

SECOND AMENDMENT TO AGREEMENT

This Second Amendment (the "Second Amendment") is made and entered into effective as of _____, 2014 (the "Effective Date"), by and among the CITY OF RENO, NEVADA, a municipal corporation (the "City"), the RENO-SPARKS CONVENTION & VISITORS AUTHORITY, a political subdivision of the County of Washoe, State of Nevada (the "RSCVA"), and the UNITED STATES BOWLING CONGRESS, INC., a Wisconsin ~~non-profit~~nonprofit corporation (the "USBC"). The City, the RSCVA and the USBC are sometimes hereinafter collectively referred to as the "Parties" and individually as a "Party."

R E C I T A L S

A. The City, the RSCVA and the USBC are parties to that certain Agreement dated as of June 13, 2012, as amended by that certain First Amendment dated as of _____, ~~2013~~February 11, 2014 (the "Agreement"), whereby the USBC agreed to sponsor and conduct national bowling tournaments at the National Bowling Stadium in Reno, Nevada (the "NBS"), all on the terms and conditions as set forth in the Agreement. Capitalized terms not otherwise defined in this Second Amendment shall have the meaning ascribed to them in the Agreement, as amended hereby.

B. The Parties desire to amend the Agreement to revise: (i) the USBC obligations in regard to the number and types of Tournaments to be held at the NBS; (ii) the dates for the Tournaments which are to be held at the NBS; (iii) the site fee to be paid from the RSCVA to the USBC on account of each Tournament; (iv) the schedule for completion of the Facility Upgrades and Renovations to be performed by the RSCVA; and (v) other matters properly related thereto.

C. The Parties are entering into this Second Amendment for the purpose of amending the Agreement as set forth above.

NOW THEREFORE, in consideration of the foregoing Recitals and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City, the RSCVA and the USBC hereby agree as follows:

1. Recitals. The foregoing Recitals are hereby acknowledged by the City, the RSCVA and the USBC as true and correct and are incorporated herein by this reference.

2. Term. Section 2.5.1 of the Agreement is hereby deleted in its entirety and replaced with the following new Section 2.5.1.

2.5.1 Term. The term of this Agreement shall commence upon November 1, 2012 (the "Commencement Date") and end on the conclusion of the Open Tournament in ~~2035~~2026 (the "Term"), unless sooner terminated as provided in this Agreement.

3. Number of Tournaments. Section 5.1 of the Agreement is hereby deleted in its entirety and replaced with the following new Section 5.1.

5.1 Number of Tournaments at NBS. For the years 2015 through ~~2035~~2026, USBC agrees that it will conduct not less than ~~fourteen (14)~~~~eight (8)~~ seven (7) ~~four (4)~~ of which shall be an Open Tournament. The Tournaments at the NBS shall occur according to the following schedule:

Year	Tournament Type
2015	Women's Tournament
2016	Open Tournament
2018	Women's Tournament
2020	Open Tournament
2022	Women's Tournament
2023	Open Tournament
2025	Women's Tournament
2026	Open Tournament
2028	Women's Tournament
2029	Open Tournament
2031	Women's Tournament
2032	Open Tournament
2034	Women's Tournament
2035	Open Tournament

In the event the USBC is unable or unwilling to conduct the ~~fourteen (14)~~~~eight (8)~~ Tournaments at the times as set forth in this Section 5.1, ~~then the USBC shall be deemed in addition to any remedies provided to RSCVA for breach of this Agreement as outlined in Section 14, default and the~~ USBC agrees that it will pay to the RSCVA an amount equal to ~~One~~Two Million Dollars (\$~~1,000,000.00~~) as liquidated damages for each Open Tournament it fails to conduct and ~~Five Hundred Thousand (\$500,000)~~One Million Dollars (\$1,000,000.00) for each Women's Tournament that it fails to conduct according to the foregoing schedule ("Liquidated Damages"); provided, however, ~~USBC shall have no liability to the RSCVA for Liquidated Damages if USBC terminates this Agreement prior to the expiration of the Term as provided in this Agreement~~ in the event a particular Tournament becomes economically unviable and is cancelled by the USBC and neither the USBC nor any affiliated or related entity, wholly or partially owned or controlled by USBC, holds the cancelled Tournament, or any iteration thereof, whether in whole or in part, at any other venue during the calendar year in which the cancelled

Tournament was to be held at the NBS, the above Liquidated Damages amounts for the economically unviable cancelled Tournament (whether an Open Tournament or a Women's Tournament) shall be decreased to Zero Dollars (\$0.00). The amount of any Liquidated Damages owed by USBC shall be reduced by any amounts owed to USBC by RSCVA or the City.

