporation of the State of New York, described in and which executed the foregoing instrument; that he signed his name thereto by authority of the corporation, and with the intention that said corporation shall be bound thereby.

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, 19 96

SCHEDULE "A"
(Property Description)

Policy No.: 5094-25301

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

- CONTINUED -

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.

A1-39-65 to 67 et al

SCHEDULE "B"
(Environmental Permits)

Buffalo Sewer Authority Temporary Discharge Permit No. 95-02-TP015.

DOCUMENT NOT IN BINDER

DOCUMENT IN POSSESSION OF
MARINE MIDLAND BANK
AS AGENT FOR
FINANCING PARTICIPANTS

28(a)

THE CROSSROADS

April 20, 1995

Peter J. Buechi, P.E.
Acting Regional Director
New York State Department of Environmental Conservation
270 Michigan Avenue
Buffalo, NY 14203-2999

Dear Mr. Buechi:

RE: *Crossroads Arena*

As you know, the Crossroads Arena Project Site ("Site"), located at the foot of Main Street, was selected by a "blue ribbon" panel as the location for the Crossroads Arena Project. We have been working cooperatively with the DEC in order to resolve any outstanding issues with respect to the Site. In fact, all of the remedial activity at the Site has been undertaken at the direction of the DEC, which has regularly been at the Site to supervise the activities of Crossroads' contractors. This project is both cost and time sensitive and, in fact, as we discussed at our meeting of March 20, 1995, the financing for the project is scheduled to close within the next several days. In order to close the financing we need to resolve all open issues with DEC.

This letter will confirm that we have provided the reports listed on Schedule A to you and that, in our meeting of March 20, 1995, you indicated that actions on the two issues discussed below must be taken in order to address the Department's concerns with the site.

1. Our contractor has undertaken steps to determine the lateral extent of gasoline related compounds in the groundwater surrounding the Tank No. 18 excavation which is described in the February 27, 1995, Underground Tank Removal Closure Report. Attached at Scheduled B is a report which sets forth the results of a Geoprobe survey which was conducted in the area of the Tank No. 18 excavation. Attached as Schedule C is a proposal which contemplates pumping water from three new wells and discharging the water to the Buffalo Sewer Authority pursuant to the existing wastewater discharge permit, a copy of which is included in Schedule C. As further discussed in the attached proposal, the discharge of the wastewater to the Buffalo Sewer Authority will be made in accordance with all existing permit conditions, including discharge limits for gasoline related compounds. Quarterly sampling will be conducted and water samples will be tested by our contractor using methods designed to achieve the best detection possible for the compounds of interest, in consultation with the DEC.

2. The petroleum underground storage tanks, including the one previously filled with concrete, located on the property currently occupied by Higgins Erectors and Haulers, Inc. ("Higgins Property"), which are described in the Phase I and Phase II reports for 143 Perry Street, will be removed. As we discussed during our meeting, the environmental issues associated with the Higgins Property appear to be minor and the DEC has conducted a visual inspection and confirmed that fact. However, if soil or groundwater become an issue, Crossroads' contractors will conduct remedial activities similar to those which are to be undertaken with respect to the Tank No. 18 excavation.

The work described in paragraphs #1 and #2 above is being undertaken based upon your representation that it will address the Department's concerns and lead to the assignment of an inactive status for the site.

Provided that Crossroads performs in accordance with paragraphs 1 and 2 above, you are also consenting to the City of Buffalo and BURA relying upon the agreements in this letter and deem them third party beneficiaries.

Again, we appreciate your cooperation in expeditiously resolving these issues and request that you acknowledge your agreement with respect to these issues by returning a signed copy of this letter to us.

Very truly yours,

CROSSROADS ARENA LLC

Lawrence Quinn
Executive Vice President

LQ/dad

Agreed this 21 day of April 1995:

Peter J. Buechi, Acting Regional Director
New York State Department of Environmental Conservation

Schedule A

- Phase I Report prepared by Chopra-Lee, Inc., dated March 1994.
- Phase II Report prepared by Chopra-Lee, Inc., dated March 1994.
- Soil Summary Report prepared by Chopra-Lee, dated December 1994.
- Letter Report regarding Background Metals Data, prepared by Chopra-Lee, Inc., dated February 14, 199[5].
- Letter Report regarding 27 Washington Street Soil Sampling, prepared by Chopra-Lee, Inc., dated February 14, 199[5].
- Underground Tank Removal Closure Report for Tanks 1-17, prepared by Chopra-Lee, Inc., dated January 19, 1995.
- Addendum to Underground Tank Removal Closure Report for Tanks 1-17, prepared by Chopra-Lee, Inc., dated February 17, 1995.
- Underground Tank Removal Closure Report for Tanks 18-19, prepared by Chopra-lee, Inc., dated February 27, 1995.
- Environmental Site Assessment Report for 143 Perry Street, prepared by GZA GeoEnvironmental, dated March 18, 1992.
- Phase II Environmental Report for 143 Perry Street, prepared by GZA GeoEnvironmental, dated March 29, 1993.
- Construction Issue #1 Specification Volume 3 of 3 (including soil boring logs, geotechnical report, soil profiles).
- Site Acquisition Map, including locations of Underground Storage Tanks 1 through 19 and removed soils.

Final Execution Copy

CROSSROADS ARENA

MEMORANDUM OF UNDERSTANDING

DATED AS OF MARCH 28, 1994

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CROSSROADS ARENA

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding ("Memorandum" or "MOU") dated as of March ___, 1994, states the present agreements in principle, understandings and intent of the undersigned parties with respect to the development, financing, construction and operation of The Crossroads, as hereinafter defined. This Memorandum is intended to provide a basis upon which definitive agreements with respect to the matters described herein may be negotiated, and to provide a summary of the contemplated transactions for use in the negotiations with other parties whose participation in the Project is necessary, including private lending institutions. This memorandum does not purport to deal comprehensively with all terms and conditions of the contemplated project. All agreements and understandings expressed herein are conditioned upon the negotiation and execution of definitive agreements concerning the contemplated transactions. Nothing contained herein shall in any manner legally bind or commit any party hereto unless and until said definitive agreements are executed by such party. Any amendment, modification or addition to this Memorandum shall be subject to approval in writing by all of the parties hereto.

In reliance on the good faith of the various parties to the MOU to finalize the MOU and the contemplated transactions, the City has issued $10 million of bond anticipation notes for the City's cash contribution to The Crossroads project and CAC has incurred considerable expense for design and development efforts. Where it is noted that exhibits are missing or incomplete or issues are to be finalized prior to the approval of the definitive agreements, it is anticipated that such issues and exhibits will be finalized and appended to the executed MOU after their approval in writing by all of the parties hereto promptly after the date of the MOU and in all events within thirty (30) days hereof.

Subject to the foregoing, the parties do hereby express their agreements in principle, understandings and intent with respect to the matters described below:

DEFINITIONS

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

THE CROSSROADS

The Crossroads will (i) be constructed on The Crossroads Site described on Exhibit B, (ii) have all the

amenities of a state-of-the-art community entertainment center, including approximately 80 private suites and approximately 2,500 premium seats, a premium seat club, sports bar restaurant, concession facilities, and sports shop, (iii) accommodate hockey, basketball, indoor soccer, indoor lacrosse, concerts, family shows and other events, (iv) seat approximately 19,400 for hockey, 21,000 for basketball and up to 21,500 for concerts, and (v) include approximately 2,500 parking spaces on The Crossroads Site to be managed and operated by the Sabres pursuant to their lease of The Crossroads with CAC described below, a portion of which will be in a parking structure, with the remainder on surface lots.

DESIGN OF THE CROSSROADS

The Architectural Design of The Crossroads described in the Schematic Design Materials dated as of August 27, 1993, distributed to the City, County and UDC, is generally accepted by the Principal Public Participants except that the site plan has been amended to reflect retainage of historic buildings in conformance with the Final Environmental Impact Statement adopted by the Department of Community Development as Lead Agency for the Project. Within thirty (30) days after approval of the MOU by the Public Sector Participants, the Public Sector Participants will provide to CAC their final comments on the Schematic Design

materials which comments will be incorporated into the Architectural Design of The Crossroads to the greatest extent commercially practicable within the limits of the Project Budget.

UDC's approval of the Architectural Design is subject to compliance with the State Environmental Quality Review Act and the State Historic Preservation Act, including the execution of a satisfactory Letter of Resolution among UDC, the City, CAC and the New York State Office of Parks, Recreation and Historic Preservation. Notwithstanding the Public Sector Participants' approval of the Architectural Design, it shall be the obligation of CAC to obtain all variances necessary to complete the Crossroads Improvements in accordance with the Architectural Design.

DESIGN REVIEW

Subject to the approvals required pursuant to this MOU, CAC and the Principal Public Participants shall, within thirty (30) days of execution of this MOU, form a committee (the "Design Review Committee") to publicly review the Architectural Design of The Crossroads, and to review the Inner Harbor Plan (including without limitation: the design and use of the Inner Harbor basin and park land, the reuse of Memorial Auditorium, the use of Marine Midland foreground parcel and the design and location of the proposed Naval Park Transit Station), to ensure its

compatibility with the Architectural Design of The Crossroads. In addition to CAC and the Principal Public Participants, The Horizons Waterfront Commission shall be entitled to be represented on the Design Review Committee and shall be encouraged to participate thereon.

HANDICAPPED ACCESS

CAC shall form an advisory committee concerning access to The Crossroads by persons with disabilities and the impact of the Architectural Design on such persons. CAC will consult with the Principal Public Participants regarding the formation of this group, and the Principal Public Participants may participate in the group as they deem appropriate.

DESIGN DEVELOPMENT

CAC and the architects engaged by CAC shall develop the approved Architectural Design of The Crossroads into the appropriate construction drawings and documentation, subject to the review and approval of such drawings and documentation by UDC, as agent of the Principal Public Participants pursuant to the Development and Operating Agreement.

CROSSROADS URBAN RENEWAL DEVELOPMENT AGREEMENT

CAC shall enter into an Agreement with the City and BURA regarding the development of the Crossroads Urban Renewal Area (to be described by metes and bounds) in which the City and BURA will agree (i) to use their best efforts to implement the Urban Renewal Plan for the Crossroads Urban Renewal Area, (ii) to adopt within one hundred eighty (180) days of the execution of this MOU an amendment to the Urban Renewal Plan establishing design standards for development within the Crossroads Urban Renewal Area based on recommendations made to the City and BURA by the firm of Ehrenkrantz and Eckstut, architects, which will consult with CAC concerning the development of the design standards.

PROJECT BUDGET/USE OF FUNDS

Attached hereto as Exhibit C is the most current draft of the "Project Budget" dated March 1, 1994, prepared by CAC. The draft Project Budget may be amended, updated and refined from time to time by CAC in any manner consistent with this MOU which CAC deems appropriate to reflect the information then available to it. CAC shall, each time the draft Project Budget is materially amended, but not less frequently than monthly, provide to the Principal Public Participants the then current draft

Project Budget and a statement of amendments, updates and refinements from the last previous draft Project Budget furnished to the Principal Public Participants including the commercially reasonable reasons for such changes. The then current Project Budget, in form and content reasonably acceptable to the Principal Public Participants, shall be incorporated into and form the basis of the development and construction budget for purposes of execution and closing of the Development and Operating Agreement and any Ancillary Development Agreements.

SUMMARY OF SOURCES

Source		Amount
Private		
	Private Arena Debt	$ 35,000,000
	Sabres/CAC Equity	30,000,000
	Total Private	$ 65,000,000
Public		
	City (Bond Proceeds)	$ 10,000,000
	County (ECDC Bond Proceeds)	20,000,000
	State (UDC Project Loan)	25,000,000
	Total Public	$ 55,000,000
	Total Private and Public	$120,000,000

PRIVATE ARENA DEBT

The terms described below for the Private Arena Debt, including the relative amounts and other features thereof, remain under negotiation with prospective Private Financing Participants and may be modified based on such negotiations. Attached as Exhibit D is the most recent proposed term sheet dated February 16, 1994, received by CAC from the proposed lenders of the Private Arena Debt, pertinent terms of which are summarized below and which are generally acceptable to the parties hereto. The Development and Operating Agreement shall contain the final terms of the Private Arena Debt which terms shall be subject to the approval of the Principal Public Participants. As soon as possible, and in all events within thirty (30) days after execution of this MOU by the Principal Public Participants, CAC will deliver to the Principal Public Participants a Private Arena Debt lenders' commitment letter. Prior to written acceptance by CAC of such a Private Arena Debt commitment letter, CAC shall obtain the written approval of the Principal Public Participants to the terms of such commitment letter, which letter will be deemed an amendment to this MOU.

Private Arena Debt ("Debt"):

Amount:	$35 million
Purpose:	Development and Construction Costs and Expenses
Issuer/Nominal Obligor:	ECIDA
True Obligor/Source of Obligation:	CAC/Prime Building Lease
Interest Rate:	Construction Period: Prime plus 1 1/2% Permanent Term: 3.25% above 10-year U.S. Treasury Bond note.
Term/Amortization:	30 year amortization schedule (following two years of interest only during construction) on a payment term to be negotiated.
Source of Repayment/ Collateral:	(i) Project Revenue and first lien thereon. (ii) First Leasehold Mortgage on The Crossroads Improvements and pledge of CAC's interest in the CAC agreements. (iii) First claim to the 2% portion of the Ticket Surcharge.

Debt Service Reserve Fund:	Not to exceed one year's principal and interest debt service, $2.6 million of which shall be funded at closing from the Project Budget and/or irrevocably and unconditionally committed in a manner acceptable to the Principal Public Participants, and the remainder of initial funding, and any payment necessary to restore the fund to such limit after a drawing thereon required to pay debt service, shall be funded from Project Revenue as described at "PROJECT CASH FLOW.".
Placement:	Banks and financial institutions.

SABRES/CAC EQUITY

The Sabres will contribute $30 million in cash to the capital of CAC which CAC will contribute to the Project for application to Development and Construction Costs and Expenses. The Sabres will finance this capital cash contribution through the Sabres Contribution Loan secured by and repayable from the pledge and assignment by the Sabres to the Sabres Contribution Loan lender of concession and parking revenue guaranties which the Sabres will receive from the Concessionaire and Parking Operator with whom the Sabres will contract. Attached as Exhibits E and F, respectively, are the Concessionaire and

Parking Operator contract(s) term sheet(s) and the Sabres' Contribution Loan term sheet.

CITY BOND PROCEEDS AND LAND

Amount of Contribution To Project

(i) $10 Million of bond proceeds, (ii) land and the Washington Street right-of-way currently held by BURA and/or the City that is included in the Crossroads Site, and (iii) City transaction costs (including, without limitation, bond and other outside counsel, trustee, underwriting and other bond issuance costs but not including eminent domain or land acquisition related legal expenses, i.e., Hiscock & Barclay and court-awarded legal expenses).

Uses of City Cash Contribution

Payment of:

(i) land acquisition, including legal expenses (i.e., Hiscock & Barclay and court-awarded legal expenses) related thereto;

(ii) environmental impact clearance;

(iii) utility relocation; and

(iv) Other Development and Construction Costs and Expenses described in Exhibit G.

Issuer of Bonds

The City

Source of Repayment/Collateral For Bonds

Bonds shall be a General Obligation of City. The City shall not have any lien or claim against The Crossroads or Project Revenue except BURA's rights as ground lessor and the City's interest in the Ground Lease Rent, and the Operating Fee, and as otherwise provided in this MOU.

Availability of Funds

The $10 Million cash contribution, funded with bond proceeds, to the Project by the City shall be available for application to the above stated uses of City cash contribution as needed upon execution of the MOU by the Principal Public Participants, NFHLP and CAC.

Bond Placement

By Underwriter selected by City.

Fees and Expenses of Bond Issuance

All legal, consulting and other fees and expenses of this transaction, including bond issuance and the negotiation and

preparation of this MOU and the documents contemplated hereby (the "City transaction costs"), but excluding eminent domain, other land acquisition, utility relocation and environmental costs and expenses (which shall be expenses of the Project), shall be borne by the City through the gross-up of the principal amount of the bonds or otherwise, and such fees and expenses shall not diminish the City's $10 Million cash contribution to the Project or constitute a reimbursable Development and Construction Costs or Expense of the Project.

COUNTY (ECDC BOND PROCEEDS)

Amount of Contribution To Project

$20 million

Use of Contribution

Development and Construction Costs and Expenses

Issuer/Nominal Obligor of Bonds

ECIDA

True Obligor/Source of Obligation

ECDC/Building Shell Lease (Backed By The County-ECDC Debt Payment Contract).

Source of Payment/Collateral for Bonds

The County-ECDC Debt Payment Contract. Neither the County nor ECDC shall have any lien or claim against The Crossroads or Project Revenues except for ECDC's nominal interest as sublessor of the Shell Sublease and right to receive the .25% Portion of the Ticket Surcharge and the Additional Ticket Surcharge Rental Payment.

Availability of Funds

The $20 Million to be contributed to the Project by the County/ECDC shall be available for application to Development and Construction Costs and Expenses as needed not later than February 15, 1995.

Placement of ECDC Bonds

Underwriter selected by County.

Fees and Expenses of ECDC Bond Issuance

All legal, consulting and other fees and expenses of this transaction including bond issuance and the negotiation and preparation of this MOU and the documents contemplated hereby (the "County transaction costs") shall be borne by the County and/or ECDC, through gross-up of the principal amount of the ECDC

Bonds or otherwise, and such fees and expenses shall not diminish the County's $20 million contribution to the Project or constitute a reimbursable Development and Construction Cost or Expense of the Project.

STATE (UDC PROJECT LOAN)

Amount

$25 million

Purpose

Development and Construction Costs and Expenses eligible under the State Sports Facility Assistance Program.

Repayment

The UDC Project Loan shall be repaid (i) based on a thirty (30) year term with zero percent (0%) interest and (ii) solely through application of UDC's share of the Operating Fee (exclusive of the Horizon's Share). To the extent UDC's share of the Operating Fee (exclusive of the Horizon's Share) is insufficient to repay debt service on the UDC loan, debt service shall accrue. To the extent UDC's share (exclusive of the Horizon's Share) of the Operating Fee exceeds debt service on the UDC loan, the overpayment shall be treated as a partial repayment of the UDC loan. To the extent cumulative payments of UDC's

share of the Operating Fee (exclusive of the Horizon's Share) over the course of the Development and Operating Agreement, including the exercise of options thereunder, exceed the UDC loan amount, such payments shall be treated as a payment to UDC in consideration for the making of the Loan on the terms set forth above. The UDC Loan shall provide for contingent mandatory prepayment under the circumstances, terms and conditions requiring such prepayment set forth in the legislation creating the State Sports Facility Assistance Program ("Contingent Mandatory Prepayment") and the Sabres shall be obligated to fund said Contingent Mandatory Prepayment pursuant to an Occupancy and Contingent Prepayment Agreement with UDC. Except for UDC's claim to its share of the Operating Fee (exclusive of the Horizon's Share) and, if applicable, the Contingent Mandatory Prepayment, UDC's Project Loan shall be without recourse to any person, including CAC.

Term

UDC's interest in The Crossroads and the Operating Fee shall cease upon expiration of the Development and Operating Agreement, including any extensions thereof.

UDC Commitment

Within thirty (30) days after the execution of this MOU, UDC shall provide CAC with a commitment for its $25 million Project Loan in form and substance reasonably acceptable to CAC, the Private Financing Participants and the other Principal Public Participants, subject to such terms and conditions as are imposed by the legislation authorizing the State Sports Facility Assistance Program or otherwise reasonably determined by UDC to be necessary.

DEVELOPMENT AND CONSTRUCTION SCHEDULE

Attached hereto as Exhibit H is the most recent draft of the "Development and Construction Schedule" prepared by CAC and dated February 28, 1994. This draft schedule may be amended, updated and refined by CAC as it deems appropriate. The then current Development and Construction Schedule, in form and content reasonably acceptable to the Principal Public Participants, will be incorporated into the Development and Operating Agreement as the basis for Project scheduling when negotiation of that document is finalized and it is executed.

DRAW SCHEDULE

Appended as Exhibit I is the most recent draft of the schedule of projected funding draws, dated February 9, 1994, for the Project prepared by CAC based upon the Project Budget and Development and Construction Schedule (the "Projected Draw Schedule"). The draft Projected Draw Schedule may be amended, updated and refined by CAC as it deems appropriate; provided, however, that no such amendment, update or refinement shall affect the County's obligation to fund its contribution earlier than February 15, 1995. The then current Projected Draw Schedule, in form and content reasonably acceptable to the Principal Public Participants, will be incorporated into the Development and Operating Agreement and Financing Participants Agreement at the time of their execution as a basis for projecting needs to be met by the agreed draw structure. It is the intention of the parties to structure the various components of the financing in a manner that will minimize construction period interest and/or negative arbitrage. CAC and the Principal Public Participants recognize that achieving this goal will be dependent upon not only their own agreements, but also the commitments and agreements of the Private Financing Participants and the Principal Public Participants.

OVERVIEW OF DOCUMENTARY STRUCTURE

The documentation of the transaction concerning the Project will consist of three major documents: (i) the Coordination Agreement among the Public Sector Participants, (ii) the Development and Operating Agreement among CAC and Public Sector Participants, and (iii) the Financing Participants Agreement among the Private Financing Participants, the Public Sector Participants and CAC. These three agreements, which are described immediately below, will set forth the principal rights, duties and obligations of all of the Crossroads Participants. In addition to the three major documents, there will be a series of lease agreements, described below at "LEASING STRUCTURE," and financing documents, described below at "FINANCING DOCUMENTS," which will provide the appropriate structure with respect to legal interests in The Crossroads and The Crossroads Site and for the repayment of the Private Arena Debt and County ECDC Debt. There will also be an agreement between the City and County settling litigation with respect to the Convention Center as described below.

COORDINATING AGREEMENT

The Public Sector Participants will enter into the Coordinating Agreement in order to coordinate and centralize administration of the transaction from the Public Sector side and

to provide for certain rights, interests and obligations among the Public Sector Participants. Among the matters to be dealt with in the Coordinating Agreement are:

1. Each of the Public Sector Participants shall confirm the amount and form of their contribution to the financing of the Project.

2. The Coordinating Agreement will confirm the agreements of the Operating Fee Recipients for the division and disposition of the Operating Fee to be paid by CAC pursuant to the Development and Operating Agreement as described on Exhibit J.

3. The Coordinating Agreement will provide that following the expiration of the Development and Operating Agreement, including any extension or renewal thereof, the City shall own all rights of every kind respecting The Crossroads.

4. The Public Sector Participants will authorize UDC to act on behalf of all of the Public Sector Participants with respect to (a) monitoring and enforcing affirmative action and equal opportunity requirements referred to in this MOU or otherwise existing and (b) providing necessary consents and

approvals to CAC regarding design development and construction administration, subject in each case to appropriate consultation rights of the other Principal Public Participants, as follows: The Principal Public Participants shall have the right to approve so-called "Major Decisions" respecting proposed "Changes" in design, construction budgets and draw schedules (definitions of "Major Decisions" and "Changes" will be contained in the definitive Development and Operating Agreement). Such approvals shall not be unreasonably withheld and shall be given or withheld in writing to CAC within fifteen (15) business days after receipt of written notification by the Principal Public Participants from CAC of proposed Major Decisions and proposed Changes to the Principal Public Participants for approval and the same shall be deemed approved if no contrary written notice is given to CAC within such fifteen (15) days. UDC shall be given appropriate rights of indemnity and limitations of liability in regard to its role as described in this paragraph. UDC shall identify a Buffalo-based UDC employee or official, who shall be responsible for monitoring affirmative action/equal employment opportunity compliance on a regular basis. All of the salary, fringe benefits and other costs and expenses related to said UDC employee shall be borne by UDC and shall not be included in or reimbursable from the Project Budget or chargeable to CAC.

DEVELOPMENT AND OPERATING AGREEMENT

The Development and Operating Agreement will constitute the master agreement among the Public Sector Participants and CAC with respect to the Project. The Development and Operating Agreement will incorporate by reference Ancillary Development Documents such as the Prime Building Lease, the Sabres Lease and other implementing documentation. Among the matters to be addressed in the Development and Operating Agreement are as follows:

1. (a) This Agreement will set forth CAC's rights and duties as developer, including the right to engage architects, construction contractors, material suppliers and all other parties necessary for the design and construction of The Crossroads, subject to UDC's prior written approval which will not be unreasonably withheld by UDC and which shall be subject to the prior approval rights of the other Principal Public Participants with respect to Major Decisions and Changes in accordance with the Coordinating Agreement.

(b) As permitted by Section 4 of the State Authorizing Legislation, CAC's development and construction contracts shall not be subject to public bidding requirements or other restrictions generally applicable to public works projects.

(c) CAC and, except as to hockey players, scouts and coaches, the hockey general manager, assistant general managers and trainers, the Sabres shall each adopt and implement an affirmative action/equal opportunity hiring plan(s) and similar requirements for all phases of the Project (including the following minimum hiring and contracting goals provisions: (i) Minority Business Enterprises ("MBE"), as defined by UDC, shall receive at least twenty percent (20%) of the dollar value of all construction contracts, leases, purchases and contracts for equipment, fixtures, supplies and services in connection with the Project; (ii) Women Business Enterprises ("WBE"), as defined by UDC, shall receive at least five percent (5%) of the dollar value of all construction contracts, leases, purchases and contracts for equipment, fixtures, supplies and services in connection with the Project; (iii) in the event the minimum goals set forth in (i) or (ii) cannot be achieved, CAC may propose such other MBE and WBE participation goals including goals which will emphasize utilization of local MBE's and WBE's, provided, however, that such other MBE and WBE participation goals will be subject to final approval by the Principal Public Participants; and (iv) a minority and women work force participation goal of at least twenty-five percent (25%) for each phase of the Project. Such affirmative action/equal opportunity hiring plan(s) shall clearly

state that compliance will not be assumed solely by accomplishing the above-stated minimum quantitative goal(s).

All of the foregoing shall be negotiated with and subject to the approval of the Principal Public Participants and consistent with applicable law, including monitoring and enforcement provisions to be administered by UDC as noted above (subject to consultation with the City and County). Such affirmative action/equal opportunity hiring and contracting plan(s) and requirements shall be made applicable, on an activity or contract specific basis to ensure that implementation, monitoring and enforcement of such plan(s) and requirements are tailored to the unique aspects of each activity or contract so as to maximize the effectiveness of the plan(s) or requirements in achieving their goals and objectives, to the Concessionaire, Parking Operator, the Management Firm, the Management Affiliate, subcontractors, agents and affiliates of CAC and the Sabres and all other third parties with whom the Sabres and/or CAC do business with respect to the Project. With respect solely to the operational phase of the Project, nothing contained herein will be deemed to require the Management Firm to subcontract for services, but if services are subcontracted, such MBE and WBE and work force utilization and participation provisions will be applicable.

The City and County shall support CAC and the Sabres in their working with applicable unions to obtain greater affirmative action and equal employment opportunities for the Project.

(d) The agreement will also state CAC's Cost Overrun Commitment as described below.

2. Subject to the rights of the Principal Public Participants under the Coordinating Agreement with respect to Major Decisions and Changes, this Agreement shall provide procedures for UDC's (i) approval of payment on materials and construction contracts, (ii) approval of change orders, and (iii) approval of design development drawings and documentation.

3. This Agreement will describe CAC's responsibilities, authority and rights as the lessee under the Prime Building Lease to market, manage and operate The Crossroads. With respect to the marketing, management and operation of The Crossroads, CAC shall either enter into contract(s) with a firm or firms of national repute, experience and standing in certain or all aspects of such business (the "Management Firms"), and/or, subject to the approval of the

Principal Public Participants (which shall not be withheld or unreasonably delayed except for commercially reasonable or significant public policy reasons), CAC may elect to market, manage and operate The Crossroads itself or through subsidiary(ies) or affiliate(s) of CAC (the "Management Affiliates"). If Management Firms are retained by CAC, in the event that such Management Firms, or their principals, shall at any time have any business relationship with the Sabres or CAC, or their principals, other than The Crossroads, CAC and/or the Sabres shall disclose such relationship in writing to the Principal Public Participants and shall maintain such other business relationship and The Crossroads affairs entirely independent and separate from each other. If Management Affiliates are used by CAC to carry out certain functions regarding management and operation of The Crossroads on a non-exclusive basis, CAC shall provide an accurate accounting of the allocation of such Management Affiliate's personnel and expenses to the Project and such personnel shall have skills and experience appropriate to their Project-related assignments.

Such responsibilities, authority and rights of CAC (which may be delegated to the Management Firm or the Management Affiliate, as the case may be, subject to the preceding paragraph, but for which CAC shall remain responsible) shall

include (a) entering into leases with the Sabres, Bandits and Blizzard (incorporating the terms thereof which are outlined in Exhibits K, L and M of this MOU) in form to be appended to the Development and Operating Agreement, (b) soliciting, negotiating and entering into leases with other professional sports franchises and promoters of events in form and content (including the participation of the Sabres if they wish to provide the same at their sole discretion) which will maximize the use and revenues of The Crossroads by and from other professional sports franchises, lessees and other users or promoters of events, (c) CAC and the Sabres agree that if a National Basketball Association franchise can be located in The Crossroads for at least one-quarter of its regular season games, the Sabres will give to such franchise concession, parking and novelty revenues arising from such games which would otherwise be reserved to the Sabres by the CAC Lease with NFHLP, (d) providing for the City, UDC and the County to each be given the right to utilize The Crossroads, subject only to a charge for direct out-of-pocket Crossroads expenses, for various civic activities and events sponsored by the City or the County during the term of the Agreement. The specific number and nature of activities or events, the direct out-of-pocket Crossroads operating expenses which may be charged to the sponsoring entity in connection with an activity or event and other pertinent terms will be negotiated

subsequent to the execution of the MOU as part of the finalization of the terms of the Development and Operating Agreement, (e) entering into agreements for the right to provide technical production services for radio, TV, cable and other transmissions from The Crossroads subject to the provisions of the Sabres Lease with respect to Sabres, Blizzard and Bandits games and the provisions of the MOU captioned Transmissions Fees, (f) subject to the provisions of this Paragraph 3 preceding the lettered subparagraphs of this Paragraph 3, entering into agreements with agents and consultants with respect to management and marketing of The Crossroads, (g) entering into an agreement or agreements regarding the naming of The Crossroads, subject to approval by the Principal Public Participants, which approval may be withheld by any of the Principal Public Participants if it specifies in writing a commercially reasonable basis or significant public policy reason for doing so, (h) subject to the introductory provisions preceding the lettered subparagraphs of this Paragraph 3 hereof, and except as may otherwise be contrary to this MOU, taking any and all other necessary and appropriate actions and entering into all other necessary and appropriate agreements with respect to the management and operation of The Crossroads. Except as such cost and expenses may affect the amount of the Operating Fee, the Public Sector Participants shall

not be responsible for any costs and expenses associated with the operation, management, repair and improvements of The Crossroads.

