

MASTER AGREEMENT

BETWEEN:

THE CITY OF EDMONTON

- and -

OEG SPORTS & ENTERTAINMENT INC.

Dated August __, 2025

MASTER AGREEMENT

THIS AGREEMENT is dated August ____, 2025 between **THE CITY OF EDMONTON** (the "City") and **OEG SPORTS & ENTERTAINMENT INC.** ("OEGSE")

WHEREAS:

- A. The City, OEGSE and His Majesty in Right of Alberta are parties to a Memorandum of Understanding ("**MOU**") dated January 10, 2025 in respect of, among other things, the proposed development of the Public Event Park and completion of site servicing for the Village at ICE District.
- B. The City and OEGSE are entering into this Agreement to set forth the obligations and agreements of the City and OEGSE for the completion of the Project.

1. **Definitions**

The terms listed below shall have the meanings assigned to them, unless the context otherwise indicates:

- 1.1 "104 Nominee" means ICE District Properties (10104 -104 Avenue) Corp.
- 1.2 "Act" means the *Municipal Government Act*, RSA 2000, c M-26, as amended from time to time.
- 1.3 "Administrative Fee" means a semi-annual fee in the amount of 0.125% on the declining principal of the Construction Borrowing, calculated commencing on the Construction Borrowing Commencement Date.
- 1.4 "Affiliate" means, with respect to any Person, any Person directly or indirectly Controlling, Controlled by or under direct or indirect common Control with such other Person and, with respect to OEGSE, specifically includes the 104 Nominee, Arena East LP, Arena North LP, the Arena North Nominee and the Edmonton Oilers Community Foundation.
- 1.5 "Agreement" means this agreement, together with all schedules attached to this Agreement, as amended or replaced by the Parties from time to time.
- 1.6 "Ancillary Agreements" means the Construction Administration Agreement, the Lease, the Event Park Land Purchase Agreement, the City Lands Sale Agreement, the Public Benefits Agreement, the Ticket Surcharge Agreement, the Village at ICE District Cost Sharing Agreement, and such other agreements as the Parties consider necessary or appropriate in relation to the Project, all as amended or replaced from time to time.
- 1.7 "Applicable Laws" with respect to a person, property, transaction or event, means all federal, provincial or municipal laws (including the common law and principles of equity), statutes, regulations, bylaws, ordinances, judgments, decrees, orders, awards (including judicial or administrative awards or orders) and legal requirements of governmental or other public authorities that apply to that

person, property, transaction or event.

- 1.8 "Arena East LP" means ICE District Arena East Development Limited Partnership.
- 1.9 "Arena North Nominee" means ICE District Arena North Development Corp.
- 1.10 "Arena North LP" means ICE District Arena North Development Limited Partnership.
- 1.11 "ATIA" means the *Access to Information Act*, SA 2024, c A-1.4 (and all amendments and successor legislation thereto) and any regulations thereunder.
- 1.12 "Carrying Costs" means:
 - 1.12.1. the aggregate principal and interest payments made by the City to the City's Lender in repayment of the Land Borrowing and the Construction Borrowing during the period commencing on the Land Borrowing draw date and ending on the Lease Payment Commencement Date; plus
 - 1.12.2. interest at the rate of 6% per annum calculated on each payment made by the City to the City's Lender pursuant to subsection 1.11.1 herein, amortized over the period commencing on the date the Land Borrowing is drawn and ending on the Lease Payment Commencement Date (the "Carrying Costs Interest")
- 1.13 "City Lands" means the lands in Edmonton, Alberta legally described as Plan B3 Block 3 Lots 260-261, excepting thereout all mines and minerals.
- 1.14 "City Lands Sale Agreement" means the purchase and sale agreement to be entered into between the City and Arena North Nominee, transferring the City Lands to Arena North Nominee, and which shall include the provisions set forth in Schedule A.
- 1.15 "City's Borrowing Rate" means the annual interest rate for borrowings established by the City's Lender at the time of borrowing.
- 1.16 "City's Lender" means either the Province of Alberta, as represented by the President of Treasury Board and Minister of Finance or any other such lender to the City of Edmonton.
- 1.17 "Coliseum" means Northlands Coliseum located in the city of Edmonton.
- 1.18 "Construction Administration Agreement" means the agreement to be entered into between the City and Arena East LP, which governs the completion of the Public Event Park, and which shall include the provisions set forth in Schedule C.
- 1.19 "Construction Borrowing" means the principal amount not exceeding \$42,000,000

(representing Arena East LP's cash contribution to the Public Event Park Costs to be borrowed by the City and recovered via payments pursuant to the Lease.