4. Site Fee. With the exception of the portions of Exhibit B of the Agreement relating to the 2015 and 2018 Tournaments, Exhibit B is hereby deleted and replaced with the new Exhibit B attached hereto as Attachment 1. For the avoidance of doubt, the site fee for the years 2015 and 2018 shall remain as set forth in the original Exhibit B.

5. Facility Upgrades and Renovations. The USBC acknowledges that of the Facility Upgrades and Renovations set forth in Section 2.3.1 of the Agreement, the RSCVA has completed all required upgrades and renovations with the exception of (i) the demolition of existing stadium seating and replacement with flexible space (to be completed prior to February 1, 2016); (ii) construction and establishment of a new sports bar theme food and beverage outlet (to be completed prior to February 1, 2016); and (iii) refurbishment of the exterior of the NBS (to be completed prior to February 1, 2018). The RSCVA represents that it is currently on schedule and on budget to complete the remaining three Facility Upgrades and Renovations in accordance with the provisions of the Agreement. Notwithstanding, the RSCVA believes it may be beneficial to delay completion of the demolition of the existing stadium seating and replacement with flexible space and construction and establishment of a new sports bar theme food and beverage outlet in order to accrue additional Dedicated Surcharge Proceeds to allow for a greater budget for such projects. Therefore, at such time as the RSCVA has the proposed budget, plans and specifications for the demolition of the existing stadium seating and replacement with flexible space and construction and establishment of a new sports bar theme food and beverage outlet based on a completion date on or before February 1, 2016, the RSCVA and USBC shall meet and confer regarding whether to complete such projects with the existing budget for completion on or before February 1, 2016, or whether to postpone such projects as mutually agreed by the Parties to allow the accrual of additional Dedicated Surcharge Proceeds.

For the avoidance of doubt, unless agreed otherwise by the Parties in their sole and absolute discretion, the schedule of Facility Upgrades and Renovations set forth in the Agreement shall control.

6. Lineage Fee. Section 4.1 of the Agreement is hereby amended to the extent necessary to provide that the Lineage Fee for the Tournaments held in 2015 and 2018 shall be Two and 77/100ths Dollars (\$2.77), and for all other Tournaments held after the Effective Date hereof, the Lineage Fee shall be Two and No/100ths Dollars (\$2.00).

7. Joint Marketing Efforts. The USBC and RSCVA shall establish a joint marketing committee composed of designated representatives of the USBC and RSCVA (the "Marketing Committee"). The USBC and RSCVA shall each have the right to appoint up to five (5) individuals to serve as their designated representatives on the Marketing Committee. The Marketing Committee shall hold regular meetings in person, or telephonically, as necessary but

not less than once every six (6) months at which times the members of the Marketing Committee shall use good faith efforts to develop marketing programs with a general goal of increasing the number of participants in the Tournaments and increasing the volume of Tournament participants which utilize the hotels identified by the RSCVA as partner properties. The USBC and RSCVA shall then determine whether they desire to implement any marketing program recommended by the Marketing Committee. This provision is not intended, nor shall it be deemed, to obligate the USBC and/or the RSCVA to participate in or implement any marketing program recommended by the Marketing Committee unless the USBC and/or RSCVA determine, in their sole and absolute discretion, that it is in their best interests to so participate.

8. Counterparts and Delivery of Signatures. This Second Amendment may be executed in counterparts, each of which when so executed and delivered shall be deemed an original, but all of which together shall constitute one and the same instrument. Facsimile and/or electronically delivered signatures are permissible and shall be binding for purposes of this Second Amendment.

9. Binding Effect. This Second Amendment shall be binding upon, and inure to the benefit of, the parties hereto, and their respective personal and legal representatives, heirs, executors, administrators, successors and assigns.

10. Ratification of Remaining Terms and Conditions. Any and all terms and provisions of the Agreement that are inconsistent or in conflict with the terms and provisions of this Second Amendment are hereby amended to be consistent with the terms and provisions contained herein. As modified herein, all of the terms and provisions of the Agreement are hereby ratified and affirmed in all respects.

The parties have executed this Second Amendment and caused the same to be duly delivered on their behalf effective as of the Effective Date.