4. (a) Within ninety (90) days of the end of each annual period, the Public Sector Participants shall receive audited annual financial statements of CAC and each Management Affiliate and Management Firm respecting its Crossroads activities only prepared by an independent accounting firm chosen by CAC and reasonably acceptable to the Principal Public Participants; (b) within sixty (60) days of the end of each quarterly period, the Public Sector Participants shall receive quarterly unaudited financial statements of CAC and each Management Affiliate and Management Firm respecting its Crossroads activities solely; (c) upon written request, the Public Sector Participants shall receive copies of other reports internally generated by CAC and any Management Affiliate or Management Firm respecting its Crossroads activities solely with respect to the development, construction and operation of the Project or the Development and Operating Agreement; (d) the Public Sector Participants shall receive such other information from CAC and any Management Affiliate or Management Firm respecting its Crossroads activities solely as the Public Sector Participants may reasonably request to keep the Public Sector Participants reasonably informed regarding the development,

construction and operation of the Project; (e) upon reascnable request to CAC, and any Management Affiliate or Management Firm respecting its Crossroads activities solely, each of the Principal Public Participants shall have the right to perform an audit of the books and records of CAC, the Management Affiliate or Management Firm respecting its Crossroads activities solely at the expense of such Principal Public Participant; provided that if more than one Principal Public Participant wishes to audit such books and records at any one time, they shall form a single audit team so that only one audit is necessary; and (f) CAC and any Management Affiliate or Management Firm respecting its Crossroads activities solely will meet with the Principal Public Participants upon the reasonable request of any of them to discuss the Project and to consider their comments in connection with its management of the Project consistent with the terms of this MOU, but neither CAC nor any agent will be bound by any such comments unless otherwise provided in or otherwise required by the definitive documentation for the transaction.

5. CAC may take the following actions only if CAC specifies in a writing to the Principal Public Participants a commercially reasonable basis therefor and then only with the prior written consent of the Principal Public Participants: (i) entering into any Agreement or materially modifying any agreement

with the Sabres or any other affiliate of CAC, (ii) subject to design restrictions and limitations otherwise existing, issue any change order or redesign of The Crossroads (e.g., reduction in number of private suites) that may reasonably be anticipated to result in a material reduction of the Operating Fee to the Operating Fee Recipients or that may reasonably be anticipated to result in a substantial alteration of the character or function of The Crossroads as contemplated in the Architectural Design, and (iii) entering into agreements regarding the naming of The Crossroads (CAC will disclose to the Principal Public Participants any other agreements between CAC or the Sabres, or affiliates thereof, and the purchaser or beneficiary of the naming rights). Each of the Principal Public Participants shall be entitled to withhold its consent only if such Principal Public Participant specifies in writing to CAC a commercially reasonable basis or significant public policy reason for doing so.

6. This Agreement will provide for payment of an Operating Fee to the Operating Fee Recipients. The Operating Fee will be equal to (a) thirty-five percent (35%) of Net Project Revenue, as defined below at "PROJECT CASH FLOW," during the first fifteen (15) years of CAC's operation of The Crossroads, (b) forty percent (40%) of Net Project Revenue during the next fifteen (15) years of CAC's operation of The Crossroads, and (c)

forty-eight percent (48%) of Net Project Revenue during any period that CAC extends the Development and Operating Agreement through exercise of its option. A more precise and complete definition of Net Project Cash Flow and the method of computing the Operating Fee will be negotiated as part of the definitive Development and Operating Agreement.

7. This Agreement will provide CAC with four (4) consecutive five (5) year options to extend the agreement on the same terms and conditions, provided that (1) all Ground Rent Lease Rent payments due from inception of this Agreement have been paid in full as of the time of each such renewal, (2) CAC is not in default of any obligation on its part under this Agreement or any other or Ancillary Development Agreement, and (3) the Sabres, on the terms of their lease extended by exercise of one of their options, 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 at The Crossroads.

8. Subject to the approval by the City (including such review and approval by the Buffalo Harbor Development Corp. as the City may require) of a final Inner Harbor Plan as hereinafter described, the City, County and NFHLP will agree to use their

best efforts to implement The Horizons Waterfront Commission's plan for the reconfiguration of the Buffalo Inner Harbor, a preliminary description of which is shown on Exhibit N, and specifically to (i) proceed with the development and implementation of a final plan with available public and private sector funds, (ii) seek the dedication of $8 Million of funding available from the Thruway 2000 Program to the Inner Harbor, and (iii) seek additional funding for the Inner Harbor reconfiguration project.

9. Except as contemplated by the Inner Harbor plan, the parties to this MOU will covenant not to allow the Aud to be used in a manner competitive with the sports and entertainment activities of The Crossroads (excluding restaurant, parking and retail operations) following the opening of The Crossroads.

FINANCING PARTICIPANTS AGREEMENT

The Financing Participants Agreement among the Public Sector Participants, Private Financing Participants and CAC, will deal with the financing relationships among the parties including the following:

1. This Agreement will deal with draw procedures, order and proportion of funding contributions among the parties,

requisition procedures and other features of the disbursement of money by the funding sources.

2. This Agreement will deal with the collateral rights and priorities of the individual parties to the financing, will harmonize the terms of the Private Debt documentation and Development and Operating Agreement, and other similar matters affecting the intercreditor relationship. Attached as Exhibit O is a summary of currently proposed collateral rights and priorities. A definitive summary of collateral rights and priorities will be incorporated in the definitive Financing Participants Agreement, following completion of negotiations with the Private Financing Participants.

3. This Agreement will deal with the procedures applicable in the event of a default by CAC under any agreement to which it is a party or by which it is bound, and the preservation of the rights of the parties other than CAC in connection with enforcement proceedings relating to that default.

4. This Agreement and any other appropriate documentation shall contain non-disturbance and attornment provisions with respect to the interests of CAC, the Principal Public Participants, Private Financing Participants, Sabres

Contribution Loan Lender, Concessionaire, Parking Operator and others, necessary or appropriate to provide the respective party with adequate rights and remedies in the event of a default. Neither the Ground Lease, the Private Arena Debt documentation, or any other document by or through which any party claims an interest in the Project shall permit any party to foreclose the contractual or real property interests of any other party in the event of a default by CAC, provided that such documentation also contains otherwise satisfactory enforcement and collection remedies.

SABRES LEASE

1. The Sabres will enter into a Lease with CAC for the Sabres use of The Crossroads on terms substantially in accordance with the term sheet appended hereto as Exhibit K.

2. The Sabres Lease shall be initially drafted by the Sabres and presented to CAC and the Principal Public Participants for review and approval. The definitive Sabres Lease, in form and content approved by the Principal Public Participants, will be executed contemporaneously with the Development and Operating Agreement and appended thereto as an exhibit.

INTERIM DEVELOPMENT AND OPERATING AGREEMENT

Concurrent with the execution of this MOU, the City and/or BURA and CAC shall enter into an Interim Development and Operating Agreement in the form of Exhibit P providing for the payment by the City and/or BURA of those project pre-development and construction costs which have been incurred or paid by CAC with the City's approval for the account of the City and/or BURA, all consistent with the provisions of this Memorandum entitled "CITY BOND PROCEEDS AND LAND."

BLIZZARD AND BANDITS LEASES

Contemporaneously with the execution of the Development and Operating Agreement, CAC will enter into leases with the Buffalo Blizzard and Buffalo Bandits on terms substantially in accordance with the term sheets appended hereto as Exhibits L and M, and otherwise in such form and content as shall be reasonably acceptable to CAC and the Principal Public Participants.

LEASING STRUCTURE

Appended hereto as Exhibit Q is a diagram of the proposed Project Leasing Structure, the component parts of which are described below.

Ground Lease

BURA will hold title to The Crossroads Site and will lease The Crossroads Site to ECIDA for purposes of construction and operation of The Crossroads by CAC (1) for a rental equal to the Ground Lease Rent and (2) for a term not less than the maturity of all private and ECDC bond debt on the Project (30 years from completion), subject to automatic extension if CAC exercises its right to extend the Development and Operating Agreement. At the end of the Ground Lease term including extensions, the City shall hold title to The Crossroads, both The Crossroads Site and The Crossroads Improvements.

Prime Building Lease

The ECIDA will sublease The Crossroads site and The Crossroads and Improvements other than the Building Shell to CAC for a term equal to the term of the Development and Operating Agreement including any extensions thereof. The Prime Building Lease will provide for rent payments in amounts and at times required to pay debt service on the Private Debt and to pay the Ground Lease Rent payment, such payments to be made pari passu based on the amounts then due. ECIDA will assign its rights to the rent payments as described below. ECIDA will exercise any discretionary legal authority that it may have as landlord under the Prime Building Lease consistent with the terms of the

Coordinating Agreement and Development and Operating Agreement.

Prime Building Lease Rents

CAC shall pay the following rents pari passu under the Prime Building lease (from the source and subject to the disposition indicated):

(1) Base Rent equal to the debt service due on Private Arena Debt will be paid from Project Revenues, after application of the two percent (2%) portion of the Ticket Surcharge, all of which shall be paid to the Private Arena Debt trustee/holder pursuant to an assignment by ECIDA; and

(2) The Ground Lease Rent in the amount of $500,000 per annum from Project Revenues or otherwise, will be paid to the City or its assign, provided that up to $100,000 per year of said payment may be accrued (subject to an aggregate limit of $500,000) to the extent that the Project Revenue remaining after operating expenses is insufficient to fund the Base Rent described above and the entire $500,000 annual Ground Lease Rent payment during such year.

Building Shell Lease

ECIDA will lease the Building Shell to ECDC for a term of thirty (30) years at a rental equal to debt service on the County ECDC Bonds. That rent will be assigned by ECIDA to the trustee for the ECDC Bonds.

Building Shell Sublease

ECDC will sublease the Building Shell to CAC for a rental equal to the .25% Portion of The Ticket Surcharge and the Additional Ticket Surcharge Rental Payment, as set forth below.

CAC agrees to pay an additional rent of $100,000 (the "Additional Ticket Surcharge Rental Payment") to ECDC which will be provided by NFHLP from their portion of the Ticket Surcharge which it shall apply to its fund balance and hold for payment or reserve to meet its obligations in connection with the ECDC bonds. Such additional rent shall be due when the latter of the following events occur: (1) the Erie County Comptroller has made a determination that, without such additional rent payments, an Erie County general appropriation grant to ECDC would be required to meet Project bond obligations; and (2) ECDC bonds have been sold.

ECDC agrees to hold such Additional Ticket Surcharge Rental Payment in reserve and use it as a last recourse for payment of debt obligations only after funds available to ECDC from the bed tax, including current and prior year cash balances and reserves, have been expended. ECDC further agrees to reduce future rental payments in an amount that equals additional rent to CAC if and when the Erie County Comptroller determines it is no longer needed for the purposes described above.

Operating Leases/User Agreement

Subject to other limitations expressed in this Memorandum of Understanding CAC will enter into leases and/or use agreements with other lessees and event promoters at The Crossroads. Only agreements, or amendments to agreements, with affiliates of CAC including the Sabres or other entities controlling, controlled by or under common control with, CAC or the Sabres or stockholders or partners of either the CAC or the Sabres and agreements committing the use of The Crossroads for more than thirty (30) dates per year will be subject to the consent of the Principal Public Participants.

CAC will covenant to 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. The opinions of the Principal Public Participants as to the foregoing, expressed by them to CAC, shall be given appropriate consideration by CAC in its exercise of the foregoing responsibilities.

FINANCING DOCUMENTS

Trust Indentures/Loan Agreements and other related documentation will be negotiated with the Private Financing Participants based on the form and terms of the Private Arena Debt. A trust indenture will be negotiated with respect to the ECDC Bonds. A loan agreement and Sabres' Occupancy and Contingent Prepayment Agreement may be negotiated with respect to the UDC Loan.

CITY/COUNTY SETTLEMENT AGREEMENT

Attached hereto as Exhibit R is a Litigation Settlement Agreement concerning pending litigation between the City and the County to the Convention Center contract between the City and the County to be executed concurrent with the execution of this Memorandum of Understanding by all parties.

ADMINISTRATION OF TICKET SURCHARGE

CAC will collect the Ticket Surcharge and pay the amount of its receipts of (i) the 2.0% Portion of the Ticket Surcharge to trustee/lender(s) as required by the Prime Building Lease and Private Arena Debt financing documents and (ii) the .25% Portion of the Ticket Surcharge to ECDC as required by the Building Shell Lease. 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 CAC's sole discretion.

RENEWAL AND REPLACEMENT ACCOUNT

A Renewal and Replacement Account will be maintained for The Crossroads. Annual deposits will be made to the account from Project Revenue as described below at "PROJECT CASH FLOW" in the initial amount of $200,000. The amount of the deposit shall be increased annually to reflect increases in a Construction Cost Index for Buffalo as provided in the Development and Operating Agreement. Disbursements shall be made from this account for capital repairs and improvements to The Crossroads as determined by CAC with the consent of the Public Sector Participants and Private Financing Participants (which will not be unreasonably withheld). The amount held in the Renewal and Replacement

Account shall not exceed an agreed percentage of replacement cost of The Crossroads. Upon expiration of the Development and Operating Agreement, any funds held in the 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 as described in the Development and Operating Agreement shall be distributed forty percent (40%) to the Operating Fee Recipients and sixty percent (60%) to CAC during the initial term of the Development and Operating Agreement and 48%/52% during any extension periods thereof.

PROJECT CASH FLOW

CAC will administer and apply the Project Revenue in accordance with the following priority:

(a) Payment of all cash operating and maintenance expenses, sales commissions, management compensation and expenses, and other costs of operating and maintaining The Crossroads;

(b) Payment of principal and interest on the Private Arena Debt and the Ground Lease Rent payments on a pari passu basis according to the relationship of the annual payments;

(c) Payment of any outstanding accrued Ground Lease Rent payments;

(d) Deposits required to bring any debt service reserve fund required by Private Arena Debt financing documentation to its required levels;

(e) Payment of required deposits to The Crossroads Renewal and Replacement Reserve Account;

(f) Deposits to any operating reserve fund created by CAC to fund operating expenses which CAC reasonably anticipates may not be timely met from the flow of Project Revenues in the future; provided, however, that such fund balance shall not exceed thirty percent (30%) of the prior year's operating expense budget;

(g) To the extent of remaining cash, payment of accrued interest and principal due on any Project cost overrun loan made in order to complete The Crossroads or to pay landowner claims in any eminent domain proceeding commenced by the City or BURA or to pay similar land acquisition related claims against the City or BURA in connection with the Project which claims are

not funded from the City's $10 million cash commitment to the Project Budget;

(h) Payment from the cash flow then remaining after application to (a) through (g) ("Net Project Revenue"), if any, of the Operating Fee; and

(i) Any remainder, after application to items (a) through (h), shall be retained, used or disposed by CAC as it determines in its sole discretion, without restriction.

OPERATING FEE

The Operating Fee payable to the Operating Fee Recipients shall equal (a) thirty-five percent (35%) of (i) Net Project Revenue during the first fifteen (15) years of CAC's operation of The Crossroads, (b) forty percent (40%) of Net Project Revenue during the next fifteen (15) years of CAC's operation of The Crossroads, and (c) forty-eight percent (48%) of Net Project Revenue during any period that CAC extends the Development and Operating Agreement through the exercise of its options. The Operating Fee shall be divided among the Operating Fee Recipients as described in Exhibit J and CAC shall make such payments to the Operating Fee Recipients and/or their assigns as instructed in the Development and Operating Agreement.

REFINANCING, SALE, INSURANCE AND EMINENT DOMAIN PROCEEDS

For purposes of refinancing, sale, property and casualty insurance and eminent domain, proceeds available for distribution will be split forty percent (40%) to the Operating Fee Recipients and sixty percent (60%) to CAC during the initial term of the Development and Operating Agreement and 48%/52% during extensions thereof.

COST OVERRUN

If actual Development and Construction Costs and Expenses, including land acquisition costs or liabilities incurred by the City or BURA, exceed the amount budgeted in the Project Budget therefore, such cost overrun shall first be funded by CAC through an application of naming right proceeds (such proceeds to include all payments for naming rights identified as such in the naming rights contract approved by the Principal Public Participants. To the extent that the overrun exceeds the available naming rights proceeds, CAC shall loan funds to the Project to cover any remaining cost overruns at an interest rate equal to its cost of such funds and repayable as quickly as feasible from PROJECT CASH FLOW as described above, provided that matters respecting cost overruns, cost overrun loans (including interest rate, term and amortization schedule) and the use of

naming rights proceeds shall be subject to the reasonable prior approval of the Principal Public Participants.

REFINANCING

(a) CAC may (i) at its sole option but only on reasonable financial terms and conditions, refinance any portion or all of the Private Arena Debt 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 Private Arena Debt (except that upon the refinancing as of the end of the original or any renewal term of the Private Arena Debt, the debt service may be in excess of the prior debt service to the extent required by market conditions) and (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 Private Arena Debt, 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, and (ii) with the consent of the Principal Public Participants, refinance the Private Debt with alternative debt terms and conditions.

(b) With the consent of the Principal Public Participants, the proceeds of any refinancing of the Private Debt in excess of the principal balance refinanced and costs of refinancing, shall be reinvested in The Crossroads or used to pay any outstanding debts of the Project or prior operating losses of CAC and unpaid Ground Lease Rent amounts, and any refinancing proceeds not used as aforesaid shall be distributed among CAC and the Operating Fee Recipients in accordance with the percentages set forth in the section captioned "REFINANCING, SALE, INSURANCE AND EMINENT DOMAIN PROCEEDS."

ARBITRATION

The Development and Operating Agreement, Coordinating Agreement and Ground Lease shall contain provisions for arbitration of disputes between the parties thereto, including the procedure for selecting arbitrators and enforcing the decision of the arbitrators.

TAX IMMUNITY

1. In consideration of the Operating Fee payable to the Operating Fee Recipients, the .25% portion of the Ticket Surcharge payable to the County, the Ground Rent and the Transmissions or Productions Fee payable to the City (as provided

in the following subparagraph 2), the City and the County have agreed to not require The Crossroads to make any payment-in-lieu-of real property taxes during the terms of the ECIDA leases and have agreed to certain other tax or tax-related provisions as follows.

2. The City and the County shall covenant in the Development and Operating Agreement that they will not, for the initial thirty (30) year term of such Agreement, levy, impose or apply any admission tax on or against events held at The Crossroads, including, without limitation, Sabres games, whether in the form of a ticket tax, ticket surcharge, gross receipts tax or otherwise, nor shall the City or County levy or apply any tax, surcharge, assessment or other governmental imposition against The Crossroads property which by its terms or effect is limited exclusively or which in effect applies primarily to The Crossroads property, as distinguished from other property within the City or County. Nothing in the foregoing shall prohibit the imposition of, or an increase in generally applicable sales or compensating use taxes or other generally applicable governmental impositions or the Transmissions or Production Fee as described below.

TRANSMISSIONS/PRODUCTION FEE

1. The Development and Operating Agreement shall provide for the payment by CAC to the Operating Fee Recipients (the distribution of which shall be negotiated and agreed upon by the Principal Public Participants as part of the Coordinating Agreement) of an annual fee (the "Transmissions Fee") equal to a 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 "revenues") received by the Sabres, CAC or any affiliate, which revenues arise from 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, of all events, performances, signals, messages, activities or data (collectively "occurrences") from, or which occurrences take place at, The Crossroads, except as otherwise provided herein and any revenue received by CAC and any affiliate with respect to the staging at The Crossroads of an event intended primarily for transmission off-premises rather than for an in-arena audience. 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 CAC from the Project Budget, Project Revenues or the Crossroads Renewal and Replacement Reserve, other than office facilities, and passive cable wiring and connections and similar passive infrastructure facilities common to modern arenas. The Transmissions Fee shall apply to all communications production utilizing The Crossroads Transmissions Facilities, 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 and any revenue received by CAC and any affiliate with respect to 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. Notwithstanding the foregoing, the Transmissions Fee shall not apply to: (i) all revenues received by the Sabres and any affiliate thereof with respect to activities permitted under the Sabres, Blizzard and Bandits leases and basketball games involving NBA or NCAA member

teams, (ii) taxes on services furnished by the Sabres, CAC, or any affiliate and collected by them on behalf of a governmental unit, (iii) any revenue that is in turn paid by CAC, the Sabres or any 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, CAC or any 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 the Sabres or any affiliate wherever located, regardless of whether administrative, marketing, promotional or other 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 CAC, the Sabres or any affiliate.

2. The Transmissions Fee referred to in Paragraph 1 applicable from time to time shall be 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.

3. In the case of communications production by the Sabres or which take place under authority given to the Sabres by the Sabres Lease, that Lease shall contain a provision respecting the same which requires the Sabres to pay to CAC or directly to the Operating Fee Recipients pursuant to the Coordinating Agreement as additional rent the amount of any annual fee required by this section.

4. The Transmissions Fee shall be payable within ninety (90) days after the end of each quarterly fiscal period of CAC based on revenues received during such quarterly fiscal period. With such payment CAC shall furnish to the Operating Fee Recipients pursuant to the Coordinating Agreement an accounting of the manner in which such fee has been calculated. The accounting and the calculation of the Production Fee shall be subject to review by the Operating Fee Recipients pursuant to the Coordinating Agreement and to the arbitration provision described in this MOU.

5. The term "affiliate" as used in this section shall mean any entity which is owned and controlled by or under common

control with either CAC or the Sabres (collectively "affiliates"). For this purpose an owned and controlled affiliate means an entity in which a majority of all of the equity, and a majority of the voting power of such entity is owned and held by the Sabres, CAC or by persons substantially the same as the persons owning such equity and such voting power in the Sabres or CAC.

6. The Development and Operating Agreement will provide that transactions between CAC and the Sabres and/or any affiliate with respect to Crossroads Transmission Facilities will be at arm's length and shall contain provisions to assure that the obligations of the Sabres or CAC may not be avoided through the creation of partnerships, joint ventures, corporations or entities by the Sabres, CAC, or any affiliate.

CROSSROADS ARENA CORPORATION

By: _____
Secretary

NIAGARA FRONTIER HOCKEY, L.P.
By: Niagara Frontier Hockey Management Corporation, its General Partner

By: _____
Chairman + President

CITY OF BUFFALO

By: _____
Mayor

COUNTY OF ERIE

By: _____

NEW YORK STATE URBAN DEVELOPMENT CORPORATION

By: _____
Chairman at President

ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

By: _____

BUFFALO URBAN RENEWAL AGENCY

By: _____
Chairman

APPROVED
AS TO FORM ONLY

_____
Corporation Counsel

BY _____

COMMENT REGARDING FORM OF ATTACHED EXHIBITS

The Project Budget (Exhibit C) and the Projected Draw Schedule (Exhibit I) have been submitted by CAC but not approved by the Principal Public Participants, and are subject to further negotiation and agreement among CAC, the Principal Public Participants and the Private Financing Participants.

INDEX OF EXHIBITS

Exhibit	Title/Description
A	Definitions
B	Crossroads Site Map
C	Project Budget
D	Private Arena Debt Term Sheet
E	Concessionaire Agreement Term Sheet
F	Sabres Contribution Loan Term Sheet
G	City Contribution-Eligible Project Expenses
H	Development and Construction Schedule
I	Projected Draw Schedule
J	Operating Fee Revenue and Projections Schedule
K	Sabres Lease Term Sheet
L	Blizzard Lease Term Sheet
M	Bandits Lease Term Sheet
N	Inner Harbor Plan
O	Collateral Rights and Priorities
P	Interim Development and Operating Agreement
Q	Project Leasing Structure Flow Chart
R	City/County Litigation Settlement Agreement
S	State Sports Facility Assistance Program Enabling Legislation
T	State Authorizing Legislation
U	Crossroads Urban Renewal Area

EXHIBIT A

"Additional Ticket Surcharge Rental Payment" means the additional rent to be paid by CAC to ECDC for the Building Shell Sublease described at the subheading "Building Shell Sublease" under the heading "LEASING STRUCTURE."

"Ancillary Development Agreement" means any contract, document or agreement resulting from, arising out of or necessary to effectuate any condition, precedent or subsequent of the Development and Operating Agreement.

"Architectural Design" means the schematic design of The Crossroads Improvements and site plan for The Crossroads Site depicted on the Schematic Design Materials.

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

"Building Shell" shall mean the shell or envelope of The Crossroads having a value in excess of $20 million. With respect to the rights of the parties in the Building Shell, the source of funds used to construct said Building Shell need not be identified and shall have no bearing on the rights therein.

"Building Shell Lease" means the lease between ECIDA, as lessor, and ECDC, as lessee, described at the subheading, "Building Shell Lease" under the heading "LEASING STRUCTURE".

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

"CAC" means 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 partner interests) which will act as developer and operator of The Crossroads in accordance with the Development and Operating Agreement and other documents described in the Memorandum.

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

"City" means the City of Buffalo.

"**Concessionaire**" means the firm with which the Sabres contract to operate the concessions facilities exclusively reserved to the Sabres under the Sabres Lease.

"**Convention Center**" means the Buffalo Convention Center.

"**Coordinating Agreement**" means the agreement among the Public Sector Participants regarding their roles, rights, duties and obligations with respect to the Project, as described in the Memorandum.

"**County**" means the County of Erie.

"**County-ECDC Debt Payment Contract**" means an agreement between the County and ECDC by which the County commits to make payments to ECDC in amounts and at times necessary to fund ECDC's obligations on its Shell Lease with ECIDA backing the ECDC Bonds.

"**The Crossroads**" means the sports and entertainment complex to be built and operated in the City which is more particularly described in the Memorandum at the heading: "THE CROSSROADS".

"**The Crossroads Improvements**" means any and all physical improvements constructed on The Crossroads Site.

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

"**The Crossroads Renewal and Replacement Reserve Account**" or "**Renewal and Replacement Account**" means a fund maintained to fund capital additions, repairs and replacements to which CAC will make annual deposits from Project Revenues, to the extent available, as described in the Memorandum at the heading: "RENEWAL AND REPLACEMENT ACCOUNT".

"**The Crossroads Site**" means the real property located within the boundaries indicated on the map appended as Exhibit N, on which The Crossroads, including its parking facilities, will be built.

"**The Crossroads Urban Renewal Area**" means the real property located within the boundaries indicated on the map appended as Exhibit U.

"**Development and Construction Costs and Expenses**" means any and all costs and expenses described on the Project Budget.

"**Development and Operating Agreement**" means the agreement among CAC and the Public Sector Participants with respect to the Project, as described in the Memorandum.

"**ECDC**" means The Erie County Development Corporation, a not-for-profit corporation incorporated by County officials under Section 1411 of the Not-For-Profit Corporation Law.

"**ECDC Bonds**" means the bonds described at "COUNTY (ECDC BONDS)" in the Memorandum.

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

"**Financing Participant's Agreement**" means the agreement among CAC, the Private Financing Participants and the Public Sector Participants regarding financing commitments, collateral priorities and rights and other matters concerning the financing of the Project, as described in the Memorandum.

"**Ground Lease Rent/PILOT**" means an annual payment from CAC to the City, or the City's assignee, of $500,000.

"**Horizon's Share**" means the 35% portion of the Operating Fee to be disbursed by CAC to UDC. UDC shall promptly pay the Horizon's Share to Horizons.

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

"**Inner Harbor Plan**" means the design and land use plan for the Buffalo Inner Harbor project of The Horizons Waterfront Commission described on Exhibit N to the Memorandum.

"**Operating Fee**" means the consideration paid by CAC to the Operating Fee Recipients for the privilege of operating The Crossroads which is publicly owned and partially publicly financed, as more particularly described in the Memorandum at the headings "DEVELOPMENT AND OPERATING AGREEMENT" and "PROJECT CASH FLOW".

"**Operating Fee Recipients**" means UDC, in its own capacity and acting as fiduciary for the Horizons Waterfront Commission, Inc.,

and the City which shall share the Operating Fee as described in Exhibit J, the terms of which shall be incorporated in the Coordinating Agreement.

"Parking Operator" means the firm with which the Sabres contract to operate the parking facilities exclusively reserved to the Sabres under the Sabres Lease.

"Premium Value" of Private Suites and Premium Seats means (a) the full contract price of such Private Suites and Premium Seats, minus (b) the sum of (i) the value of all tickets provided to the licensee of a Private Suite or Premium Seat without additional charge under the seating contract (computed at the box-office walk-up face price charged for a ticket in the highest priced seating category containing 300 or more seats at The Crossroads outside of the Private Suite and Premium Seating areas), and (ii) the value of amenities provided to the licensee under the Private Suite or Premium seating contract.

"Prime Building Lease" means the lease between ECIDA, as lessor, and CAC, as lessee, described at the subheading, "Prime Building Lease" under the heading "LEASING STRUCTURE".

"Principal Public Participants" means the City, County and UDC.