- 1.20 "Construction Borrowing Draw Date(s)" means the date(s) that the Construction Borrowing is made by the City from the City's Lender.
- 1.21 "Control" means, in respect of any Person, the power to direct or cause the direction of management and policies of such Person, directly or indirectly, through the ownership of voting securities, contract or otherwise; and "Controlled" and "Controlling" have corresponding meanings.
- 1.22 "CRL" means the Capital City Downtown Community Revitalization Levy.
- 1.23 "CRL Bylaw Amendments" means, collectively,
 - 1.23.1. amendments to CRL Bylaw 16521 to add the Public Event Park and the Village at ICE District Infrastructure as catalyst projects within the CRL Area in the CRL Plan, and
 - 1.23.2. amendments to the CRL Regulation to extend the time period for which section 381.4(1) of Act applies to the CRL Area by up to 10 years, and such other changes the Lieutenant Governor in Council considers appropriate.
- 1.24 "Damages" means any and all liabilities, losses, demands, costs, damages, claims, suits, expenses or actions (including solicitor-client legal fees on a full indemnity basis).
- 1.25 "Debenture Draw Schedule" means the schedule that outlines the timing of when the City will borrow the Land Borrowing and Construction Borrowing, such schedule to be agreed upon between both parties prior to the construction commencement date, but an initial draft of which is attached as Schedule F.
- 1.26 "Event Park Land" means the land located at the north west corner of 104 Avenue NW and 101 Street NW in Edmonton, Alberta, legally described as Plan 1425251, Block 9E, Lot 7, excepting thereout all mines and minerals, legal title to which is in the name of the 104 Nominee, and which is licensed to ICE District Fan Park Corp., and sublicensed to the Edmonton Oilers Community Foundation.
- 1.27 "Event Park Land Purchase Agreement" means the purchase and sale agreement to be entered into between the City and 104 Nominee, transferring the Event Park Land from OEGSE to the City, and which shall include the provisions set forth in Schedule D.
- 1.28 "Force Majeure" means any cause beyond the reasonable control of a Party, including, without limitation, any strike; walkout; lock-out; labour dispute; act of God; fire; unavailability of utilities; acts of any government authority which have a direct negative effect on the Public Event Park or the Village at ICE District

Infrastructure; enemy or hostile actions; sabotage; war; blockades; insurrections; riots; epidemics; washouts; nuclear and radiation activity or fallout; civil disturbances; explosions; or other casualty. For greater certainty, Force Majeure does not include:

- 1.28.1. situations where a reasonable business person, applying due diligence in the same or similar circumstances under the same or similar obligations as the provisions of this Agreement, would have put in place contingency plans to either materially mitigate or negate the effects of such situation;
 - 1.28.2. situations where the event was reasonably foreseeable or should have been reasonably foreseeable by a reasonable business person when this Agreement was entered into;
 - 1.28.3. shortages or delays relating to personnel, supplies, or services; or
 - 1.28.4. lack of financing or inability to perform because of the financial condition of the Party.
- 1.29 "Funding Agreements" means the definitive grant funding agreements to be entered into between the City and the Province in respect of the Coliseum, the Public Event Park and the Village at ICE District Infrastructure.
- 1.30 "Governmental Authority" means any:
- 1.30.1. federal, provincial, municipal, local or other governmental or public department, central bank, court, commission, board, bureau, agency or instrumentality, domestic or foreign;
 - 1.30.2. any subdivision or authority of any of the foregoing; or
 - 1.30.3. any quasi governmental, judicial or administrative body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing.
- 1.31 "Land Borrowing" means the principal amount not exceeding \$20,000,000 (representing Arena East LP's contribution to the Public Event Park Costs to be borrowed by the City and recovered via payments pursuant to the Lease.
- 1.32 "Land Borrowing Draw Date" means the date that the Land Borrowing is made by the City from the City's Lender.
- 1.33 "Lease" means the agreement to be entered into between the City and Arena East LP, pursuant to which Arena East LP leases the Public Event Park from the City, and which shall include the provisions set forth in Schedule E.
- 1.34 "Lease Payment Commencement Date" means the first date following the Lease Commencement Date on which Arena East LP must make a payment of Basic

Rent to the City under the Lease.

- 1.35 "Option Village Lands" means the lands located in Edmonton Alberta legally described as Plan 0325618, Block 3 Lot 259A.
- 1.36 "Owned Village Lands" means the lands located to the north of Rogers Arena adjacent to 105 Avenue NW in Edmonton, Alberta, and legally described as: Plan B3, Block 3, Lots 225-226, 227, 228, 255, 256, 257, 262-264; Plan 0426394 Block 3 Lot 265; Plan B3 Block 2 Lots 225-230, 268, 269-270; and Plan 0729263 Block 2 Lot 271, legal title to which is in the name of the Arena North Nominee.
- 1.37 "Party" means the City or OEGSE as the context so requires and "Parties" means both the City and OEGSE.
- 1.38 "Person" includes an individual, sole proprietorship, corporation, company, partnership, trust, unincorporated association, association, institution, entity, estate, Governmental Authority or any combination of the above.
- 1.39 "Pre-Development Expenses" means, with respect to the Public Event Park those reasonably necessary out-of-pocket or internally allocated costs, fees, charges, and other expenditures that are:
 - 1.39.1. incurred by, on behalf of, or for the benefit of Arena East LP, the City, or the Public Event Park;
 - 1.39.2. incurred from April 1, 2025, or such earlier date as may be set by the Province in the Funding Agreements, up to the commencement of on-site construction; and either
 - 1.39.2.1. expenditures eligible for CRL funding as set out in Section 3.3 of the [Community Revitalization Levy Program Guidelines](#) as determined by the City in its sole discretion; or
 - 1.39.2.2. expenditures eligible for grant funding from the Province pursuant to the Funding Agreements as determined by the City in its sole discretion.
- 1.40 "Project" means the program of works, services, or deliverables undertaken pursuant to this Agreement and any Ancillary Agreement for the completion of Village at ICE District Infrastructure and the design and construction of the Public Event Park.
- 1.41 "Province" means the Province of Alberta as represented by His Majesty the King in Right of Alberta.
- 1.42 "Public Event Park Budget" means the budget for the design and construction of the Project, as outlined pursuant to the Construction Administration Agreement.
- 1.43 "Public Event Park Costs" means the costs and expenses for doing all things

