

MEMORANDUM OF UNDERSTANDING

Dated as of the [] day of September, 2017, between The City of Edmonton (the "City"), Edmonton Arena Corp. ("EAC") and Oilers Entertainment Group Canada Corp. ("OEG")

RECITALS:

- A. The City and EAC are parties to the Master Agreement dated August 29, 2013 (the "Master Agreement") and the Sponsorship Agreement dated February 10, 2014 (the "Sponsorship Agreement"). Terms defined in the Master Agreement have the same meaning when used below in this document.
- B. OEG is an Affiliate of EAC and carries on a sports and entertainment business for Katz Group. EAC has assigned to OEG the Lease Agreement relating to the Arena and Corridor, as well as all rights and obligations of EAC relating to the Wintergarden and the Sponsorship Agreement.
- C. The City and OEG have had recent discussions relating to Rexall Place, now referred to as the Coliseum.
- D. The City has made the first three payments (totaling \$3 million) due under the Sponsorship Agreement and future payments of \$1 million each are due on September 1 and January 1 each year, with the next payment due on January 1, 2018.

Therefore, the City, EAC and OEG hereby confirm their understandings as set forth below:

1. At the City Council meeting scheduled for September 12, 2017, the City administration plans to recommend to City Council to permanently close the Coliseum effective January 1, 2018.
2. If City Council does resolve to permanently close the Coliseum, then:
 - (a) The City, EAC and OEG will terminate the Sponsorship Agreement on the basis that the Coliseum will permanently close by January 1, 2018;
 - (b) The City, EAC and OEG will in good faith discuss the reallocation of funding that would otherwise have been made under the Sponsorship Agreement to other opportunities, including opportunities relating to amateur sport in Edmonton;
 - (c) The City and OEG will work together in a shared spirit of collaboration (such collaboration shall not obligate either party to financial contributions) to attract and promote major live entertainment events, conventions, conferences, festivals and other major events and attractions to Edmonton;

(d) OEG will provide to the City appropriate value and opportunities for the payment made on September 1, 2017 under the Sponsorship Agreement commensurate with value provided to others who make payments of a like amount.

3. This document does not create legal obligations. Definitive legal agreements are required to implement the understandings referred to above, after formal approval by all required persons.

Signed by the City, EAC and OEG as of the date set forth above.

EDMONTON ARENA CORP.



OILERS ENTERTAINMENT GROUP CANADA CORP.



CITY OF EDMONTON