"Private Arena Debt" means debt described in the Memorandum at the heading: "PRIVATE ARENA DEBT"

"Private Financing Participants" means the purchasers/lenders of the Private Arena Debt and the Sabres Contribution Loan.

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

"Project Budget" means the development and construction budget for the Project, which shall be substantially similar in form to the draft appended to the Memorandum as Exhibit C, and which will be incorporated in the Development and Operating 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, the Premium Value of Private Suites and Premium Seats included in The Crossroads, and (v) 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, (vi) naming rights to The Crossroads (to the extent not used to fund any Project cost overrun) and (vii) any other revenue, income or interest of whatsoever kind or nature earned or credited to CAC from or relating to the operation of The Crossroads.

"**Public Sector Participants**" means the City, BURA, the County, ECDC, ECIDA and UDC.

"**Sabres**" or "**NFHLP**" means Niagara Frontier Hockey, L.P., a Delaware limited partnership whose sole managing general partner is Niagara Frontier Hockey Management Corporation, a New York Corporation.

"**Sabres Contribution Loan**" means the $30 million debt secured with guaranties of concession and parking revenues to which the Sabres will be entitled which funds the Sabres' $30 million contribution to the capital of CAC and which CAC will contribute to the Project.

"**Sabres Game**" shall mean any regular season, playoff, pre-season or exhibition hockey game sanctioned by the National Hockey League ("NHL") in which the Sabres NHL hockey team participates.

"**Sabres Lease**" means the lease by and between the Sabres and CAC as provided for in the section of this MOU captioned "Sabres Lease."

"**Schematic Design Materials**" means the drawings dated January ___, 1994, renderings and model delivered to the City, County and UDC describing the Architectural Design of The Crossroads Improvements and site plan for The Crossroads Site.

"**State**" means any state agency, department, board, bureau, division or office of the State of New York.

"**State Sports Facility Assistance Program**" means the program administered by UDC which was established pursuant to the Act attached hereto as Exhibit S.

"**State Authorizing Legislation**" means the Bill attached hereto as Exhibit T.

"**Ticket Surcharge**" means a 2.25% surcharge imposed and collected by CAC on all ticket sales for events at The Crossroads. The Ticket Surcharge shall be segregated by CAC into two portions:

(1) a "2.0% Portion" which will collateralize and support payment of the Private Arena Debt as described in the Memorandum, and (2) a ".25% Portion" which will be paid to ECDC pursuant to the Shell Sublease as described in the Memorandum. The Ticket Surcharge will be purely a contractual obligation undertaken by CAC and will not require any authorization or administration by the County or any other governmental entity. CAC will cause the Sabres to impose the .25% Portion of the Ticket Surcharge on admissions tickets to Sabres games played at the Aud beginning with the 1993-94 season pending completion of The Crossroads and to pay such receipts over to the County pursuant to the Development and Operating Agreement.

"**Ticket Value**" means the agreed value of the admissions ticket related to each seat of the Private Suite and Premium 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 Private Suites and Premium Seating sections of The Crossroads.

"**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.

"**Urban Renewal Plan**" means the portions of the City's Waterfront Urban Renewal Plan as amended [descriptive citation], dealing with development and use of the Crossroads Urban Renewal Area.

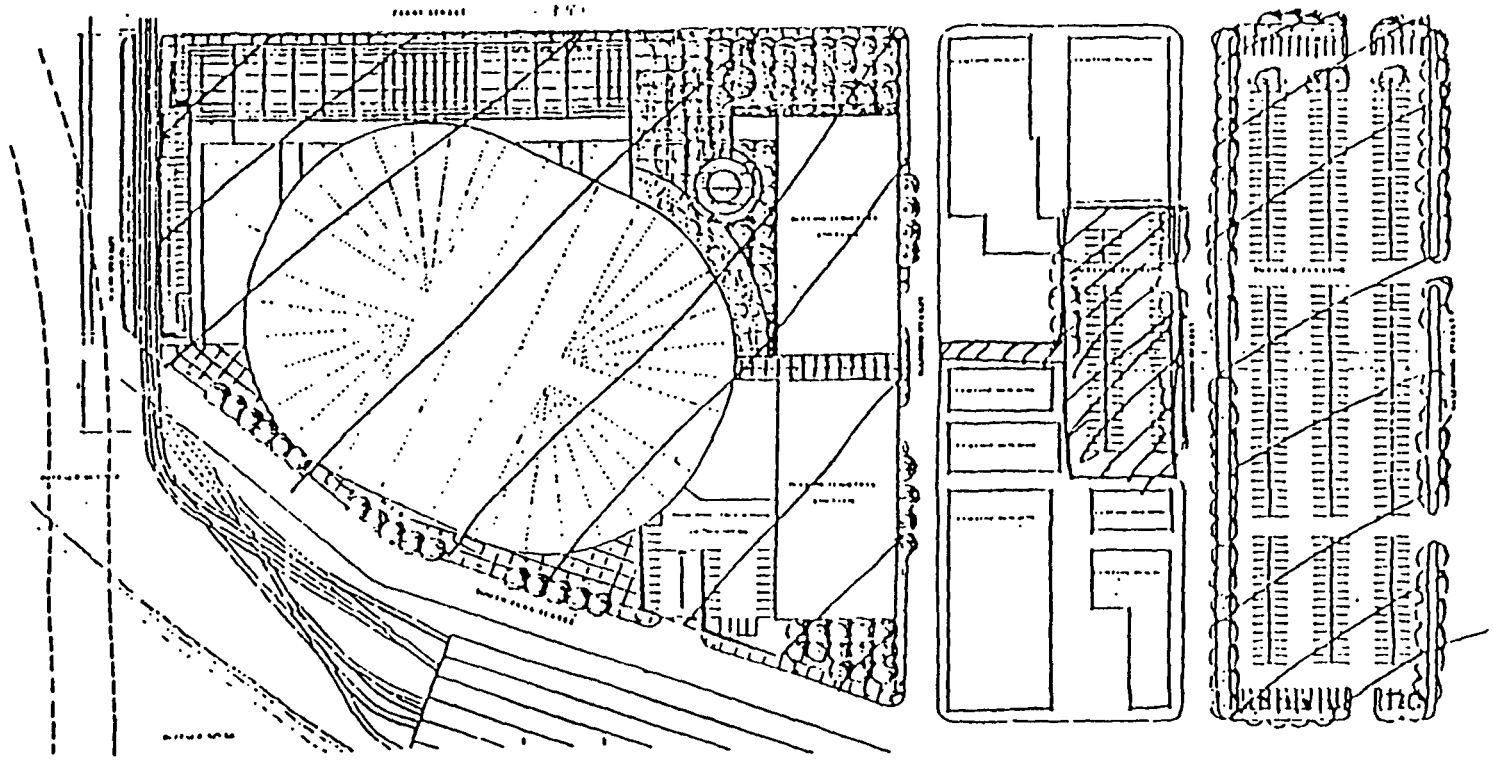

EXHIBIT B

Crossroads Site Plan

▨ - Project Area

SITE PLAN

CROSSROADS ARENA CAPITAL BUDGET

	Current Cost
LAND ACQUISITION	
Purchase	$4.215.000
Title Insurance	16.000
Surveys	25.000
Eminent Domain - Legal	120.000
Misc.& Closing Costs	65.000
Recording & Transfer Fees	15.000
Appraisals	75.000
Contingency - Land	500.000
LAND-SUB	$5.031.000
TECHNICAL FEES	
Feasibility Studies	$485.000
Building Permits	75.000
Licenses/Misc. Gov't. Fees	45.000
Soil Testing	45.000
Environ. Impact Statement	325.000
Insurance	120.000
Mort.Policy on Leaseholds	92.250
TECH-SUB	$1.187.250
PROJECT MANAGEMENT	
Constr./Project Management	$1.900.000
Arena Manager	100.000
Consulting from Sabres	250.000
Acctg./Financial Management	80.000
Pre-Opening Expenses	500.000
MGMT-SUB	$2.830.000
MARKETING	
Model.Promo..Advertising.	
Events.Enter..Opening	$785.000
MKTG.SUB	$785.000
FINANCING EXPENSE	
Constr. Period Interest	$4.560.000
Commitment Fees	1.000.000
Debt Service Reserves	2.600.000
Trust & Counsel Fees	465.000
FIN.-SUB	$8.625.000
LEG.-SUB	$800.000
ARCHITECT/ENGINEERING	
Basic Architect/Engineer.	$7.288.000
Tech.Support-EIS.Hist.Etc.	75.000
Site Design & Planning	200.000
Utility Relocation	45.000
Demolition Specifications	40.000
Subsurface Design/Site Prep	145.000
ARCH.-SUB	$7.793.000

EXHIBIT C

EXHIBIT E

CROSSROADS ARENA CAPITAL BUDGET

	Current Cost
NON-CONSTRUCTION SUB-TOTAL	$27.051.250
CONSTRUCTION	
Demolition	$500.000
Utility Relocation	800.000
Sub Surf/Excavation Package	4.089.154
Demo/Util/SubSurf.Conting.	650.000
General Construction	86.909.596
CONSTRUCTION SUB-TOTAL	$92.948.750
GRAND TOTAL	$120.000.000

SUMMARY	Current Cost
LAND ACQUISITION	$5.031.000
TECHNICAL FEES	1.187.250
PROJECT MANAGEMENT	2.830.000
MARKETING	785.000
FINANCING EXPENSE	8.625.000
LEGAL	800.000
ARCHITECTURE/ENGINEERING	7.793.000
NON-CONSTRUCTION SUB-TOTAL	$27.051.250
CONSTRUCTION SUB-TOTAL	$92.948.750
GRAND TOTAL	$120.000.000

Manufacturers and Traders Trust Company
One Fountain Plaza, Buffalo, NY 14203-1495
(716) 842-4200 Fax: (716) 848-7318

Western New York Commercial Banking Department

Date: February 16, 1994

LOAN TERM SHEET - CROSSROADS ARENA

A. BASIC CREDIT TERMS

Borrower:	Crossroads Arena Corporation
Lessee:	Niagara Frontier Hockey, L.P.
Lenders:	Manufacturers and Traders Trust Company and other institutional lenders to be determined
Lead Lender:	Manufacturers and Traders Trust Company
Project:	Approximately 20,500-seat sports and entertainment arena and related parking facilities, in-arena advertising space and retail space
Facilities:	Construction Loan and Permanent Loan for Project
Principal Amount:	$35,000,000
Lead Lender's Portion of Principal Amount:	$25,000,000
Term:	(1) For Construction Loan, earlier of (a) 24 months or (b) completion of construction of Project
	(2) 10 years for Permanent Loan
Payments:	(1) Quarterly payments of interest only, in arrears, for Construction Loan
	(2) Quarterly payments of principal and interest, in arrears, based on 30-year level payment mortgage amortization, for Permanent Loan, with future payments to be adjusted upon change of interest rate

EXHIBIT D

Prepayment of Facilities: Prepayment of Facilities permitted in whole or part upon payment of premium, satisfactory to Lenders, that compensates Lenders for any funding losses

Interest Rate: (1) For Construction Loan, floating rate that for any day prior to maturity, whether by acceleration or otherwise, will be 1.5% above Lead Lender's announced prime rate in effect for that day

(2) For Permanent Loan, rate fixed at time of Interest Rate Hedge at 3.25% above 10-year United States Treasury bond rate, which rate may be reduced, at option of Borrower, by 1/4% in fourth and fifth years of Permanent Loan if conditions in section entitled "Distributions from Excess Cash Flow Reserve Account" are and remain satisfied and may be reduced by additional 1/4%, at option of Borrower, if conditions in section entitled "Distributions from Excess Cash Flow Reserve Account" remain satisfied during sixth year to maturity of Permanent Loan

Interest Rate Hedge: Forward rate lock contract for Permanent Loan to be entered into by Borrower, which contract, if entered into with Lead Lender, would increase Interest Rate for Term of Permanent Loan by amount determined by market conditions and costs associated with adjustment of Interest Rate for Term of Permanent Loan

Fees: Non-refundable fee of 2% of Principal Amount ($700,000), of which 1/2% of Principal Amount ($175,000) is to become due upon commitment to make Construction Loan and 1 1/2% of Principal Amount ($525,000) is to become due at closing of Construction Loan

B. COLLATERAL AND COVENANTS

Collateral: (1) Perfected first lien on (a) Project, (b) all revenues related to Project (including, but not limited to, (i) "premium value" of premium seats, (ii) "gross value" of luxury box suites until 1,900 premium seats are leased pursuant to bona fide third party leases satisfactory to Lenders, with

definition of "bona fide third party leases" to be negotiated and thereafter "premium value" of luxury box suites, (iii) lease payments by Lessee, (iv) in-arena event rentals, (v) in-arena advertising revenues, (vi) proceeds of 2% surcharge on tickets to events at Project, (vii) proceeds generated by sale of rights to name Project or any portion of Project unless utilized as Construction Reserve and then to extent not drawn upon and (viii) Debt Service Reserve Account) and (c) all contracts, leases and personal property related to Project

(2) If any sale of any interest of Lessee in National Hockey League franchise of Lessee occurs in violation of section entitled "Certain Restrictions on Lessee," proceeds of such sale remaining after payment of or reserve for (a) all bona fide debts and obligations of Lessee to National Hockey League, including all limitations or restrictions on collateral, as more particularly described in Lenders' Cooperation Agreement, (b) all bona fide debts and obligations of Lessee relating to such franchise (excluding (i) all debts and obligations of Lessee to any partner of Lessee, any affiliate of any such partner or any affiliate of Lessee other than trade debt arising in the ordinary course of business and (ii) all debts and obligations of Lessee arising in connection with Concessionaire-Vendor Loan) to be deposited in account pledged to Lenders pursuant to perfected second lien (subject to first lien securing line of credit to Lessee of up to $10,000,000) and to be used by Lenders to fund outstanding balance of Facilities

(3) Debt Service Reserve Account pledged to Lenders pursuant to perfected first lien and available to Lenders to pay amounts owing to Lenders in connection with Facilities

(4) Excess Cash Flow Reserve Account (except as set forth in section entitled "Distributions from Excess Cash Flow Reserve Account") pledged to Lenders pursuant to perfected first lien and available to Lenders to pay amounts owing to Lenders in connection with Facilities

Certain Restrictions on Lessee:

Prior written consent of Lenders required for any (1) sale or other transfer of or grant of lien (except lien securing line of credit to Lessee of up to $10,000,000) on any interest of Lessee in National Hockey League and American Hockey League franchises of Lessee, (2) grant of lien (except lien securing line of credit to Lessee of up to $10,000,000 and lien on Lessee's interest in parking revenues and concession revenues at Project securing Concessionaire-Vendor Loan) on any other asset of Lessee, (3) distribution to partners of Lessee or use of proceeds of any sale or other transfer of any interest of Lessee in National Hockey League and American Hockey League franchises of Lessee other than as permitted by item (2) in section entitled "Collateral" or (4) relocation of Sabres home arena from Project

Prior written consent of Lenders to any of events (1) through (4) may be withheld in sole discretion of Lenders, except that Lenders shall not unreasonably withhold consent to any sale of entire interest of Lessee, in National Hockey League franchise of Lessee, provided that (a) purchaser of such interest assumes all obligations of Lessee with respect to Facilities and Project (including, but not limited to, Lessee's lease of Project), (b) Sabres home arena remains at Project, (c) National Hockey League consents to such sale and (d) there is no default with respect to Facilities and no event or condition that with notice, passage of time or both notice and passage of time would constitute default with respect to Facilities

Certain Restrictions on Change in Management:

Prior written consent of Lenders required for any (1) sale or other transfer of or grant of lien on any interest in Lessee of general partner of Lessee or any interest in Lessee of Seymour Knox III or Robert Swados, which consent may be withheld in sole discretion of Lenders, except that Lenders shall not unreasonably withhold consent to sale or other transfer, provided that (a) purchaser of such interest assumes all obligations of general partner of Lessee, Seymour Knox III or Robert Swados, as case may be, with

respect to Facilities and Project, (b) Sabres home arena remains at Project, (c) National Hockey League consents to such sale or transfer and (d) there is no default with respect to Facilities and no event or condition that with notice, passage of time or both notice and passage of time would constitute default with respect to Facilities, or (2) change in terms of Voting Trust, which consent of Lenders not to be unreasonably withheld, except that, after prior written notice from Borrower, no consent of Lenders required for (i) extension of duration of Voting Trust, (ii) increase in number or change in class of interests subject to Voting Trust or (iii) change in identity of trustees of Voting Trust or in Voting Trust that would not make present trustees of Voting Trust less than majority of trustees of Voting Trust

Debt Service Reserve Account Amount: One year's debt service for Facilities, as determined by Lenders

Funding of Debt Service Reserve Account: Debt Service Reserve Account to be funded with (1) at closing of Construction Loan, $1,600,000 from entities providing financing for construction of Project, (2) at closing of Construction Loan, $1,000,000 from Borrower or Lessee and (3) after closing of Construction Loan, all excess cash flow of Borrower, with definition of excess cash flow of Borrower to be negotiated

Excess Cash Flow Reserve Account Amount: $2,000,000

Funding of Excess Cash Flow Reserve Account:

(1) All excess cash flow of Borrower after funding of Debt Service Reserve Account, with definition of excess cash flow to be negotiated, not to exceed Excess Cash Flow Reserve Account Amount and excluding 35% of excess cash flow of Borrower

(2) During time that all conditions in section entitled "Distributions from Excess Cash Flow Reserve Account" are satisfied, no funding of Excess Cash Flow Reserve Account is required

Distributions from Excess Cash Flow Reserve Account:

After third anniversary of date of completion of Project and of commencement of operations in Project, single distribution from Excess Cash Flow Reserve Account to Borrower permitted not more than six months after end of any fiscal year of Borrower if (1) audit satisfactory to Lenders demonstrates (a) that during such fiscal year Borrower was in compliance with working capital and other covenants to be negotiated, (b) that, on February 1 immediately following end of such fiscal year, bona fide third party leases satisfactory to Lenders, with definition of "bona fide third party leases" to be negotiated, are in place for (i) 68 luxury box suites at Project with average annual rental of not less than $70,200, average annual "premium value" to Borrower of not less than $30,108 and weighted average remaining lease term of not less than three years and (ii) 1,900 premium seats at Project with average annual rental of not less than $3,500, average annual "premium value" to Borrower of not less than $907 and weighted average remaining lease term of not less than the current lease year, (c) that ratio of (i) cash flow of Borrower, with definition of cash flow of Borrower to be negotiated for such fiscal year, to (ii) debt service for Facilities and Ground Lease Rent for following fiscal year of Borrower is not less than 1.35 to 1, (d) that as of date of report of audit there is no default with respect to Facilities and no event or condition that with notice, passage of time or both notice and passage of time would constitute default with respect to Facilities and (e) that as of date of report of audit Excess Cash Flow Reserve Account is funded with Excess Cash Flow Reserve Account Amount and (2) Lenders receive from Chief Executive Officer of Borrower and of Lessee certification as of date of distribution as to (a) absence of material adverse change in financial or other condition of Borrower and Lessee, (b) funding of Excess Cash Flow Reserve Account with Excess Cash Flow Reserve Account Amount and (c) no default with respect to

Facilities and no event or condition that with notice, passage of time or both would constitute default with respect to Facilities exists

Pre-Leasing of Luxury Box Suites and Premium Seats: No draw of Construction Loan to be made if (1) less than 68 luxury box suites at Project are leased pursuant to bona fide third party leases satisfactory to Lenders, with definition of "bona fide third party leases" to be negotiated, with average annual rental of not less than $70,200, average annual "premium value" to Borrower of not less than $30,108 and weighted average remaining lease term of not less than five years, with no lease term of less than three years unless (2) there is unconditional guaranty satisfactory to Lenders from entity satisfactory to Lenders to pay to Borrower any difference in cash flow of Borrower and Lessee between amount that is actually generated from bona fide third party leases of luxury box suites at Project satisfactory to Lenders, with definition of "bona fide third party leases" to be negotiated, and amount that would be generated if conditions described in (1) were satisfied, with such guaranty to terminate on satisfaction of conditions described in (1)

Additional Covenants of Borrower and Lessee: Standard covenants for loans similar to Facilities to be negotiated

C. CONDITIONS TO CLOSING

Equity Interest in Lessee: Evidence satisfactory to Lenders of equity investment in Lessee from John Rigas and Adelphia Communications Corporation and/or others satisfactory to Lenders sufficient to provide for working capital and operating needs through first year of operations in Project

Lease by Lessee: Evidence satisfactory to Lenders of 30-year lease of Project between Borrower and Lessee satisfactory to Lenders

Lenders' Cooperation Agreement: Agreement satisfactory to the Lenders among Borrower, Lessee, National Hockey League, lenders of Concessionaire-Vendor Loan and Lenders relating to relationships among Borrower, Lessee, National Hockey League, lenders of Concessionaire-Vendor Loan and Lenders (including, but not limited to, matters relating to sale or other transfer of any interest of Lessee in National Hockey League franchise of Lessee and disposition of proceeds thereof)

Voting Trust: Existing agreement relating to management of Lessee and voting of interests in Lessee and amendments to agreement to reflect equity investment in Lessee referred to in section entitled "Equity Interest in Lessee" to be satisfactory to Lenders and subject to modifications set forth in section entitled "Certain Restrictions on Change in Management"

Concessionaire-Vendor Loan: Simultaneous or prior closing of construction and permanent loans or other credit accommodations to Lessee or its affiliate for Project in principal amount of approximately $30,000,000 that, when combined with Facilities and Public Sector Financing, equals or exceeds budget for Project satisfactory to Lenders on terms and conditions satisfactory to Lenders, with such terms and conditions to include, but not be limited to, (1) exculpation of Lessee, except that lender of Concessionaire-Vendor Loan may have security interest in Lessee's (or its affiliates) interest in parking revenues and concession revenues at Project and may take guaranty for Concessionaire-Vendor Loan from entity other than Borrower, Lessee, any shareholder of Borrower, any partner of Lessee or any affiliate of any of them and (2) requirement that Lessee contribute proceeds of loans as capital contribution to Borrower to enable Borrower to utilize proceeds for construction of Project on terms and conditions satisfactory to Lenders

Ground Lease:	Lease of Project by City of Buffalo, as lessor, to Borrower, as lessee, on terms and conditions satisfactory to Lenders with such terms and conditions to include, but not be limited to, payment of Ground Lease Rent equal in proportion to debt service for Facilities
Ground Lease Rent:	Not to exceed, with respect to rent, additional rent and other charges, costs and expenses payable by Borrower under Ground Lease, $500,000 per year
Public Sector Financing:	Agreements obligating funding for Project by City of Buffalo, County of Erie and State of New York in amounts and at times satisfactory to Lenders on terms and conditions satisfactory to Lenders
Real Estate Taxes, Assessments and PILOT Payments:	No real estate tax, assessment or payment in lieu of taxes to be payable by Borrower, Lessee or Lenders and any direct or indirect successor or assignee of Borrower, Lessee or Lenders
Construction Budget:	$90,000,000, including construction contingency equal to difference between Construction Budget and Construction Contract
Construction Contract:	Guaranteed maximum price construction contract satisfactory to Lenders in amount not greater than $85,000,000 to be based on drawings that are not less than 85% complete and drawings for mechanical, structural and electrical features of Project that are 100% complete
Construction Reserve:	In addition to Construction Budget, $4,500,000 to be funded by Borrower, Lessee or other entity satisfactory to Lenders and to be drawn upon only in discretion of Lenders
Construction Consultant:	Payment by Borrower of all costs and expenses incurred by Lenders in hiring construction consultant for Project to perform such consulting as requested by Lenders

Payment and Performance Bond:	Payment and performance bond in amount of Construction Contract, except that (1) Lenders may approve certain equipment not subject to Construction Contract being purchased by Borrower or Lessee directly from suppliers who supply payment and performance bonds satisfactory to Lenders and (2) Borrower may substitute contractor's guarantee, satisfactory to Lenders, for payment and performance bond
Appraisals:	Appraisal satisfactory to Lenders of Lessee
Project Management:	Contracts and plans satisfactory to Lenders with respect to management of Project
Business Plans for Borrower and Lessee:	Receipt of revised business plans for Borrower and Lessee satisfactory to Lenders
Additional Conditions:	To be negotiated and to include, but not be limited to, real estate title and environmental matters and requirements for draws of Construction Loan satisfactory to Lenders
Costs and Expenses of Lead Lender:	To be paid by Borrower

This is a proposal and is not a commitment to make the Facilities available and should not be relied upon as such.

CONCESSIONAIRE/CONCESSIONAIRE LENDER TERM SHEET

Term of Concession Agreement:	20 years	
Included Concession Operations:	general food and beverage, suite food and concessions, parking	
Guaranteed Annual Revenue to Sabres from Included Operations:	$4.5 million per year	
Bank Loan Terms:	Principal Amount:	up to $32 million
	Construction Phase:	interest only
	Permanent Term and Amortization:	10 year term with 15 year amortization
	Mandatory Prepayment:	from concession revenue in excess of guarantee-under negotiation
	Interest Rate:	7.5%
	Collateral:	first lien on all food, beverage and parking concession rents to be paid by concessionaire to Sabres
	Refinancing at End of Term:	If Concessionaire is unable to arrange refinancing, Concessionaire will refinance balance over remaining five years at Prime +1%

Exhibit G

City Contribution - Eligible Project Expenses

Funding provided by the City of Buffalo ("City") and /or the City of Buffalo Urban Renewal Agency ("BURA") shall be made available for the following eligible project costs:

1. Land Acquisition costs including but not limited to purchases of land by negotiated agreement or eminent domain procedures, surveys, title insurance, eminent domain legal costs and disbursements (i.e., Hiscock & Barclay and Court - awarded legal expenses) recording fees, filing fees, transfer fees and expenses, appraisals, public notices and other miscellaneous costs relating to the acquisition of property constituting the Crossroads Site.

2. Environmental studies and related specialized investigations including but not limited to all costs incurred for the preparation of draft and final Environmental Impact Statements, soil testing, archeological investigations, asbestos testing and any other specialized testing required or recommended for continuing action pursuant to the Final Environmental Impact Statement.

3. Architectural services including but not limited to those relating to technical support for environmental impact statements and historical reviews, site design and planning, utility relocation, demolition specifications, excavation, subsurface, foundation and structural design.

4. Construction and construction related costs including but not limited to demolition of acquired structures, relocation of utilities including the costs of removal of existing utility related structures and the construction of new or replacement facilities on

or off the Crossroads site, excavation and subsurface construction including the general conditions necessary to commence construction, excavation and backfill, including but not limited to, dewatering, mass excavation for grade beams and walls, excavation for elevator pits, the hauling of excavated materials including fees for dumping thereof, purchase, delivery and distribution of fill materials including granular slab fill, granular base, geogrid, fine grade and select fill, backfilling of pile caps, footings, grade beams, walls, elevator pits and other substructural components, purchase and installation of steel pilings and the testing of same, forming for pile caps and footings, grade beams, foundation walls, elevator pits, rebar for pile caps, grade beams, foundations walls and elevator pits, fluid applied waterproofing, drain tiles, including crushed stone and fill, vapor barriers, slab on grade concrete, rebar at slab on grade, finish slabs on grade, concrete fill and rebar at floor deck, finish slabs, topping slabs and miscellaneous flat concrete work, including general conditions necessary to carry out all foundation and concrete work, structural framing work, and general conditions necessary to carry out all exterior landscaping and planning and construction of surface parking lots.