reasonably necessary and incidental for the planning, design, engineering, development, supervision, servicing, construction and commissioning of the Project including, without limitation, costs for land acquisition, Pre-Development Expenses, services, materials, equipment, labour, overhead, infrastructure, management and supervision.

- 1.44 "Public Event Park Governance Schedule" means the project governance structure set forth as Attachment 1 to the Construction Administration term sheet attached hereto as Schedule C.
- 1.45 "Public Benefit Agreement" means the agreement to be entered into between the City and Arena East LP, which governs how Arena East LP and the City will provide ongoing public access to and benefit from the Public Event Park, and which shall include the provisions set forth in Schedule B.
- 1.46 "Public Event Park" means the purpose-built, publicly accessible building and outdoor space, together with all buildings, structures, improvements, fixtures, systems, and works appurtenant thereto, to be constructed on or connecting to the Event Park Land to be owned by the City and leased to Arena East LP, and which will serve as an indoor/outdoor entertainment venue able to host a wide range of live events, performances, festivals, sports and a variety of other activities and cultural attractions, including dedicated time and space for community use, as more specifically defined and described in the Construction Administration Agreement.
- 1.47 "Sales Tax" means a sales tax, social service tax; value added tax; goods and services tax or any other similar tax, charge, duty or rate, imposed by any governmental authority, irrespective of whether the same is created or modified after the date of execution of this Agreement, but for greater certainty, does not include the ticket surcharges levied pursuant to the Ticket Surcharge Bylaw.
- 1.48 "Ticket Surcharge Agreement" means the agreement to be entered into between the City and Arena East LP, in respect of implementation of the Ticket Surcharge Bylaw, and which shall include the provisions set forth in Schedule G.
- 1.49 "Ticket Surcharge Bylaw" means the Bylaw that the City intends to pass pursuant to the Act, authorizing the City to impose a surcharge on tickets sold for events held at the Public Event Park.
- 1.50 "Trade Agreements" means any and all trade agreements under which the City is a procuring entity as defined in those trade agreements, including, without limitation, the *Canadian Free Trade Agreement* and the *New West Partnership Trade Agreement*.
- 1.51 "Village Lands" means the Owned Village Lands and, after being acquired by Arena North LP, the Option Village Lands.
- 1.52 "Village at ICE District" means proposed mixed-use development to be

constructed on the Village Lands and, following the land sale contemplated herein, the City Lands.

- 1.53 “Village at ICE District Infrastructure” means the program of works, services, or deliverables undertaken to establish, install or upgrade, as required, infrastructure for the Village at ICE District including but not limited to water supply, drainage systems, utilities, streetlighting, earthworks, grading, excavation, paving, access routes, and temporary utilities, and preparing and submitting drawings and obtaining all required approvals and permits in connection therewith.
- 1.54 “Village at ICE District Cost Sharing Agreement means the agreement to be entered into between the City and Arena North LP, in respect of the completion by Arena North LP of Village at ICE District Infrastructure, and reimbursement of Village at ICE District Infrastructure Costs, and which shall include the provisions set forth in Schedule H.
- 1.55 “Village at ICE District Infrastructure Costs” means costs and expenses for doing all things necessary and incidental for the planning, design, engineering, development, supervision, servicing, construction and commissioning of the Village at ICE District Infrastructure including, without limitation, remediation in accordance with Applicable Laws, services, materials, equipment, labour, overhead, infrastructure, management and supervision, incurred in respect of Village at ICE District Infrastructure.

