CITY AGREEMENT
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MANAGEMENT AGREEMENT

BETWEEN

THE CITY OF COUNCIL BLUFFS, IOWA

AND

HARRAH'S IOWA ARENA MANAGEMENT, LLC

Dated as of June 15, 2012

Ends 2017

TABLE OF CONTENTS

Page

1. DEFINITIONS 2
2. ENGAGEMENT OF OPERATOR SCOPE OF SERVICES. 6
   2.1 Engagement 6
   2.2 Scope of Services - - Generally. 7
   2.3 Specific Services. 7
   2.4 Right of Entry Reserved 9
   2.5 Confidentiality/Nondisclosure. 9
   2.6 Centralized Services 10
3. TERM AND RENEWAL. 11
   3.1 Management Term and Renewal Term 11
   3.2 New Contract. 11
4. OPERATOR'S COMPENSATION 12
   4.1 Management Fee. 12
5. FUNDING, BUDGETS; BANK ACCOUNTS. 12
   5.1 Operating Funds. 12
   5.2 Non-Funding. 13
   5.3 Annual Budget; Cash Flow Budget. 14
   5.4 Budget Modifications Initiated by Operator. 16
   5.5 Budget Modifications Initiated by the City. 16
   5.6 Receipts and Disbursements. 17
   5.7 Ticket Sales Revenues. 18
   5.8 Capital Improvements; Capital Equipment 18
   5.9 Limitation of Operator Liability. 18
   5.10 Funds for Emergency Repairs 18
6. RECORDS, AUDITS AND REPORTS. 19
   6.1 Records and Audits. 19
   6.2 Annual Plan 19
   6.3 Long Term Capital Maintenance Plan. 20
   6.4 Monthly Reports. 20
7. EMPLOYEES. 20
   7.1 Operator Employees 20
   7.2 No Solicitation or Employment by City. 21
8. INDEMNIFICATION AND INSURANCE. 21
   8.1 Indemnification. 21
   8.2 Liability Insurance. 22
   8.3 Workers Compensation Insurance. 23
   8.4 Employment Practices Liability Insurance. 23
   8.5 Fidelity Bond. 24
   8.6 Property Insurance. 24
   8.7 Certain Other Insurance. 24
   8.8 Insurance Generally. 25
9. OWNERSHIP OF ASSETS 25
   9.1 Ownership. 25

TABLE OF CONTENTS
(continued)

Page

9.2 City Obligations. 25
10. ASSIGNMENT; AFFILIATES. 26
10.1 Assignment. 26
10.2 Operator Affiliates. 26
11. LAWS AND PERMITS. 27
11.1 Permits, Licenses, Taxes and Liens. 27
11.2 Governmental Compliance. 27
11.3 No Discrimination in Employment. 28
12. TERMINATION. 28
12.1 Termination Upon Default. 28
12.2 Termination Other than Upon Default. 28
12.3 Effect of Termination. 28
12.4 Surrender of Premises. 29
12.5 Dispute Resolution. 29
13. MISCELLANEOUS. 29
13.1 Use of Facility at Direction of City. 29
13.2 Intentionally Omitted. 30
13.3 No Partnership or Joint Venture. 30
13.4 Entire Agreement. 30
13.5 Written Amendments. 30
13.6 Force Majeure. 30
13.7 Binding Upon Successors and Assigns; No Third-Party Beneficiaries. 31
13.8 Notices. 32
13.9 Section Headings and Defined Terms. 33
13.10 Counterparts. 33
13.11 Severability. 33
13.12 Non-Waiver. 33
13.13 Certain Representations and Warranties. 33
13.14 Governing Law. 34

MANAGEMENT AGREEMENT

THIS MANAGEMENT AGREEMENT (this "Agreement") dated as of the 15 day of June, 2012, by and between the City of Council Bluffs, Iowa, a municipal corporation organized and existing pursuant to Chapter 372 of The Code of the State of Iowa (the "City"), and HARRAH'S IOWA ARENA MANAGEMENT, LLC, a Delaware limited liability company whose current address is One Caesar's Palace, Las Vegas, Nevada 89109 ("Operator")

BACKGROUND

The City is the owner of a recreation and convention complex, consisting of an arena, an attached fieldhouse/exhibit hall, an attached ballroom and kitchen ("Ballroom and Kitchen Facilities"), and associated parking facilities including adjacent public areas surrounding the retail space as more specifically depicted on Exhibit A (collectively, the "Facility") located in the City of Council Bluffs, Iowa.

Operator and its Affiliates are engaged in the business of providing management services, including operations and marketing services, for food and beverage outlets and entertainment facilities.

The City desires to engage Operator, and Operator desires to accept such engagement, to provide management services for the Facility on the terms and conditions set forth herein.

The City intends to work in mutual accord with Operator in order to ensure provision of high quality management services, thereby enhancing the use and enjoyment of the Facility.

NOW, THEREFORE, in consideration of the mutual premises, covenants and agreements herein contained, the parties hereto, intending to be legally bound, hereby agree as follows:

1. Definitions.

For purposes of this Agreement, the following terms have the meanings referred to in this Section 1:

"ADA" – as defined in Section 8.1(b) of this Agreement.

"Affiliate" - a person that directly or indirectly, through one or more intermediaries, controls or is controlled by, or is under common control with, a specified person. For purposes of this definition, "control" means ownership of equity securities or other ownership interests which represent more than 40% of the voting power in the controlled person.

"Approved Budget" - any budget submitted by Operator, as approved by the City pursuant to Section 5 hereof.

"Operator" – as defined in the first paragraph of this Agreement.

"Operator Customer Data" means any customer lists developed by Operator and its Affiliates and any information or data affirmatively provided by guests and customers of the any facilities owned or managed by Operator or its Affiliates, such as forms filled out upon arrival or in customer preference questionnaires during such guests' and customers' stay or visit, including, but not limited to: (a) player information or other gaming related information generated by or at facilities operated or managed by Operator or its Affiliates; (b) any information gathered, generated or extrapolated as part of or residing within the Total Rewards System or from any other player or customer loyalty program; and (c) any information originating from facilities owned or operated Operator or is Affiliates;.

"Capital Equipment" - any and all furniture, fixtures, machinery or equipment, either additional or replacement, having a per item original cost of ~~$5,000~~ 10,000 or more or an expected useful life of more than ~~one~~ five year.

"Capital Improvements" - any and all building additions, alterations, renovations, repairs or improvements that have an initial dollar cost of not less than ~~$5,000~~ 10,000 per project.

"Cash Flow Budget" - An annual cash flow budget setting forth the projected cash flow of the Facility.

"Centralized Services" – as defined in Section 2.6(a).

"Centralized Services Charges" – as defined in Section 2.6(b).

"City" - as defined in this first paragraph of this Agreement.

"City Council" - the Council Bluffs, Iowa City Council.

"Confidential Information" – as defined in Section 2.5(c).

"Event Expenses" - any and all expenses incurred or payments made by Operator in connection with the occurrence of events at the Facility, including but not limited to costs for event staffing including ushers, ticket takers, security and other event staff, and costs relating to setup and cleanup.

"Facility" - as defined in the first paragraph of the Background section of this Agreement.

"Fiscal Year" - a one year period beginning July 1 and ending June 30.

"Food Services" – all sales of food and beverages at the Facility including, without limitation, (i) all food and beverage sales from permanent or portable concessions stands or roving vendors to individual customers, (ii) all food and beverage sales of brand name products for which a franchise or royalty payment is required to be paid to a third party; (iii) all food and beverage sales from permanent or portable concession stands, bars, food stations or in-seat servers to individual customers in the Club Lounge or Club Seating Areas; (iv) all food and beverage catering sales, and (v) all food and beverage sales in the Facility's suites. The definition of Food Service shall exclude any sales from vending machines.

"Laws" – as defined in Section 11.2 of this Agreement.

"Losses" – as defined in Section 8.1(a) of this Agreement.

"Management Fee" – the management fee payable to Operator pursuant to Section 4.1 below.

"Management Term" – as defined in Section 3.1 of this Agreement.

"Mayor" - the Mayor of the City of Council Bluffs, Iowa or the Mayor's written designee.

"Necessary Unforeseen Expenses" shall mean expenses, which could not reasonably be foreseen by Operator or are in excess of amounts that Operator could reasonably have anticipated at the time of completion of the then-applicable Approved Budgets to fund (a) real estate taxes, assessments and utility charges, (b) insurance premiums and associated deductibles or retentions for the insurance required under Section 8, (c) expenses incidental to compliance with any final court orders, judgments or other legal proceedings and all costs and expenses related thereto, (d) other immediately necessary expenditures and additions or modifications to the Facility to comply with applicable laws, rules or regulations, or (e) subject to Section 5.10, an expense which is reasonably necessary in connection with an emergency condition. Necessary Unforeseen Expenses exclude expenses incurred as a result of the gross negligence or misconduct on the part of Operator.

"Net Operating Loss/Profit - with respect to a Fiscal Year, the excess, if any, of Operating Expenses for such Fiscal Year over Operating Revenues for such Fiscal Year, in the case of a loss, and the excess, if any, of Operating Revenues for such Fiscal Year over Operating Expenses for such Fiscal Year, in the case of a profit. To the extent not inconsistent with the prior practice in the management of the Facility prior to the date hereof, accrual basis accounting as defined by the Financial Accounting Standards Board shall be used to determine Net Operating Loss/Profit.

"NOL Threshold" – a Net Operating Loss of $700,000.00. – $500,000

"Operating Account(s)" – as defined in Section 5.6(a) hereof.

"Operating Budget" - An annual operating budget projecting the Operating Revenues and Operating Expenses to meet the scope of services and objectives under this Agreement. Such budget shall contain appropriate line items for revenues and expenses and the projected Net Operating Loss/Profit.