Crossroads Schedule	08-Sep-93	Oct-93	Nov-93	Dec-93	Jan-94
Architecture					
Schematic Design	X				
Schematic Construction Estimate	XXXXXXXXXXXXXXXXXXXXXXXXXXXXXX				
Site Design					
Geo-Technic Surveys				XXXXXXXXXXXXXX	XXXXXXXXXXXXXX
Site Utilities Plan	XXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXXXXXXXX		XXXXXXXXXXXXXX	XXXXXXXXXXXXXX
Existing Utility Relocation					XXXXXXXXXXXXXX
Design Development		XXXXXXXXXXXXXXXXXXXX

Adoption of Findings			X		
Archaeological Investigation				XXXXXXXXXXXXXXXXXX	
Urban Renewal Plan Approval			X		
Appraisals	XXXXXXXX				
Negotiations	XXXXXXXXXXXXXXXXX

Managment					
Selection Of Management Agency					
Building Management Systems					
Pre-Booking					
Pre-Opening					
Opening					

Crossroads Schedule	Feb-94	Mar-94	Apr-94	May-94	Jun-94
Architecture					
Schematic Design					
Schematic Construction Estimate					
Site Design					
Geo-Technic Surveys	XXXXXXXXXX				
Site Utilities Plan	XXXXXXXXXXXXXX				
Existing Utility Relocation	XXXXXXXXXXXXX	XXXXXXXXXXXXX	XXXXXXXXXX		
Design Development	XXXXXXXXXXXXX	XXXXXXXXXXXXX	XXXXXXXXXX		
Interior Design	XXXXXXXXXXXX	XXXXXXXXXXXXX	XXXXXXXXXXXXX	XXXXXXXXXXXXXXX	
Working Drawings					
Subsurface System	XXXXXXXXXXXXX	XXXXXXXXXXXXXX			
Structural System	XXXXXXXXXXXX	XXXXXXXXXXXXX	XXXXXXXXXXXXX	XXXXXXXXXXXXXXX	
Balance of Building	XXXXXXXXXXXXXX	XXXXXXXXXXXXX	XXXXXXXXXXXXX	XXXXXXXXXXXXX	XXXXXXXXXXXXX
Interior Finish			XXXXXXXXXXXXX	XXXXXXXXXXXXX	XXXXXXXXXXXXX
Equipment Purchase			XXXXXXXXXXXXX	XXXXXXXXXXXXX	XXXXXXXXXXXXX
Specialty Purchases			XXXXXXXXXXXXX	XXXXXXXXXXXXX	XXXXXXXXXXXXX
Construction					
Existing Utility Relocations		XXXXXXXXXXXXX	XXXXXXXXXXXXX	XXXXXXXXXXXXXXX	
Demolition		XXXXXXXX	XXXXXXXXXXXXX	XXXXXX	
Excavation		XXXXXXX	XXXXXXXXXXXXX	XXXXXX	
Piles/Subsurface System					XXXXXXXXXXXXX
Structure					
Roof					
Balance of Building					
Interior Finishes					
Team Store					
Aud CLub					
Locker Room					
Sports Bar					
Offices					
Equipment Purchases					
Specialty Purchases					
Land Acquisition					
Environmental Impact Statement					
Council Hearing					

Adoption of Findings					
Archaeological Investigation					XXXXXXXXXXXXX
Urban Renewal Plan Approval					
Appraisals					
Negotiations					
Bond Funds					
Notice					
Sale					
Closing/Possession					
Relocations	XXXXXXXXXXXXXXXXXXXX				
Financing					
Bank					
Presentation Period					
Commitment Letters	XXX				
Conditions For Closing		XXXX			
GMP Construction		XXXXXXX			
Suite Sales	XXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX		
Premium Seat Sales			XXXXXXXXXXXXXX	XXXXXXXXXXXXX	XXXXXXXXXXXXX
Condition for Bank Disbursement			XXXXXXX		
City					
State					
Memorandum of Understanding	XXXXXXXXXXXXX	XXXXXX			
UDC Board					
County Legislature					
PACB HEARING					
Final UDC Board Meeting		XXXXXXXXXX			
Closing Documentation	XXXXXXXXXXXXX	XXXXXXXXXXXXX	XXXXXXXXXXXXXXX		
Closing			XXXXX		
Concession Funding					
Program					
Financial Analysis					
Agreement Memorandum	XX				
Interim Funding					
Final Agreement		XXXXXXXXXXXX			

Managment					
Selection Of Management Agency			XXXXXXX		
Building Management Systems					
Pre-Booking					
Pre-Opening					
Opening					

Crossroads Schedule	Jul-94	Aug-94	Sep-94	Oct-94	Nov-94
Architecture					
Schematic Design					
Schematic Construction Estimate					
Site Design					
Geo-Technic Surveys					
Site Utilities Plan					
Existing Utility Relocation					
Design Development					
Interior Design					
Working Drawings					
Subsurface System					
Structural System					
Balance of Building	XXX				
Interior Finish	XXXXXXXXXXXXXX	XXXXXXX			
Equipment Purchase	X				
Specialty Purchases	XXXXXXXXXXX				
Construction					
Existing Utility Relocations					
Demolition					
Excavation					
Piles/Subsurface System	XXXXXXXXXXXXXX	XXXXXXXXX			
Structure		XXXXXXXXXXXXX

Adoption of Findings					
Archaeological Investigation	XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX				
Urban Renewal Plan Approval					
Appraisals					
Negotiations					
Bond Funds					
Notice					
Sale					
Closing/Possession					
Relocations					
Financing					
Bank					
Presentation Period					
Commitment Letters					
Conditions For Closing					
GMP Construction					
Suite Sales					
Premium Seat Sales	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX
Condition for Bank Disbursement					
City					
State					
Memorandum of Understanding					
UDC Board					
County Legislature					
PACB HEARING					
Final UDC Board Meeting					
Closing Documentation					
Closing					
Concession Funding					
Program					
Financial Analysis					
Agreement Memorandum					
Interim Funding					
Final Agreement					

Managment					
Selection Of Management Agency					
Building Management Systems					
Pre-Booking				XXXXXXXXXXXXXXXXXXXXXXXXXXXX	
Pre-Opening					
Opening					

Crossroads Schedule	Dec-94	Jan-95	Feb-95	Mar-95	Apr-95
Architecture					
Schematic Design					
Schematic Construction Estimate					
Site Design					
Geo-Technic Surveys					
Site Utilities Plan					
Existing Utility Relocation					
Design Development					
Interior Design					
Working Drawings					
Subsurface System					
Structural System					
Balance of Building					
Interior Finish					
Equipment Purchase					
Specialty Purchases					
Construction					
Existing Utility Relocations					
Demolition					
Excavation					
Piles/Subsurface System					
Structure	XXXX

Adoption of Findings					
Archaeological Investigation					
Urban Renewal Plan Approval					
Appraisals					
Negotiations					
Bond Funds					
Notice					
Sale					
Closing/Possession					
Relocations					
Financing					
Bank					
Presentation Period					
Commitment Letters					
Conditions For Closing					
GMP Construction					
Suite Sales					
Premium Seat Sales	XXXXXXXXXXXXXX	XXXXXXXXXX			
Condition for Bank Disbursement					
City					
State					
Memorandum of Understanding					
UDC Board					
County Legislature					
PACB HEARING					
Final UDC Board Meeting					
Closing Documentation					
Closing					
Concession Funding					
Program					
Financial Analysis					
Agreement Memorandum					
Interim Funding					
Final Agreement					

Managment					
Selection Of Management Agency					
Building Management Systems	XXXX

Crossroads Schedule	May-95	Jun-95	Jul-95	Aug-95	Sep-95
Architecture					
Schematic Design					
Schematic Construction Estimate					
Site Design					
Geo-Technic Surveys					
Site Utilities Plan					
Existing Utility Relocation					
Design Development					
Interior Design					
Working Drawings					
Subsurface System					
Structural System					
Balance of Building					
Interior Finish					
Equipment Purchase					
Specialty Purchases					
Construction					
Existing Utility Relocations					
Demolition					
Excavation					
Piles/Subsurface System					
Structure	XX				
Roof	XXXXXXXXXXXXXXXX				
Balance of Building	XXXXXXXXXXXXXXX

Adoption of Findings					
Archaeological Investigation					
Urban Renewal Plan Approval					
Appraisals					
Negotiations					
Bond Funds					
Notice					
Sale					
Closing/Possession					
Relocations					
Financing					
Bank					
Presentation Period					
Commitment Letters					
Conditions For Closing					
GMP Construction					
Suite Sales					
Premium Seat Sales					
Condition for Bank Disbursement					
City					
State					
Memorandum of Understanding					
UDC Board					
County Legislature					
PACB HEARING					
Final UDC Board Meeting					
Closing Documentation					
Closing					
Concession Funding					
Program					
Financial Analysis					
Agreement Memorandum					
Interim Funding					
Final Agreement					

Managment					
Selection Of Management Agency					
Building Management Systems	XXXXXXXXXXXXX				
Pre-Booking	XXXXXXXXXXXXX	XXXXXXXXXXXXXXXXX			
Pre-Opening			XXXXXXXXXXXXXXXXXXXXXXXXXX		XXXXXXXXXXXXX
Opening					

Crossroads Schedule	Oct-95	Nov-95	Dec-95
Architecture			
Schematic Design			
Schematic Construction Estimate			
Site Design			
Geo-Technic Surveys			
Site Utilities Plan			
Existing Utility Relocation			
Design Development			
Interior Design			
Working Drawings			
Subsurface System			
Structural System			
Balance of Building			
Interior Finish			
Equipment Purchase			
Specialty Purchases			
Construction			
Existing Utility Relocations			
Demolition			
Excavation			
Piles/Subsurface System			
Structure			
Roof			
Balance of Building	XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX		
Interior Finishes			
Team Store			
Aud CLub	X		
Locker Room			
Sports Bar		XXXXXXXXXXXXXX	XXXXXXXXXXXXXX
Offices	XXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX
Equipment Purchases			
Specialty Purchases			
Land Acquisition			
Environmental Impact Statement			
Council Hearing			

Adoption of Findings			
Archaeological Investigation			
Urban Renewal Plan Approval			
Appraisals			
Negotiations			
Bond Funds			
Notice			
Sale			
Closing/Possession			
Relocations			
Financing			
Bank			
Presentation Period			
Commitment Letters			
Conditions For Closing			
GMP Construction			
Suite Sales			
Premium Seat Sales			
Condition for Bank Disbursement			
City			
State			
Memorandum of Understanding			
UDC Board			
County Legislature			
PACB HEARING			
Final UDC Board Meeting			
Closing Documentation			
Closing			
Concession Funding			
Program			
Financial Analysis			
Agreement Memorandum			
Interim Funding			
Final Agreement			

Managment			
Selection Of Management Agency			
Building Management Systems			
Pre-Booking			
Pre-Opening	XXXXXXXXXXXXX	XXXXXXXXXXXXXXXXX	
Opening			XXXXXXXXXXXXX

EXHIBIT I

2/2/94

CROSSROADS ARENA
DRAW SCHEDULE

PROJECT MONTH	Through (3)	PRE-CONSTRUCTION (2)	(1)	0	CONSTRUCTION PERIOD 1	2	3	4	5	6	7	8	9	10	11	12
CONSTRUCTION																
MONTHLY % COMPLETED	0.0000%	0.0000%	0.0000%	0.0000%	1.7259%	2.7867%	3.1844%	3.5822%	3.9800%	4.4043%	4.5568%	4.8418%	5.3590%	5.5313%	5.7116%	6.2907%
CUMULATIVE % COMPLETED	0.0000%	0.0000%	0.0000%	0.0000%	1.7259%	4.5126%	7.6970%	11.2792%	15.2592%	19.6635%	24.2203%	29.0621%	34.4211%	39.9524%	45.6640%	51.9547%
GROSS MONTHLY % BILLED	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	1.7259%	2.7867%	3.1844%	3.5822%	3.9800%	4.4043%	4.5568%	4.8418%	5.3590%	5.5313%	5.7116%

COST COMPONENT	BUDGET	DISBURSEMENTS														
Land Acquisition	8,031,000	147,302	0	2,655,000	1,015,000	500,849	506,849									
Construction w/Contingency	92,948,750	0	0	0	0	0	1,604,202	2,590,203	2,959,660	3,329,618	3,699,360	4,093,742	4,235,482	4,500,393	4,981,124	5,141,274	5,308,861
Construction Retention	0	0	0	0	0	0	(160,420)	(259,020)	(295,966)	(332,961)	(369,936)	(409,374)	(423,548)	(450,039)	(498,112)	(514,127)	(530,886)
Technical Fees	1,187,250	510,141	70,000	35,000	0	47,676	47,676	47,676	47,676	47,676	47,676	47,676	47,676	47,676	47,675	47,675	47,675
Project Management	2,630,000	364,810	28,560	33,560	33,560	79,000	79,000	79,000	79,000	79,000	79,000	79,000	79,000	79,000	79,000	79,000	79,000
Marketing	785,000	354,089	8,250	4,250	4,250	11,956	11,956	11,956	11,956	11,956	11,956	11,956	11,956	11,956	11,956	11,956	11,956
Constr. Interest Reserve	4,560,000	0	0	0	0	23,598	35,305	42,665	47,178	61,009	65,382	70,017	74,446	78,903	101,577	106,704	103,025
Debt Service Reserve	2,600,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Financing Fees	1,465,000	35,000	0	350,000	0	1,080,000	0	0	0	0	0	0	0	0	0	0	0
Legal Expense	600,000	375,972	0	0	0	124,028	0	37,500	0	0	37,500	0	0	37,500	0	0	37,500
Architect / Engineer	7,793,000	1,002,448	346,730	375,000	375,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	46,556	46,556
Gen. Contingency & Accruals	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTALS	120,000,000	2,789,802	453,540	3,652,810	1,427,810	2,373,148	2,624,609	3,050,040	3,349,725	3,696,331	4,070,979	4,393,057	4,525,059	4,805,429	5,223,260	4,918,578	5,103,727

PROJECT MONTH	Through (3)	PRE-CONSTRUCTION (2)	(1)	0	1	2	3	4	5	6	7	8	9	10	11	12
FUNDING SOURCES																
Bolton / CAC	30,000,000	2,476,543	493,540	767,810	37,810	1,873,148	1,180,827	718,858	2,212,949	699,682	741,555	708,689	713,119	3,627,810	740,249	291,431	330,752
City of Buffalo / BURA	10,000,000	313,259	0	2,885,000	1,390,000	500,000	1,443,782	2,331,183	1,136,776	0	0	0	0	0	0	0	0
State of New York / UDC	25,000,000	0	0	0	0	0	0	0	0	2,996,649	3,329,424	3,684,368	3,811,940	1,177,619	0	0	0
County of Erie / ECIDC	20,000,000	0	0	0	0	0	0	0	0	0	0	0	0	0	4,483,011	4,627,147	4,777,975
Private Arena Debt	35,000,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Overrun Loan Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTALS	120,000,000	2,789,802	493,540	3,652,810	1,427,810	2,373,148	2,624,609	3,050,040	3,349,725	3,696,331	4,070,979	4,393,057	4,525,059	4,805,429	5,223,260	4,918,578	5,108,727
VARIANCE	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

CROSSROADS ARENA
DRAW SCHEDULE

CONSTRUCTION PERIOD

PROJECT MONTH	13	14	15	16	17	18	19	20	21	22	23	24			
CONSTRUCTION															
MONTHLY % COMPLETED	5.9607%	5.7354%	5.9674%	6.2354%	6.6753%	7.4923%	6.5163%	3.4625%	0.0000%	0.0000%	0.0000%	0.0000%			
CUMULATIVE % COMPLETED	57.9154%	63.6506%	69.6181%	75.8536%	82.5289%	90.0212%	96.5375%	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%			
GROSS MONTHLY % BILLED	6.2907%	5.9607%	5.7354%	5.9674%	6.2354%	6.6753%	7.4923%	6.5163%	3.4625%	0.0000%	0.0000%	0.0000%			
COST COMPONENT													**TOTALS**	**VARIANCE**	**ACCRUALS**
Land Acquisition													5,031,000	0	
Construction w/Contingency	5,847,127	5,540,396	5,330,963	5,546,624	5,795,726	6,204,606	6,960,999	6,056,819	3,218,350	0	0	0	92,948,750	0	
Construction Retention	(584,713)	(554,040)	(533,096)	(554,662)	(579,573)	(620,461)	(696,400)	(605,682)	(321,835)	0	4,647,438	4,647,438	0	0	
Technical Fees	0	0	0	0	0	0	0	0	0	0	0	0	1,187,250	0	
Project Management	79,000	79,000	79,000	79,000	79,000	79,000	135,810	162,340	162,340	162,340	162,340	162,340	2,830,000	0	
Marketing	11,906	11,906	11,906	11,906	11,906	11,906	11,906	11,906	11,906	11,906	61,906	93,244	785,000	0	
Constr. Interest Reserve	110,092	111,640	113,198	114,909	144,392	183,102	224,895	271,911	313,603	353,945	357,538	391,365	3,506,030	1,051,970	428,842
Debt Service Reserve	0	0	0	0	0	0	0	0	2,600,000	0	0	0	2,600,000	0	
Financing Fees	0	0	0	0	0	0	0	0	0	0	0	0	1,465,000	0	
Legal Expense	0	0	37,500	0	0	37,500	0	0	37,500	0	0	37,500	800,000	0	
Architect / Engineer	46,556	46,556	46,556	46,556	46,556	46,556	46,556	46,556	46,556	46,556	46,556	41,556	1,793,000	0	
Gen. Contingency & Accruals	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
TOTALS	5,510,059	5,235,549	5,066,134	5,244,513	5,496,006	5,942,301	6,666,856	5,943,940	6,068,511	574,837	5,275,867	5,378,462	116,948,030	1,051,970	428,842

PROJECT MONTH	13	14	15	16	17	18	19	20	21	22	23	24			
FUNDING SOURCES													**TOTALS**	**VARIANCE**	**ACCRUALS**
Bolton / CAC	247,845	249,192	284,250	252,551	281,944	358,154	419,257	492,803	3,171,995	574,837	626,429	4,368,702	28,943,030	1,051,970	428,842
City of Buffalo / BURA	0	0	0	0	0	0	0	0	0	0	0	0	10,000,000	0	
State of New York / UDC	0	4,136,904	4,797,884	1,065,212	0	0	0	0	0	0	0	0	25,000,000	0	
County of Erie / ECDC	5,262,414	849,453	0	0	0	0	0	0	0	0	0	0	20,000,000	0	
Private Arena Debt	0	0	0	3,926,749	5,216,154	5,584,147	6,247,599	5,451,137	2,896,515	0	4,647,438	1,010,760	35,000,000	0	
Overton Loan Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
TOTALS	5,510,059	5,235,549	5,066,134	5,244,513	5,496,006	5,942,301	6,666,856	5,943,940	6,068,511	574,837	5,275,867	5,378,462	116,948,030	1,051,970	428,842
VARIANCE	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

CROSSROADS ARENA

Draw Schedule (Exhibit I to Memorandum of Understanding)

Assumptions:
General - The draw schedule (dated 2/9/94) is a 28 month schedule including a 4 month pre-construction period and a 24 month construction draw schedule. The budget on which the schedule is based represents the current budget for cash expenditures and does not include the value of City land contributed to the project. The construction schedule is proposed to commence in month 1 (April, 1994) with monthly and cumulative construction percentages based on minor modifications to schedules prepared by the project's construction management consultant. All other costs are scheduled for payment based on the best current estimates of management. Details of particular cost lines and funding sources are as follows:

Project Costs
Land Acquisition - includes the purchase prices estimated for the designated parcels to be secured either by negotiated purchase or condemnation. Also included in this line are costs for title insurance, surveys, legal expenses, closing costs, recording fees, appraisals and miscellaneous expenses. The bulk of land acquisition costs are scheduled to be expended (or reserved in the event that owners do not accept cash with original takings) by the second month of the construction schedule.

Construction w/Contingency - representing approximately 77.5% of the total project budget and including an opening ... contingency of approximately $4.5 million, is scheduled to be substantially completed over a 21 month period. The "peaking" of monthly expenditures in months 18 through 20 is more a function of costs related to the installation of equipment rather than "construction" activity per se.

Construction Retention - the standard 10% is applied throughout the construction period with releases of retention scheduled equally between months 23 and 24.

Technical Fees - include feasibility studies, building permits, licenses, government fees, soil testing, EIS costs, insurance, mortgagee title insurance and miscellaneous technical costs. Approximately half of the budgeted amounts have or will be incurred prior to the start of construction

with the balance scheduled to be incurred during the first year of the construction period.

Project Management - includes assigned CAC staff, construction management consultant and all related costs attendant to the project management process. Pre-construction costs are scheduled to total approximately $460,000. During the first 18 months of construction costs are straight-lined at $79,000 per month. The increases over the last six months of construction relate to staff additions and other costs to prepare for actual operation of the facility.

Marketing Expense - include staffing costs, expenses related to the construction of the model suite and marketing of the suites and premium seats in the new arena. Also included are promotional materials, advertising and costs for opening events.

Construction Interest Reserve - is budgeted at a level somewhat higher than the costs calculated based on the current draw schedule. The variance currently projected, net of the last month's interest accrual, is approximately $623,000, providing a limited margin for rate adjustment and timing for the draws of borrowed funds. Interest is projected to be incurred in the 7.5% to 8.5% range based on projected draws of borrowed funds. Although no reductions in borrowed funds are currently scheduled, the intermittent nature of the draw down periods of certain public funding sources may allow for periodic reductions in borrowed funds based on "catch up" payments from public sources.

Debt Service Reserve - is budgeted at $2.6 million and is scheduled to be drawn from retained private borrowings coincident with substantial completion of the arena in month 21.

Financing Fees - including commitment fees, legal fees and issuance costs on private debt are scheduled to be incurred fully by the commencement of the construction period.

Legal Expenses - include Sabres/CAC outside counsel and legal staff costs. Approximately $500,000 of these costs are expected to be incurred by the commencement of construction with the balance incurred on a quarterly basis over the rest of the construction schedule.

Architect/Engineer - include the services and expenses of Ellerbe Becket and a number of specialized consultants in

such areas as micro-climate design, graphics and signage, telecommunications, interior design, etc. Approximately $2.1 million in such costs will have been incurred prior to construction, $5.0 million during the first 10 months of construction, and the balance on a straight-line basis over the duration of the construction period.

Funding Sources

Sabres/CAC - funding is scheduled based on the availability of other funding sources and will act as the "master card" for the project to meet all project costs for which other funding sources are not available or efficient. To the extent that "catch-up" funding is received from public sources, it will be applicable not only to current costs but for the proportional share of project costs funded initially from Sabres/CAC funding or private debt. As currently scheduled, Sabres/CAC funding is required in varying amounts throughout the pre-construction and construction periods. Sabres/CAC funding can be used for all budgeted project costs.

City of Buffalo/BURA - by virtue of the source of this funding, it is applicable to land acquisition and related costs, environmental studies and testing and certain architectural costs. As such, City funding follows those costs and is scheduled to be expanded fully by month 4 of the construction period.

State of New York/UDC - is scheduled to be drawn down in fiscal years 94-95 and 95-96 in the amount of $15 million and $10 million respectively. Limitations, if any, on the applicability of UDC funding have not been defined to date. The $15 million available in fiscal 94-95 is scheduled to be drawn in months 5 through 9 while the second year funding is scheduled for months 14 through 16.

County of Erie/ECDC - will not be available until calendar 1995 and should be subject to equitable "catch-up" provisions. As currently scheduled, ECDC funding is projected to be drawn from month 10 through month 14.

Private Arena Debt - is scheduled to be drawn as late into the construction period as possible within the constraints of the balance of the project funding requirements. Based on the current schedule, Private Debt will be drawn down starting in month 16 and will be fully drawn down by month 24.

Arena Operating Projections	Arena Only Year 1	Arena Only Year 2	Arena Only Year 3	Arena Only Year 4	Arena Only Year 5
Revenues:					
Tickets-					
Ticket Surcharge	$780,645	$833,179	$900,878	$961,158	$1,056,260
Private Suites	2,044,547	2,183,238	2,331,312	2,648,284	2,892,588
Premium Seats	1,451,695	1,821,147	2,229,110	2,674,605	3,156,654
Total	4,276,887	4,837,564	5,461,300	6,284,047	7,105,502
In-Arena-					
Dasherboards	986,000	1,016,000	1,046,000	1,077,000	1,109,000
Signage	1,085,000	1,118,000	1,152,000	1,187,000	1,223,000
Naming Rights	350,000	361,000	372,000	383,000	394,000
Total	2,421,000	2,495,000	2,570,000	2,647,000	2,726,000
Other-					
Other Event Rent	1,221,708	1,352,145	1,554,502	1,704,949	2,023,330
Sabres Arena Rent	1,500,000	1,545,000	1,591,000	1,639,000	1,688,000
Total	2,721,708	2,897,145	3,145,502	3,343,949	3,711,330
Gross Total Revenue	9,419,595	10,229,709	11,176,802	12,274,996	13,542,832
Ticket Surcharge Distribution	(86,738)	(92,575)	(100,098)	(106,795)	(117,362)
Net Total Revenue	9,332,857	10,137,134	11,076,704	12,168,201	13,425,470
Arena Operating Expenses:					
Wages & Benefits	1,525,000	1,571,000	1,618,000	1,667,000	1,717,000
Utilities	892,000	919,000	947,000	975,000	1,004,000
Maintenance & Repairs	812,000	836,000	861,000	887,000	914,000
Management Fee	366,000	377,000	388,000	400,000	412,000
Insurance	405,000	417,000	430,000	443,000	456,000
Total Operating Expenses	4,000,000	4,120,000	4,244,000	4,372,000	4,503,000
Income Before Debt Service And Reserves	5,332,857	6,017,134	6,832,704	7,796,201	8,922,470
Base Building Debt Service	3,256,770	3,256,770	3,256,770	3,256,770	3,256,770
Ground Rent	400,000	600,000	500,000	500,000	500,000
Total Debt Service & Ground Rent	3,656,770	3,856,770	3,756,770	3,756,770	3,756,770
Available For Reserve Funds	1,676,087	2,160,364	3,075,934	4,039,431	5,165,700
Reserves:					
Debt Service	656,770	0	0	0	0
Replacement	200,000	206,000	212,000	218,000	225,000
Operating Reserves	819,317	1,180,683	0	0	0
Total Reserves	1,676,087	1,386,683	212,000	218,000	225,000
Available For Distribution	$0	$773,681	$2,863,934	$3,821,431	$4,940,700
35% Operating Fee To Public	0	270,788	1,002,377	1,337,501	1,729,245
65% Distributable To Sabres	0	502,893	1,861,557	2,483,930	3,211,455
Total	$0	$773,681	$2,863,934	$3,821,431	$4,940,700

2/16/94

EXHIBIT J

Crosstown Arena Corp. *Arena Operating Projections*	Projected Arena Only Year 6	Projected Arena Only Year 7	Projected Arena Only Year 8	Projected Arena Only Year 9	Projected Arena Only Year 10
Revenues:					
Tickets-					
Ticket Surcharge	$1,088,000	$1,121,000	$1,155,000	$1,190,000	$1,226,000
Private Suites	2,979,000	3,068,000	3,160,000	3,255,000	3,353,000
Premium Seats	3,251,000	3,349,000	3,449,000	3,552,000	3,659,000
Total	7,318,000	7,538,000	7,764,000	7,997,000	8,238,000
In-Arena-					
Dasherboards	1,142,000	1,176,000	1,211,000	1,247,000	1,284,000
Signage	1,260,000	1,298,000	1,337,000	1,377,000	1,418,000
Naming Rights	406,000	418,000	431,000	444,000	457,000
Total	2,808,000	2,892,000	2,979,000	3,068,000	3,159,000
Other-					
Other Event Rent	2,084,000	2,147,000	2,211,000	2,277,000	2,345,000
Sabres Arena Rent	1,739,000	1,791,000	1,845,000	1,900,000	1,957,000
Total	3,823,000	3,938,000	4,056,000	4,177,000	4,302,000
Gross Total Revenue	13,949,000	14,368,000	14,799,000	15,242,000	15,699,000
Ticket Surcharge Distribution	(120,883)	(124,509)	(128,244)	(132,091)	(136,054)
Net Total Revenue	13,828,117	14,243,491	14,670,756	15,109,909	15,562,946
Arena Operating Expenses:					
Wages & Benefits	1,769,000	1,822,000	1,877,000	1,933,000	1,991,000
Utilities	1,034,000	1,065,000	1,097,000	1,130,000	1,164,000
Maintenance & Repairs	941,000	969,000	998,000	1,028,000	1,059,000
Management Fee	424,000	437,000	450,000	464,000	478,000
Insurance	470,000	484,000	499,000	514,000	529,000
Total Operating Expenses	4,638,000	4,777,000	4,921,000	5,069,000	5,221,000
Income Before Debt Service And Reserves	9,190,117	9,466,491	9,749,756	10,040,909	10,341,946
Base Building Debt Service	3,256,770	3,256,770	3,256,770	3,256,770	3,256,770
Ground Rent	500,000	500,000	500,000	500,000	500,000
Total Debt Service & Ground Rent	3,756,770	3,756,770	3,756,770	3,756,770	3,756,770
Available For Reserve Funds	5,433,347	5,709,721	5,992,986	6,284,139	6,585,176
Reserves:					
Debt Service Replacement Operating Reserves	232,000	239,000	246,000	253,000	261,000
Total Reserves	232,000	239,000	246,000	253,000	261,000
Available For Distribution	$5,201,347	$5,470,721	$5,746,986	$6,031,139	$6,324,176
35% Operating Fee To Public	1,820,471	1,914,752	2,011,445	2,110,899	2,213,462
65% Distributable To Sabres	3,380,876	3,555,969	3,735,541	3,920,240	4,110,714
Total	$5,201,347	$5,470,721	$5,746,986	$6,031,139	$6,324,176

Buffalo Arena Corp. Arena Operating Projections	Projected Arena Only Year 11	Projected Arena Only Year 12	Projected Arena Only Year 13	Projected Arena Only Year 14	Projected Arena Only Year 15
Revenues:					
Tickets-					
Ticket Surcharge	$1,263,000	$1,301,000	$1,340,000	$1,380,000	$1,421,000
Private Suites	3,454,000	3,558,000	3,665,000	3,775,000	3,888,000
Premium Seats	3,769,000	3,882,000	3,998,000	4,118,000	4,242,000
Total	8,486,000	8,741,000	9,003,000	9,273,000	9,551,000
In-Arena-					
Dasherboards	1,323,000	1,363,000	1,404,000	1,446,000	1,489,000
Signage	1,461,000	1,505,000	1,550,000	1,597,000	1,645,000
Naming Rights	471,000	485,000	500,000	515,000	530,000
Total	3,255,000	3,353,000	3,454,000	3,558,000	3,664,000
Other-					
Other Event Rent	2,415,000	2,487,000	2,562,000	2,639,000	2,718,000
Sabres Arena Rent	2,016,000	2,076,000	2,138,000	2,202,000	2,268,000
Total	4,431,000	4,563,000	4,700,000	4,841,000	4,986,000
Gross Total Revenue	16,172,000	16,657,000	17,157,000	17,672,000	18,201,000
Ticket Surcharge Distribution	(140,136)	(144,340)	(148,670)	(153,130)	(157,724)
Net Total Revenue	16,031,864	16,512,660	17,008,330	17,518,870	18,043,276
Arena Operating Expenses:					
Wages & Benefits	2,051,000	2,113,000	2,176,000	2,241,000	2,308,000
Utilities	1,199,000	1,235,000	1,272,000	1,310,000	1,349,000
Maintenance & Repairs	1,091,000	1,124,000	1,158,000	1,193,000	1,229,000
Management Fee	492,000	507,000	522,000	538,000	554,000
Insurance	545,000	561,000	578,000	595,000	613,000
Total Operating Expenses	5,378,000	5,540,000	5,706,000	5,877,000	6,053,000
Income Before Debt Service And Reserves	10,653,864	10,972,660	11,302,330	11,641,870	11,990,276
Base Building Debt Service	3,256,770	3,256,770	3,256,770	3,256,770	3,256,770
Ground Rent	500,000	500,000	500,000	500,000	500,000
Total Debt Service & Ground Rent	3,756,770	3,756,770	3,756,770	3,756,770	3,756,770
Available For Reserve Funds	6,897,094	7,215,890	7,545,560	7,885,100	8,233,506
Reserves:					
Debt Service Replacement Operating Reserves	269,000	277,000	285,000	294,000	303,000
Total Reserves	269,000	277,000	285,000	294,000	303,000
Available For Distribution	$6,628,094	$6,938,890	$7,260,560	$7,591,100	$7,930,506
35% Operating Fee To Public	2,319,833	2,428,611	2,541,196	2,656,885	2,775,677
65% Distributable To Sabres	4,308,261	4,510,279	4,719,364	4,934,215	5,154,829
Total	$6,628,094	$6,938,890	$7,260,560	$7,591,100	$7,930,506

Crossroads Arena Corp. *Arena Operating Projections*	Projected Arena Only Year 16	Projected Arena Only Year 17	Projected Arena Only Year 18	Projected Arena Only Year 19	Projected Arena Only Year 20
Revenues:					
Tickets-					
Ticket Surcharge	$1,464,000	$1,508,000	$1,553,000	$1,600,000	$1,648,000
Private Suites	4,005,000	4,125,000	4,249,000	4,376,000	4,507,000
Premium Seats	4,369,000	4,500,000	4,635,000	4,774,000	4,917,000
Total	9,838,000	10,133,000	10,437,000	10,750,000	11,072,000
In-Arena-					
Dasherboards	1,534,000	1,580,000	1,627,000	1,676,000	1,726,000
Signage	1,694,000	1,745,000	1,797,000	1,851,000	1,907,000
Naming Rights	546,000	562,000	579,000	596,000	614,000
Total	3,774,000	3,887,000	4,003,000	4,123,000	4,247,000
Other-					
Other Event Rent	2,800,000	2,884,000	2,971,000	3,060,000	3,152,000
Sabres Arena Rent	2,336,000	2,406,000	2,478,000	2,552,000	2,629,000
Total	5,136,000	5,290,000	5,449,000	5,612,000	5,781,000
Gross Total Revenue	18,748,000	19,310,000	19,889,000	20,485,000	21,100,000
Ticket Surcharge Distribution	(162,456)	(167,330)	(172,350)	(177,521)	(182,847)
Net Total Revenue	18,585,544	19,142,670	19,716,650	20,307,479	20,917,153
Arena Operating Expenses:					
Wages & Benefits	2,377,000	2,448,000	2,521,000	2,597,000	2,675,000
Utilities	1,389,000	1,431,000	1,474,000	1,518,000	1,564,000
Maintenance & Repairs	1,266,000	1,304,000	1,343,000	1,383,000	1,424,000
Management Fee	571,000	588,000	606,000	624,000	643,000
Insurance	631,000	650,000	670,000	690,000	711,000
Total Operating Expenses	6,234,000	6,421,000	6,614,000	6,812,000	7,017,000
Income Before Debt Service And Reserves	12,351,544	12,721,670	13,102,650	13,495,479	13,900,153
Base Building Debt Service	3,256,770	3,256,770	3,256,770	3,256,770	3,256,770
Ground Rent	500,000	500,000	500,000	500,000	500,000
Total Debt Service & Ground Rent	3,756,770	3,756,770	3,756,770	3,756,770	3,756,770
Available For Reserve Funds	8,594,774	8,964,900	9,345,880	9,738,709	10,143,383
Reserves:					
Debt Service					
Replacement	312,000	321,000	331,000	341,000	351,000
Operating Reserves					
Total Reserves	312,000	321,000	331,000	341,000	351,000
Available For Distribution	$8,282,774	$8,643,900	$9,014,880	$9,397,709	$9,792,383
40% Operating Fee To Public	3,313,110	3,457,560	3,605,952	3,759,084	3,916,953
60% Distributable To Sabres	4,969,664	5,186,340	5,408,928	5,638,625	5,875,430
Total	$8,282,774	$8,643,900	$9,014,880	$9,397,709	$9,792,383

Crossroads Arena Corp.
Arena Operating Projections
Assumptions

Tickets

Ticket Surcharge- Amount calculated at 2.25% of gross ticket revenue from projected events held at the Crossroads.