2. **Schedules**

- 2.1 The following Schedules are attached to and form part of this Agreement:

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|----------------------------|---|
| Schedule A | Term Sheet for City Land Sale Agreement |
| Schedule B | Term Sheet for Public Benefit Agreement |
| Schedule C | Term Sheet for Construction Administration Agreement |
| Schedule D | Term Sheet for Event Park Land Purchase Agreement |
| Schedule E | Term Sheet for Lease |
| Schedule F | Debenture Draw Schedule |
| Schedule G | Term Sheet for Ticket Surcharge Agreement |
| Schedule H | Term Sheet for Village at ICE District Cost Sharing Agreement |

3. **Public Event Park, Village at ICE District and Village at ICE District Infrastructure**

- 3.1 The City and OEGSE agree to proceed with the Project, subject to and in accordance with the conditions and provisions of this Agreement and the Ancillary Agreements.
- 3.2 Arena North LP will, independent of the City and, other than as set forth in this Agreement and the Ancillary Agreements, at its sole cost, commence and complete the Village at ICE District Infrastructure and diligently advance the development and construction of the Village at ICE District in a commercially reasonable manner. Specifically, Arena North LP will:

- 3.2.1. Include both market and non-market residences in accordance with the economic circumstances and market demand;
 - 3.2.2. Use commercially reasonable efforts to diligently advance and progress the development of the first 354 units of various housing typology by the presently estimated construction completion date to occur in the second half of 2028, pending all necessary approvals and agreements; and
 - 3.2.3. Use commercially reasonable efforts to continue to construct housing of various typologies at the Village at ICE District, with a view to constructing approximately 420 additional units within 5 years following the completion of construction of the initial 354 housing units, based on demand in the Edmonton downtown market.
- 3.3 Arena North LP will complete the acquisition of the Option Village Lands no later than June 19, 2027.
 - 3.4 The City and OEGSE agree to advance the integration of the Project with the planned development and connection to the Downtown District Energy system, if, and where, it does not interfere with the commercial assumptions outlined in this Agreement, to plan, design, construct, operate and maintain the Project within the agreed upon timelines, scope, and budget.
 - 3.5 Should the City acquire the Event Park Land from Arena East LP prior to commencement of construction on the Public Event Park, the City will provide ICE District Fan Park Corp. a ground lease at a nominal rate, until such time as construction commences, for continued use of the Event Park Land in a manner consistent with past use.

4. **Costs and Funding**

- 4.1 *Public Event Park Costs* - Subject to the terms of this Agreement, the Project Costs (including land acquisition, remediation in accordance with Applicable Laws and the Pre-Development Expenses) for the Public Event Park are anticipated to not exceed \$250,000,000. The final Public Event Park Costs will be determined pursuant to the Construction Administration Agreement.

- 4.2 *Village at ICE District Infrastructure Costs* - Subject to the terms of this Agreement, the Village at ICE District Infrastructure Costs are anticipated to not exceed \$68,200,000.
- 4.3 *Overall Funding* - Subject to Sections 4.4, 4.5, 4.6 and 4.7 below, the Parties and the Province shall contribute funding towards the *Public Event Park* Costs and the Village at ICE District Infrastructure Costs, in the aggregate, in the following amounts:
- 4.3.1. \$128,400,000 from the Province;
- 4.3.2. \$102,800,000 from the City; and
- 4.3.3. \$87,000,000 collectively from Arena North LP and Arena East LP.
- 4.4 *Funding Agreements* – All funding provided by the Province and the City is conditional upon the Province and the City entering into the Funding Agreements, and thereafter shall be provided in accordance with and subject to the terms and conditions of the Funding Agreements. The Parties agree to incorporate terms and conditions to the Master Agreement or any Ancillary Agreement, as applicable, as are reasonably required in order for the City to comply with the Funding Agreements.
- 4.5 *Public Event Park Funding* – each of the Province, the City, Arena North LP and Arena East LP shall contribute to funding the Public Event Park as follows:
- 4.5.1. *Provincial Contribution* – The Province’s contribution to the Public Event Park Project will be \$97,000,000, comprised of the following:
- 4.5.1.1. Grant funding to the City of up to a maximum of \$80,500,000 for use towards infrastructure costs of the Public Event Park and;
- 4.5.1.2. The education equivalent of the revenue raised by the levy under the CRL Bylaw. This revenue will be used to either: (a) fund the total debt servicing payments (principal and interest) on up to a maximum principal amount of \$16,500,000 of debt used to finance the Public Event Park Costs, and/or (b) directly fund the Public Event Park Costs. Under this section 4.5.1.2, the principal amount of the debt and the direct project funding, combined, shall not exceed \$16,500,000;
- 4.5.2. *City Contribution* – The City’s contribution to the Public Event Park Project will be the municipal equivalent of the revenue raised by the levy under the CRL Bylaw. This revenue will be used to either: (a) fund the total debt servicing payments (principal and interest) on up to a maximum principal amount of \$69,000,000 of debt used to finance the Public Event Park Costs, and/or (b) directly fund the Public Event Park Costs. Under this section 4.5.2, the principal amount of the debt and the direct project funding, combined, shall not exceed \$69,000,000; and