"Operating Expenses" - (a) any and all expenses and expenditures of whatever kind or nature incurred, directly or indirectly, by Operator in promoting, operating, maintaining and managing the Facility, including, but not limited to: employee compensation and related expenses (e.g., base salaries, bonuses, severance and car allowances), employee benefits and related costs (e.g., relocation and other related expenses pursuant to Operator's relocation policy (a copy of which will be provided upon request), parking and other fringe benefits), supplies,

material and parts costs, costs of any interns and independent contractors, advertising, marketing and public relations costs and commissions, janitorial and cleaning expenses, data processing costs, dues, subscriptions and membership costs, the costs of procuring and maintaining the insurance and fidelity bonds referred to in Section 8 below, amounts expended to procure and maintain permits and licenses, charges, taxes, excises, penalties and fees, professional fees, printing and stationery costs, Event Expenses, Centralized Services Charges, expenses related to Food Services, postage and freight costs, equipment rental costs, computer equipment leases and line charges, repairs and maintenance costs (e.g., elevators and HVAC), security expenses, utility and telephone charges, travel and entertainment expenses in accordance with Operator's policies, the cost of employee uniforms, safety and medical expenses, exterminator and waste disposal costs, costs relating to the maintenance of signage inventory and systems, the cost of annual independent audits of the Facility, the cost of compliance with laws and regulations, other start-up expenses associated with the opening of a Facility, costs incurred under agreements, commitments, licenses and contracts executed in Operator's name (or in Operator's name as agent of the City) as provided in Section 2.3(b) hereof, and the Management Fee, all as determined in accordance with generally accepted accounting principles and recognized on a full accrual basis; provided that Operating Expenses shall not include expenses or expenditures in connection with Capital Improvements and Capital Equipment purchases.

(b) Solely for purposes of (i) calculating Net Operating Loss/Profit and Operator Management Fee hereunder, and (ii) identifying Operating Expenses which will be budgeted in Approved Budgets, Operating Expenses shall exclude (A) Event Expenses which are deducted from the gross receipts of all event activities at the Facility (in accordance with the last sentence in the definition of Operating Revenues), and (B) all extraordinary expenses and all interest, income tax, depreciation and amortization expenses.

"Operating Revenues" - (a) any and all revenues of every kind or nature derived from ~~owning~~, operating, managing or promoting the Facility, including, but not limited to: license, lease and concession fees, permanent or temporary space rentals, event services revenues, premium seating and suite revenues, revenues from merchandise sales, advertising sales, Food Services, equipment rentals, utility revenues, box office revenues, parking revenues, food service and concession revenues (however, if such revenues are collected in the first instance by and retained by the concessionaire, the amount of such revenues paid by the concessionaire to the Facility shall be included as Operating Revenues), commissions or other revenues from decoration and set-up, security and other subcontractors (however, if such revenues are collected in the first instance by and retained by such subcontractors, the amount of such revenues paid by such contractors to the Facility shall be included as Operating Revenues), miscellaneous operating revenues, revenues generated from separate agreements with Operator Affiliates pertaining to the Facility, and interest revenues, all as determined in accordance with generally accepted accounting principles and recognized on a full accrual basis. For the sake of clarity, the parties acknowledge that revenues from the sale of tickets for events at the Facility are not Operating Revenues, but are instead revenues of the promoter and/or performer of each such event. To the extent that Operator collects such ticket sale revenue on behalf of such promoter and/or performer, such ticket sale revenue shall be the source of funds from which Operator collects the rental charges and other event reimbursements due by such promoter and/or

performer for use of the Facility, which such charges and reimbursements are Operating Revenues hereunder.

(b) Solely for purposes of (i) calculating Net Operating Loss/Profit, (ii) identifying Operating Revenues which will be budgeted in Approved Budgets, and (iii) calculating Operator Management Fee hereunder, Operating Revenues from all event activity at the Facility will be calculated to encompass the gross receipts from each such event, less Event Expenses.

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"Pre-Existing Agreement" – each contract, license, agreement, option, lease and commitment existing as of the date of this Agreement that grants any person or entity any right (i) to license, use, occupy or rent all or any portion of the Facility, or (ii) to provide services to be used in the management, operation, use, possession, occupation, maintenance, promotion or marketing of all or any portion of the Facility (including the Tenant Agreement with the Lancers Hockey Team), and that have been provided to Operator.

"Renewal Term" - - the five-year period immediately following the Management Term, for which this Agreement may be renewed in accordance with Section 3.1 hereof beyond the Management Term.

"Systems" - - all computer hardware, software (commercial or custom), peripherals, technology products, operational systems, including, without limitation, telephone systems, HVAC systems, elevator and escalator systems, security systems and all other automated systems and equipment, and all components of any of the foregoing.

"Third-Party Centralized Services" - as defined in Section 2.6(a).

"Total Rewards System" means the Total Rewards® customer loyalty program as implemented from time to time by Operator or its Affiliates or such other replacement loyalty rewards program as may be implemented by Operator or its Affiliates from time to time in its discretion.

2. Engagement of Operator Scope of Services.

2.1 Engagement.

(a) General Scope. The City hereby engages Operator to promote, operate and manage the Facility during the Management Term and the Renewal Term, if any, upon the terms and conditions hereinafter set forth, and Operator hereby accepts such engagement.

(b) Managing Agent for the Facility. Subject to the terms of this Agreement, Operator shall be the sole and exclusive managing agent of the City to manage, operate and promote the Facility during the Management Term and the Renewal Term, if any. Operator shall have exclusive authority over the day-to-day operation of the Facility and all activities therein; provided that Operator shall follow all policies and guidelines of the City hereafter established or modified by the City that the City notifies Operator in writing are applicable to the Facility (including without limitation any methodology pertaining to the allocation of any costs and expenses by the City to the Facility as permitted herein); provided further that to the extent that

such policies or guidelines hereafter established or modified by the City adversely affect revenues or expenses at the Facility, then and in that event, the Operating Revenue and Net Operating Loss/Profit benchmarks used in determining the Management Fee or set forth in any Approved Budget, as appropriate, shall be correspondingly adjusted so that they reflect the additional costs or reduced revenues resulting from such established or modified policies or guidelines and provided that no change to the City's policies or guidelines shall be permitted to modify the term, renewal rights, economic provisions, the authority of Operator or any other material business term hereunder.

2.2 Scope of Services - - Generally.

Operator shall perform and furnish such management services and systems as are appropriate or necessary to operate, manage and promote the Facility in a manner consistent with Operator's policies and procedures and the operations of other similar facilities. Operator's management shall include the operation of the Ballroom and Kitchen Facilities and the Food Services at the Facility.

2.3 Specific Services.

Without limiting the generality of the foregoing, Operator shall have, without (except as otherwise expressly noted below) any prior approval by the City, sole right and authority to:

(a) subject to the City's right of approval set forth in Section 7.1(b) below, employ, supervise and direct employees and personnel consistent with the provisions of this Agreement;

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(b) negotiate, execute as agent for the City in the City's name (unless otherwise agreed to by the parties), deliver and administer any and all licenses, occupancy agreements, rental agreements, booking commitments, advertising agreements (to the extent so requested by the City), concession agreements, supplier agreements, service contracts (including, without limitation, contracts for cleaning, decorating and set-up, snow removal; general maintenance and maintenance and inspection of HVAC systems, elevators, stage equipment, fire control panel and other safety equipment, staffing and personnel needs, including guards and ushers, and other services which are necessary or appropriate), all contracts and agreements for the Centralized Services and all other contracts and agreements in connection with the management, promotion and operation of the Facility, provided that if any such license, agreement, commitment or contract other than those involving the license, lease or rental of the Facility in the ordinary course has a term that extends beyond the remaining Management Term or Renewal Term, as the case may be, such license, agreement, commitment or contract shall be approved and executed by the City (which approval shall not be unreasonably withheld). Without limiting the foregoing, subject to Section 13.1 hereof, Operator shall have exclusive right to book events at the Facility; provided, however, Operator shall use its best efforts and judgment so as not to book an event that it believes will offend the community of Council Bluffs and its immediately surrounding areas;

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(c) to the extent that Operating Revenues or funds supplied by the City are made available therefor, maintain the Facility in the condition received, reasonable wear and tear

excepted; provided that the City shall be responsible for undertaking all Capital Improvements and Capital Equipment purchases as provided in Section 5.8;

(d) to the extent that Operating Revenues or funds supplied by the City are made available therefor, rent, lease or purchase all equipment and maintenance supplies necessary or appropriate for the operation and maintenance of the Facility, provided that the City shall be responsible for undertaking all Capital Improvements and Capital Equipment purchases pursuant to Section 5.8;

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(e) establish and adjust prices, rates and rate schedules for the aforesaid licenses, agreements and contracts and any other commitments relating to the Facility to be negotiated by Operator in the course of its management, operation and promotion of the Facility subject to Section 13.1 hereof. In determining such prices and rate schedules, Operator shall evaluate comparable charges for similar goods and services at similar and/or competing facilities, shall consult with the Mayor about any adjustments to the rate schedules at the Facility to be made by Operator, and shall utilize the recommended and approved policies of the City;

(f) pay, when due, on behalf of the City, all Operating Expenses from accounts established pursuant to Sections 5.6 and 5.7 of this Agreement;

(g) after consultation with the City Attorney or his designee, institute as agent for the City and at the reasonable expense of the City, with counsel selected by Operator, such legal actions or proceedings as Operator shall deem necessary or appropriate in connection with the operation of the Facility, including, without limitation, to collect charges, rents or other revenues due to the City or to cancel, terminate or sue for damages under, any license, use, advertisement or concession agreement for the breach thereof or default thereunder by any licensee, user, advertiser, or concessionaire at the Facility;

(h) maintain a master set of all booking records and schedules for the Facility;

(i) provide day-to-day administrative services in support of its management activities pursuant to Approved Budgets and annual plans described herein, including, but not limited to, the acquisition of services, equipment, supplies and facilities; internal budgeting and accounting; maintenance and property management; personnel management; record-keeping; collections and billing; and similar services; and

(j) to cause the Facility to participate in the Total Rewards Systems such that admission, tickets, goods and/or services available at the Facility shall be available under the Total Rewards System on such terms as shall be reasonably determined by Operator consistent with the general terms, conditions and operations of the Total Rewards System;

(k) subject to the Approved Budget and any general marketing plan contained in the Annual Plan as approved by the City, engage in such advertising, solicitation, and promotional activities as Operator deems necessary or appropriate to develop the potential of the Facility and the cultivation of broad community support (including without limitation and if applicable, selling advertising inventory and securing product rights for the Facility). Operator shall work with the City's Convention Bureau to market the Facility for conventions, trade

shows and public entertainment shows. In connection with its activities under this Agreement, including without limitation and if applicable, advertising relating to the Facility, Operator shall be permitted to use the terms "Mid-America Center" or "MAC", or such other name agreed to by the City and logos for such names in its advertising, subject to the approval of the Mayor; provided, however, no trademarks or trade names associated with, used, owned or licensed by Operator or its Affiliates shall be used to promote or operate facility (other than identifying Operator as manager as may be necessary) unless and until approved by Operator and the City, each in their sole discretion, and subject to such license agreements as Operator shall require in connection therewith.