Private Suites- Amount represents the "Premium Value" from projected suite sales. Projection is based on 68 suite sales in year one at an average price of approximately $70,200 and an average "Premium Value" of approximately $30,100 per suite.

Premium Seats- Amount represents the "Premium Value" from projected premium seat sales. Projection is based on 1,600 seats sold in year one at a price or $3,500 and an average "Premium Value" of approximately $900 per seat.

In Arena

Dasherboards / Signage- Projection based on historical results in the Aud, taking into consideration the increased advertising availability in the Crossroads.

Naming Rights- Amount represents a preliminary estimate of annual naming rights value based upon review and analysis of these amounts for other recently constructed arenas.

Other

Other Event Rent- Projection based on an estimated 99 non-hockey events held at the Crossroads in year one at an average rental rate of approximately 11% of net ticket revenues.

Sabres Arena Rent- Amount based on the projected long-term lease.

Ticket Surcharge- Amount represents .25% of gross ticket revenues to be distributed to the County of Erie.

Expenses

Arena Operating Expenses- Based on consultation with Spectator & Capital Center Management.

Debt Service and Ground Rent- Amount represents projected debt service on a $35,000,000 base building loan at 8.50% with a 30 year amortization.

Ground Rent- Represents maximum payment of $500,000 to the City of Buffalo of which $100,000 may be deferred annually to a maximum of $500,000.

Reserves

Debt Service- Equal to one year's debt service.

Replacement Reserve- Projected at $200,000 in year one increased 3% per annum.

Operating Reserve- Based on a cumulative operating reserve of $2,000,000.

Cash Distribution- Represents the distribution from available cash after debt service, ground rent and reserves distributed 65% to the Sabres and 35% to the public sector for the first 15 years then a 60% / 40% split respectively thereafter.

DISTRIBUTION OF OPERATING FEE

City Share - 21%

UDC Share - 44%

Horizons Share - 35%

TERM SHEET FOR LEASE BETWEEN CROSSROADS ARENA CORPORATION ("CAC")
AND
NIAGARA FRONTIER HOCKEY, L.P. ("NFHLP")

February 16, 1994

TERM:	30 years.
RENT:	$1.5 million, with 5% increase per lease year.
EXPENSES:	General Security, Housekeeping, Maintenance, Set-Up & Take-Down Costs - CAC.
	Event Operating Costs & Staff - ushers, ticket-takers, event security, box office - NFHLP.
	Utilities - NFHLP to pay utilities for Team Store, Sports Bar/Restaurant and Aud Club.
REVENUES:	Hockey Admissions - NFHLP to retain 100% of admissions revenue, net of sales taxes and 2.25% ticket surcharge.
	Suites & Premium Seats - NFHLP will retain all ticket revenues derived from suite and premium seats. CAC will retain all Premium Value thereof.
	Concessions & Novelties - Subject to the provisions of Paragraphs 3 (b) and (c) of the "Development and Operating Agreement" section of the MOU, NFHLP to retain 100% of revenues for all events, including sales from the Aud Club, Premium Club, Sports Bar/Restaurant and Team Store.
	Game Promotions - NFHLP to retain all advertising revenue related to game and NHL promotions. CAC will retain all revenues related to Arena naming rights.

EXHIBIT K

Parking - NFHLP to receive 100% of all parking revenue produced by The Crossroads parking facilities.

Broadcast, Radio & Cable Revenues - NFHLP to retain 100% from all Sabres, Blizzard and Bandit events. Revenue from other events shall belong to CAC and/or other professional sports teams or promoters.

EXCLUSIVE FACILITY USE: Locker rooms, offices, ticket office, Team Store, Sports Bar/Restaurant and Aud Club, concessions facilities and parking facilities, permanent novelty stands, outdoor deck.

OPTIONS TO RENEW: NFHLP to have four consecutive five-year options, the rent in each such option period to continue the rate of escalation in the previous lease period.

COVENANT AGAINST RELOCATION: The Sabres will covenant not to relocate during the term of the lease and exercised options. Enforcement provisions for that covenant will be negotiated with private lenders, City, County and UDC.

TERM SHEET FOR LEASE BETWEEN CROSSROADS ARENA CORPORATION ("CAC")
AND
NIAGARA FRONTIER HOCKEY, L.P. (the "Blizzard")

February 16, 1994

TERM:	One year.
BASE RENT:	$80,000, with 3% annual escalation.
NUMBER OF EVENTS:	20 + playoffs
EXPENSES:	General Security, Housekeeping, Maintenance, Set-Up and Take-Down Costs - CAC Event Operating Costs & Staff - ushers, ticket-takers, event security - Blizzard. Utilities - CAC.
REVENUES:	Admissions - Blizzard to retain 100% of admission revenue, net of sales taxes and 2.25% ticket surcharge. Suites & Premium Seats - Blizzard to retain all ticket revenues from suite and premium seats. CAC to retain Premium Value thereof.
EXCLUSIVE FACILITY USE:	Locker rooms and offices.
OPTIONS TO RENEW:	Five one-year options.

EXHIBIT L

TERM SHEET FOR LEASE BETWEEN CROSSROADS ARENA CORPORATION ("CAC")
AND
NIAGARA FRONTIER HOCKEY, L.P. (for the "Bandits")

February 16, 1994

TERM:	One year
BASE RENT:	$60,000, with 3% annual escalation.
NUMBER OF EVENTS:	4 + playoffs
EXPENSES:	General Security, Housekeeping, Maintenance, Set-Up and Take-Down Costs - CAC.
	Event Operating Costs & Staff - ushers, ticket-takers, event security - Bandits.
	Utilities - CAC.
REVENUES:	Admissions - Bandits to retain 100% of admission revenue, net of sales taxes and 2.25% ticket surcharge.
	Suites & Premium Seats - Bandits to retain all of ticket revenues derived from suite and premium seats. CAC to retain all Premium Value thereof.
EXCLUSIVE FACILITY USE:	Locker rooms and offices.
OPTIONS TO RENEW:	Five one-year options.

EXHIBIT M

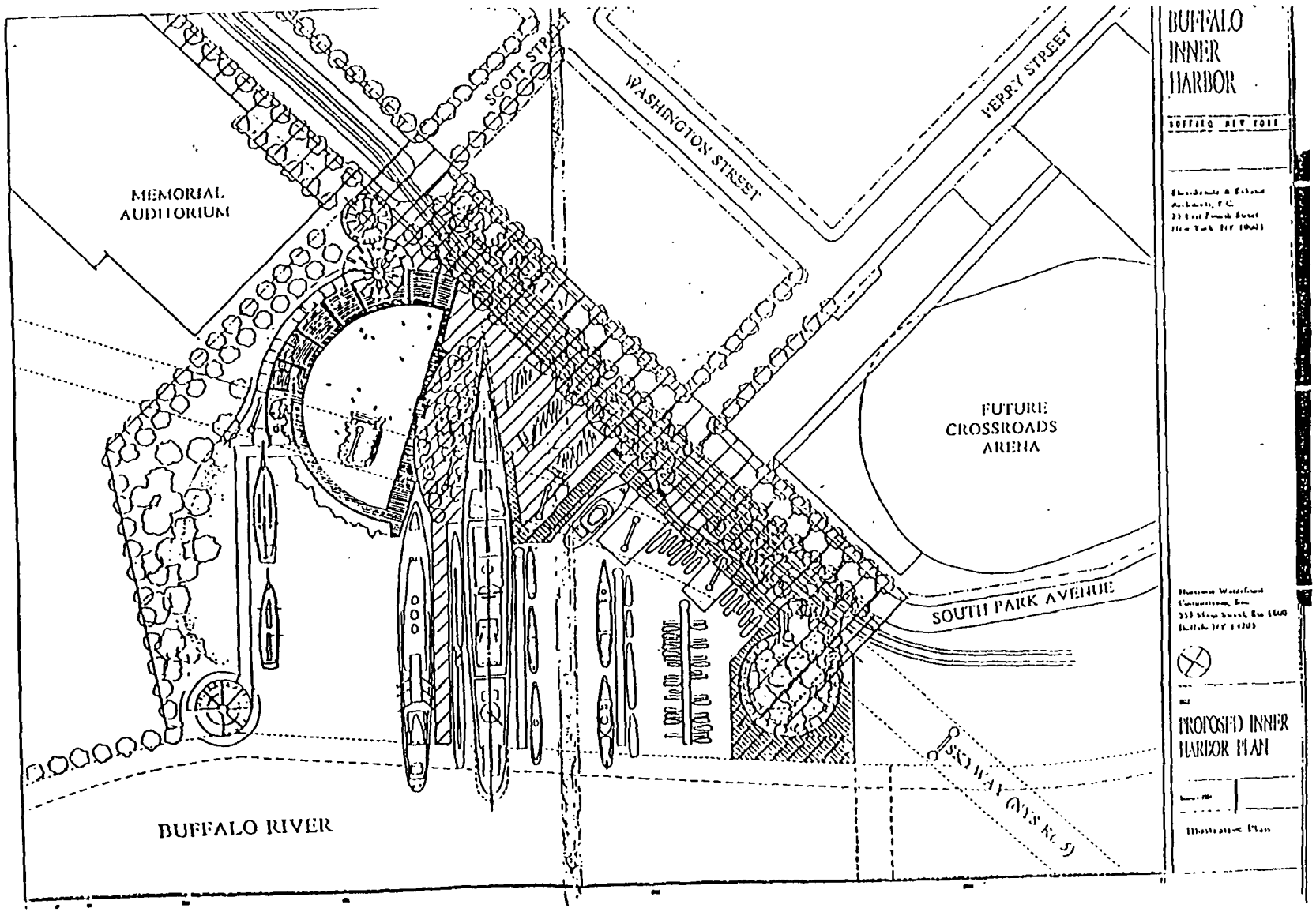
MEMORIAL AUDITORIUM
SCOTT STREET
WASHINGTON STREET
PERRY STREET
FUTURE CROSSROADS ARENA
SOUTH PARK AVENUE
BUFFALO RIVER
BUFFALO INNER HARBOR
PROPOSED INNER HARBOR PLAN

EXHIBIT O

CAC Contract / Revenue	CROSSROADS ARENA - COLLATERAL RIGHTS AND PRIORITIES SCHEDULE				
	Private Arena Debt Trustee	City of Buffalo	UDC	CAC/ Sabres	Erie County
GROUND LEASE	N/A	Direct Assignment	N/A	N/A	N/A
BUILDING LEASE	Direct Assignment	N/A	N/A	N/A	N/A
SUB-LEASES - Sabres Affiliates & Others	Direct Assignment	N/A	N/A	N/A	N/A
TICKET SURCHARGE 2.00% Portion	Direct Assignment	N/A	N/A	N/A	N/A
TICKET SURCHARGE 0.25% Portion	N/A	N/A	N/A	N/A	Direct Assignment
CAC GENERAL REVENUES	First Assignment	N/A	N/A	N/A	N/A
CAC NET REVENUES After Debt Pmt.,Reserves and Ground Lease Payment	N/A	Pro-Rata First Claim	Pro-Rata First Claim	Pro-Rata First Claim	N/A

INTERIM DEVELOPMENT AGREEMENT

This Agreement made this ____ day of March, 1994 by and among 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 of New York ("BURA") recites as a preamble the following:

A. The parties to this Agreement are among the parties to a Memorandum of Understanding ("MOU") which has been executed on or before the date of this Agreement by the CAC, the City, BURA, Niagara Frontier Hockey, L.P., the County of Erie and New York State Urban Development Corporation;

B. By executing the MOU, CAC, the City and BURA have stated their intention to participate, with certain other public and private entities, in the plan of design, development, financing, construction and operation of a sports and entertainment complex to be located in the City which is referred to in the MOU as "The Crossroads", of which CAC will act as developer, on the terms and conditions stated in the MOU, subject to the execution and delivery of definitive agreements with respect to the transactions contemplated by the MOU (the "Definitive Agreements");

C. CAC has been granted designated BURA redeveloper status by BURA for The Crossroads Site, as defined in the MOU, pursuant to the City's Waterfront Urban Renewal Plan, as amended, and intends to enter into a Contract for Sale of Land for Private Redevelopment with BURA for such site pursuant to the MOU;

D. Pursuant to the MOU, it is contemplated CAC will construct the improvements on The Crossroads Site, as defined in the MOU, on behalf of the Erie County Industrial Development Agency ("ECIDA") in accordance with a lease of The Crossroads Site and improvements to be constructed thereon from ECIDA to CAC;

E. In order to maintain the development and construction schedule for The Crossroads contemplated by the MOU, it has been necessary for CAC to proceed with certain development and pre-construction activities regarding The Crossroads (the "Interim Development Activities") and incur costs and expenses with respect thereto (the "Interim Development Costs and Expenses") prior to execution of the MOU, and it will be necessary for CAC to continue to undertake Interim Development Activities and incur additional Interim Development Costs and Expenses pending execution of the Definitive Agreements;

F. The MOU contemplates that certain Interim Development Costs and Expenses incurred and paid by CAC to date are to be the responsibility of the City and/or BURA by reason of CAC's status as redeveloper under the Waterfront Urban Renewal Plan, as amended, as more particularly described at Section 1 hereof, and the parties wish to provide for reimbursement of CAC by the City and/or BURA for such Interim Development Costs and Expenses;

G. CAC, the City and BURA wish to describe the terms and conditions upon which (i) CAC may enter onto portions of The Crossroads Site now owned or hereafter acquired by BURA ("BURA Parcels") to undertake additional Interim Development Activities and (ii) the City and/or BURA will fund the payment of Interim Development Costs and Expenses incurred with respect thereto, pending the execution of the Definitive Agreements; and

H. BURA wishes to authorize CAC to negotiate contracts for the purchase of parcels of realty that are to be included within The Crossroads Site, title to which is currently held by persons

other than the City or BURA, subject to acceptance and approval by BURA of such contracts. In the event that all necessary parcels can not be acquired by negotiated purchase contracts, BURA intends to exercise its eminent domain powers pursuant to New York State Law to acquire such parcels.

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

1. Immediate Reimbursement. Concurrently with the execution of this Agreement, the City has reimbursed CAC for the Interim Development Costs and Expenses described on Schedule 1, which have been heretofore paid by CAC and which the MOU contemplates will be funded by the City and/or BURA, by delivery of a check in the amount of $526,280 payable to CAC.

2. Early Entry. BURA hereby authorizes CAC to enter upon the BURA Parcels to undertake Interim Development Activities which the MOU contemplates CAC will undertake as the developer of The Crossroads, prior to the execution of the Definitive Agreements, on the following terms and conditions:

(a) CAC shall notify BURA, prior to commencement of any Interim Development Activity on the BURA Parcels, of the date upon which such activity will commence and the expected schedule for completing such activity, and will notify BURA of any material modification of such schedule.

(b) CAC agrees that all Interim Development Activities on the BURA Parcels shall be done in a good and workmanlike manner and that CAC shall take all appropriate precautions to safeguard against injury to persons and damage to property.

(c) CAC agrees to comply with all Federal, State, County and City laws, rules and regulations that are applicable to the Interim Development Activities on the BURA parcels. The City and BURA make no representations regarding the applicability of any particular law, rule and regulation to any Interim Development Activity, except as specifically set forth in this Agreement.

(d) CAC agrees, without limitation and at no cost to BURA or the City, to comply with the terms and conditions of Schedule II attached hereto with respect to any and all activities under this Agreement. For purposes of Schedule II, CAC shall be deemed to be the "Contractor" and the "City" shall be deemed to mean the City and/or BURA, provided that any specified insurance may be acquired on CAC's behalf by any subcontractor. Said insurance coverage shall be maintained by or on behalf of CAC at its expense (or the expense of any contractor performing the Interim Development Activity), for the duration of any period during which Interim Development Activity on the BURA Parcels is occurring. In lieu of the foregoing insurance coverage, with the prior written consent and acceptance of the City and BURA, CAC may provide such other form and amount of insurance coverage as the City and BURA, in their sole discretion, deem acceptable with respect to any Interim Development Activity.

(e) If this Agreement is terminated prior to the execution of the Definitive Agreements, BURA shall accept the BURA Parcels in their then condition "as is", and CAC shall have no obligation to restore the BURA Parcels to their condition prior to CAC's entry under this Agreement.

3. City and/or BURA Funding of Interim Development Costs and Expenses Pending Execution of Definitive Agreements. Subject to Section 5, the City and/or BURA shall fund the payment of those Interim Development Costs and Expenses incurred by CAC pursuant to the agreements or requisitions for Interim Development Activities described on Schedule III, as "City Costs paid through 4/30/94". CAC shall submit all such agreements or requisitions to BURA for approval and shall obtain such approval prior to any execution or issuance. BURA shall approve

said agreements and requisitions or notify CAC of any objection that it may have to the form or content thereof as soon as feasible after submission, and if BURA does not provide a notice of objection within twenty-one (21) days following BURA's receipt of any such proposed agreement or requisition, it shall be deemed accepted by BURA. The City and/or BURA shall pay all such Interim Development Costs and Expenses as they become due under the terms of said agreements and requisitions within fifteen (15) days of presentation by CAC to the City and/or BURA, as the case may be, of invoices for such Interim Development Costs and Expenses together with a requisition for payment in the form attached hereto as Schedule IV and such evidence as may be reasonably required by BURA and/or the City to verify that such Interim Development Costs and Expenses have been properly incurred under such agreements or requisitions and are due and owing. Only agreements with non-affiliated third parties shall be subject to funding under this Agreement.

4. Crossroads Site Realty Acquisition.

(a) BURA hereby appoints CAC to act as its agent for the limited purpose of negotiating the purchase of parcels of realty included within The Crossroads Site, title to which is not currently held by BURA or the City, and to present contracts for purchase of such parcels to BURA for approval and execution. CAC shall not possess any authority to execute contracts for purchase or to otherwise bind BURA with respect to the purchase of any such parcel and shall not be entitled to any fee or compensation for its services pursuant Agreement. CAC shall (i) exercise its limited grant of authority under this Section 4(a) in a manner consistent with applicable law, including the Eminent Domain Procedure Act, and (ii) arrange to obtain and provide BURA with environmental assessments and surveys in form and content satisfactory to BURA, which may be a condition to such contracts for purchase, the cost of which shall be funded by BURA as Interim Development Costs and Expenses. CAC shall not have any financial responsibility or obligation with respect to such contracts for purchase unless it violates the provisions of this Section 4(a).

(b) Neither the City nor BURA shall proceed to acquire any parcel within The Crossroads Site through the filing of an acquisition map under the Eminent Domain Procedure Law or otherwise, without prior consultation with CAC. If any parcel is acquired through exercise of the City's or BURA's condemnation powers under the Eminent Domain Procedure Law and the owner of such parcel files a claim for compensation as a result of such taking pursuant to the Eminent Domain Procedure Law, the City and/or BURA shall consult with CAC with respect to the proceeding and it is anticipated CAC shall have the right and obligation to defend under the terms of the Definitive Agreements following the execution thereof. CAC, the City and BURA shall negotiate in good faith toward the establishment of rights, obligations and procedures in the Definitive Agreement with respect to the acquisition of realty included in The Crossroads Site that are consistent with the MOU and satisfactory to CAC, the City and BURA.

5. Delivery of Commitment Letters. CAC shall provide the City and BURA, within forty-five (45) days of the date of this Agreement, copies of executed commitment letters from the Private Financing Participants and the Concessionaire for (i) the Private Arena Debt, (ii) the Sabres Contribution Loan, and (iii) an agreement to operate The Crossroads concessions and parking facilities (collectively the "Commitment Letters"), as such terms are defined in the MOU, consistent with the terms of the MOU and in such form as may be reasonably acceptable to the City and BURA. Until all three Commitment Letters are delivered to the City and BURA, the only Interim Development Costs and Expenses which the City and/or BURA shall be responsible to fund are: Land Acquisition, Environmental Impact Studies and Demolition costs and expenses reflected on Schedule III. The City and/or BURA shall not be responsible for funding Utility Relocation Costs reflected on Schedule III unless and until the Commitment Letters are delivered by CAC.

6. Term. This Agreement shall continue in effect until (a) it is superseded by the Definitive Agreements upon execution thereof or (b) if (i) the Commitment Letters are not delivered to the City and BURA within forty-five (45) days of the date of this Agreement or (ii) the Definitive

Agreements are not executed within ninety (90) days of the date of this Agreement, the tenth day following the date on which written notice of termination is received by CAC or the City from the other, provided that the City and/or BURA shall remain responsible and shall fund payment of any Interim Development Costs and Expenses, including land acquisition consideration and costs and amounts due under executory agreements and requisitions, for which it has assumed responsibility under Sections 3 and 4 hereof prior to receipt by the City or CAC, as the case may be, of such termination notice, without regard to whether invoices are received and payment is due under such obligations prior or after the notice of termination.

7. Notices. Notices and communications to be delivered hereunder may be sent by mail, facsimile or hand delivered and shall be effective upon confirmed receipt by the addressee. Notices to CAC shall be delivered to Memorial Auditorium, 140 Main Street, Buffalo, New York 14202, attn: Lawrence Quinn, Executive Vice President, with copies to Robert O. Swados, Cohen Swados Wright Hanifin Bradford & Brett, 70 Niagara Street, Buffalo, New York 14202 and Gerald S. Lippes, Lippes, Silverstein, Mathias & Wexler, 700 Guaranty Building, Buffalo, New York 14202. Notices to the City and/or BURA shall be delivered to the City of Buffalo, City Hall, 65 Niagara Street, Buffalo, New York 14202, Attention: Edward D. Peace, Corporation Counsel, Room 1101 and Daniel S. Bicz, Commissioner of Community Development, Room 920, with a copy to Michael McCarthy, BURA General Counsel, Room 920, City Hall, 65 Niagara Street, Buffalo, New York 14202.

8. Relationship of Parties. Nothing contained herein shall be construed to make CAC the agent of or a joint venturer with the City or BURA. All Interim Development Activities undertaken by CAC pursuant to this Agreement shall be undertaken by CAC in its own right and authority as developer of The Crossroads, subject to the terms and conditions of this Agreement as they relate to CAC's access to the BURA Parcels and the City or BURA's funding of Interim Development Activities. This Agreement is intended solely for the benefit of the parties hereto, and nothing contained herein shall confer any right or benefit on any other person as a third party beneficiary or

otherwise.

9. Access to Books and Records. CAC shall make its books and records regarding the subject matter of this Agreement available for review and audit by the City and BURA upon reasonable notice by the City and/or BURA.

10. Miscellaneous. This Agreement may be amended, modified or changed only in writing signed by each of the parties hereto. This Agreement shall bind and inure to the benefit of the respective successors and assigns of the parties hereto, provided that none of the parties hereto shall assign its interest in this Agreement to any other person without the prior written consent of the other parties hereto. This Agreement shall be construed in accordance with and governed by the laws of the State of New York. Each of the parties to this Agreement represent and warrant that its execution and performance of this Agreement has been authorized by all necessary corporate or governmental action.

IN WITNESS WHEREOF, the parties to this Agreement have caused this Agreement to be executed and delivered by their respective duly authorized officers.

CROSSROADS ARENA CORPORATION

By:_____

THE CITY OF BUFFALO

By:_____

BUFFALO URBAN RENEWAL AGENCY

By:_____

Schedule I

2/16/04

CROSSROADS ARENA PROJECT			CAC Payment				
			w City Costs	CITY	CITY COSTS	CITY COSTS	
REIMBURSEMENT ANALYSIS			through	Cost thru	Paid Post	(Variance After	
	Cost Budget	CITY COSTS	1/31/04	1/31/04	1/31/04	Payments	%
1000 LAND ACQUISITION							
Total Purchases	4,215,000	4,215,000	0	0	0	4,215,000	0
Title Insurance	16,000	16,000	0	0	0	16,000	0
Surveys	25,000	25,000	21,780	2,500	23,780	1,220	21,780
Eminent Domain - Legal	120,000	120,000	0	46,881	46,881	73,119	0
Closing Costs	65,000	65,000	0	0	0	65,000	0
Record & Transfer Fees	15,000	15,000	0	0	0	15,000	0
Appraisals	75,000	75,000	0	73,800	73,800	1,200	0
Contingency - Land Cost	500,000	500,000	0	2,641	2,641	497,359	0
Land Acq. - Subtotal	5,031,000	5,031,000	21,780	125,821	147,602	4,883,398	21,780
2000 TECHNICAL FEES							
Feasibility Studies	400,000	0	0	0	0	0	0
Building Permits	75,000	0	0	0	0	0	0
Licensing/Misc Govt Fees	45,000	0	0	0	0	0	0
Soil Testing	45,000	45,000	0	0	0	45,000	0
Environ Impact Studies	325,000	325,000	0	187,237	187,237	137,763	0
Insurance	120,000	0	0	0	0	0	0
Mort Policy on Leasehold	90,250	0	0	0	0	0	0
Misc. Technical Costs	0	0	0	0	0	0	0
Tech. Fees - Subtotal	1,100,250	370,000	0	187,237	187,237	182,763	0
4000 PROJECT MANAGEMENT							
CAC Executive Staff	800,000	0	0	0	0	0	0
Construction Manager	1,000,000	0	0	0	0	0	0
Arena Manager	100,000	0	0	0	0	0	0
Consulting from Sabres	250,000	0	0	0	0	0	0
Acctg Fin. Management	90,000	0	0	0	0	0	0
Travel & Entert	100,000	0	0	0	0	0	0
Pre-Opening Expenses	200,000	0	0	0	0	0	0
Postage & Copying	0	0	0	0	0	0	0
Misc. Project Mgmt. Cost	0	0	0	0	0	0	0
Proj. Mgmt. Subtotal	3,830,000	0	0	0	0	0	0
5000 MARKETING							
Sales/Prom.Seat Sales St	795,000	0	0	0	0	0	0
Marketing Subtotal	795,000	0	0	0	0	0	0
6000 FINANCING EXPENSE							
Interest - First Level	1,900,000	0	0	0	0	0	0
Interest - Second Level	2,000,000	0	0	0	0	0	0
Commitment Fee	1,000,000	0	0	0	0	0	0
Debt Service Reserves	2,000,000	0	0	0	0	0	0
Trustees Fees	30,000	0	0	0	0	0	0
Bank Counsel Fees	150,000	0	0	0	0	0	0
Bond Counsel Fees	150,000	0	0	0	0	0	0
Trustee Counsel Fees	95,000	0	0	0	0	0	0
ECIDA Counsel Fees	50,000	0	0	0	0	0	0
Financing Subtotal	8,625,000	0	0	0	0	0	0
7000 LEGAL FEES							
CAC Counsel	700,000	0	0	0	0	0	0
Attorney Counsel	100,000	0	0	0	0	0	0
Legal Subtotal	800,000	0	0	0	0	0	0
8000 ARCHITECT/ENGINEER							
Lead Arch /Engineer	7,269,000	0	0	0	0	0	0
Tech Support - EIS Hist	75,000	75,000	75,000	0	75,000	0	75,000
Site Design & Plan	200,000	200,000	200,000	0	200,000	0	200,000
Utility Relocation	45,000	45,000	45,000	0	45,000	0	45,000
Demolition Specs	40,000	40,000	40,000	0	40,000	0	40,000
Subsurface Dwg/Site Pr.	145,000	145,000	145,000	0	145,000	0	145,000
Arch./Engin Subtotal	7,774,000	505,000	505,000	0	505,000	0	505,000
NON-CONSTR. SUBTOTAL	27,051,250	5,906,000	526,780	313,058	839,838	5,066,162	526,780
9000 CONSTRUCTION							
Demolition	500,000	500,000	0	0	0	500,000	0
Utility Relocation	800,000	800,000	0	0	0	800,000	0
Subsurface Excavation	4,729,154	2,704,000	0	0	0	2,704,000	0
General Construction	82,609,596	0	0	0	0	0	0
Contingency	4,500,000	0	0	0	0	0	0
CONSTRUCTION SUBTOTAL	93,940,750	4,004,000	0	0	0	4,004,000	0
GRAND TOTAL	120,000,000	10,000,000	526,780	313,058	839,838	9,160,162	526,780

SCHEDULE I

Schedule 2 -

ARTICLE 24 - INDEMNITY OF OWNER

The Contractor shall indemnity and save harmless the City, its officers and employees from all claims, suits, actions, damages, losses and costs of every name and description to which the City may be subjected or put by reason of injury to the person or property of another, or the property of the City, resulting from the negligence or carelessness, active or passive, of the Contractor, or the joint negligence, active or passive, of the Contractor and the City, his or their employees, agents, or sub-contractors, in the performance under this contract, or in the delivery of materials and supplies. The whole, or so such money to become due under this contract as shall be considered necessary by the City, may be retained by it until all suits or claims for damages shall have been settled or otherwise disposed of and evidence to that effect furnished to the satisfaction of the City.