- 4.5.3. *Arena East LP Contribution* – Arena East LP’s aggregate contribution to the Public Event Park shall be \$84,000,000 plus interest as determined pursuant to Section 7.9. The Parties acknowledge and agree that the Event Park Land has been independently appraised at a concluded value of \$42,000,000; however Arena East LP shall sell the Event Park Land to the City for \$20,000,000, free and clear of encumbrances unless otherwise agreed to by the City and Arena East LP. The outstanding \$22,000,000 paid pursuant to the Lease will be considered as an in-kind contribution to the Public Event Park by Arena East LP to the City.
- 4.6 *Village at ICE District Infrastructure Funding* - each of the Province, the City and Arena North LP shall contribute to funding the Village at ICE District Infrastructure, as follows:
- 4.6.1. *Provincial Contribution* – The Province’s contribution to the Village at ICE District Infrastructure will be \$31,400,000, comprised of the following:
- 4.6.1.1. Grant funding to the City of up to a maximum of \$22,900,000 for use towards eligible public infrastructure costs; and
- 4.6.1.2. The education equivalent of the revenue raised by the levy under the CRL Bylaw. This revenue will be used to either: (a) fund the total debt servicing payments (principal and interest) on up to a maximum principal amount of \$8,500,000 of debt used to finance the Village at ICE District Infrastructure Costs, and/or (b) directly fund Village at ICE District Infrastructure Costs. Under this section 4.6.1.2, the principal amount of the debt and the direct project funding, combined, shall not exceed \$8,500,000;
- 4.6.2. *City Contribution; City Contribution* – The City’s contribution to the Village at ICE District Infrastructure will be the municipal equivalent of the revenue raised by the levy under the CRL Bylaw. This revenue will be used to either: (a) fund the total debt servicing payments (principal and interest) on up to a maximum principal amount of \$33,800,000 of debt used to finance the Village at ICE District Infrastructure Costs, and/or (b) directly fund Village at ICE District Infrastructure Costs. Under this section 4.6.2, the principal amount of the debt and the direct project funding, combined, shall not exceed \$33,800,000; and
- 4.6.3. *Arena North LP Contribution* – Arena North LP’s contribution to the Village at ICE District Infrastructure shall be \$3,000,000.
- 4.7 *Maximum Contributions and Cost Overruns* - The funding contributions from the Province and the City as outlined above are the maximum funding contributions from the Province and the City, and Public Event Park Costs or Village at ICE District Infrastructure Costs in excess of the above maximum funding amounts are the sole responsibility of Arena North LP and Arena East LP, as applicable. In the event of savings below anticipated costs, the Funding Agreements will

determine how savings are shared between the Parties, and any savings allocated to OEGSE shall be applied as a credit to against Rent A payable by Arena East LP under the Lease.

4.8 *No Tax Agreement* - There will be no tax agreement related to the Public Event Park in any manner. Arena East LP, as tenant under the Lease, will be fully responsible for paying all necessary and typical taxes, levies, charges, calculated in accordance with assessment methodology and applicable rules, regulations and guidance recognizing the access to community and public/non-profit organizations.

4.9 By signing this Agreement, OEGSE confirms that:

4.9.1. the Public Event Park is ineligible for CRL funding beyond the maximum funding allocated under the Event Park Catalyst Project, as outlined in the Capital City Downtown Community Revitalization Levy Plan (2025 Amended Version); and

4.9.2. the Village at ICE District Infrastructure is ineligible for CRL funding beyond the maximum funding allocated under the Village at Ice District Infrastructure Catalyst Project, as outlined in the Capital City Downtown Community Revitalization Levy Plan (2025 Amended Version).

4.9.3. OEGSE acknowledges that the development of the Village at ICE District into a use which contributes to the CRL is an important component of the obligations under this Master Agreement. OEGSE will endeavour to develop the Village at ICE District in a manner that contributes to the CRL, acting as a prudent developer would, while taking into consideration OEGSE's commitment to provide housing of different typologies, which may include below-market housing and student housing, to meet the needs of the downtown Edmonton market.

4.9.4. In order to meet the requirements of the Funding Agreements, OEGSE shall provide to the City, at the City's request, a written summary of all contributions by OEGSE and Affiliates towards the Public Event Park and the Village at ICE District Infrastructure, together with any documentation and information in support thereof requested by the Province, including, without limitation, invoices and receipts

5. **Conditions Precedent**

5.1 The obligations of the Parties to proceed with the Project and to complete their obligations hereunder, are expressly subject to and conditional upon:

5.1.1. The City submitting a draft amended CRL Plan to the Province which adds the Public Event Park and Village at ICE District Infrastructure as catalyst projects within the CRL Area, and requests up to a 10 year extension to the time period for which section 381.4(1) of the Act applies to the CRL Area;