2.4 Right of Entry Reserved.

Representatives of the City designated in writing by the Mayor shall have the right, upon reasonable advance notice to Operator and at appropriate times, to enter all portions of the Facility to inspect same, to observe the performance of Operator of its obligations under this Agreement, to install, remove, adjust, repair, replace or otherwise handle any equipment, utility lines, or other matters in, on, or about the premises, or to do any act or thing which the City may be obligated or have the right to do under this Agreement or otherwise. Nothing contained in this Section is intended or shall be construed to limit any other rights of the City under this Agreement. The City shall not interfere with the activities of Operator hereunder, and the City's actions shall be conducted such that disruption of Operator's work shall be kept to a minimum. Nothing in this Section shall impose or be construed to impose upon the City any independent obligation to construct or maintain or make repairs, replacements, alterations, additions or improvements or create any independent liability for any failure to do so.

2.5 Confidentiality/Nondisclosure.

(a) Confidentiality/Nondisclosure. Subject to Chapters 21 and 22 of the Iowa Open Records Code, the City agrees that it shall keep secret and confidential any and all Confidential Information already disclosed and/or to be disclosed to it by Operator, and the City shall not divulge any such information, in whole or in part, to any third party except as is expressly permitted below in this Section 2.5.

(b) Subject to Chapters 21 and 22 of the Iowa Open Records Code, the City shall not use any such information, except for the express purpose of utilizing it in connection with the management of the Facility. Subject to Chapters 21 and 22 of the Iowa Open Records Code, the City shall not directly or indirectly disclose or discuss any such information with any person or entity, other than employees, agents and subcontractors of the City who are directly concerned with the management of the Facility, provided, however, that in the event of any such disclosure to its employees, agents and subcontractors, the City (i) shall first inform Operator of its desire to make such disclosure, (ii) if requested by Operator, shall require such employees, agents or subcontractors to execute and deliver to Operator prior to any disclosure by the City to him/her/it, an agreement acknowledging a receipt of a copy of the provisions of this Section 2.5 and agreeing to be bound by such provisions to the same extent as the City, and (iii) in any event, shall advise in writing all such persons or entities of the existence of the provisions of this Section 2.5 and of their responsibility to comply with such provisions.

(c) "Confidential Information" means any and all information disclosed (orally, in writing, by inspection or otherwise) to the City by Operator pursuant to this Agreement and any information developed by the City and based upon the information disclosed to the City pursuant to this Agreement, Such information includes, but is not limited to, plans, proposals, and lists of furniture, fixtures and equipment. The restrictions upon confidentiality and use of Confidential Information set forth in this Section 2.5 do not apply to information which the City can demonstrate was publicly available or lawfully in its possession at the time of its disclosure to the City by Operator; however, Confidential Information shall not be deemed in the City's possession or publicly known simply because it is embraced by more general information in the City's possession.

(d) With respect to any information or material which is protected by copyright of Operator, no part of such materials may be reproduced, stored in a data base and retrieval system or transmitted in any form or by any means graphic, electronic, photocopying, recording, mechanical or otherwise - without the prior written permission of Operator.

2.6 Centralized Services. - what is back office services

(a) Centralized Services. The City acknowledges that: (a) certain centralized products and services are provided or made available to other facilities owned and/or operated by Operator and its Affiliates (such services that are provided by Operator and its Affiliates, the "Centralized Services"); (b) the Centralized Services are intended to benefit the facilities; and (c) in certain circumstances (e.g., on a property by property basis), similar services may be available on more favorable terms from sources other than Operator or its Affiliates. Any Centralized Services to be provided under this Agreement may be provided by Operator or an Affiliate, or by a third-party designated by Operator or an Affiliate (the "Third-Party Centralized Services"). The City shall comply with all terms and requirements of any Centralized Services. Centralized Services exclude products or services exclusively utilized by Operator in the operation of a casino. Excluded services and products include but are not limited to marketing charges dedicated exclusively to the marketing of the casino or gaming operations of Operator or its Affiliates.

(b) Centralized Services Charges.

(i) The amounts charged to the Facility for the Centralized Services (the "Centralized Services Charges") shall be determined on the same basis as such amounts are determined for substantially all of the other facilities that are participating in such Centralized Services, and may include amounts reasonably calculated to cover the overhead and other costs incurred by Operator or its Affiliates (as applicable) in providing (or arranging for the provision of) such Centralized Services. In addition, the City shall pay all costs for the installation, use and maintenance of any equipment and technology systems at the Facility used in connection with the Centralized Services. Operator, its Affiliates and any third-party providing any Centralized Services shall have the right to increase or decrease any or all of the Centralized Services Charges from time to time, upon sixty (60) days' notice to the City, but the total increase in any Fiscal Year may not exceed 5% of the aggregate Centralized Services Charges payable during the immediately prior Fiscal Year.

(ii) Operator shall have the right (but not the obligation) to pay (directly or through an Affiliate) any amounts due to a third-party for any Third-Party Centralized Services provided to the Facility, in which case, notwithstanding anything to the contrary in this Agreement, such amounts shall be deemed to be Operating Expenses for all purposes under this Agreement.

(c) Modification of Centralized Services. The City acknowledges that Operator needs the flexibility to modify the Centralized Services to respond to market trends, customer demands, economic conditions, technological advances and other factors. The City agrees that Operator shall have the right (1) subject to the limitations of Section 2.6 of the Agreement, to (a) modify the structure, scope, delivery and terms of any Centralized Services and (b) add a new, or discontinue an existing, Centralized Service in each case, as Operator deems advisable from time to time.

3. Term and Renewal.

3.1 Management Term and Renewal Term.

The Management Term of this Agreement shall commence on July 1, 2012 and end five (5) years thereafter, unless earlier terminated pursuant to the provisions of this Agreement ("Management Term"). Subject to the last sentence hereof, the City Council may, in its sole discretion, extend the Management Term hereof on the same terms and conditions for an additional five-year period commencing upon the expiration of the Management Term and ending five (5) years thereafter by giving not less than one hundred eighty (180) days prior written notice of such extension to Operator. The City and Operator agree that, within one hundred twenty (120) days following the end of the Fiscal Year ending June 30, 2015, they will discuss in good faith the setting of Net Operating Loss/Profit benchmarks for the Fiscal Years ending June 30, 2016 and June 30, 2017. If such Net Operating Loss/Profit benchmarks are met by Operator, notwithstanding the second sentence of this Section 3.1, this Agreement shall automatically renew for a period of five (5) years as referenced above upon the expiration of the initial Management Term. Notwithstanding any of the foregoing to the contrary, Operator may elect that this Agreement shall not extend for the Renewal Term by providing the City with written notice thereof not less than one hundred eighty (180) days prior to the expiration of the initial Management Term.

3.2 New Contract.

If (i) the City intends, upon termination of the Management or Renewal Term to continue to provide management at the Facility through a private provider and (ii) this Agreement has not been terminated upon a default by Operator, then the City will during the final year of the Management Term (unless this Agreement is renewed and extended under Section 3.1) or Renewal Term, as the case may be, negotiate and discuss in good faith a new contract or arrangement with Operator for the provision of such services following the completion of such term. The obligation to negotiate with Operator is not intended to guarantee any contract rights for a future contract with Operator or any specific terms of a new contract.

4. Operator's Compensation.

4.1 Management Fee.

(a) As compensation to Operator for providing the services herein specified with respect to the Facility (inclusive of the Ballroom, Kitchen Facilities and Food Services) during the Management Term and any Renewal Term, the City shall pay to Operator during the Management Term and the Renewal Term, if any, an annual fee (the "Management Fee"), with respect to each Fiscal Year, which shall be equal to 50% of the amount by which the Net Operating Loss/Profit for such Fiscal Year is better than the NOL Threshold ("Net Operating Surplus").

(b) The Management Fee shall be payable in equal monthly installments of $25,000 due and payable on or before the last day of each month during the Fiscal Year, and shall be paid by Operator withdrawing the same from the Operating Account(s).

(c) If for any Fiscal Year, the aggregate amount of the tentative monthly installments paid to Operator on account of the Management Fee shall be more or less than the Management Fee payable for such Fiscal Year based upon the final determination of Net Operating Loss/Profit for such Fiscal Year as reflected in the audited annual financial statements for such Fiscal Year prepared in accordance with Section 6.1, then, by way of year end adjustment, within fifteen (15) business days after the delivery of such audited annual financial statements to the City, Operator shall pay into the Operating Account(s) the amount of such overpayment or withdraw from the Operating Account(s) the amount of any such underpayment.

5. Funding, Budgets; Bank Accounts.

5.1 Operating Funds.

Subject to Section 5.2, following the approval of the Operating Budget for a Fiscal Year (including, without limitation, any Operating Budget applicable to the Fiscal Year ending June 30, 2012 during the term hereof), the City shall make available quarterly to Operator through its general funds all funds necessary to pay all Operating Expenses to be incurred or accrued in such upcoming fiscal quarter. To the extent that an Approved Budget projects that Operating Revenues for a particular fiscal quarter will be insufficient to satisfy Operating Expenses for the subject fiscal quarter (a "Cash Flow Shortfall"), the City shall deposit an amount equal to such Cash Flow Shortfall into the Operating Accounts at least ten (10) days in advance of the fiscal quarter for which such Cash Flow Shortfall is projected. Notwithstanding the foregoing, upon the occurrence of (a) an unanticipated Cash Flow Shortfall for any period that is not set forth in the Approved Budget or (b) a Cash Flow Shortfall that is in excess of the amount projected in the Approved Budget, Operator shall withdraw from the Reserve Fund described in Section 5.6(b) below, an amount equal to such Cash Flow Shortfall and deposit such amount into the Operating Account(s). In the event an anticipated Cash Flow Shortfall exceeds the Cash Flow Shortfall projected in the Approved Budgets by more than fifteen percent (15%) and the funds in the Operating Account(s) and the Reserve Fund are insufficient to cover such Cash Flow Shortfall, Operator shall immediately notify the City in writing of same and shall provide the City with all necessary financial information and an explanation for such Cash Flow Shortfall, without

limiting Operator's rights under Section 5.2 of this Agreement. Provided the Operating Budget as proposed by Operator is not materially modified by the City in accordance with this Agreement, except to the extent approved by the City or as may be necessary to satisfy any Necessary Unforeseen Expenses, Operator's aggregate expenditures during each Fiscal Year (when taken as a whole relative to the total Operating Budget and not on a per line item basis) shall not exceed the aggregate amounts set forth in the Operating Budget for the applicable Fiscal Year. In the event Operator reasonably believes that Operator will be unable to perform hereunder within the Approved Budget, Operator shall promptly notify the City in accordance with Section 5.2(a) below. In the event Gross Revenues for any Fiscal Year exceed Operating Expenses for such Fiscal Year, Operator shall deposit such operating surplus into the Reserve Fund.