ARTICLE 24A - REQUIRED INSURANCE

INSURANCE

CASUALITY INSURANCE

The contractor shall procure and maintain at his own expence without cost to the owner, casualty insurance, as distinguished from fire insurance, for liabilty for damages arising from operations under the contract until final acceptance by the owner, and resulting in bodily injury, sickness and disease, including death, and for damage to or loss of use of property.

The Contract shall procure insurance coverage as hereinafter indicated by the "X" mark opposite each form of insurance policy required.

X WORKMAN'S COMPENSATION

Insurance to cover the contractor as named insured for his liability under the law.

X PUBLIC LIABILITY AND PROPERTY DAMAGE LIABILITY
Insurance to cover the contractor as named insured, and including thereunder as hereafter required.

X (a) Explosion.

X (b) Collapse or structural injury to any building or structure.

X (c) Injury to or destruction of underground property.

X (d) Completed operations insurance between the date of completion of the work and its final acceptance by the owner.

X (e) Broad form property damage insurance, where the contract involves work on existing structures.

X (f) Broad form contractual liability insurance to indemnify the owner for liability assumed by the Contractor on behalf of the Owner under the terms of the contract.

X The Contractor shall provide an "ALL RISK" BUILDERS RISK policy in an amount equal to the contract price.

X AUTOMOBILE LIABILITY AND PROPERTY DAMAGE. Comprehensive automobile liability insurance to cover the contract as named insured; for his ownership, maintenance or use, including loading and unloading, of any owned, hired or non-owned automobile used under this agreement both at and away from the job site.

X OWNERS PROTECTIVE LIABILITY INSURANCE The Contractor shall also takeout, pay for and maintain until completion and acceptance of the work required by this contract, a seperate contract, a seperate policy of insurance naming the the City of Buffalo as the sole insured. The original policy shall be submitted for retention by the City of Buffalo. Said seperate poliay shall be in the amounts of $1,000,000 per occurren for bodily injury, and $300,000 per occurrence for property damage and shall provide coverage for the City of Buffalo, its officers and employees, with respect to said work. Said policy shall provi that the coverage afford thereby shall be primary coverage to the full limits of liability stated in the declarations, and if said City of Buffalo, its officers and employees have other insurance against the loss covered by said policy, that other insurance shal be exec insurance only.

POLICY LIMITS - The following amounts on policy limits shall be provid

Automobiles - Bodily Injury and Property Damage combined per occurrence $2,000,000.000

Comprehensive General Liability including Contractual Liability Bodily Injury and Property Damage combined per occurance $2,000,000.00

SUBCONTRACTORS' INSURANCE

Any subcontractor performing work under this contract shall procure and maintain statutory insurance and other insurance as determined by the contractor so as to properly cover the liability of both Contractor and Subcontractor(s). The policy limits shall be the same as required of the Contractor and certificates of insurance shall be delivered to the Contractor.

OTHER INSURANCE PROVISIONS

(a) Certification of Effective Insurance

The Contractor shall furnish or have on file with the Owner a certified copy of each kind of insurance policy herein required of the Contractor and shall furnish the Owner with certificates in duplicate evidencing that the required insurances are in effect for the particular contract. The Contractor shall have the option of furnishing a certificate of insurance on the forms provided by the Owner. If this form of certificate is used, certified copies of the policies will not be required.

(b) Cancellation Notice

Each insurance policy and certificate of insurnace shall contain a provision providing that it shall not be cancelled or changed by the Contractor or insurance company without thirty (30) days of written notice to the Owner of intention to cancel or change.

(c) State Authorization

Insurance policies shall only be written by insurance companies authorized to do such business in the State of New York.

Schedule 3

3/2/04

CROSSROADS ARENA PROJECT

REIMBURSEMENT ANALYSIS

	Total Costs	CITY COSTS	CAC Payment of City Costs through 12/31/03	CITY Paid thru 12/31/04	CITY COSTS Paid thru 12/31/04	CITY COSTS Balance After Payments	CAC Reimbursement	PROJECTED CITY OF BUFFALO PAYMENTS FEBRUARY	MARCH	APRIL	3 MONTHS	CITY COSTS Paid thru 4/30/04	Balance Unexpended 4/30/04
1000 LAND ACQUISITION													
Title Purchases	4,215,000	4,215,000	0	0	0	4,215,000	0	1,875,000	950,000	1,000,000	3,825,000	3,825,000	390,000
Title Insurance	16,000	16,000	0	0	0	16,000	0	0	0	0	0	0	16,000
Surveys	25,000	25,000	21,780	3,500	23,780	1,220	21,780	0	0	0	0	23,780	1,220
Eminent Domain - Legal	120,000	120,000	0	46,681	46,681	73,319	0	0	0	0	0	46,681	73,319
Closing Costs	65,000	65,000	0	0	0	65,000	0	10,000	10,000	10,000	30,000	30,000	35,000
Record & Transfer Fees	15,000	15,000	0	0	0	15,000	0	0	0	0	0	0	15,000
Appraisals	75,000	75,000	0	73,800	73,800	1,200	0	0	0	0	0	73,800	1,200
Contingency - Land Cost	500,000	500,000	0	2,841	2,841	497,159	0	5,000	5,000	5,000	15,000	17,841	482,159
Land Acq - Subtotal	5,031,000	5,031,000	21,780	125,022	147,302	4,883,698	21,780	1,890,000	965,000	1,015,000	3,870,000	4,017,302	1,013,698
3000 TECHNICAL FEES													
Feasibility Studies	405,000	0	0	0	0	0	0	0	0	0	0	0	0
Building Permits	75,000	0	0	0	0	0	0	0	0	0	0	0	0
Licenses/Use Con't Fees	45,000	0	0	0	0	0	0	0	0	0	0	0	0
Soil Testing	45,000	45,000	0	0	0	45,000	0	0	0	0	0	0	45,000
Environ Impact Studies	325,000	325,000	0	137,237	137,237	137,763	0	70,000	35,000	0	105,000	292,237	32,763
Insurance	120,000	0	0	0	0	0	0	0	0	0	0	0	0
Mort Policy on Leaseholds	92,250	0	0	0	0	0	0	0	0	0	0	0	0
Misc Technical Costs	0	0	0	0	0	0	0	0	0	0	0	0	0
Tech. Fees - Subtotal	1,187,250	370,000	0	137,237	137,237	182,763	0	70,000	35,000	0	105,000	292,237	77,763
4000 PROJECT MANAGEMENT													
CAC Executive Staff	600,000	0	0	0	0	0	0	0	0	0	0	0	0
Construction Manager	1,000,000	0	0	0	0	0	0	0	0	0	0	0	0
Arena Manager	100,000	0	0	0	0	0	0	0	0	0	0	0	0
Consulting from Sabres	250,000	0	0	0	0	0	0	0	0	0	0	0	0
Acctg Fin. Management	80,000	0	0	0	0	0	0	0	0	0	0	0	0
Travel & Enter	100,000	0	0	0	0	0	0	0	0	0	0	0	0
Pre Opening Expenses	500,000	0	0	0	0	0	0	0	0	0	0	0	0
Postage & Express	0	0	0	0	0	0	0	0	0	0	0	0	0
Misc. Project Mgmt. Costs	0	0	0	0	0	0	0	0	0	0	0	0	0
Proj Mgmt Subtotal	2,630,000	0	0	0	0	0	0	0	0	0	0	0	0
5000 MARKETING													
Suite/Prem Seat Sales Sta	785,000	0	0	0	0	0	0	0	0	0	0	0	0
Marketing Subtotal	785,000	0	0	0	0	0	0	0	0	0	0	0	0
6000 FINANCING EXPENSE													
Interest - First Level	1,000,000	0	0	0	0	0	0	0	0	0	0	0	0
Interest - Second Level	2,000,000	0	0	0	0	0	0	0	0	0	0	0	0
Commitment Fees	1,000,000	0	0	0	0	0	0	0	0	0	0	0	0
Debt Service Reserves	2,600,000	0	0	0	0	0	0	0	0	0	0	0	0
Trustees Fees	20,000	0	0	0	0	0	0	0	0	0	0	0	0
Bank Counsel Fees	100,000	0	0	0	0	0	0	0	0	0	0	0	0
Bond Counsel Fees	150,000	0	0	0	0	0	0	0	0	0	0	0	0
Trustee Counsel Fees	55,000	0	0	0	0	0	0	0	0	0	0	0	0
ECIDA Counsel Fees	50,000	0	0	0	0	0	0	0	0	0	0	0	0
Financing Subtotal	8,625,000	0	0	0	0	0	0	0	0	0	0	0	0

SCHEDULE III

3/2/94

CROSSROADS ARENA PROJECT

REIMBURSEMENT ANALYSIS	Cost Budget	CITY COSTS	CAC Payment of City Costs through 1/31/94	CITY Paid thru 1/31/94	CITY COSTS Paid thru 1/2004	CITY COSTS Balance After Payments	CAC Reimbursed	PROJECTED CITY OF BUFFALO PAYMENTS FEBRUARY	MARCH	APRIL	3 MONTHS	CITY COSTS Paid thru 4/30/94	Balance Unexpended 4/30/94
7000 LEGAL FEES													
CAC Counsel	75,000	0	0	0	0	0	0	0	0	0	0	0	0
Albany Counsel	100,000	0	0	0	0	0	0	0	0	0	0	0	0
Legal Subtotal	200,000	0	0	0	0	0	0	0	0	0	0	0	0
8000 ARCHITECTURE/ENGINEER													
Basic Arch/Engineer.	7,288,000	0	0	0	0	0	0	0	0	0	0	0	0
Tech.Support - ES,Hist.	75,000	75,000	75,000	0	75,000	0	75,000	0	0	0	75,000	75,000	0
Site Design & Plan	200,000	200,000	200,000	0	200,000	0	200,000	0	0	0	200,000	200,000	0
Utility Relocation	45,000	45,000	45,000	0	45,000	0	45,000	0	0	0	45,000	45,000	0
Demolition Specs	40,000	40,000	40,000	0	40,000	0	40,000	0	0	0	40,000	40,000	0
Subsurface Des./Info Pr.	145,000	145,000	145,000	0	145,000	0	145,000	0	0	0	145,000	145,000	0
Arch/Engin Subtotal	7,793,000	505,000	505,000	0	505,000	0	505,000	0	0	0	505,000	505,000	0
NON CONSTR. SUBTOTAL	27,651,720	5,969,000	526,260	313,259	839,539	5,964,461	525,260	1,500,000	1,500,000	1,815,000	4,815,000	4,814,539	1,091,461
9000 CONSTRUCTION													
Demolition	500,000	500,000	0	0	0	500,000	0	0	500,000	0	500,000	500,000	0
Utility Relocation	800,000	800,000	0	0	0	800,000	0	0	0	800,000	800,000	800,000	0
Subsurface / Excavation	4,689,154	2,754,000	0	0	0	2,754,000	0	0	0	0	0	0	2,754,000
Demo/Util/Sub Contng	660,000	0	0	0	0	0	0	0	0	0	0	0	0
General Construction	80,000,596	0	0	0	0	0	0	0	0	0	0	0	0
CONSTRUCTION SUBTOTAL	92,949,750	4,054,000	0	0	0	4,054,000	0	0	500,000	800,000	1,300,000	1,300,000	2,754,000
GRAND TOTAL	120,600,000	10,000,000	526,260	313,259	839,539	9,160,461	525,260	1,500,000	1,500,000	1,815,000	5,700,000	6,114,539	3,845,461

Project leasing Structure

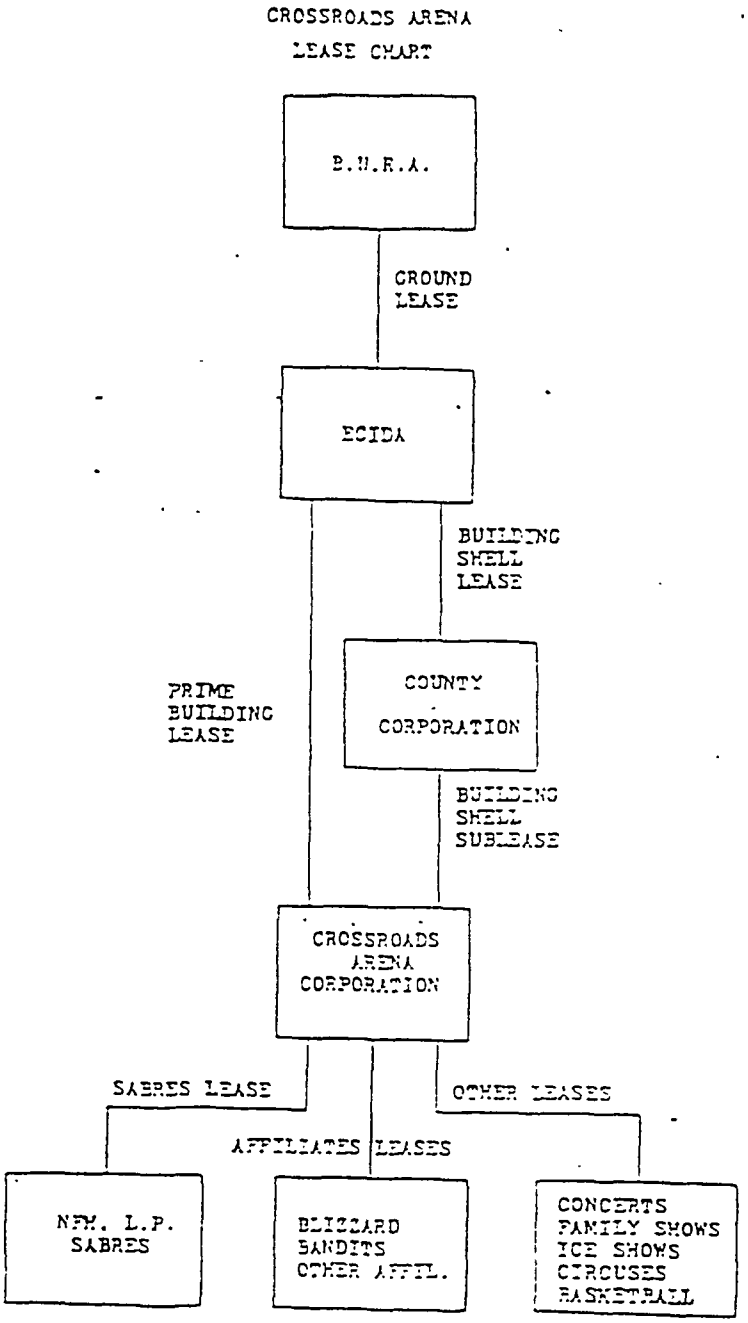

EXHIBIT Q

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

T:\WP51\RHV\EDP\CityvCH1

SOURCES OF FUNDS

BOND PROCEEDS	$23,[illegible]
1994 CUMULATIVE BALANCE CONTRIBUTION	1,[illegible]
TOTAL	$24,978,021

USES OF FUNDS

DEPOSIT TO CONSTRUCTION FUND	$21,[illegible]
UNDERWRITERS DISCOUNT	[illegible]
COST OF ISSUANCE	[illegible]
CAPITALIZED INTEREST	[illegible]
DEBT SERVICE FUND	[illegible]
TOTAL	$24,978,021

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 5.75 CVB	COUNTY ADMIN.	ESTIMATED NET CVB	ESTIMATED 5.25	ESTIMATED COUNTY ARENA	OTHER COUNTY	BUFFALO	EXISTING CONVENTION	ESTIMATED	ESTIMATED	ESTIMATED	ESTIMATED	ESTIMATED	ESTIMATED	ESTIMATED	ESTIMATED CUMULATIVE
TAX EXEMPT ISSUE	CONTRACT	FEE	CONTRACT	COUNTY	PAYMENTS	CONTRIBUTIONS	PAYMENT	CENTER	BALANCE	INTEREST	INTEREST	CUMULATIVE	AMOUNT	AMOUNT	AMOUNT TO	CASH
1.0% 9/2/94					BED TAX				BEDS		0%	BALANCE	TO	TO	RESERVE	BEDS SERVICE
N.I.C. = 5.93	ISSUE DATE 1/1/95					$33,695,000			SERVICE		3.01%	3.01%					RESERVE
1993	3,504,433	2,146,526	70,721	2,066,817	1,757,892	0	1,250,000		1,096,458	1,883,207	37,593	0	1,883,288	0		0	0
1994	3,642,467	2,170,023	81,757	2,088,266	1,775,474	1,883,021		700,000	1,158,515	581,744	17,503	0	581,819	0		581,819	581,819
1995	3,954,952	2,191,724	82,895	2,107,829	1,792,255	0			1,035,803	897,435	10,944	15,942	783,888	0		783,888	1,365,488
1996	4,034,302	2,213,641	83,140	2,127,501	1,811,181	0			1,027,185	788,496	11,799	37,730	838,585	0		838,585	2,057,507
1997	4,065,053	2,235,778	83,497	2,147,281	1,829,372	848,842			858,615	822,744	4,951	63,919	891,794	60,250	115,450	885,794	2,918,721
1998	4,105,701	2,258,136	90,572	2,167,134	1,847,585	1,285,287			720,840	(202,543)	0	55,251	(135,543)	0		(135,543)	2,783,583
1999	4,144,758	2,280,717	92,571	2,187,146	1,866,643	1,285,287			700,998	(137,810)	0	45,588	(92,222)	0		(92,222)	2,691,361
2000	4,185,226	2,303,524	94,200	2,209,324	1,884,702	1,285,287			665,819	(93,995)	0	40,768	(53,227)	0		(53,227)	2,638,134
2001	4,226,108	2,326,559	95,162	2,231,396	1,903,544	1,285,287			632,849	(53,978)	0	38,734	(15,244)	34,535	34,854	(53)	2,604,227
2002	4,268,409	2,349,825	100,173	2,249,652	1,922,584	1,285,287			595,918	261,453	7,935	40,735	309,123	114,845	219,229	0	2,604,227
2003	4,311,133	2,373,323	102,222	2,271,101	1,941,810	1,285,287			559,750	287,778	8,681	40,735	337,194	157,744	359,643	0	2,604,227
2004	4,354,284	2,397,056	104,646	2,292,410	1,961,228	1,285,287				606,940	9,119	40,735	677,095	237,088	440,007	0	2,604,227
2005	4,401,867	2,421,027	115,131	2,305,896	1,980,840	1,285,287				585,144	8,806	40,735	854,637	235,640	675,647	0	2,604,227
2006	4,445,886	2,445,237	115,788	2,329,449	2,000,648	1,284,025				636,284	9,581	40,735	903,937	104,988	779,988	0	2,604,227
2007	4,490,345	2,469,690	119,827	2,350,063	2,020,655	1,284,413				640,840	9,636	40,735	994,567	167,305	947,293	0	2,604,227
2008	4,535,248	2,494,386	123,658	2,370,728	2,040,862	1,284,640				643,333	9,645	40,735	1,034,602	303,602	1,251,293	0	2,604,227
2009	4,580,600	2,519,330	127,891	2,391,439	2,061,270	1,285,287				647,859	9,707	40,735	1,078,101	214,101	1,465,394	0	2,604,227
2010	4,626,406	2,544,523	132,336	2,412,187	2,081,883	1,285,594				653,079	9,784	40,735	1,122,605	218,605	1,683,999	0	2,604,227
2011	4,672,670	2,569,969	137,005	2,432,956	2,102,701	1,284,966				655,705	9,849	40,735	1,168,289	222,219	1,906,218	0	2,604,227
2012	4,719,397	2,595,668	141,903	2,453,765	2,123,728	1,285,471				658,355	9,887	40,735	1,214,890	224,890	2,131,108	0	2,604,227
2013	4,766,591	2,621,625	147,048	2,474,577	2,144,966	1,285,039				659,937	9,912	40,735	1,261,584	224,584	2,355,692	0	2,604,227
2014	4,814,257	2,647,841	152,450	2,495,391	2,166,416	1,284,858				661,359	9,936	40,735	1,308,229	223,229	2,578,921	0	2,604,227
2015	4,862,400	2,674,320	158,123	2,516,197	2,188,080	1,919,777				635,302	9,033	40,735	1,332,076	223,076	2,801,997	0	2,604,227
2016	4,911,024	2,701,063	164,079	2,536,984	2,209,961	1,939,935				270,026	4,064	40,735	356,825	356,825	356,825	0	2,604,254
2017	4,960,134	2,728,074	170,333	2,557,741	2,232,060	1,955,036				277,024	4,169	40,735	343,928	343,928	343,928	0	2,604,254
2018	5,009,735	2,755,354	176,900	2,578,454	2,254,381	1,974,782				279,549	4,206	40,735	344,542	344,542	344,542	0	2,604,254
2019	5,059,832	2,782,908	183,795	2,599,113	2,276,924	1,992,727				283,187	4,261	40,735	350,184	350,184	350,184	0	2,604,254
2020	5,110,430	2,810,737	191,035	2,619,702	2,299,693	2,011,573				288,187	4,336	40,735	355,191	355,191	355,191	0	2,604,254
2021	5,161,534	2,838,844	198,637	2,640,207	2,322,690	2,029,022				294,237	4,425	40,735	361,837	361,837	361,837	0	2,604,254
2022	5,213,149	2,867,238	206,619	2,660,619	2,345,917	2,047,633				298,337	4,485	40,735	365,511	365,511	365,511	0	2,604,254
2023	5,265,280	2,895,904	215,000	2,680,904	2,369,376	2,065,906				298,576	4,509	40,735	364,820	364,820	364,820	0	2,604,254
2024	5,317,933	2,924,863	223,800	2,701,063	2,393,070	2,084,254				308,836	4,646	40,735	374,219	374,219	374,219	0	2,604,254
	148,465,071	80,857,439	4,314,229	76,243,211	65,911,535	41,608,115	1,250,000	700,000	8,772,523		166,540	1,830,424		6,781,386	1,956,961	2,604,254	

STATE OF NEW YORK

8865

1993-1994 Regular Sessions

IN ASSEMBLY

July 7, 1993

Exhibit
State Sports Facility Assistance Program Enabling Legislation

Introduced by COMMITTEE ON RULES -- (at request of M. of A. Bragman, Eve, Gantt, Weprin, Christensen, Destito, Dugan, Graber, Hoyt, John, Keane, McEneny, Morelle, Nicoletti, Parment, Pillittere, Pordum, Robach, Schimminger, Tokasz, Weinstein) -- read once and referred to the Committee on Ways and Means

AN ACT in relation to providing for the development and modernization of major league sports facilities, and minor league baseball stadia, and other sports facilities of regional or national significance throughout the state

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. The legislature hereby finds and declares that the development and modernization of professional major league sports facilities, professional minor league baseball stadia and other sports facilities of regional or national significance (hereinafter referred to as "sports facilities") to retain and attract professional sports teams and to be utilized for additional recreational purposes is in the interest of the people of this state.

It further finds and declares that the operation of sports facilities provide certain economic benefits to the communities in which such facilities are located, including the creation of employment opportunities for residents of the community at the sports facility, the creation of service jobs in the community relating to the operation of the sports facility and the generation of tax revenues resulting from such activities.

It further finds and declares that sports facilities provide a recreational resource that enhances the quality of life for people of this state by providing family entertainment, including non-sports recreational events, and that the operation of a sports facility enhances the

EXPLANATION--Matter in *italics* (underscored) is new; matter in brackets [ ] is old law to be omitted.

LBD12039-01-3

EXHIBIT S

image of a community by attracting media coverage and establishing a focus of activity for the community.

The legislature further finds that such undertaking may have significant impact on the environment and communities surrounding a sports facility that may be beyond the ability of any one entity to address.

Therefore the legislature declares that financial commitments for sports facilities must involve a partnership of public and private interests, and that it is in the interest of the state to support municipal governments in their efforts to enhance economic development, community revitalization, and the quality of life through the development and refurbishment of sports facilities.

It further finds and declares that based upon its assessment of the benefits provided by sports facilities to the people of the state, that it is in the interest of the state to support the development and modernization of such sports facilities through a program to be administered by the New York state urban development corporation, to municipalities and other governmental entities.

§ 2. The following terms, whenever used or referred to in this act, unless the context indicates otherwise, shall have the following meanings:

(a) "Corporation". The New York state urban development corporation, a public benefit corporation created by chapter 174 of the laws of 1968.

(b) "Project". A civic project of the corporation that entails the development or modernization of a sports facility.

(c) "Sports facility". A facility or arena to be utilized for the operations of a professional major league sports team, a professional minor league baseball team and other sports facilities of regional or national significance including, but not limited to, the land, buildings and improvements, and other property real and personal, and other appurtenances thereto.

§ 3. There is hereby established under the administration and direction of the corporation a sports facility assistance program. Notwithstanding any general, special, or local law the corporation is hereby authorized and empowered to designate sports facilities for state assistance. Such designation shall be in accordance with an application process and eligibility criteria established pursuant to this act. State funding for projects under this program shall not be available prior to April 1, 1994 and shall be made in accordance with eligibility criteria developed by the corporation and approved by the director of the budget. Such criteria shall be submitted to the chairman of the senate finance committee and the assembly ways and means committee and shall include but not be limited to:

(a) an evaluation of the likely economic and environmental impacts of the proposed project on the local community;

(b) the need for a viable sports facility in the community;

(c) other uses projected for the sports facility and the impact of such uses on the community;

(d) demonstrated public support for the proposed project;

(e) the amount of private sector investment in the proposed project relative to the amount of proposed investment by the corporation; and

(f) whether the proposed project is located in a distressed or blighted area.

§ 4. Applicants shall submit applications for assistance to the corporation in a form and content to be determined by the corporation. Provided, however, that such application shall include a facility and financing plan for the sports facility and related improvements, which

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shall enumerate the design and plans of the sports facility and features to be included therein, the financial arrangements and commitments necessary to implement such designs and plans, the plans for the continuing use, development and maintenance of the sports facility, the uses for which the sports facility is intended, and financing plans related to the construction, reconstruction or rehabilitation of the sports facility. The director of the budget shall review and approve any such plan prior to the making of any loan or grant by the corporation pursuant to this act and shall file a copy of such plan and approval with the chairman of the senate finance committee and the chairman of the assembly ways and means committee. All amendments to the facility program and financing plan must be submitted to and approved by the director of the budget prior to adoption, and upon adoption filed with the chairperson of the senate finance committee and the chairperson of the assembly ways and means committee.

§ 5. State funding for projects that involve the development or modernization of sports facilities shall not exceed sixty million dollars in the period April 1, 1994 through March 31, 1998.

§ 6. State assistance made available for projects that involve the development and modernization of a sports facility for a professional major league team shall be in the form of a loan not to exceed twenty-five percent of eligible costs and for other sports facilities shall be in the form of a grant. Eligible costs may include, but not be limited to, the actual costs of design, financing, site acquisition and preparation, demolition, construction and rehabilitation, fixed equipment, parking and other related facilities, provided, however, that under no circumstances shall a municipality receive assistance in support of the costs of maintenance and operation of such a sports facility.

§ 7. The corporation shall not provide financial or technical assistance for any project that involves the relocation of a professional sports team from within the state unless such project is approved by the local governmental entity from which such team is relocating.