- 5.1.2. The Lieutenant Governor in Council amending the CRL Regulation to extend the time period for which section 381.4(1) of the Act applies to the CRL Area and making any other changes the Lieutenant Governor in Council considers appropriate;
 - 5.1.3. City Council passing the CRL Bylaw Amendments;
 - 5.1.4. The Minister of Municipal Affairs approving the CRL Bylaw Amendments; and
 - 5.1.5. The City and the Province entering into the Funding Agreements.
- 5.2 If:
- 5.2.1. the CRL Bylaw Amendment is not passed by the Municipal Council for the City and come into force on or before November 30, 2025, this Agreement shall immediately terminate on the 7th day following the date on which the Municipal Council for the City declined to pass the bylaw, unless the Parties agree otherwise, in writing; or
 - 5.2.2. the Province and the City have not executed a funding agreement on or before November 30, 2025, this Agreement shall immediately terminate on the 7th day following the date on which the Province declined to execute the funding agreement, unless the Parties agree otherwise, in writing.
- 5.3 The City shall take the steps reasonably necessary to obtain approval for any borrowing bylaws and other necessary approvals by the Municipal Council of the City in furtherance of this Agreement.
- 5.4 If the Municipal Council for the City has not given 3 readings to each of the borrowing bylaws for each of the CRL, Construction Borrowing and the Land Borrowing on or before February 28, 2026, this Agreement shall immediately terminate, unless the Parties agree otherwise, in writing.
- 5.5 The Parties acknowledge and agree that if this Agreement terminates in accordance with Sections 5.2 or 5.4 herein, the Parties shall be individually responsible for their respective Pre-Development Expenses, Village at ICE District Infrastructure Costs and Public Event Park Costs.

6. **Ancillary Agreements**

- 6.1 OEGSE and the City shall negotiate in good faith with a view to completing and executing the following Ancillary Agreements promptly following execution of this Agreement, and in any event, within a timeframe required to complete the Project:
 - 6.1.1. *Public Benefit Agreement;*
 - 6.1.2. *Construction Administration Agreement;*
 - 6.1.3. *City Lands Sale Agreement;*

6.1.4. *Event Park Land Purchase Agreement;*

6.1.5. *Lease;*

6.1.6. *Ticket Surcharge Agreement; and*

6.1.7. *Village at ICE District Cost Sharing Agreement.*

6.2 The terms set forth in the term sheets attached hereto as schedules shall be incorporated into each Ancillary Agreement, as applicable.

7. Borrowing by City, Arena East LP Contribution Paid as Basic Rent

7.1 Subject to the provisions of this Agreement, the City, as owner of the Public Event Park, has the sole obligation to finance the Arena East LP's contribution to the Public Event Park Costs (up to \$62,000,000.00) as set out herein.

7.2 Once a borrowing bylaw has been passed by the Municipal Council for the City, the City shall borrow the Land Borrowing and Construction Borrowing from the City's Lender at the City's Borrowing Rate at the time of each draw as set out in the Debenture Draw Schedule, attached as Schedule F. The Debenture Draw Schedule will include the dates the City will borrow the Land Borrowing and the Construction Borrowing. The City will only borrow funds on a quarterly basis (March 31, June 30th, September 30th, or December 31st).

7.3 The Parties acknowledge that the City may only borrow at a term length offered by the City's Lender and that the term of the borrowing must not exceed the probable lifetime of the asset being borrowed for. The Parties acknowledge that the interest rate for the Land Borrowing and the Construction Borrowing will be the City's Borrowing Rate provided by the City's Lender at the time of the Land Borrowing Draw Date and the Construction Borrowing Draw Dates, respectively.

7.4 The City shall borrow the Land Borrowing as a single debenture at the first available opportunity after the associated borrowing bylaw is passed by the Municipal Council for the City and after the Event Park Lands Purchase Agreement is executed.

7.5 The City shall borrow the Construction Borrowing as multiple debentures over the construction period of the Public Event Park. The quarterly Construction Borrowing draw amounts will be determined on a proportionate basis in accordance with the percentage of each Party's aggregate contribution to the total Public Event Park Costs budgeted to be spent each quarter based on the most recent Public Event Park Budget and schedule available at the time of City Council approving the capital budget for the Public Event Park. The Debenture Draw Schedule will be updated one time after initial budget approval at the completion of the design development phase to reflect the updated Public Event Park Budget and schedule available at that time.

7.6 The Land Borrowing and the Construction Borrowing must be completed prior to the Lease Commencement Date, as such term is defined in the Lease. Notwithstanding the foregoing, Arena East LP may request that the City borrow

all remaining Construction Borrowing at the next quarterly draw date as per the Debenture Draw Schedule, by providing 60 days written notice to the City before the next quarterly draw date.