5.2 Non-Funding.

(a) In the event of a Cash Flow Shortfall or if the funding of the Facility is reduced to a level that, in Operator's' judgment, renders the management of the Facility not feasible, Operator shall immediately notify the City in writing of same and shall provide the City with all necessary financial information and explanation as may be requested by the City to reassess same. In such event, the City agrees, in good faith, to perform another review of the applicable budget and shall attempt to reach a mutually acceptable accord with Operator to resolve the matter. In the event that the City and Operator are unable to reach a mutually acceptable accord with respect to such funding level, either party may submit such disagreement to the Expert (as hereinafter defined) for determination as to whether Operator's request for additional funds was commercially justified. Notwithstanding the foregoing, as a condition to the City's submission of such dispute to an Expert, the City shall deposit into the Operating Accounts and replenish such deposits as necessary in an amount of funds necessary to satisfy all Cash Flow Shortfalls for the pendency of the dispute until the Expert renders its decision.

(b) For purposes of this Agreement, the term "Expert" shall mean an independent, neutral and impartial individual who is appointed in each instance by agreement of the parties, provided such individual shall have not less than ten (10) years' hospitality industry experience in the area of expertise on which the dispute is based (e.g. with respect to operational matters, experience in the management and operation of stadiums or arenas or, with respect to financial matters, experience in the financial or economic evaluation or appraisal of such stadiums or arenas). An individual shall be excluded as an Expert if, currently or within the three (3) years prior to the date of selection of such individual as an Expert, the individual: (i) is, or has been, an employee of Manager or City, or any of their respective Affiliates; and/or (ii) is, or has served as, a consultant to either Manager or City, or any of their respective Affiliates.

(c) In the event any dispute is submitted to an Expert pursuant to this Agreement, the following guidelines shall apply:

(i) The use of the Expert shall be the exclusive remedy of the parties with respect to those disputes submitted for Expert determination pursuant to this Agreement and neither party shall attempt to adjudicate such dispute in any other forum. All decisions of an Expert, absent fraud, shall be final and binding on the parties hereto (without appeal or review) and shall be enforceable in any court of competent jurisdiction;

(ii) Each party shall be entitled to make written submissions to the Expert, and if a party makes any submission, it shall also provide a copy to the other party and the other party shall have the right to comment on such submission. The costs of the Expert and the proceedings shall be borne as directed by the Expert unless otherwise provided for herein. The Expert may direct that such costs be treated as operating expenses;

(iii) The terms of the engagement of the Expert shall include an obligation on the part of the Expert to: (i) notify the parties in writing of its decision within forty-five (45) days from the date on which the Expert has been authorized to proceed (or such other period as the parties may agree or as set forth herein); and (ii) establish a timetable for the making of submissions and replies.

(d) During the pendency of Expert dispute resolution, Operator shall be excused from all obligations to perform Operator's obligations under this Agreement if Operator's breach of or default under this Agreement is attributable in part to the City's failure to appropriate sufficient funds for the management, operation and promotion of the Facility as described in Section 5.2(a) or requested pursuant to Section 5.2(b).

5.3 Annual Budget; Cash Flow Budget.

(a) As part of the annual plan described in Section 6.2 herein, on or before November 1 of each year (beginning 2012) and with regard to the Fiscal Year commencing July 1, 2012, on or before the date that is ninety (90) days after the latter of (i) full execution of this Agreement and (ii) the date that all requested financial information concerning the facility has been delivered to Operator, Operator will prepare an Operating Budget for the next Fiscal Year to meet the scope of services and objectives under this Agreement. Such budget shall contain appropriate line items for revenues and expenses and the projected net operating deficit or surplus. If this Agreement is executed prior to July 1, 2012, Operator shall perform its obligations under this Agreement in accordance with any current budget for the Facility approved by Operator or, if no such budget exists, consistent with prior practice.

(b) Operator shall prepare and submit to the Mayor by December 1 of each year during the term hereof (beginning 2012) a Cash Flow Budget for the succeeding Fiscal Year.

(c) The annual budgets referred to in subparagraphs (a) and (b) above shall be reviewed and are subject to approval by the Mayor or the City Council. By January 15 of each year during the term of this Agreement (beginning January 15, 2013) the Mayor and the City Council shall notify Operator in writing of any objections to such proposed annual budgets in reasonable detail (including the specific items to which the City objects and the reasons for such objections), along with the City's proposed changes to the annual budgets. The City shall be deemed to have approved that portion of any proposed annual budgets to which the City has not responded to within such time period.

(d) If the City has provided written objections to the annual budgets, the City and Operator shall meet to discuss any written objections made by the City. Operator and the City will endeavor in good faith to resolve the City's objections. Operator shall, if appropriate,

submit revisions to the proposed annual budgets for the City's review. The parties shall use reasonable endeavors to reach an agreement upon the annual budgets prior to January 31 of each Fiscal Year.

(e) The City acknowledges and agrees that, with respect to its review and approval of the annual budgets, (i) the Facility is to be operated and maintained in a manner consistent with the standards set forth in this Agreement, and (iii) Operator has sole discretion in establishing the pricing, sales policies, sales strategies, rates, credit policies, and entertainment policies and other amenities and services of the Facility pursuant to this Agreement.

(f) If the City and Operator are unable to agree upon the annual budgets prior to January 31, the items in dispute will be submitted to an Expert for resolution in accordance with the procedures set forth in Section 5.2(c). Notwithstanding anything to the contrary in this Agreement, in making a ruling as to any given disputed component of the annual budgets, the Expert shall (i) give due consideration to the intent of the parties as set forth in this Agreement, and (ii) shall only consider comparable statistics of facilities that are similarly positioned to the Facility. In that regard, the Expert shall not be entitled to mandate changes to Operator's or its Affiliates' operating methodologies in ruling on an annual budget dispute. Until such determination is made by an Expert or a new annual budget is agreed to by the parties, Manager shall operate the Facility (A) in accordance with those aspects of the annual budgets which were not objected to by the City, and (B) for those areas for which there is an objection, in accordance with the actual expenses for the prior Fiscal Year, subject to increases of up to four percent (4%) on each line item; provided, that with respect to a dispute pertaining to the first Fiscal Year, in accordance with the final annual budget for such first Fiscal Year submitted to the City by Operator. The ceiling amounts referred to in the preceding sentence shall be adjusted to account for increases in Facility occupancy and utilization of other revenue producing areas of the Facility.

(g) Notwithstanding anything to the contrary contained herein, the City shall not have the right to withhold its approval with respect to the following aspects of the annual budgets and such aspects shall not be subject to resolution by an Expert: (i) Operator's projections of Operating Revenues or the components thereof; (ii) the following costs over which Operator and its Affiliates have no control: taxes, insurance premiums, utility rates, license and permitting fees, and compliance with Laws; (iii) employee wages, compensation, and benefit programs; and (iv) all fees and charges payable to Operator and its Affiliates under this Agreement.

(h) Operator and its Affiliates shall use reasonable endeavors to operate the Facility in accordance with the Approved Budgets and annual plan; provided, however, the parties acknowledge that: (i) the Approved Budgets and annual plan contain only estimates; (ii) unforeseen circumstances during the course of the applicable Fiscal Year may make adherence to the Approved Budgets and annual plan impracticable or impossible; and (iii) Operator and its Affiliates shall be entitled to depart therefrom due to causes of the foregoing nature.

(i) Operator shall not, without the City's prior approval, which approval shall be deemed given if not denied within twenty (20) days after receipt by the City of written request for such approval by Operator, incur costs or expenses or make expenditures that would cause

the total expenditures in the Approved Budget to exceed: (i) any departmental line item provided for in the Approved Budget by more than ten percent (10%); or (ii) the aggregate amount of expenditures provided for in the Approved Budget by more than five percent (5%); provided, however, the City acknowledges and agrees as follows: (A) certain expenses provided for in the Approved Budget will vary based on the use of the Facility, and accordingly, to the extent that use of the Facility for any Fiscal Year exceeds the occupancy and use projected in the Approved Budget for such Fiscal Year, such Approved Budget shall be deemed to include corresponding increases in such variable expenses; (B) Operator shall have the right to pay from the Operating Account all uncontrollable expenses (e.g. property taxes, utilities, insurance premiums) without reference to the amounts provided for in respect thereof in the Approved Budget for any Fiscal Year; (C) if any expenditures are required on an emergency basis to avoid damage to the Facility or injury to Persons or property, Operator may make such expenditures, whether or not provided for or within the amounts provided for in the Approved Budget for any Fiscal Year; and (D) if any expenditures are required to comply with any Laws or to cure or prevent any violation thereof, Operator may make such expenditures, whether or not provided for or within the amounts provided for in the Approved Budget for the Fiscal Year in question, as may be necessary to comply with such Laws or to cure or prevent the violation thereof. The City further acknowledges and agrees that: (1) Operator and its Affiliates do not warrant, represent, undertake or guarantee that the Facility can or will achieve the results set forth in any Approved Budget, projections or such other information, and that the actual results achieved by the Facility may vary from the estimates contained in any such Approved Budget, projections or such other information, and that such variations may be material; (2) if the City provides any such financial projections or budgets to a third party including any bank, financial institution or lender, the City is obligated to advise such third party in writing of the substance of the disclaimer set forth in this sentence; and (3) the failure of Operator to achieve any projections in the Approved Budget for any Fiscal Year shall not be an Event of Default by Operator under this Agreement, and shall not entitle the City to claim a breach by Operator or to otherwise terminate this Agreement.