§ 8. Loan recipients and project occupants shall enter into an agreement with the corporation concerning the period of time during which the project occupant shall occupy the facility following completion of the refurbishment, repairs or construction assisted by the loan. Such agreement shall provide that in the event that the project occupant ceases to play its home games in the sports facility during such period, it shall be obligated to repay the loan recipient, and the loan recipient shall repay the loan to the corporation, or it shall cause the purchasee, transferee or assignee to assume its obligations under the agreement.

Except however, that such repayment shall not be required if:

(i) the project occupant declares bankruptcy and ceases operations under the United States bankruptcy code or terminates its lease due to a substantial decrease in attendance during such period;

(ii) the sports facility is damaged so that it is impossible to continue normal operations therein; or

(iii) the league of which the major league team is affiliated is dissolved, or the major league team is replaced by another major league team.

§ 9. No state aid in excess of five hundred thousand dollars shall be provided to any grant recipient for the purpose of effecting repairs, refurbishment or new construction of sports facilities except if the principal owners of the project occupant and, in the event that the project occupant is a minor league professional baseball team, the presi-

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he minor league of which the team is affiliated, shall enter an
with the corporation concerning the period of time during
project occupant shall occupy the facility following comple-
the refurbishment, repairs or construction assisted by the
.ch agreement shall provide that in the event that the project
ceases to play its home games in the facility or sells, trans-
.therwise assigns its interest in such sports facility during
od, it shall be obligated to repay the grant recipient, and the
·ipient shall repay the grant to the corporation or it shall
:e purchasee, transferee or assignee to assume its obligations
: agreement.

however, that such repayment shall not be required if:

: project occupant declares bankruptcy and ceases operations un-
Jnited States bankruptcy code or terminates its lease due to a
.al decrease in attendance during such period;

ıe sports facility is damaged so that it is impossible to conti-
:l operations therein; or

in the event the project occupant is a minor league team: (a)
ıe of which the minor league team is affiliated is dissolved, or
minor league team is replaced by another minor league team of
level or higher level of minor league baseball or (c) the
development contract executed between the minor league team and
: league parent team is terminated by the major league team and
major league team executes a subsequent player development con-
:h the minor league team at the same level or higher of minor
aseball.

A recipient of state assistance shall enter into an agreement
corporation that provides for the full repayment of the loans
s acceptable to the corporation. Prior to repayment of the loan,
pient shall not sell, assign, lease, mortgage or otherwise
the sports facility without the prior written approval of the
ion.

Each recipient of state assistance to be made available pursuant
act shall comply with all applicable state, federal, and local
ncluding article 15-A of the executive law except that if a
lity is governed by a local statute that, in the determination
corporation, includes more stringent requirements, local law
.ply.

ipient of state assistance pursuant to this act shall notify
l contractors, including minority and women contractors of the
lity of bonding assistance program, including that offered by
York job development authority, and shall provide assistance to
ed contractors, including minority and women contractors in mak-
ications for assistance.

Where application is made for relocation of a facility within a
lity, the municipality shall prepare, or cause to be prepared, a
t on economic and environmental impacts assessing the impact of
·osed relocation. Upon determination of negative economic or en-
tal impact, the municipality shall prepare or cause to be pre-
detailed multi-year plan to mitigate such impact. Such mitiga-
n shall include if appropriate an environmental impact statement
in accordance with article 8 of the environmental conservation
d shall further include a multi-year financial plan with a
ion of any financial and nonfinancial commitments available
the municipality and the private sector to mitigate such nega-
nomic and environmental impacts. The municipality may request

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any assistance from existing state program to mitigate identified negative economic and environmental impact as detailed in the plan. Such statement shall be made available to the public for comments.

§ 13. This act shall take effect immediately.

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STATE OF NEW YORK

Exhibit
State Authorizing legislation

30003

Rec. No. 1146

1993-1994 Regular Sessions

IN ASSEMBLY

July 7, 1993

Senate Bill Pr. No. 6116, Rec. No. 1146 by COMMITTEE ON RULES — read once and referred to the Committee on Local Governments — Committee discharged, bill substituted for Assembly bill Int. 8778 Introduced by COMMITTEE ON RULES — (at request of M. of A. Eve, Pordum, Tokasz, Hoyt, Keane, Schimminger, Pillittere, Parment, Reynolds, Anderson) — amended on the special order of third reading, ordered reprinted as amended, retaining its place on the special order of third reading

AN ACT to authorize the participation of local government units and agencies in the development and construction of a sports and entertainment complex in the city of Buffalo

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Policy and purposes. It is hereby declared to be the policy of this state to promote the economic welfare and prosperity of inhabitants of cities and counties which are suffering undue economic dislocation and unemployment, and to actively promote, attract, encourage and develop commerce through cooperative governmental action for the purpose of preventing further unemployment and economic deterioration. The promotion, attraction and development of commerce in the city of Buffalo and county of Erie is a matter of state concern. It is hereby further declared that the county of Erie and the city of Buffalo have suffered such economic dislocation and unemployment so as to warrant such governmental action. It is further found that participation by the city of Buffalo, the county of Erie and state of New York in the construction, operation, maintenance and financing of a sports and entertainment complex is hereby declared to be for a public and governmental purpose and in the public interest for the benefit of the people of said city, county and state and the improvement of their health, edu-

EXPLANATION—Matter in *italics* (underscored) is new; matter in brackets [ ] is old law to be omitted.

LBD11272-03-3

EXHIBIT T

cation, welfare, recreation, well-being and prosperity and for the advancement and improvement of recreation, trade and commerce.

§ 2. The following terms, whenever used or referred to in this Act, unless the context indicates otherwise, shall have the following meanings:

(a) "Ancillary development agreement". Any contract, document or agreement resulting from, arising out of or necessary to effectuate any term, covenant or condition of the development and operation plan.

(b) "BURA". The Buffalo urban renewal agency, a public benefit corporation created pursuant to article 15-B of the general municipal law.

(c) "City". The City of Buffalo.

(d) "Corporation". The New York state urban development corporation, a public benefit corporation created by chapter 174 of the laws of 1968.

(e) "County". The County of Erie.

(f) "Participating development entities". Each of (i) the city, county, ECIDA, ECDC, and/or BURA, (ii) the state, the corporation or any subsidiary thereof, acting pursuant to the state financing assistance legislation, and (iii) any other governmental unit, agency or instrumentality acting in accordance with the development and operation plan described in section three of this act and any effective amendments thereto.

(g) "ECDC". The Erie county development corporation, a not-for-profit corporation incorporated by county officials under section 1411 of the not-for-profit corporation law.

(h) "ECIDA". The Erie county industrial development agency, a public benefit corporation created pursuant to Article 18-a of the general municipal law.

(i) "Development and operation plan". A plan for the project agreed to by the participating development entities, which sets forth the respective rights, powers and duties of the participating development entities and any and all other parties participating in the project pursuant to such plan, including but not limited to, project financing, planning, design, construction, operation and maintenance.

(j) "Project". A sports and entertainment arena and entertainment complex at a site located at Main Street and South Park Avenue in the city of Buffalo and any and all facilities and improvements appurtenant thereto, including, without limitation, parking lots and structures, transportation facilities and public areas.

(k) "State". Any state agency, department, board, bureau, division or office of the state of New York.

(l) "State financing assistance legislation". Omnibus state financing legislation.

§ 3. Notwithstanding the provisions of any general, special or local law or charter, the participating development entities are authorized and empowered to prepare or cause to be prepared a development and operation plan for the project which may include, but not be limited to, provisions concerning the following:

(a) Plans for securing, by the participating development entities or others, private, federal or local financial support for the development and construction of the project,

(b) Commitments or expressions of intentions to commit by tenants of the project,

(c) The estimated total cost and date of completion of the project,

(d) The sources of revenues that are projected to be available to meet all costs of the financing, operation, repair and continuing use and maintenance of the project,

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(e) A description of the principal arrangements and agreements regarding the development, financing, construction, equipping, operation, repair and continuing use and maintenance of the project, including leases and such other agreements as may be determined appropriate.

(f) Arrangements and agreements concerning the coordination of the participation in any and all aspects of the project by development participants and other parties; and

(g) Agreements concerning the interests and rights of the participating development entities and other parties in the project and in any leasehold improvement, appurtenant facilities or other property or rights included therein or related thereto.

§ 4. Notwithstanding the provisions of any general, special or local law or charter, but subject to the state financing assistance legislation:

(a) Each of the participating development entities are hereby authorized and empowered to take any action and enter into any agreement including, but not limited to, the ancillary development agreements, with any party or parties, including private persons or entities, that any of the participating development entities find necessary or appropriate for the development, operation, management, repair and continuing use and maintenance of the project.

(b) The county shall have the power to appropriate county funds and to permit the use of county property of all kinds to support the activities of and assist in funding the obligations of the ECDC or ECIDA, in such amounts and upon such terms and conditions as may be agreed between the county and ECDC or ECIDA, in furtherance of the development and operation plan.

(c) The acquisition of land or rights in land, demolition of existing structures thereon, grading or improving of the project site, construction of parking areas and other facilities appurtenant thereto and improvements in relation thereto for development of the project pursuant to the development and operation plan, is hereby declared to be a specific object or purpose for which indebtedness may be contracted and serial bonds and bond anticipation notes of the city of Buffalo may be issued pursuant to the applicable provisions of the local finance law, and the period of probable usefulness thereof is hereby determined to be forty years. Preliminary costs of surveys, maps, plans, estimates and hearings in connection with such capital improvements and costs incidental to such improvements, including but not limited to legal fees, printing or engraving, costs of issuance of such bonds and notes, publication of notices, taking of title, apportionment of costs and interest during construction shall be deemed part of the cost of such object or purpose.

(d) The ECIDA is authorized to confer any of its benefits and exercise any or all of its rights, powers and privileges under Article 18-A of the general municipal law with respect to the project as if it were a project defined in subdivision 4 of section 854 of such article, including without limitation, that the project shall be exempt from taxation and assessment and any special district service charge created pursuant to chapter 673 of the laws of 1983 if the project is financed in whole or in part with funding provided for, by or through the ECIDA. The ECIDA shall have the power and is hereby authorized to issue its bonds and notes, for or on behalf of the ECDC in connection with the project.

§ 5. This act shall take effect immediately.

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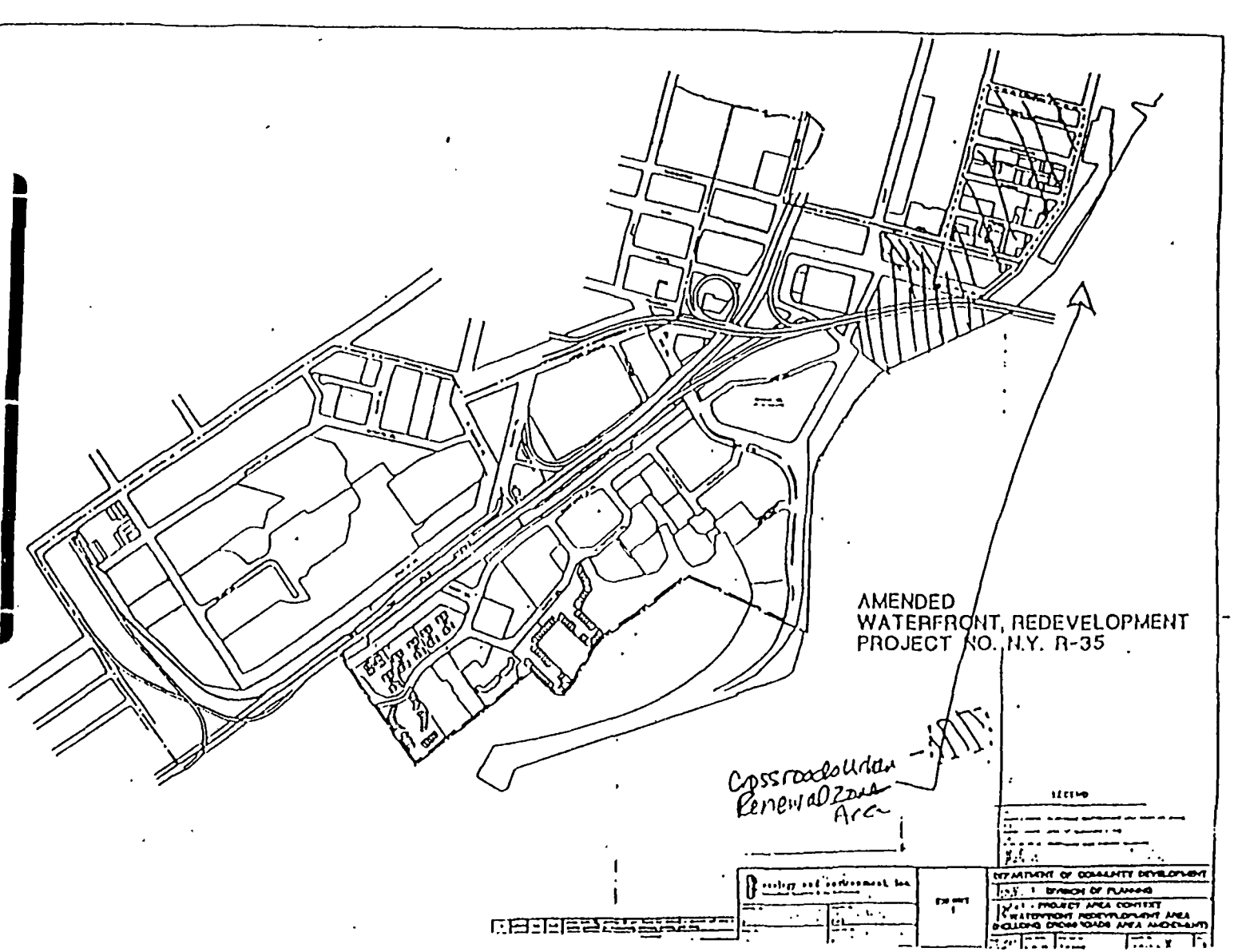
EXHIBIT U


AMENDED
WATERFRONT, REDEVELOPMENT
PROJECT NO. N.Y. R-35
Crossroads Urban Renewal Zone Area

CITY OF BUFFALO
OFFICE OF THE MAYOR

ANTHONY M. MASIELLO
MAYOR

May 24, 1995

Crossroads Arena LLC
140 Main Street
Buffalo, NY 14202

Buffalo Urban Renewal Agency
920 City Hall
Buffalo, New York 14202

Dear BURA Member: and Crossroads Arena LLC:

BURA has acquired, through condemnation, and purchase certain real property that is being dedicated to the Crossroads Arena Project. Even though BURA pays no real estate taxes, taxes continue to accrue between the date of acquisition and the publishing of the next tax roll. As a result, taxes become due and would normally be paid by the developer or forgiven by the City.

The taxes that have accrued on the BURA owned Crossroads parcel now amount to approximately $40,000.00. Inasmuch as the project budget is extremely tight, and taxes were not calculated into the financing plan, it is our determination that we should provide tax forgiveness in this instance.

Therefore, pursuant to the powers vested in the Chief Executive Officer of the City of Buffalo by Chapter 652 of the Laws of 1993, I am instructing the Commissioner of Administration and Finance not to enforce the collection of property taxes on the BURA owned Crossroads parcel.

Very truly yours,

Anthony M. Masiello
Mayor
City of Buffalo

AMM/mv

BUFFALO SABRES

June 2, 1995

City of Buffalo
City Hall
Buffalo, New York 14202

Re: Payment of Rent Under the Aud Lease; Estoppel Letter

Gentlemen:

Please refer to that certain lease agreement dated February 11, 1970, by and between Niagara Frontier Hockey, L.P. ("NFHLP") and the City of Buffalo (the "City"), as heretofore or hereinafter amended or extended (the "Aud Lease"). This letter confirms:

1) that NFHLP has paid to the City the quarterly rent payable under such Aud Lease for the period ending December 1, 1994 under protest, and that such protest is now hereby withdrawn and waived;

2) that on the date of the closing (the "Closing") of the transactions contemplated by that certain Financing Participants Agreement, by and among the City, the County of Erie, the City of Buffalo Urban Renewal Agency, the New York State Urban Development Corporation, 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, Crossroads Arena LLC and NFHLP, with respect to certain obligations and commitments relating to the Crossroads Arena in Buffalo, New York (the "Financing Participants Agreement"), NFHLP will pay to the City the quarterly payments of rent due on February 1, 1995 and April 1, 1995 under the Aud Lease without protest;

3) the NFHLP does hereby waive any and all defenses, rights of offset and counterclaims to or regarding the payment of rents described in the preceding paragraph;

4) to the best knowledge of the undersigned, no uncured default or breach has occurred under the Aud Lease by either the undersigned or the City; and to the best knowledge of the undersigned, no event has occurred which, with the passing of time

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

or giving of notice or both, would constitute a default or breach under the Aud Lease by either the undersigned or the City; and

5) nothing in the preceding paragraphs shall be deemed to constitute a release or waiver by NFHLP of any and all rights or remedies, if any, at law or otherwise (including, without limitation, its right of contribution or indemnification, if any, (whether arising under contract or at common law) against the City with respect to 1) claims asserted against NFHLP or its affiliate(s) by any person who is not a party to this Estoppel and with respect to which claims NFHLP or its affiliate(s) do not on the date hereof have written notice of (a) a demand for compensation, or (b) an assertion by such a person that NFHLP or its affiliate(s) is or may be liable, which in either case includes a claim or assertion that the City was negligent, 2) claims asserted against NFHLP or its affiliate(s) by any person who is not a party to this Estoppel which claims (x) are based on events allegedly arising out of such person's attendance at an event at Memorial Auditorium conducted by NFHLP or its affiliate(s), and (y) which NFHLP (itself or through its affiliate(s), agents or representatives) has heretofore provided written notice to the City or of which the City has independent knowledge, and 3) any default or breach under the Aud Lease by the City which occurs subsequent to the date hereof.

Notwithstanding any of the foregoing to the contrary, nothing in this estoppel letter shall be deemed to affect, amend, modify, or void, in whole or in part, any provisions of the Aud Lease.

In addition, NFHLP acknowledges that this estoppel letter is being given to the City to induce the City to execute and deliver the Financing Participants Agreement, and that the City will execute and deliver such Financing Participants Agreement in reliance upon the statements made in this estoppel letter.

Very truly yours,

NIAGARA FRONTIER HOCKEY, L.P.

By: Niagara Frontier Hockey Management Corp.
its General Partner

By: _____
Daniel J. DiPofi
Vice President/Finance

: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

Dated: June 2, 1995

RELEASE (CITY)

FOR AND IN CONSIDERATION of the sum of One and No More Dollars paid by **NIAGARA FRONTIER HOCKEY, L.P.**, a Delaware limited partnership, with principal offices located at 140 Main Street, Buffalo, New York 14202 ("NFHLP"), to 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 receipt of which is hereby acknowledged, the City, for itself and for its successors and assigns, hereby remises, releases, and forever discharges the NFHLP and its successors and assigns of and from any and all manner of action and actions, cause and causes of action, suits, debts, accounts, sums of money, covenants, contracts, promises, agreements, damages, judgments, executions, claims, and demands whatsoever, in law or in equity, which the City ever had, now has, or which the City or its successors and assigns can, shall, or may have against NFHLP for, upon, or by reason of any matter, cause, or thing whatsoever arising under or in connection with that certain lease dated February 11, 1970, by and between NFHLP and the City, as heretofore or hereafter amended or extended ("Aud Lease"), or otherwise in connection with the use or occupancy of the Memorial Auditorium, Buffalo, New York, from the beginning of the world to the date of the date of these presents; PROVIDED, HOWEVER, that nothing herein shall be deemed to constitute a release or waiver by the City of any and all rights or remedies, if any, at law or otherwise (including, without limitation, its right of contribution or indemnification, if any, (whether arising under contract or at common law) against NFHLP with respect to 1. claims asserted against the City by any person who is not a party to this Release and with respect to which claims the City does not on the date hereof have written notice of (a) a demand for compensation, or (b) an assertion by such a person that the City is or may be liable, which in either case includes a claim or assertion that NFHLP was negligent, and 2. claims asserted against the City by any person who is not a party to this Release which claims (x) are based on events allegedly arising out of such person's attendance at an event at Memorial Auditorium conducted by NFHLP or its affiliate(s), and (y) which the City

has heretofore provided written notice of to NFHLP (itself or through its affiliate(s), agents or representatives) or of which NFHLP has independent knowledge.

Notwithstanding any of the foregoing to the contrary, nothing in this Release shall be deemed to affect, amend, modify, or void, in whole or in part, any provisions of the Aud Lease.

CITY OF BUFFALO

By: _____
Edward D. Peace, Corporation Counsel

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

On this 2nd day of June, 1995, before me, the subscriber, personally appeared Edward D. Peace, to me personally known, who, being by me duly sworn, did depose and say that he is Corporation Counsel of the City of Buffalo described in and who executed the foregoing instrument as Corporation Counsel of the City of Buffalo.

TIMOTHY J. QUINLIVAN, 02QU4991909
Notary Public, State of New York
Qualified in Erie County
My Commission Expires February 10, 1996

_____

Dated: June 2, 1995

RELEASE (NFHLP)

FOR AND IN CONSIDERATION of the sum of One and No More Dollars paid by 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"), to **NIAGARA FRONTIER HOCKEY, L.P.**, a Delaware limited partnership, with principal offices located at 140 Main Street, Buffalo, New York 14202 ("NFHLP"), the receipt of which is hereby acknowledged, NFHLP, for itself and for its successors and assigns, hereby remises, releases, and forever discharges the City and its successors and assigns of and from any and all manner of action and actions, cause and causes of action, suits, debts, accounts, sums of money, covenants, contracts, promises, agreements, damages, judgments, executions, claims, and demands whatsoever, in law or in equity, which NFHLP ever had, now has, or which NFHLP or its successors and assigns can, shall, or may have against the City for, upon, or by reason of any matter, cause, or thing whatsoever arising under or in connection with that certain lease dated February 11, 1970, by and between NFHLP and the City, as heretofore or hereafter amended or extended ("Aud Lease"), or otherwise in connection with the use or occupancy of the Memorial Auditorium, Buffalo, New York, from the beginning of the world to the date of the date of these presents; PROVIDED, HOWEVER, that nothing herein shall be deemed to constitute a release or waiver by NFHLP of any and all rights or remedies, if any, at law or otherwise (including, without limitation, its right of contribution or indemnification, if any, (whether arising under contract or at common law) against the City with respect to 1. claims asserted against NFHLP or its affiliate(s) by any person who is not a party to this Release and with respect to which claims NFHLP or its affiliate(s) do not on the date hereof have written notice of (a) a demand for compensation, or (b) an assertion by such person that NFHLP or its affiliate(s) is or may be liable, which in either case includes a claim or assertion that the City was negligent, and 2. claims asserted against NFHLP or its affiliate(s) by any person who is not a party to this Release which claims (x) are based on events allegedly arising out of such person's attendance at an event at Memorial

Auditorium conducted by NFHLP or its affiliate(s), and (y) which NFHLP (itself or through its affiliate(s), agents or representatives) has heretofore provided written notice of to the City or of which the City has independent knowledge.

Notwithstanding any of the foregoing to the contrary, nothing in this Release shall be deemed to affect, amend, modify, or void, in whole or in part, any provisions of the Aud Lease.

NIAGARA FRONTIER HOCKEY, L.P.

By Niagara Frontier Hockey Management Corporation, its Managing General Partner

By: _____
UP Finance [Title]

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

On this 2d day of June, 1995, before me, the subscriber, personally appeared Daniel J. DiPofi, to me personally 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 Managing General Partner of NIAGARA FRONTIER HOCKEY, L.P., the limited partnership described in and which executed the foregoing instrument, and that he executed the same by order of the Board of Directors of NIAGARA FRONTIER HOCKEY MANAGEMENT CORPORATION.

_____

JANET M. NOVAKOWSKI GABEL
Notary Public, State of New York
Qualified in Genesee County
My Commission Expires October 31 19 95

CITY OF BUFFALO
DEPARTMENT OF LAW

ANTHONY M. MASIELLO
MAYOR

EDWARD D. PEACE
CORPORATION COUNSEL

1100 CITY HALL
BUFFALO, NY 14202
(716) 851-4343
FAX: (716) 851-4105

May 24, 1995

Mr. Lawrence Quinn
Executive Vice President
Crossroads Arena LLC
140 Main Street
Buffalo, New York 14202

Dear Mr. Quinn,

Pursuant to our telephone conversation of this date, this letter acknowledges our agreement that in return for the release of the balance of unreserved City bond funds (approximately $34,314), CALLC will promptly pay any and all unanticipated Project Costs not to exceed $34,314 incurred by the City or BURA in accordance with the Development & Construction Agreement and promptly submit request for requisitions of same pursuant to the Financing Participants Agreement. The City shall promptly deliver a check for $34,314.

Further, I wish to disclose that we have received an estimate from Hiscock & Barclay that their estimated May billing will range between $8,000.00 - $10,000.00 which CALLC will be responsible for paying.

Very truly yours,

Edward D. Peace
Corporation Counsel

AMM:cms

Buffalo Urban Renewal Agency
920 City Hall, Buffalo, New York 14202-3376
716-851-5035

Anthony M. Masiello, Chairman

June 2, 1995

Ms. Jane Clemens, Attorney
Cohen Swados et al.
70 Niagara St.
Buffalo, New York 14202

RE: Crossroads

Dear Ms. Clemens:

On behalf of the Buffalo Urban Renewal Agency, this letter shall serve as authorization for the release from escrow of the signature pages of the Crossroads documents to which BURA is a party, in order to facilitate the closing of said project.

Further, BURA specifically approves the May 31, 1995 draft of the NHL Cooperation Agreement.

Very truly yours,
BUFFALO URBAN
RENEWAL AGENCY

ANTHONY M. MASIELLO
CHAIRMAN

AMM:MLM:cms

APPROVAL CERTIFICATE

To: The New York State Urban Development Corporation ("Advancing Party")
Marine Midland Bank, as Agent

Subject: Crossroads Arena, Buffalo, N.Y. ("Project")
Request for Advance - 6/2/95 Advance ($16,904,532.00)

1. This Certificate is issued pursuant to the Financing Participants Agreement pertaining to the Project dated as of May 10, 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 May 10, 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:_____
Eilert F. Bartels
Senior Vice President

SHAWMUT BANK, N.A.,
as Concession Lenders' Agent

By:_____
David A. Splaine
Managing Director

NEW YORK STATE URBAN DEVELOPMENT CORPORATION, as Public Sector Agent

By:_____
Peter Walat, V.P.

NEW YORK SPORTSERVICE, INC.

By:_____
Michael F. Thompson
President

SPORTSERVICE CORPORATION

By:_____
Michael F. Thompson
President

[Signature Page to Approval Certificate]

EXHIBIT A

PUBLIC SECTOR FINANCING DOCUMENTS

1. Contract for Lease of Land for Redevelopment by and among City of Buffalo Urban Renewal Agency, City of Buffalo and Crossroads Arena LLC, dated as of May 10, 1995.

2. Development & 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.

3. 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.

4. Inter-Municipal Agreement by and between County of Erie and City of Buffalo, dated as of May 10, 1995.

5. Inducement Agreement by and among City of Buffalo, City of Buffalo Urban Renewal Agency, New York State Urban Development Corporation, County of Erie, Niagara Frontier Hockey, L.P., Crossroads Arena LLC and Niagara Frontier Hockey Management Corp., dated as of May 10, 1995.

6. Guaranty by Niagara Frontier Hockey, L.P. to City of Buffalo, County of Erie and New York State Urban Development Corporation, dated as of May 10, 1995.

7. Conditional Assignment of Project Documents by Crossroads Arena LLC to New York State Urban Development Corporation, City of Buffalo, New York, County of Erie, New York, Buffalo Urban Renewal Agency, Erie County Industrial Development Agency, dated as of May 10, 1995.

8. License Agreement by and between City of Buffalo and Crossroads Arena LLC, dated as of May 10, 1995.

9. Buffalo Urban Renewal Agency - County Ground Lease by and between Buffalo Urban Renewal Agency and County of Erie, dated as of May 10, 1995.

10. County Sublease #1 by and between City of Buffalo and County of Erie, dated as of May 10, 1995.

11. City Sublease by and between City of Buffalo and County of Erie, dated as of May 10, 1995.

12. County Sublease #2 by and between Erie County Industrial Development Agency and County of Erie, dated as of May 10, 1995.

13. Agency Lease Agreement by and between Erie County Industrial Development Agency and Crossroads Arena LLC, dated as of May 10, 1995.

14. Non Disturbance and Attornment Agreement by and among Buffalo Urban Renewal Agency, City of Buffalo, Erie County, Erie County Industrial Development Agency, Crossroads Arena LLC, Niagara Frontier Hockey, L.P., Buffalo Sabres Concession LLC, New York Sportservice, Inc., Marine Midland Bank, Key Bank of New York, Shawmut Bank, N.A., and Fleet Bank, dated as of May 10, 1995.

15. Non-Relocation Agreement (Public Sector) by and among City of Buffalo, New York State Urban Development Corporation, County of Erie and Niagara Frontier Hockey Management Corp., dated as of May 10, 1995.

16. Coordinating Agreement among Public Sector Participants, dated as of May 10, 1995.

17. New York State Urban Development Corporation Note, dated as of May 10, 1995, made by Crossroads Arena LLC in favor of New York State Urban Development.

18. Guaranty dated as of May 10, 1995, made by Niagara Frontier Hockey L.P. in favor of New York State Urban Development Corporation.

APPROVAL CERTIFICATE

To: The New York State Urban Development Corporation ("Advancing Party")
Marine Midland Bank, as Agent

Subject: Crossroads Arena, Buffalo, N.Y. ("Project")
Request for Advance - 6/2/95 Advance ($16,904,532.00)

1. This Certificate is issued pursuant to the Financing Participants Agreement pertaining to the Project dated as of May 10, 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 May 10, 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:_____

SHAWMUT BANK, N.A.,
as Concession Lenders' Agent

By:_____
David A. Splaine
Managing Director

NEW YORK STATE URBAN DEVELOPMENT CORPORATION, as Public Sector Agent

By:_____

NEW YORK SPORTSERVICE, INC.