- 7.7 The Land Borrowing will be utilized to finance the purchase of the Event Park Land. The Land Borrowing will be based on the Debenture Draw Schedule and shall be amortized over a term offered by the City's Lender that is closest to but not exceeding the number of years remaining between the Land Borrowing Draw Date and the lease expiry date as per the Lease. The Land Borrowing will be repaid by the City in equal semi-annual installments of principal and interest commencing 6 months after the Land Borrowing Draw Date.
- 7.8 The Construction Borrowing will be utilized to finance the construction of the Public Event Park. The Construction Borrowing will be based on the Debenture Draw Schedule and each debenture shall be amortized over a term offered by the City's Lender that is closest to but not exceeding the years remaining between the Construction Borrowing Draw Date and the lease expiry date (as per the Lease). The Construction Borrowing will be repaid by the City in equal semi-annual installments of principal and interest commencing 6 months after each Construction Borrowing Draw Date.
- 7.9 In lieu of Arena East LP contributing to the funding of the Public Event Park Costs of the Public Event Park (as set out in this Agreement) Arena East LP shall pay a basic rent under the Lease calculated as the aggregate of the following:
 - 7.9.1. the principal of the Land Borrowing and Construction Borrowing and interest thereon at the City's Borrowing Rate, plus the Administrative Fee, remaining at the Lease Commencement Date ("**Rent A**");
 - 7.9.2. the Carrying Costs and Carrying Costs Interest on the Land Borrowing and Construction Borrowing and interest thereon at 6% per annum ("**Rent B**"); and
 - 7.9.3. the applicable Sales Tax on all of the foregoing

(Rent A and Rent B shall be referred to, collectively, as the "**Basic Rent**").
- 7.10 Payment of Rent A shall be made in quarterly installments, amortized over a period of time equal to the term of the Land Borrowing and Construction Borrowing remaining at the Lease Payment Commencement Date. Payment of Rent B shall be made in equal quarterly installments, amortized over the remainder of the term of the Lease as at the Lease Payment Commencement Date. Arena East LP shall make each payment of Basic Rent at least 15 days prior to the date that the City must make payments to the City's Lender for the Construction Borrowing and thereafter (after the City has repaid the Construction Borrowing) semi-annually on the same dates. Schedule E-Term Sheet for Lease provides, for illustration purposes only, an example of the calculation of Basic Rent as described in this Article 7. The Parties agree that calculation of Basic Rent example as shown in Schedule E will be amended and replaced within eight months of the Lease Commencement Date to incorporate the actual Interest rate from the City's Lender, and all other amounts described in Article 7.

- 7.11 Notwithstanding the foregoing, Arena East LP may pay, without penalty, the Carrying Costs on the Land Borrowing and Construction Borrowing and interest accrued thereon as at the date of payment and remaining unpaid (as set out in Section 7.9.2), on providing written notice to the City of at least 40 days prior to the next semi-annual instalment date on which Basic Rent is due under the Lease.

8. **Dispute Resolution**

- 8.1 OEGSE and the City agree to use commercially reasonable efforts to resolve any differences arising between them as efficiently and as cost effectively as possible.
- 8.2 At all relevant times, the City and OEGSE shall:
- 8.2.1. make bona fide efforts to resolve all differences, including such differences as may lead to a dispute, by amicable negotiations, and
 - 8.2.2. provide frank, candid and timely disclosure of all relevant facts, information, and documents to facilitate those negotiations.
- 8.3 OEGSE and the City agree that any efforts to resolve their differences by amicable negotiation or with the assistance of a mediator at any time does not suspend the expiration of any time limitation for taking any action under this Agreement, including any limitation periods as outlined in the *Arbitration Act*, RSA 2000, c. A-43, unless the Parties specifically agree in writing to vary that time requirement.
- 8.4 If the matter is not able to be resolved by amicable negotiation, then such matter shall be submitted to binding arbitration in accordance with the *Arbitration Act*, RSA 2000, c. A-43.

9. **Default, Termination**

- 9.1 An event of default ("Event of Default") shall be deemed to have occurred if a Party fails to perform or observe any material term, covenant or condition of this Agreement, other than as a result of Force Majeure, which failure (if not remedied within 60 days after receipt of written notice from the other Party identifying the failure) will result in or can reasonably be expected to:
- 9.1.1. result in the suspension of the design, construction or commissioning of the Public Event Park for more than 120 consecutive days; or
 - 9.1.2. materially impair the non-defaulting Party in exercising any material right it has under this Agreement.
- 9.2 Neither Party shall be liable or deemed to be in default under this Agreement for failure to perform or delay in performance of any of its duties or obligations under this Agreement due to Force Majeure. Any Party prevented from performing, or delayed in performance, due to Force Majeure shall advise the other Party, as soon as is practicable, of the occurrence of the event or the existence of the

cause and the anticipated consequence and shall use all reasonable commercial efforts to mitigate those consequences.

9.3 This Agreement shall terminate:

- 9.3.1. In accordance with the provisions of Section 5.2 or Section 5.4, if applicable;
- 9.3.2. on termination or expiry of the Lease;
- 9.3.3. by the written agreement of the Parties; or
- 9.3.4. following the occurrence and during the continuance of an Event of Default, by and at the option of the non-defaulting Party, by such non-defaulting Party providing written notice to the other and such termination will be effective on the date stated in such notice.

9.4 If this Agreement is terminated as the result of an Event of Default pursuant to Section 9.3.4, the Ancillary Agreements will also be deemed to terminate.

10. **Indemnity**

10.1 OEGSE indemnifies and saves harmless, and shall indemnify and save harmless, the City from Damages incurred by the City arising from:

- 10.1.1. the breach or non-performance by OEGSE or its Affiliates of its or its Affiliates' obligations under this Agreement, save and except for and to the extent arising from the breach of this Agreement by the City or the wilful default or negligent act or omission of the City, its officers, employees or agents.