Have not done Amended Budget

5.4 Budget Modifications Initiated by Operator.

Operator may submit to the Mayor or the City Council at any time, and from time to time, prior to the close of a Fiscal Year supplemental or revised Operating Budgets or Cash Flow Budgets for such Fiscal Year. Upon the approval of the Mayor and the City Council of such supplemental or revised budgets, the Approved Budgets for such Fiscal Year shall be deemed amended to incorporate such supplemental or revised budget. The Approved Budgets may only be amended as set forth in Section 5.5 below or in the two preceding sentences except that Operator shall have the right to deviate from the Approved Budgets as set forth in Section 5.3.

5.5 Budget Modifications Initiated by the City.

In the event that it appears reasonably likely, in any year during the term hereof, that the actual Net Operating Loss/Profit for such Fiscal Year will be larger than projected in the Operating Budget for such Fiscal Year, the Mayor or the City Council may request from Operator a plan for reduction of Operating Expenses to a level consistent with the budgeted Net Operating Loss/Profit amount. Operator shall forthwith comply with any such expense reduction requested by the City and the Approved Budgets for such Fiscal Year shall be modified accordingly, provided that if the Operating Budget or Cash Flow Budget is modified in a manner

which, in Operator's judgment, could materially interfere, impede or impair the ability of Operator to manage, operate or promote the Facility, Operator shall have the right to submit such dispute to the Expert for resolution in accordance with Section 5.2(c); provided, however, that during the pendency of such dispute, Operator shall be permitted to deviate from the Approved Budget or Operating Budget in accordance with Section 5.3. Operator shall not be construed to have breached its obligations under this Agreement if such alleged breach has been caused by the limitations in the Fiscal Year's Approved Budgets.

5.6 Receipts and Disbursements.

(a) Operating Accounts. Operator shall establish and maintain in one or more depositories designated by the City's Treasurer one or more operating, payroll and other bank accounts (the "Operating Account(s)") for the promotion, operation and management of the Facility, in the name of the City, with Operator as agent and with signature authority in such employees of Operator as Operator shall determine. Except as otherwise provided in this Agreement, all revenues collected by Operator from the operation of the Facility shall be deposited into the Operating Accounts, and all Operating Expenses (other than Operating Expenses to be paid from an account described in Section 5.7) shall be paid by Operator as agent for the City from the Operating Accounts. Except as otherwise provided in this Agreement, all revenues collected by Operator arising from operation of the Facility including revenues from box office sales, facility or equipment rentals, utility rental agreements, food and beverage concessions, or any other source, are the sole property of the City, held in trust by Operator for the City for application as provided herein. Any amounts remaining in the Operating Accounts upon termination of this Agreement for any reason, after payment of all outstanding Operating Expenses, shall be promptly paid by Operator to the City.

(b) Reserve Fund. The City shall establish and maintain a separate bank account in a banking institution designated by the City as a reserve account in the name of the City, with Operator as agent and with signature authority vested in such employees of Operator as Operator shall determine (the "Reserve Fund"). On or before the date hereof, the City shall deposit $150,000 (or such other sum as the City and Operator shall mutually agree) in the Reserve Fund. In the event of (a) an unanticipated Cash Flow Shortfall, (b) a Cash Flow Shortfall in excess of the amount projected in the Approved Budget, or (c) the City fails to fund any anticipated Cash Flow Shortfall in advance pursuant to Section 5.1, Operator may withdraw from the Reserve Fund an amount not to exceed the amount of such Cash Flow Shortfall and deposit such funds in the Operating Account(s). Any withdrawals made by Operator from the Reserve Fund in any Fiscal Year shall be reflected in the Operating Budget and annual plan for the ensuing Fiscal Year. Within ten (10) days following notice from Operator of any withdrawal from the Reserve Fund, the City shall deposit an amount into the Reserve Fund that is sufficient to ensure that, subject to Operator's withdrawal from the Reserve Fund in accordance with this Section 5.6(b), the funds on deposit in the Reserve Fund equal at least $150,000 (or such other sum as the City and Operator shall mutually agree) during each Fiscal Year.

5.7 Ticket Sales Revenues.

Operator shall hold in a separate interest-bearing account in a banking institution depository in Council Bluffs, Iowa any ticket sale revenues which it receives with respect to an

event to be held at the Facility pending the completion of the event. Such monies are to be held for the protection of ticket purchasers, the City and Operator, and to provide a source of funds, as required for such payments to performers and promoters and for such payments of Operating Expenses in connection with the presentation of events as may be required to be paid contemporaneously with the event. Following the satisfactory completion of the events, Operator shall make a deposit into the Operating Account(s) of the amount in such account and shall pay Event Expenses from the Operating Account(s) and provide the City with a full event settlement report. Interest which accrues on amounts deposited in the Operating Account(s) and the ticket account referred to above shall be considered Operating Revenues. Bank service charges, if any, on such account(s) shall be considered Operating Expenses.

5.8 Capital Improvements; Capital Equipment.

The obligation to pay for, and authority to perform, direct and supervise Capital Improvements and Capital Equipment purchases shall remain with the City and will not be considered Operating Expenses. The annual plan submitted pursuant to Section 6.2 shall include Operator's recommendation for Capital Improvements and Capital Equipment purchases to be accomplished during the year and shall be accompanied by an estimate of the cost of all such items and projects and a request that the City budget funds therefor. The City shall retain the discretion to determine whether and to what level to fund Capital Improvements and Capital Equipment purchases to the Facility; provided, however, that the City shall expend no less than $100,000 each Fiscal Year in the aggregate on Capital Improvements and Capital Equipment.

5.9 Limitation of Operator Liability.

Notwithstanding any provision herein to the contrary and except for Operator's express indemnification undertakings in Section 8.1 and its express reimbursement undertakings in Section 6.1(b), Operator shall have no obligation to fund any cost, expense or liability with respect to the operation, management or promotion of the Facility.

5.10 Funds for Emergency Repairs.

Operator shall have the right to act, with the consent of the City, in situations which Operator determines to be an emergency with respect to the safety, welfare and protection of the general public, including spending and committing funds held in the Operating Account(s) of the Facility, even if such expenses are not budgeted; provided, however, Operator shall have no obligation under any circumstance to spend or commit funds other than funds then available in such Operating Account(s) for any such purpose. Immediately following such action, Operator shall inform the City of the situation and the action(s) taken, and the City shall pay into such Operating Account(s) the amount of funds, if any, spent or committed by Operator pursuant to this Section 5.10 in excess of budgeted amounts.

6. Records, Audits and Reports.

6.1 Records and Audits.

(a) Operator shall keep full and accurate accounting records relating to its activities at the Facility in accordance with generally accepted United States accounting principles. Operator shall maintain a system of bookkeeping adequate for its operations hereunder. Operator shall give the City's authorized representatives access to such books and records maintained at the Facility during reasonable business hours and upon reasonable advance notice. Operator shall keep and preserve for at least three (3) years following each Fiscal Year all sales slips, rental agreements, purchase order, sales books, credit card invoices, bank books or duplicate deposit slips, and other evidence of Operating Revenues and Operating Expenses for such period. In addition, on or before October 1 following each Fiscal Year for which Operator is managing the Facility hereunder (beginning October, 2013) Operator shall furnish to the City a balance sheet, a statement of profit or loss and a statement of cash flows for the Facility for the preceding Fiscal Year, prepared in accordance with generally accepted United States accounting principles and accompanied by an independent auditor's report of a nationally recognized, independent certified public accountant. The audit shall contain an opinion expressed by the independent auditor of the accuracy of financial records kept by Operator and of amounts due to the City. The audit shall also provide a certification of Operating Revenues and Operating Expenses as defined in this Agreement for such Fiscal Year. The audit shall be conducted by a reputable firm selected by Operator with City approval. The City shall not withhold or delay such consent or approval unreasonably. Notwithstanding anything to the contrary herein, the Costs of such audit shall be deemed Operating Expenses.

(b) The City Council shall have the right at any time, and from time to time, to cause nationally recognized independent auditors to audit all of the books of Operator relating to Operating Revenues and Operating Expenses, including without limitation, cash register tapes, credit card invoices, duplicate deposit tapes, and invoices. No costs incurred by the City in conducting such audit shall be considered an Operating Expense. If any such audit demonstrates that the Operating Revenues or Operating Expenditures reflected in any financial statements prepared by Operator and audited as specified in the foregoing subparagraph (a) are understated (in the case of Operating Expenses) or overstated (in the case of Operating Revenues), in either case by more than five percent (5%), Operator shall pay to the City the reasonable cost of such audit and shall promptly refund to the City any portion of the Management Fee paid for such Fiscal Year which is attributable to the overstatement or understatement, as the case may be. The City's right to have such an audit made with respect to any Fiscal Year and Operator's obligation to retain the above records shall expire three (3) years after Operator's statement for such Fiscal Year has been delivered to the City.

6.2 Annual Plan.

(a) Operator shall provide to the City on or before November 1 of each year, an annual management plan, which shall include the Operating Budget for the next Fiscal Year. The annual plan shall include information regarding Operator's anticipated operations for such Fiscal Year, including anticipated events at the Facility, anticipated advertising and promotional activities (if applicable), and planned equipment and furnishings purchases. The annual plan

shall be subject to review, revision and approval by the Mayor or the City Council. Following review and revision by the Mayor or City Council, Operator shall have thirty (30) days to incorporate the City's revisions into its plan. Upon approval by the City, such annual plan shall constitute the operating program for Operator for the following Fiscal Year.

(b) Operator shall provide to the City copies of all offer sheets to artists or promoters for any and all entertainment events that are promoted or co-promoted by the Facility at the time such offers are made to the artists or promoters.

(c) Operator shall provide to the City all settlement sheets provided to artists and promoters within 30 days of the date of all events promoted or co-promoted by the Facility.

6.3 Long Term Capital Maintenance Plan.

By November 1, 2012, Operator shall provide to the City a report detailing, over a five (5) year horizon, Operator's operating maintenance activities, requested Capital Improvements and Capital Equipment purchases and an anticipated budget therefor. Such report shall be updated annually on or before November 3 of each year beginning on November 1, 2013.

6.4 Monthly Reports.

By the twenty-fifth day of each month, Operator shall provide to the City a written monthly report in a form approved by the City and similar to that used in other Operator-managed facilities setting out the Facility's anticipated activities for the upcoming month and reporting on the prior month's activities and finances.

7. Employees.

7.1 Operator Employees.

(a) Operator shall select, train and employ at the Facility such number of employees as Operator deems necessary or appropriate to satisfy its responsibilities hereunder; Operator shall use its best efforts to recruit employees who will be proficient, productive, and courteous to patrons, and Operator shall have authority to hire, terminate and discipline any and all personnel working at the Facility.