By:_____
Michael F. Thompson
President

SPORTSERVICE CORPORATION

By:_____
Michael F. Thompson
President

[Signature Page to Approval Certificate]

SCHEDULE TO APPROVAL CERTIFICATE
DATED AS OF MAY 10, 1995

1. Building Permit: The City has issued Arena Improvements building permits for foundations, structural, electrical, plumbing, HVAC, and exterior skin. For purposes of this Request for Advance only, Concession Lenders' Agent waives non-receipt by CALLC of the basic building permit for the Project.

2. Parking Structure Improvements: For purposes of this Request for Advance only, Concession Lenders' Agent waives non-receipt by CALLC of the permits and approvals required to construct and utilize the Parking Structure Improvements, the plans and specifications therefor, and liability insurance for The Krog Company.

3. Other Permits and Approvals: For purposes of this Request for Advance only, Concession Lenders' Agent waives non-receipt by CALLC of the permits and approvals identified on Exhibit D to the Financing Participants Agreement.

LBpo/0251078

SCHEDULE A

CONCESSION LOAN DOCUMENTS

Financing Participants Agreement among City of Buffalo, County of Erie, City of Buffalo Urban Renewal Agency, New York State Urban Development Corporation, 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, Crossroads Arena LLC and Niagara Frontier Hockey, L.P.

Financing Participants Cooperation Agreement among the National Hockey League, City of Buffalo, County of Erie, City of Buffalo Urban Renewal Agency, New York State Urban Development Corporation, 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, Crossroads Arena LLC and Niagara Frontier Hockey, L.P.

Interim and Term Concession Loan Agreement between Buffalo Sabres Concession LLC, on the one hand, and Shawmut Bank, N.A. and Fleet Bank, on the other hand, joined in for particular purposes as set forth therein by Crossroads Arena LLC and Niagara Frontier Hockey, L.P.

$10,000,000 Promissory Note by Buffalo Sabres Concession LLC in favor of Shawmut Bank, N.A. and Fleet Bank

$22,500,000 Promissory Note by Buffalo Sabres Concession LLC in favor of Shawmut Bank, N.A. and Fleet Bank

Leasehold Mortgage, Security Agreement and Fixture Financing Statement by Erie County Industrial Development Agency and Buffalo Sabres Concession LLC in favor of Shawmut Bank, N.A. and Fleet Bank

Leasehold Mortgage, Security Agreement and Fixture Financing Statement by Buffalo Sabres Concession LLC in favor of Shawmut Bank, N.A. and Fleet Bank

Collateral Assignment of Leases and Rents by Buffalo Sabres Concession LLC in favor of Shawmut Bank, N.A. and Fleet Bank

Collateral Assignment and Security Agreement in Regard to Contracts, Licenses, Permits, Agreements, Warranties and Approvals by Buffalo Sabres Concession LLC in favor of Shawmut Bank, N.A. and Fleet Bank

Security Agreement among Erie County Industrial Development Agency, Crossroads Arena LLC, Niagara Frontier Hockey, L.P., and Buffalo Sabres Concession LLC, collectively, as Debtor, and Shawmut Bank, N.A. and Fleet Bank, collectively, as Secured Parties

RCV BY:Xerox Telecopier 7020 ; 6- 1-95 ; 10:52 ; 617 574 4112→PHILLIPS LYTLE(BFLO) :# 2

UCC-1 Financing Statements naming Buffalo Sabres Concession LLC as Debtor and Shawmut Bank, N.A. and Fleet Bank as Secured Party

Lien Law Affidavit by Buffalo Sabres Concession LLC

Refinancing Agreement among Buffalo Sabres Concession LLC, Niagara Frontier Hockey, L.P., New York Sportservice, Inc., Sportservice Corporation, Shawmut Bank, N.A. and Fleet Bank

Non-Disturbance and Attornment Agreement among Buffalo Urban Renewal Agency, City of Buffalo, Erie County, Erie County Industrial Development Agency, Crossroads Arena LLC, Niagara Frontier Hockey, L.P., Buffalo Sabres Concession LLC, New York Sportservice, Inc., Sportservice Corporation, Marine Midland Bank, Key Bank of New York, Shawmut Bank, N.A. and Fleet Bank

Concession Lease Agreement by Niagara Frontier Hockey, L.P., as landlord, to Buffalo Sabres Concession LLC, as tenant

Concession Sublease by Buffalo Sabres Concession LLC, as landlord, to New York Sportservice, Inc. and Sportservice Corporation, as tenant

UCC-1 Financing Statements naming Crossroads Arena LLC as Debtor and Shawmut Bank, N.A. and Fleet Bank as Secured Party

Lease Agreement by Crossroads Arena LLC, as landlord, and Niagara Frontier Hockey, L.P., as tenant

Prime Project Lease by Erie County Industrial Development Agency, as landlord, and Crossroads Arena LLC, as tenant

Guaranty and Agreement by Niagara Frontier Hockey, L.P. in favor of Shawmut Bank, N.A. and Fleet Bank

Collateral Assignment of Leases and Rents by Niagara Frontier Hockey, L.P. in favor of Shawmut Bank, N.A. and Fleet Bank

Security Agreement among Niagara Frontier Hockey, L.P., as Debtor, and Shawmut Bank, N.A. and Fleet Bank, collectively, as Secured Parties

UCC-1 Financing Statements naming Niagara Frontier Hockey, L.P as Debtor and Shawmut Bank, N.A. and Fleet Bank as Secured Party

RCV BY:Xerox Ta acop-er 7020 : 6- 1-95 : 10:53 : 617 574 4112-PHILLIPS LVT_E(BFLO) ,# 3

UCC-1 Financing Statements naming Niagara Frontier Hockey Management Corporation, General Partner of Niagara Frontier Hockey, L.P. as Debtor and Shawmut Bank, N.A. and Fleet Bank as Secured Party

RCV BY:Xerox _telecopier 7020 ; 6- 1-95 ; 16:54 ; 617 574 4112→PHILLIPS LYTLE(BFLO) :# 4

APPROVAL CERTIFICATE

To: The New York State Urban Development Corporation ("Advancing Party")
Marine Midland Bank, as Agent

Subject: Crossroads Arena, Buffalo, N.Y. ("Project")
Request for Advance - 6/2/95 Advance ($16,904,532.00)

1. This Certificate is issued pursuant to the Financing Participants Agreement pertaining to the Project dated as of May 10, 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 May 10, 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: _____
Eilert F. Bartels
Senior Vice President

SHAWMUT BANK, N.A.,
as Concession Lenders' Agent

By: _____
David A. Splaine
Managing Director

NEW YORK STATE URBAN DEVELOPMENT CORPORATION, as Public Sector Agent

By: _____

NEW YORK SPORTSERVICE, INC.

By: _____
Michael F. Thompson
President

SPORTSERVICE CORPORATION

By: _____
Michael F. Thompson
President

[Signature Page to Approval Certificate]

SCHEDULE TO APPROVAL CERTIFICATE
DATED AS OF MAY 10, 1995

1. Building Permit: The City has issued Arena Improvements building permits for foundations, structural, electrical, plumbing, HVAC, and exterior skin. For purposes of this Request for Advance only, Construction Lenders' Agent waives non-receipt by CALLC of the basic building permit for the Project.

2. Parking Structure Improvements: For purposes of this Request for Advance only, Construction Lenders' Agent waives non-receipt by CALLC of the permits and approvals required to construct and utilize the Parking Structure Improvements, the plans and specifications therefor, and liability insurance for The Krog Company.

3. Other Permits and Approvals: For purposes of this Request for Advance only, Construction Lenders' Agent waives non-receipt by CALLC of the permits and approvals identified on Exhibit D to the Financing Participants Agreement.

IIch
0247727

Schedule A

FINANCING DOCUMENTS (CONSTRUCTION LOAN)

(all dated of even date herewith)

1. Building Loan Contract between Crossroads Arena LLC ("CALLC") and Marine Midland Bank ("Marine"), as Collateral Agent for the benefit of itself, Key Bank of New York ("Key") and other lenders.

2. Promissory Note in the amount of $17,000,000 made by CALLC to Marine.

3. Promissory Note in the amount of $17,000,000 made by CALLC to Key.

4. Building Loan Mortgage made by CALLC, The City of Buffalo Urban Renewal Agency ("BURA"), Erie County Industrial Development Agency ("ECIDA") and The County of Erie ("County") to Marine, as Collateral Agent for the benefit of itself, Key and other lenders.

5. Assignment of Leases and Rents made by CALLC to Marine, as Collateral Agent for the benefit of itself, Key and other lenders.

6. Assignment of Project Documents made by CALLC to Marine, as Collateral Agent for the benefit of itself, Key and other lenders.

7. Security Agreement (All Assets) between CALLC, ECIDA and Marine, as Collateral Agent for the benefit of itself, Key and other lenders.

8. Security Agreement (All Assets) between Niagara Frontier Hockey, L.P. ("NFHLP") and Marine, as Collateral Agent for the benefit of itself, Key and other lenders.

9. Security Agreement (Ticket Proceeds) between NFHLP and Marine, as Collateral Agent for the benefit of itself, Key and other lenders.

10. Security Agreement (Equipment) between ECIDA, CALLC, NFHLP, Buffalo Sabres Concession LLC ("BSCLLC") and Marine, as Collateral Agent for the benefit of itself, Key and other lenders.

11. Bank Account Assignment (Auditorium Ticket Surcharge Account) between CALLC and Marine, as Collateral Agent for the benefit of itself, Key and other lenders.

12. Bank Account Assignment (Renewal and Replacement Account) by CALLC to Marine, as Collateral Agent for the benefit of itself, Key and other lenders.

13. Bank Account Assignment (Project Revenue Account) by CALLC to Marine, as Collateral Agent for the benefit of itself, Key and other lenders.

14. Bank Account Assignment (Ticket Proceeds Account) by NFHLP to Marine, as Collateral Agent for the benefit of itself, Key and other lenders.

15. Acknowledgement of and Consent to Assignment of Interest Rate Agreement made by Key to Marine, as Collateral Agent for the benefit of itself and other lenders.

16. Two (2) UCC-1 Financing Statements (All Assets) filed against CALLC (Debtor) by Marine, as Collateral Agent for the benefit of itself and other lenders (Secured Party).

17. Two (2) UCC-1 Financing Statements filed against ECIDA (Debtor) by Marine, as Collateral Agent for the benefit of itself and other lenders (Secured Party).

18. Three (3) UCC-1 Financing Statements (All Assets) filed against NFHLP (Debtor) by Marine, as Collateral Agent for the benefit of itself and other lenders (Secured Party).

19. Three (3) UCC-1 Financing Statements (All Assets) filed against Buffalo Sabres, a trade name of NFHLP (Debtor) by Marine, as Collateral Agent for the benefit of itself and other lenders (Secured Party).

20. Two (2) UCC-1 Financing Statements (Ticket Proceeds) between NFHLP (Debtor) and Marine, as Collateral Agent for the benefit of itself and other lenders (Secured Party).

21. Two (2) UCC-1 Financing Statements (Ticket Proceeds) between Buffalo Sabres, a trade name of NFHLP (Debtor) and Marine, as Collateral Agent for the benefit of itself and other lenders (Secured Party).

22. Two (2) UCC-1 Financing Statements filed against BSCLLC, ECIDA, CALLC and NFHLP (Debtors) by Marine, as Collateral Agent for the benefit of itself and other lenders (Secured Party).

23. Guaranty between NFHLP and Marine, as Collateral Agent for the benefit of itself, Key and other lenders.

24. Environmental Inquiry Authorization, Compliance and Indemnification Agreement, between CALLC and Marine, as Collateral Agent for the benefit of itself, Key and other lenders.

Document 69

Advance Request was distributed
to financing participants prior to closing

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 10, 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 2nd day of June, 1995.

CROSSROADS ARENA LLC

By: NIAGARA FRONTIER HOCKEY, L.P.,
Its Member

By: NIAGARA FRONTIER HOCKEY MANAGEMENT CORPORATION, Its Managing General Partner

By: _____
Daniel J. DiPofi
Vice President Finance

BUFFALO SABRES CONCESSION LLC

By: NIAGARA FRONTIER HOCKEY MANAGEMENT CORPORATION,
Its Member

By: _____
Daniel J. DiPofi
Vice President Finance

LBpo/249821

Document 69A

List of Reimbursable Project Costs was distributed to financing participants prior to closing

Marine Midland Bank
Member HSBC Group

Marine Midland Bank, as Agent
C/O Real Estate Finance Department
One Marine Midland Center
15th Floor
Buffalo, NY 14203
Attn: Eilert F. Bartels, Senior Vice President

Gentlemen:

We hereby establish our Irrevocable Standby Letter of Credit, No. SDCMBF950401, in your favor and we hereby irrevocably agree to make funds up to the aggregate amount of U.S. One Million Eight Hundred Sixty-Six and 00/100 Dollars (U.S. $1,866,000.00) available to you at our office at One Marine Midland Center, Buffalo, New York 14203. This Letter of Credit is established for the account of Rich Products, Inc. pursuant to the Financing Participants Agreement dated as of May 10, 1995, as may be amended, among the City of Buffalo, The County of Erie, New York State Urban Development Corporation, Marine Midland Bank, Key Bank of New York, Shawmut Bank, N.A., Fleet Bank, The City of Buffalo Urban Renewal Agency, Erie County Industrial Development Agency, New York Sportservice, Inc., Sportservice Corporation, Niagara Frontier Hockey, L.P., Crossroads Arena LLC, Buffalo Sabres Concession LLC and Marine Midland Bank, as Agent ("Agent") ("Financing Participants Agreement"). This Letter of Credit becomes effective on May 25, 1995, and expires upon the earlier of: (i) our close of business on May 25, 1996; or (ii) our receipt of a written notice from the Agent that completion of the Project has occurred in accordance with the terms of the Financing Participants Agreement.

It is a condition of this Irrevocable Letter of Credit that it shall be automatically extended for additional periods of six months each from the present or each future expiration date, unless at least 30 days prior to such date, we notify you in writing by certified mail, return receipt requested, to your aforementioned address, that we elect not to renew this Letter of Credit for such additional period. Upon receipt by you of such notice, you may draw on us at sight for the balance remaining on this Letter of Credit and within the then applicable expiry date. Notwithstanding the foregoing, in no event shall this Letter of Credit be extended beyond May 9, 1997.

On or prior to the then applicable expiration date, funds are available to you, from time to time, not exceeding in the aggregate the amount specified above, upon the presentation

Except to the extent as otherwise expressly stated, this documentary credit is subject to Uniform Customs and Practice for Documentary Credits (1993 Revision), International Chamber of Commerce Publication No. 500.

of a sight draft drawn on the undersigned stating on its face: "Drawn under Marine Midland Bank Letter of Credit No. SDCMBF950401, dated May 25, 1995", and accompanied by your written certificate signed by you in the form of Exhibit A attached hereto. Partial draws may be made hereunder.

This Letter of Credit is not transferable, negotiable or assignable.

This Letter of Credit is subject to the Uniform Customs and Practice for Documentary Credit (1993 Revision), International Chamber of Commerce Publication No. 500.

Communications regarding this Letter of Credit should be addressed to the attention of our Real Estate Finance Department, at our address specified above and specific reference should be made to the number of this Letter of Credit.

Marine Midland Bank

By Lindsay E Alcorn/3755

AC
249116.05

Except so far as otherwise expressly stated, this documentary credit is subject to Uniform Customs and Practice for Documentary Credits (1993 Revision), International Chamber of Commerce Publication No. 500.

Marine Midland Bank
Member HSBC Group

EXHIBIT A

CERTIFICATE FOR DRAW UNDER LETTER
OF CREDIT NO. SDCMBF950401, DATED MAY 25, 1995,
ISSUED BY MARINE MIDLAND BANK

Marine Midland Bank as Agent ("Agent") under the Financing Participants Agreement dated as of May 10, 1995, as may be amended, among The City of Buffalo, The County of Erie, New York State Urban Development Corporation, Marine Midland Bank, Key Bank of New York, Shawmut Bank, N.A., Fleet Bank, The City of Buffalo Urban Renewal Agency, Erie County Industrial Development Agency, New York Sportservice, Inc., Sportservice Corporation, Niagara Frontier Hockey, L.P., Crossroads Arena LLC, Buffalo Sabres Concession LLC and Marine Midland Bank as Agent ("Financing Participants Agreement"), by its duly authorized officer, hereby certifies with reference to the above-referenced Letter of Credit ("Letter of Credit") issued by Marine Midland Bank in favor of Agent that:

(1) The undersigned is the beneficiary of the Letter of Credit and is making a draw under the Letter of Credit;

(2) The amount of the draft accompanying this Certificate, plus the aggregate amount of all prior drafts under the Letter of Credit, does not exceed the maximum amount available for draw under the Letter of Credit; and

(3) Select at least one of the following:

(a) In the determination of Agent pursuant to the Financing Participants Agreement, the proceeds of this draw are necessary to pay the costs of construction of the Project. ☐

(b) Agent has received a notice of an Event of Default described in Section 7.7(b) of the Financing Participants Agreement. ☐

(c) The Letter of Credit expires within thirty (30) days of the date of this certificate and has not been replaced or renewed, except that in no event will this provision apply to the May 9, 1997 final expiration date of the Letter of Credit ☐

All capitalized terms not defined herein shall have the meanings set forth in the Financing Participants Agreement.

Except as otherwise expressly stated, this documentary credit is subject to Uniform Customs and Practice for Documentary Credits (1993 Revision), International Chamber of Commerce Publication No. 500.

IN WITNESS THEREOF, the undersigned has executed this Certificate on the ____ day of _____, 19__.

MARINE MIDLAND BANK as Agent

By: _____
Name: _____
Title: _____

AC/IIga/or
248249.06

Except as otherwise expressly stated, this documentary credit is subject to Uniform Customs and Practice for Documentary Credits (1993 Revision), International Chamber of Commerce Publication No. 500.

Meridian Bank®

Meridian Bank
International Department
P.O. Box 7588
Philadelphia, PA 19101

Telex Number: 6734692
S.W.I.F.T. Address: MRDNUS3P
Telephone: (215) 854-3588

IRREVOCABLE STANDBY CREDIT

ADVISED BY MAIL

CREDIT NUMBER: 00604049
EXPIRY: May 25, 1996, in PHILA. AT OUR COUNTERS.

May 25, 1995

APPLICANT

GEORGE STRAWBRIDGE JR.
3801 KENNETT PIKE
BLDG 100
WILMINGTON, DE 19807

BENEFICIARY

MARINE MIDLAND BANK
1 MARINE MIDLAND CENTER
REAL ESTATE FINANCE DEPT.,15TH FL.
ATTN: EILERT BARTELS
BUFFALO, NY 14203

AMOUNT

USD 1,866,000.00 (US DOLLARS ONE MILLION EIGHT HUNDRED SIXTY SIX THOUSAND AND NO/100).

Credit available with MERIDIAN BANK against presentation of the documents detailed herein and of your drafts at SIGHT drawn on MERIDIAN BANK.

DOCUMENTATION REQUIRED:
OTHER TERMS/INSTRUCTIONS:
WE HEREBY ESTABLISH OUR IRREVOCABLE STANDBY LETTER OF CREDIT NO. 00604049 IN FAVOR OF MARINE MIDLAND BANK, AS AGENT UNDER THE CROSSROADS FINANCING PARTICIPANTS AGREEMENT DATED AS OF MAY 10, 1995, UP TO THE AGGREGATE AMOUNT OF $1,866,000.00 AVAILABLE TO YOU AT OUR OFFICE AT 1835 MARKET ST., 11 PENN CENTER, PHILADELPHIA, PA 19103 ATTN: INT'L DEPT., 16TH FLOOR.

THIS LETTER OF CREDIT BECOMES EFFECTIVE ON MAY 25,1995 AND EXPIRES UPON THE EARLIER OF: (i) OUR CLOSE OF BUSINESS ON MAY 25, 1996; OR (ii) OUR RECEIPT OF A WRITTEN NOTICE FROM THE AGENT THAT COMPLETION OF THE PROJECT HAS OCCURRED IN ACCORDANCE WITH THE TERMS OF THE FINANCING PARTICIPANTS AGREEMENT.

IT IS A CONDITION OF THIS LETTER OF CREDIT THAT IT SHALL BE AUTOMATICALLY EXTENDED WITHOUT WRITTEN AMENDMENT FOR ADDITIONAL PERIODS OF SIX MONTHS FROM THE PRESENT OR EACH FUTURE EXPIRATION DATE, UNLESS AT LEAST THIRTY (30) DAYS PRIOR TO SUCH DATE, WE NOTIFY YOU IN WRITING BY CERTIFIED MAIL OR COURIER DELIVERY, TO THE ABOVE ADDRESS, THAT WE ELECT

(continued)

Meridian Bank®

Meridian Bank
International Department
P.O. Box 7588
Philadelphia, PA 19101

Telex Number: 6734692
S.W.I.F.T. Address: MRDNUS3P
Telephone: (215) 854-3588

NOT TO RENEW THIS LETTER OF CREDIT FOR SUCH ADDITIONAL PERIOD. UPON RECEIPT BY YOU OF SUCH NOTICE, YOU MAY DRAW ON US AT SIGHT FOR THE BALANCE REMAINING ON THIS LETTER OF CREDIT AND WITHIN THE THEN APPLICABLE EXPIRY DATE. NOTWITHSTANDING THE FOREGOING, IN NO EVENT SHALL THIS LETTER OF CREDIT BE EXTENDED BEYOND MAY 9, 1997.

ON OR PRIOR TO THE THEN EXPIRATION DATE, FUNDS ARE AVAILABLE TO YOU, FROM TIME TO TIME NOT EXCEEDING THE AGGREGATE AMOUNT, UPON PRESENTATION OF A SIGHT DRAFT DRAWN ON MERIDIAN BANK STATING ON ITS FACE: "DRAWN UNDER MERIDIAN BANK LETTER OF CREDIT NO. 00604049, DATED MAY 25, 1995", AND ACCOMPANIED BY YOUR SIGNED CERTIFICATE IN THE FORM OF EXHIBIT "A" ATTACHED HERETO, AND THE ORIGINAL LETTER OF CREDIT.

PARTIAL DRAWINGS ARE PERMITTED.

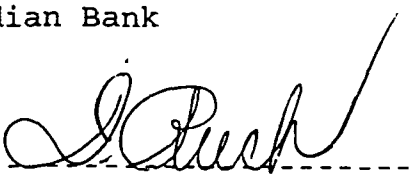
THIS LETTER OF CREDIT IS NOT TRANSFERABLE.

THIS LETTER OF CREDIT SETS FORTH IN FULL THE TERMS OF OUR UNDERTAKING, AND SUCH UNDERTAKING SHALL NOT IN ANY WAY BE MODIFIED, AMENDED OR AMPLIFIED BY REFERENCE TO ANY DOCUMENT, INSTRUMENT OR AGREEMENT REFERRED TO HEREIN OR IN WHICH THIS LETTER OF CREDIT IS REFERRED TO OR TO WHICH THIS LETTER OF CREDIT RELATES AND ANY SUCH REFERENCE SHALL NOT BE DEEMED TO INCORPORATE HEREIN BY REFERENCE ANY DOCUMENT, INSTRUMENT OR AGREEMENT.

WE HEREBY ENGAGE WITH YOU THAT DRAFT(S) DRAWN UNDER AND IN COMPLIANCE WITH THE TERMS OF THIS LETTER OF CREDIT WILL BE DULY HONORED UPON DELIVERY OF DOCUMENTS AS SPECIFIED ABOVE IF PRESENTED TO US ON OR BEFORE MAY 25, 1996 OR ANY AUTOMATICALLY EXTENDED DATE.
DRAFT AND DOCUMENT(S) TO BE PRESENTED TO MERIDIAN BANK, 11 PENN CENTER, 16TH FLOOR, 1835 MARKET ST., PHILADELPHIA, PA 19103.

UNLESS OTHERWISE EXPRESSLY STATED HEREIN, THIS LETTER OF CREDIT IS SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS (1993 REVISION, INTERNATIONAL CHAMBER OF COMMERCE PARIS FRANCE, PUBLICATION NO. 500) AND ENGAGES US IN ACCORDANCE WITH THE TERMS THEREOF.

Meridian Bank



Authorized Signature

Meridian Bank®

Meridian Bank
International Department
P.O. Box 7588
Philadelphia, PA 19101

Telex Number: 6734692
S.W.I.F.T. Address: MRDNUS3P
Telephone: (215) 854-3588

Exhibit "A"

Certificate for draw under Letter of Credit No. 00604049 dated May 25, 1995

Marine Midland Bank as Agent ("Agent") under the Financing Participants Agreement dated as of May 10, 1995, as may be amended, among The City of Buffalo, The County of Erie, New York State Urban Development Corporation, Marine Midland Bank, Key Bank of New York, Shawmut Bank, N.A., Fleet Bank, The City of Buffalo Urban Renewal Agency, Erie County Industrial Development Agency, New York Sportservice, Inc., Sportservice Corporation, Niagara Frontier Hockey, L.P., Crossroads Arena LLC, Buffalo Sabres Concession LLC and Marine Midland Bank as Agent ("Financing Participants Agreement") by its duly authorized officer, hereby certifies with reference to the above-referenced Letter of Credit issued by Meridian Bank in favor of Agent that:

1. The undersigned is the beneficiary of the Letter of Credit and is making a draw under the Letter of Credit.

2. The amount of the draft accompanying this Certificate, plus the aggregate amount of all prior drafts under the Letter of Credit, does not exceed the maximum amount available for draw under the Letter of Credit; and

3. Select at least one of the following:

_____ (a) In the determination of Agent pursuant to the Financing Participants Agreement, the proceeds of this draw are necessary to pay the costs of construction of the Project.

_____ (b) Agent has received a notice of an Event of Default described in Section 7.7(b) of the Financing Particpants Agreement.

_____ (c) The Letter of Credit no. 00604049 expires within thirty (30) days of the date of this certificate and has not been replaced or renewed. However, in no event will this provision apply to the final expiration date of May 9, 1997.

All capitalized terms not defined herein shall have the meanings set forth in the Financing Participants Agreement.

Document 75

Construction Disbursement Account Documentation is maintained by Marine Midland Bank. The Disbursement Account was opened prior to closing.

County of Erie

NANCY A. NAPLES
COMPTROLLER

June 29, 1995

TO THE ATTACHED DISTRIBUTION LIST:

Please be advised that Erie County completed the sale of General Obligation Bonds for the Crossroads Arena Project on June 28, 1995. The County's contribution to the project of $20 million is on deposit at Marine Midland Bank (Erie County-Crossroads Arena Account #752-86062-3).

Very truly yours,

NANCY A. NAPLES
County Comptroller

mlk
Attachment

ERIE COUNTY OFFICE BUILDING, 95 FRANKLIN STREET, BUFFALO, NEW YORK 14202 - PHONE: (716) 858-8400 - FAX: (716) 858-8507

James H. Watz, Esq.
Phillips, Lytle, Hitchcock,
Blaine & Huber
3400 Marine Midland Center
Buffalo, New York 14203

Arnold B. Gardner, Esq.
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Commissioner
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DOCUMENT NOT IN BINDER

DOCUMENT IN POSSESSION OF
MARINE MIDLAND BANK
AS AGENT FOR
FINANCING PARTICIPANTS

DOCUMENT NOT IN BINDER

DOCUMENT IN POSSESSION OF
MARINE MIDLAND BANK
AS AGENT FOR
FINANCING PARTICIPANTS

DOCUMENT NOT IN BINDER

DOCUMENT IN POSSESSION OF
MARINE MIDLAND BANK

MEMORANDUM

To; File

From: Laurence K. Rubin

Re; Documents not in Crossroads Arena Closing Binders

Date; December 28, 1995

Certain of the documents listed on the Index to the Crossroads Arena Closing Documents are noted by an insert sheet as "Document Not In Binder. Document in Possession of Marine Midland Bank". These documents were included in Phillips, Lytle's closing list but were not distributed to us or the City or UDC. They were requested by Kavinoky & Cook, LLP of James Watz, Esq. of Phillips, Lytle . Mr. Watz refused to provide us with copies of these documents at the direction of his client and/or Larry Quinn on behalf of CALLC, NFHLP and/or BSCLLC.

THE
CROSSROADS

June 2, 1995

Ms. Valerie J. Betts
Administrative Support Specialist
Regional Commercial Banking
Marine Midland Bank, N.A.
One Marine Midland Center
Buffalo, NY 14203

Dear Valerie:

Please use this letter as authorization to wire transfer $2,535,000.00 from Crossroads Arena Corp. Account No. 750-152176 to Chemical Bank, New York, NY ATTN: Buffalo Office, ABA#021000128, Account #530-021-633, F/B/O Delaware North Companies, Inc., Phone Advice: Donna Gutillo (716) 858-5145. Make note that the transfer relates to principal and interest repayment on interim construction loan.

Sincerely,
CROSSROADS ARENA CORP.

Daniel J. DiPofi
Vice President/ CFO

DJD.tj

cc: JDC, CMI, SAH

THE
CROSSROADS

June 2, 1995

Ms. Valerie J. Betts
Administrative Support Specialist
Regional Commercial Banking
Marine Midland Bank, N.A.
One Marine Midland Center
Buffalo, NY 14203

Dear Valerie:

Please use this letter as authorization to wire transfer $3,039,480.22 from Crossroads Arena Corp. Account No. 750-152176 to Chemical Bank, New York, NY ATTN: Buffalo Office, ABA#021000128, Account #530-021-765, F/B/O Sportservice Corporation, Phone Advice: Donna Gutillo (716) 858-5145. Make note that the transfer relates to principal and interest repayment on interim construction loan.

Sincerely,
CROSSROADS ARENA CORP.

Daniel J. DiPofi
Vice President/ CFO

DJD.tj

cc: JDC, CMI, SAH