RSCVA

RENO-SPARKS CONVENTION AND VISITORS AUTHORITY, a political subdivision of the County of Washoe, State of Nevada

By: _____
Name: _____
Its: _____

USBC

UNITED STATES BOWLING CONGRESS, a Wisconsin ~~non-profit~~ nonprofit corporation

By: _____
Name: _____
Its: _____

Formatted: Left

CITY

CITY OF RENO, NEVADA, a municipal corporation

By: _____
Name: _____
Its: _____
By: _____
Name: _____
Its: _____

ATTACHMENT 1

[see attached]

EXHIBIT B

Site Fee Payment

With the exception of the 2015 and 2018 Tournaments, for all other Tournaments held pursuant to the terms of the Agreement, RSCVA ~~shall hereby agree to~~ pay to the USBC a site fee in an amount equal to Thirty and No/100ths Dollars (\$30.00) per each Unique Team Bowler participating in the subject Tournament (the "Site Fee"). ~~The Site Fee shall increase to Forty and No/100ths Dollars (\$40.00) per each Unique Team Bowler participating in the subject Tournament (the "Site Fee")~~ in the event the RSCVA is able to obtain the necessary governmental approvals as further set forth below.

In an effort to obtain the funding necessary to increase the Site Fee to Forty and No/100ths Dollars (\$40.00) per each Unique Team Bowler, the RSCVA shall use all reasonable efforts to obtain approval from the 2015 Nevada State Legislature to increase the existing transient lodging tax surcharge and/or repurpose the existing transient lodging tax surcharge to increase the Site Fee by an additional Ten and No/100ths Dollars (\$10.00) per each Unique Team Bowler. In the event the RSCVA is able to obtain the necessary legislative approval, as well as the approval of any local government necessary to implement an increase to the existing transient lodging tax surcharge and/or a repurposing of the existing transient lodging tax surcharge to fund an additional Ten and No/100ths Dollars (\$10.00) per each Unique Team Bowler, the Parties shall execute a Third Amendment to the Agreement increasing the Site Fee from Thirty and No/100ths Dollars (\$30.00) per each Unique Team Bowler participating in the subject Tournament to Forty and No/100ths Dollars (\$40.00) per each Unique Team Bowler participating in the subject Tournament and modifying the Liquidated Damages to provide that the Liquidated Damages shall be Three Million Five Hundred Thousand Dollars (\$3,500,000.00) for each Open Tournament USBC fails to conduct and One Million Seven Hundred Fifty Thousand Dollars (\$1,750,000.00) for each Women's Tournament that USBC fails to conduct according to the schedule set forth in the Agreement; provided, however, in the event a particular Tournament becomes economically unviable and is cancelled by the USBC and neither the USBC nor any affiliated or related entity, wholly or partially owned or controlled by USBC, holds the cancelled Tournament, or any iteration thereof, whether in whole or in part, at any other venue during the calendar year in which the cancelled Tournament was to be held at the NBS, the above Liquidated Damages amounts for the economically unviable cancelled Tournament (whether an Open Tournament or a Women's Tournament) shall be decreased to Zero Dollars (\$0.00).

In the event the RSCVA is unable to obtain the foregoing approvals, the Site Fee shall remain at Thirty and No/100ths Dollars (\$30.00) per each Unique Team Bowler participating in the subject Tournament for the balance of the Term of the Agreement (excepting 2015 and 2018) without the necessity of any further action on the part of the Parties.

As used herein, the term "Unique Team Bowler" shall mean an individual bowling for a team of bowlers consisting of four or five individuals that each bowl a score at a Tournament exclusively for their team. If any member of a team participates on another team during the

Tournament, that bowler will not be considered a Unique Team Bowler, and will not be counted for the purpose of calculating the Site Fee.

The RSCVA agrees to pay the Site Fee in full to the USBC within thirty (30) days following the completion of each Tournament.

In consideration of the foregoing, the USBC shall allow the RSCVA access to each Unique Team Bowler that participates in any of the Tournaments for the purpose of allowing the RSCVA to conduct a survey regarding which hotel property, if any, each such Unique Team Bowler stayed at while participating in the subject Tournament (the "Bowler Surveys"). The RSCVA shall be entitled to conduct the Bowler Surveys at such times and places as the USBC and RSCVA mutually agree, which such time and place shall not unreasonably interfere with the subject Tournament. The Bowler Surveys may be conducted in any manner deemed appropriate or desirable by the RSCVA, including, but not limited to, face to face surveys by employees or agents of the RSCVA. The USBC shall cooperate fully with the RSCVA in regard to the Bowler Surveys and shall not in any way interfere with or hinder the RSCVA's ability to conduct the Bowler Surveys. The USBC acknowledges that the Bowler Surveys are necessary to enable the RSCVA to receive reimbursement of a portion of the Site Fee from third parties and that if the USBC interferes with or prevents the RSCVA from conducting the Bowler Surveys, the RSCVA will suffer economic damages as a result.

For the avoidance of doubt, the Site Fee payable by the RSCVA to the USBC for the 2015 and 2018 Tournaments shall be as set forth in the original Exhibit B to the Agreement, [regardless of the ability of the RSCVA to obtain the governmental approvals contemplated herein.](#)

Formatted: Left, Line spacing: Exactly 10 pt