(b) Operator shall assign to the Facility a competent, full-time supervisor or manager who shall have no duties other than the day-to-day operation and management of the Facility. Prior to Operator' appointment of such manager, Operator shall consult with the Mayor with respect to the qualifications of the manager proposed by Operator, and the Mayor shall have given to Operator its prior written approval of such appointment.

(c) Operator employees at the Facility shall not for any purpose be considered to be employees of the City, and Operator shall be solely responsible for their supervision and daily direction and control and for setting, and paying as an Operating Expense, their compensation (and federal income tax withholding) and any employee benefits, and all costs related to their employment shall be an Operating Expense. Specifically, in connection with the employment of its employees, Operator shall pay all applicable social security, unemployment,

worker's compensations or other employment taxes, or contributions to retirement plans, and shall comply with all federal and state laws and regulations relating to employment. All of these costs related to employment shall be cost of the Facility.

7.2 No Solicitation or Employment by City.

During the period commencing on the date hereof and ending one (1) year after the termination of this Agreement, except with Operator's prior written consent, the City will not and shall not permit any subsequent manager of the Facility, for any reason, solicit for employment, or hire, any of the senior management personnel employed by Operator at the Facility, including, without limitation, the general manager, director-level employees and department heads. In addition to any other remedies which Operator may have, specific performance in the form of injunctive relief shall be available for the enforcement of this provision.

8. Indemnification and Insurance.

8.1 Indemnification.

(a) Operator shall indemnify, defend and hold harmless the City, its officers, agents and employees from and against any and all losses, liabilities, claims, damages and expenses (including reasonable attorneys fees) (collectively, "Losses") arising from any material default or breach by Operator of its obligations specified herein; provided, however, that the foregoing indemnification shall not extend to Losses to the extent such Losses (i) arise from gross negligence or willful misconduct of the City or its employees or any breach or default by the City of its obligations hereunder including, without limitation, Section 8.1(b) below, (ii) are of the type that are or would normally be covered by commercial insurance covering (A) the Facility and its premises for direct physical loss or damage and (B) business interruption and extra expenses, irrespective of the decision of the City to carry or not to carry such insurance, or (iii) are caused by or arise out of the services provided by the architects, engineers and other agents (other than Operator) retained by the City in connection with Capital Improvements or Capital Equipment purchases at the Facility.

(b) The City shall indemnify, defend and hold harmless Operator, its partners, directors, officers, agents and employees from and against any and all Losses arising from (i) any material default or breach by the City of its obligations specified herein, (ii) the fact that at any time prior to, as of, or after the commencement of the Management Term hereunder the Facility has not been operated, or the Facility and its premises are not or have not been, in compliance with all Laws, including, but limited to, the Americans with Disabilities Act, 42 U.S.C. Sections 12101-12213 as amended by the Civil Rights Act of 1991 (42 U.S.C. Section 1981(a)), as it now exists and as it may be amended in the future by statute or judicial interpretation (collectively, the "ADA"), (iii) the fact that prior to, as of, or after the commencement of the Management Term hereunder there is any condition on, above, beneath or arising from the premises occupied by the Facility which might, under any Law, give rise to liability or which would or may require any "response," "removal" or "remedial action" (as such terms are defined under the Comprehensive Environmental Response, Compensation and Liability Act, as amended by the Superfund Amendments and Reauthorization Act), (iv) any structural defect or unsound

operating condition with respect to the Facility or the premises occupied by the Facility prior to, as of or after the commencement of the Management Term hereunder, (v) any obligation or liability under or in respect of any Pre-Existing Agreement, contract, agreement or other instrument executed by Operator as agent for the City as authorized herein, (vi) any obligation or liability for personal injury at, on or about the Facility or for any physical damage or other Loss to any real property and personal property assets located at the Facility or intended to be incorporated therein, whether such assets or Losses are insured by the City or whether the City decides not to insure for such damage and Losses (including without limitation damages or Losses falling within any policy deductible), or (vii) any non-compliance that occurred on or prior to the commencement of the Management Term pursuant to any Pre-Existing Agreement, the Management Agreement dated October 8, 2011, between the City and SMG, or the License Agreement dated June 6, 2002, between Aramark Sports and Entertainment Services, Inc., and the City; provided, however, that the foregoing indemnification under clauses (i) and (ii) above shall not extend to Losses to the extent such Losses arise from any default or breach by Operator of its obligations specified herein.

(c) The provisions set forth in subparagraphs (a) and (b) above shall survive termination of this Agreement; provided, however, that except for indemnification based upon Section 8.1(b) (ii), (iii), (iv), (v), (vi) or (vii) above, a claim for indemnification pursuant to Section 8.1 shall be valid only if the party entitled to such indemnification provides written notice thereof to the other party prior to three (3) years following the date of termination of this Agreement.

(d) The terms of all insurance policies referred to in Section 8, including without limitation (i) the property insurance policies of the City, and (ii) the policies of any independent contractors retained by the City or hired by Operator (such as, the emergency medical technicians who are not employed by Operator), shall preclude subrogation claims against Operator, its partners, the City and their respective officers, directors, employees and agents.

(e) The foregoing indemnification rights shall be the exclusive remedies of each party hereto (other than any right to terminate this Agreement) arising from any breach of, default under or performance pursuant to this Agreement.

8.2 Liability Insurance.

(a) Operator shall secure prior to the commencement of the Management Term hereunder and shall keep in force at all times during the term of this Agreement, a commercial general liability insurance policy, with coverage including but not limited to bodily injury, property damage, advertising & personal injury, liquor liability, contractual liability, products and completed operations, independent contractors and all risk legal liability covering the premises, the operations hereunder, in the amount of Two Million Dollars ($2,000,000.00) for each occurrence and in the aggregate. Operator shall also obtain and maintain Umbrella liability insurance with a limit of at least One Hundred Million Dollars ($100,000,000).

(b) Operator shall also maintain Business Automobile Liability Insurance with respects to any claims for bodily injury and/or property damage, with a combined single limit of

not less than One Million Dollars ($1,000,000.00) per occurrence. Such insurance shall cover any vehicles (owned, non-owned or hired) operated by Operator directors, officers, agents and employees in connection with the Facility and such insurance shall include uninsured and underinsured motorists coverage

(c) Operator and Caesars Entertainment Operating Company Inc. shall be the named insured under all such policies. The City shall be an additional insured under the foregoing insurance policies, as its interests may appear, and said policies shall contain Standard Contractual Liability Coverage.

(d) Certificates evidencing the existence of the above policy, or policies, all in such form as the Mayor or City Council may reasonably require, shall be delivered to the Mayor or City Council prior to the commencement of this Agreement and within thirty (30) days after a policy's expiration date except for any policy expiring on the termination date of this Agreement or thereafter.

(e) Notwithstanding the provisions of this Section 8.2, the parties hereto acknowledge that the above policies may contain exclusions from coverage which are reasonable and customary for policies of such type. Each such policy or certificate shall, if possible, contain a valid provision or endorsement stating, "This policy will not be canceled or materially changed or altered without first giving thirty (30) days' written notice thereof to the Mayor, sent by certified mail, return receipt requested."

(f) Except as provided in Sections 8.6(b) and 8.7, all insurance procured by Operator in accordance with the requirements of this Agreement shall be primary over any insurance carried by the City and not require contribution by the City.

8.3 Workers Compensation Insurance.

Operator shall at all times maintain worker's compensation insurance (including occupational disease hazards) and employers' liability insurance with an authorized insurance company or through the Iowa State Compensation Insurance Fund or through an authorized self-insurance plan approved by the State of Iowa, insuring its employees at the Facility in amounts equal to or greater than required under law. The employers' liability limits shall not be less than Two Million Dollars ($2,000,000.00).

8.4 Employment Practices Liability Insurance.

Operator shall at all times maintain employment practices liability at limits not less than Five Million Dollars ($5,000,000).

8.5 Fidelity Bond.

Operator shall provide to the City a Fidelity Bond covering all personnel under this Agreement in the amount of Five Million Dollars ($5,000,000.00) for each loss, to reimburse the City for losses experienced due to the dishonest acts of Operator' employees.

8.6 Property Insurance.

(a) Operator shall maintain sufficient property damage or loss insurance to cover personal property owned by the City and Operator at the Facility and shall maintain such insurance throughout the term of this Agreement. At least ninety (90) days prior to the commencement of the Management Term hereunder, the City shall provide to Operator a schedule of declaration of values at replacement cost for the personal property owned by the City at the Facility.

(b) The City shall maintain its current property insurance covering the premises of the Facility. The City shall cause Operator to be named as an additional insured under all of the City's property and hazard insurance policies covering or relating to the Facility. In addition, the City shall, with respect to the Losses covered by such property and hazard insurance and business interruption and extra expenses insurance, waive any subrogation rights that it may have against Operator, its partners and their respective officers, employees and agents, whether or not the City self-insures for the Losses covered by such insurance. Nothing in this Agreement is intended to require Operator to maintain property and hazard insurance covering the premises at the Facility or business interruption insurance covering the interruption of operations by or for whatever cause at the Facility.

(i) The original or a certified copy of the above policy, or policies, referred to in Section 8.6(b) (with all required policy endorsements), plus certificates evidencing the existence thereof, all in such form as Operator may reasonably require, shall be delivered to Operator prior to the commencement of this Agreement. Notwithstanding the provisions of this Section 8.6(b), the parties hereto acknowledge that the above policies may contain exclusions from coverage which are reasonable and customary for policies of such type. Each such policy or certificate shall, if possible, contain a valid provision or endorsement stating, "This policy will not be canceled or materially changed or altered without first giving thirty (30) days' written notice thereof to Operator, Vice President, Risk And Insurance sent by certified mail, return receipt requested."

(ii) A certificate of insurance (or satisfactory evidence of such renewal) shall be delivered to Operator within thirty (30) days after a policy's expiration date except for any policy expiring on the termination date of this Agreement or thereafter.

8.7 Certain Other Insurance.

If any of the Pre-Existing Agreements, not executed by Operator, consist of agreements with independent contractors to provide services in respect of the Facility, the City shall use its best efforts to cause such contractors to name Operator as an additional insured under any insurance maintained by such contractors pursuant to the terms of such Pre-Existing Agreements and in such event to deliver to Operator promptly after request therefore a certified copy of such policy and a certificate evidencing the existence thereof. In addition, if Operator enters into any agreements during the term of this Agreement with any independent contractors for the provision of services hereunder, Operator shall have the right to require such contractors to name Operator as an additional insured under any insurance required by Operator thereunder and to deliver to Operator prior to the performance of such services a certificate evidencing the existence thereof.

8.8 Insurance Generally. With respect to Sections 8.2, through 8.7 the foregoing insurance will be obtained and maintained by Operator and shall be an Operating Expense during the Management Term. All self insured retentions and deductibles to be procured under the required insurance coverages as well as posting of required collateral behind self insured retention and deductibles shall be Operating Expenses.

9. Ownership of Assets.

9.1 Ownership.

Except as otherwise provided in Section 5.13. above, the ownership of buildings and real estate, technical and office equipment and facilities, furniture, displays, fixtures, vehicles and similar tangible property located at the Facility shall remain with the City. Ownership of and title to all intellectual property rights of whatsoever value, held in the City's name shall remain in the name of the City. The ownership of consumable assets (such as office supplies and cleaning materials) purchased with Operating Revenues or City funds shall remain with the City, but such assets may be utilized and consumed by Operator in the performance of services under this Agreement. The ownership of data processing programs and software owned by the City shall remain with the City, and the ownership of data processing programs and Software owned by Operator shall remain with Operator. Operator shall not take or use, for its own purposes, customer or exhibitor lists or similar materials developed by the City for the use of the Facility, unless written consent is granted by the Mayor. Ownership of equipment, furnishings, materials, or fixtures not considered to be real property and other personal property purchased by Operator with City funds for use at and for the Facility shall vest in the City automatically and immediately upon purchase or acquisition. The assets of the City as described herein shall not be pledged, liened, encumbered or otherwise alienated or assigned other than in the ordinary course of business of the Facility without the prior approval of the City. Notwithstanding any of the foregoing, all Operator Customer Data shall remain the property of Operator and/or its Affiliates at all times.

9.2 City Obligations.

Except as herein otherwise set forth, throughout the term of this Agreement, the City will maintain full beneficial use and ownership of the Facility and will pay, keep, observe and perform all payments, terms, covenants, conditions and obligations under any bonds, debentures or other security agreements or contracts relating to the Facility to which the City may be bound.

10. Assignment; Affiliates.

10.1 Assignment.

Neither this Agreement nor any of the rights or obligations hereunder may be assigned by either party hereto without the prior written consent of the other party hereto. Notwithstanding the foregoing, (i) Operator may assign all or any part of its rights hereunder to an Affiliate, provided that (x) such Affiliate possesses substantially the same degree of expertise and quality of personnel as originally provided under this Agreement, and (y) such assignment shall be at no increased cost to the City, and (ii) the City may assign all of its rights hereunder to City

Authority. For sake of clarity, the parties acknowledge that the foregoing does not preclude the assignment by Operator of its rights to receive its Management Fees hereunder to its lender(s) as collateral security for Operator's obligations under any credit facilities provided to it by such lender(s), provided that such collateral assignment shall not in any event cover Operator's rights to manage, promote or operate the Facility hereunder

10.2 Operator Affiliates.

(a) Transactions with Affiliates. Any contract entered into between Operator and an Affiliate of Operator relating to the Facility shall be on terms and for prices customarily charged in the industry for comparable goods and services, and shall be approved in writing by the City. In addition, Operator, as agent for the City, may rent the Facility or any part thereof to itself in connection with any event in the promotion of which Operator is involved, so long as such rental is on prevailing rates and terms or such other rates and terms consistent with other facilities of similar size, as the Mayor or the City Council approves.

(b) Conflicts of Interest. The City acknowledges that Operator manages other public assembly facilities which may, from time to time, be in competition with the Facility. The management of competing facilities will not, in and of itself, be deemed a conflict of interest or breach of Operator's duties hereunder; provided, however, in all instances in which the Facility is in competition with other public assembly facilities managed by Operator for the solicitation of certain events, Operator shall not involve its principal office (currently in Las Vegas, Nevada) on behalf of any such other facility in an attempt to influence the decision-making process regarding the selection of a site by such events.

(c) Discounting Tickets for Events. If at a point in time after the commencement of ticket sales for an event and no greater than fourteen (14) days prior to the date of the schedule event, the parties represented by the General Manager of the Facility and a representative of the Arena Commission mutually determine that it is in the best interests of the Facility to allow discounted tickets to be sold to the employees of the parties or the public at large or a certain segment thereof, the representatives of the parties shall cause the effected groups to be properly notified of the availability of such discounted tickets.

(i) If prior to the commencement of sales, Operator or its Affiliates desire to make discounted tickets available for employees of Operator or employees of Operator's Affiliates, Operator's Affiliates or customers of Operator or its Affiliates, the aforementioned representative shall meet at least twenty-one (21) days prior to the date when the tickets are scheduled to go on sale and determine the amount of the discount that will be permitted and the number of tickets to be sold at the discounted rates. In no case shall the discount be less than ten percent (10%) nor greater than fifty percent (50%) or exceed more than twenty-five percent (25%) of the tickets available but be less than ten percent (10%) of the tickets available.

(ii) If Operator or its Affiliates elect to promote an event at the Facility there will be no limit on the amount of discount to be offered, but no more than fifty (50%) of the tickets available will be allocated to their employees, affiliates, or customers. In the event Operator or its Affiliates elect to promote an event at the Facility that is not available for

attendance by members of the general public, Operator shall reimburse the Facility for the actual cost and expense of such event plus one percent (1%).

(iii) It is understood between the parties that some contracts for events may further restrict or prohibit such discounted sales of tickets and the parties shall abide by such limitation.

11. Laws and Permits.

11.1 Permits, Licenses, Taxes and Liens.

Operator shall use reasonable efforts to procure any permits and licenses required for the business to be conducted by it hereunder. The City shall cooperate with Operator in applying for such permits and licenses. Operator shall deliver copies of all such permits and licenses to the Mayor. Operator shall pay promptly, out of the accounts specified in Section 5.6, all taxes, excises, license fees and permit fees of whatever nature arising from its operation, promotion and management of the Facility. Operator shall use reasonable efforts to prevent mechanic's or materialman's or any other lien from becoming attached to the premises or improvements at the Facility, or any part or parcel thereof, by reason of any work or labor performed or materials furnished by any mechanic or materialman, so long as the work, labor or material was provided at Operator's direction and the City has supplied funds for the payment of charges therefor in accordance with this Agreement.

11.2 Governmental Compliance.

Operator, its officers, agents and employees shall comply with all federal, state, local and municipal regulations, ordinances, statutes, rules, laws and constitutional provisions (collectively, "Laws") applicable to Operator's management of the Facility hereunder, including without limitation Title III of the ADA and the provision of such auxiliary aids or alternate services as may be required by the ADA. Nothing in this Section 11.2 or elsewhere in this Agreement shall, however, require Operator to undertake any of the foregoing compliance activity, nor shall Operator have any liability under this Agreement therefor, if (a) such activity requires any Capital Improvements or Capital Equipment purchases, unless the City provides funds for such Capital Improvements and Capital Equipment purchases pursuant to Section 5.8 hereof, or (b) any Pre-Existing Agreement fails to require any licensee, lessee, tenant, promoter or user of any portion of the Facilities to comply, and to be financially responsible for compliance, with Title III of the ADA in connection with any activities of such licensee, lessee, tenant, promoter or user at the Facilities. Furthermore, Operator shall have the right to require any licensee, lessee, tenant, promoter or user of any portion of the Facility to comply, and to be financially responsible for compliance, with Title III of the ADA in connection with any activities of such licensee, lessee, tenant, promoter or user at the Facility.

11.3 No Discrimination in Employment.

In connection with the performance of work under this Agreement, Operator shall not refuse to hire, discharge, refuse to promote or demote, or to discriminate in matters of compensation against, any person otherwise qualified, solely because of race, color, religion,

gender, age, national origin, military status, sexual orientation, marital status or physical or mental disability.

12. Termination.

12.1 Termination Upon Default.

Either party may terminate this Agreement upon a default by the other party hereunder. A party shall be in default hereunder if (i) such party fails to pay any sum payable hereunder within thirty (30) days after same is due and payable, or (ii) such party fails in any material respect to perform or comply with any of the other terms, covenants, agreements or conditions hereof and such failure continues for more than sixty (60) days after written notice thereof from the other party. In the event that a default (other than a default in the payment of money) is not reasonably susceptible to being cured within the sixty (60) day period, the defaulting party shall not be considered in default if it shall within such sixty (60) day period have commenced with due diligence and dispatch to cure such default and thereafter completes with dispatch and due diligence the curing of such default.

12.2 Termination Other than Upon Default.

(a) If the City fails to make Capital Improvements or Capital Equipment purchases at the Facility to the extent that such omission, in Operator's judgment, materially interferes with, impedes or impairs the ability of Operator to manage the Facility effectively either party may submit such disagreement to Expert resolution according to the guidelines established in Section 5.2(c).

(b) Operator shall have the right to terminate this Agreement upon sixty (60) days written notice to the City if the City fails to comply with an Experts' resolution of a disagreement as described in Sections 5.2, 5.3, 5.5, or 12.2(a) hereof.

(c) Either party shall have the right to terminate this Agreement under the circumstances specified in Section 13.6(d).

12.3 Effect of Termination.

In the event this Agreement expires or is terminated, (i) all Operating Expenses incurred or committed for prior to the date of expiration or termination shall be paid using funds on deposit in the account(s) described in Sections 5.6 and 5.7 and to the extent such funds are not sufficient, the City shall pay all such Operating Expenses and shall indemnify and hold Operator harmless therefrom, and (ii) the City shall promptly pay Operator all fees earned to the date of expiration or termination (the Management Fees described in Section 4 hereof being subject to proration). Upon a termination pursuant to Section 12.1, all further obligations of the parties hereunder shall terminate except for the obligations in this Section 12.3 and in Sections 7.1(c), 8.1 and 12.4; provided, however, that if such termination is the result of a willful default, the nondefaulting party exercising its right to terminate this Agreement shall be entitled to recover its actual damages for breach arising from such willful default.

12.4 Surrender of Premises.

Upon termination of this Agreement (termination shall, for all purposes in this Agreement, include termination pursuant to the terms of this Section 12 and any expiration of the term hereof), Operator shall surrender and vacate the Facility upon the effective date of such termination. The Facility and all equipment and furnishings shall be returned to the City in good repair, reasonable wear and tear excepted, to the extent funds were made available therefor by the City. All reports, records, including financial records, and documents maintained by Operator at the Facility relating to this Agreement other than materials containing Operator's proprietary information shall be immediately surrendered to the City by Operator upon termination.

12.5 Dispute Resolution. In the event that the parties cannot resolve any dispute not subject to resolution by the Expert as required by this Agreement, either party may pursue their remedies at law or in equity subject to the foregoing provisions hereof.

13. Miscellaneous.

13.1 Use of Facility at Direction of City.

(a) At the direction of the Mayor, upon reasonable advance notice and subject to availability, Operator shall provide use of the Facility or any part thereof to civic and nonprofit organizations located in Southwest, Iowa area at reduced rates. All event-related expenses, including but not limited to ushers, ticket-takers, security and other expenses incurred in connection with the use of the Facility by such organizations, if not reimbursed to Operator by the organization using the Facility, shall be reimbursed by the City to Operator for deposit into the operating accounts specified in Section 5.6.

(b) The City shall have the right to use the Facility or any part thereof, upon reasonable advance notice and subject to availability, for such purposes as meetings, seminars, training classes or other uses without the payment of any rental or use fee (or at a reduced fee), except that direct out-of-pocket expenses incurred in connection with such uses shall be paid by the City.

(c) The City shall not schedule use of the Facility pursuant to subparagraphs (a) and (b) above if such use will conflict with paying events booked by Operator and shall in all instances be subordinate thereto in terms of priority of use of the Facility. In all instances when the Facility, or part thereof, is to be used at the City's request or by the City pursuant to subparagraph (a) or (b) above, a rent or use fee which otherwise would be chargeable for such event shall be deemed to have been paid and such deemed payment shall constitute Operating Revenues.

(d) Operator shall actively promote either non-fee or reduced fee charitable, community and school events (including ice skating at family oriented or other reasonable times) at the Facility. The City shall work with Operator to utilize the City's insurance policies to most cost efficiently promote such events.

(e) The Council Bluffs Convention & Visitors' Bureau will continue to have scheduling priority for events planned more than eighteen (18) months in the future. Operator will have scheduling priority for events planned within eighteen (18) months.

13.2 Intentionally Omitted.

13.3 No Partnership or Joint Venture.

Nothing herein contained is intended or shall be construed in any way to create or establish the relationship of partners or a joint venture between the City and Operator. None of the officers, agents or employees of Operator shall be or be deemed to be employees of the City for any purpose whatsoever.

13.4 Entire Agreement.

This Agreement contains the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior agreements and understandings with respect thereto. No other agreements, representations, warranties or other matters, whether oral or written, will be deemed to bind the parties hereto with respect to the subject matter hereof.

13.5 Written Amendments.

This Agreement shall not be altered, modified or amended in whole or in part, except in a writing executed by each of the parties hereto.

13.6 Force Majeure.

(a) No party will be liable or responsible to the other party for any delay, damage, loss, failure, or inability to perform caused by "Force Majeure" if notice is provided to the other party within ten (10) days of date on which such party gains actual knowledge of the event of "Force Majeure" that such party is unable to perform. The term "Force Majeure" as used in this Agreement means the following: an act of God, strike, war, public rioting, lightning, fire, storm, flood, explosions, inability to obtain materials, supplies, epidemics, landslides, lightening storms, earthquakes, floods, storms, washouts, civil disturbances, explosions, breakage or accident to machinery or lines of equipment, temporary failure of equipment, freezing of equipment and any other cause whether of the kinds specifically enumerated above or otherwise which is not reasonably within the control of the party whose performance is to be excused and which by the exercise of due diligence could not be reasonably prevented or overcome (it being acknowledged that under no circumstances shall a failure to pay amounts due and payable hereunder be excusable due to a Force Majeure).

(b) Neither party hereto shall be under any obligation to supply any service or services if and to the extent and during any period that the supplying of any such service or services or the provision of any component necessary therefor shall be prohibited or rationed by any Law.

(c) Except as otherwise expressly provided in this Agreement, no abatement, diminution or reduction of the payments payable to Operator shall be claimed by the City or

charged against Operator, nor shall Operator be entitled to additional payments beyond those provided for in this Agreement for any inconvenience, interruption, cessation, or loss of business or other loss caused, directly or indirectly, by any present or future Laws, or by priorities, rationing, or curtailment of labor or materials, or by war or any matter or thing.

(d) In the event of damage to or destruction of the Facility by reason of fire, storm or other casualty or occurrence of any nature or any regulatory action or requirements that, in either case, is expected to render the Facility materially untenantable, notwithstanding the City's reasonable efforts to remedy such situation, for a period, estimated by an Architect selected by the City at the request of Operator, of at least one hundred eighty (180) days from the happening of the fire, other casualty or any other such event, either party may terminate this Agreement upon written notice to the other. In the event that the Facility becomes either wholly or partially untenantable as a result of any of the foregoing, appropriate adjustments to the Net Operating Losses/Profit benchmarks shall be made.

(e) Operator may suspend performance required under this Agreement, without any further liability, in the event of any act of God or other occurrence, which act or occurrence is of such effect and duration as to effectively curtail the use of the Facility so as effect a substantial reduction in the need for the services provided by Operator for a period in excess of ninety (90) days; provided, however, that for the purposes of this subsection, Operator shall have the right to suspend performance retroactively effective as of the date of the use of the Facility was effectively curtailed. "Substantial reduction in the need for these services provided by Operator" shall mean such a reduction as shall make the provision of any services by Operator economically impractical. No payments of the Management Fees otherwise due and payable to Operator shall be made by the City during the period of suspension. In lieu thereof, the Mayor and Operator may agree to a reduced Management Fee payment for the period of reduction in services required.

13.7 Binding Upon Successors and Assigns; No Third-Party Beneficiaries.

(a) This Agreement and the rights and obligations set forth herein shall inure to the benefit of, and be binding upon, the parties hereto and each of their respective successors and permitted assigns.

(b) This Agreement shall not be construed as giving any person, other than the parties hereto and their successors and permitted assigns, any legal or equitable right, remedy or claim under or in respect of this Agreement or any of the provisions herein contained, this Agreement and all provisions and conditions hereof being intended to be, and being, for the sole and exclusive benefit of such parties and their successors and permitted assigns and for the benefit of no other person or entity.

13.8 Notices.

Any notice, consent or other communication given pursuant to this Agreement will be in writing and will be effective either (a) when delivered personally to the party for whom intended, (b) on the second business day following mailing by an overnight courier service that is generally recognized as reliable, (c) on the fifth day following mailing by certified or registered

mail, return receipt requested, postage prepaid, or (d) on the date transmitted by telecopy as shown on the telecopy confirmation therefor as long as such telecopy transmission is followed by mailing of such notice by certified or registered mail, return receipt requested, postage prepaid, in any case addressed to such party as set forth below or as a party may designate by written notice given to the other party in accordance herewith.

To the City:

Mayor City Hall
209 Pearl Street
Council Bluffs, Iowa 51503
Telecopy: 712-328-4685

With a copy to:

Richard B. Wade City Hall
209 Pearl Street
Council Bluffs, Iowa 51503
Telecopy: 712-322-9255

To Operator:

Harrah's Iowa Arena Management
d/b/a Harrah's Council Bluffs
2701 23rd Avenue
Council Bluffs, Iowa 51501
Attention: Bo Guidry
Telecopy: 712-322-9354

With a copy to:

Caesars Entertainment Operating Company, Inc.
One Operator Palace Drive
Las Vegas, NV 89109
Attention: General Counsel
Telecopy: (702) 892-2795

13.9 Section Headings and Defined Terms.

The section headings contained herein are for reference purposes only and shall not in any way affect the meaning and interpretation of this Agreement. The terms defined herein and in any agreement executed in connection herewith include the plural as well as the singular and the singular as well as the plural, and the use of masculine pronouns shall include the feminine and neuter. Except as otherwise indicated, all agreements defined herein refer to the same as

from time to time amended or supplemented or the terms thereof waived or modified in accordance herewith and therewith.

13.10 Counterparts.

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original copy of this Agreement, and all of which, when taken together, shall be deemed to constitute but one and the same agreement.

13.11 Severability.

The invalidity or unenforceability of any particular provision, or part of any provision, of this Agreement shall not affect the other provisions or parts hereof, and this Agreement shall be construed in all respects as if such invalid or unenforceable provisions or parts were omitted.

13.12 Non-Waiver.

A failure by either party to take any action with respect to any default or violation by the other of any of the terms, covenants, or conditions of this Agreement shall not in any respect limit, prejudice, diminish, or constitute a waiver of any rights of such party to act with respect to any prior, contemporaneous, or subsequent violation or default or with respect to any continuation or repetition of the original violation or default.

13.13 Certain Representations and Warranties.

(a) The City represents and warrants to Operator the following: (i) all required approvals have been obtained, and the City has full legal right, power and authority to enter into and perform its obligations hereunder, (ii) this Agreement has been duly executed and delivered by the City and constitutes a valid and binding obligation of the City, enforceable in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally or by general equitable principles, (iii) the Pre-Existing Agreements listed on Exhibit __ attached hereto and made a part hereof are the only Pre-Existing Agreements in effect with respect to the use, operating, management and maintenance of the Facility, and (iv) no other party has any right to the operation or management of any portion of the Facility.

(b) Operator represents and warrants to the City the following: (i) all required approvals have been obtained, and Operator has full legal right, power and authority to enter into and perform its obligations hereunder, and (ii) this Agreement has been duly executed and delivered by Operator and constitutes a valid and binding obligation o Operator, enforceable in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally or by general equitable principles.

13.14 Governing Law.

This Agreement will be governed by and construed in accordance with the internal laws of the State of Iowa, without giving effect to otherwise applicable principles of conflicts of law.

IN WITNESS WHEREOF, this Agreement has been duly executed by the parties hereto as of the day and year first above written.

ATTEST:

CITY OF COUNCIL BLUFFS, IOWA:

By: _____
Mayor

HARRAH'S IOWA ARENA MANAGEMENT, LLC

By: Caesars Entertainment Operating Company, Inc.,
a Delaware corporation, its sole member

By: _____
Name: Bo Gwidry
Title: General Manager

EXHIBIT A

Depiction of Facility