10.2 The City indemnifies and saves harmless, and shall indemnify and save harmless, OEGSE from Damages incurred by OEGSE arising from:

- 10.2.1. the breach or non-performance by the City of its obligations under this Agreement, save and except for and to the extent arising from the breach of this Agreement by OEGSE or the wilful default or negligent act or omission of OEGSE, its officers, employees or agents.

10.3 All claims for indemnification under this Section 10 shall be asserted and resolved in accordance with the following:

- 10.3.1. A Party claiming indemnification ("Indemnatee") from the other Party ("Indemnitor") shall promptly give the indemnitor notice of any matter that an Indemnatee has determined has given or could give rise to a right of indemnification under this Agreement, stating the nature of such matter, an estimate of the amount of the Damages incurred, if known, (which estimate shall not be conclusive of the final amount of such Damages) and the method of computation thereof, all with reasonable particularity. Failure to provide such notice shall not affect the right of the Indemnatee to indemnification except to the extent such failure shall have resulted in liability to the Indemnitor that could have been actually avoided had such

notice been provided within such required time period and with the required particularity. If the Indemnitor does not notify the Indemnatee within 20 days from its receipt of the written notice that the Indemnitor disputes such claim, the claim specified by the Indemnatee in that written notice shall be deemed accepted by the Indemnitor. If the Indemnitor notifies the Indemnatee, within 20 days from its receipt of the written notice from the Indemnatee, that it disputes the claim of indemnification by the Indemnatee, or any aspect thereof, the provisions of Section 11 shall apply.

10.3.2. The obligations and liabilities of an Indemnitor with respect to Damages arising from claims of any third party ("**Third Party Claims**") that are subject to the indemnification provisions in this Section 10 shall be governed by the following additional terms and conditions:

10.3.2.1. If an Indemnatee receives notice of any Third Party Claim, then the Indemnatee shall give the Indemnitor prompt notice of the Third Party Claim and the Indemnitor may, at its option, assume and control the defence of the Third Party Claim at the indemnitor's expense and through counsel of the Indemnitor's choice reasonably acceptable to the Indemnatee. If the Indemnitor assumes the defence against the Third Party Claim as provided above, the Indemnatee shall have the right to participate at its own expense in the defence of the Third Party Claim, shall reasonably cooperate with the Indemnitor in such defence and will make available, on a reasonable basis, to the Indemnitor all witnesses, pertinent records, materials and information in its possession or under its control relating thereto as is reasonably required by the Indemnitor and at the Indemnitor's expense.

10.3.2.2. If the Indemnitor does not respond within 20 days from receipt of the notice from the Indemnatee under subsection (a), above, that it agrees to conduct the defence against a Third Party Claim, the Indemnitor shall be deemed to have accepted responsibility to pay all reasonable costs and expenses of such defence as incurred, shall cooperate with the Indemnatee (and be entitled to participate at its expense) in such defence and make available to the Indemnatee, on a reasonable basis, all such witnesses, records, materials and information in its possession or under its control relating thereto as is reasonably required by the Indemnatee, and shall take such action as reasonably requested by the Indemnatee to enable the Indemnatee to take any action the Indemnatee deems appropriate with respect to any such defence.

10.3.2.3. Except for the settlement of a Third Party Claim that involves the payment of money only and is paid in full by the Indemnitor and where there is no finding or admission of wrongdoing or violation of Applicable Laws by the Indemnatee and no adverse effect on any other claims that may be made against the Indemnatee or any

rights or claims held by the Indemnitee, no Third Party Claim may be settled without the written consent of the Indemnitee, such consent not to be unreasonably withheld or delayed.

10.3.3. The provisions of this Section 10 apply only to Damages incurred pursuant to the Master Agreement and not any Ancillary Agreement, without duplication.

10.3.4. The provisions of Section 10 survive termination of this Agreement.

11. **Notice**

11.1 Notice in writing or other correspondence required or permitted to be given to either Party pursuant to this Agreement shall be sufficiently given when delivered to the following addresses (or to any other address or to the attention of any other person as may be designated in writing by a Party):

To the City:
The City of Edmonton
3rd Floor, City Hall
1 Sir Winston Churchill Square
Edmonton, Alberta T5J 2R7
Attention: City Manager
Email: ocmcitymanager@edmonton.ca

With copies to:

Stacey Padbury, Deputy City Manager Financial and Corporate Services, and
Chief Financial Officer,
Stacey.Padbury@edmonton.ca

Bartosz Jarocki, Director Property Transactions, Real Estate, Financial and
Corporate Services
Bartosz.Jarocki@edmonton.ca

To OEGSE:
OEG Sports & Entertainment Inc.
300, 10214-104 Avenue NW,
Edmonton, AB T5J 0H6
Attention: Dave Grout, General Counsel
Email: DGrout@oegi.ca

Notice shall conclusively be deemed to have been given on the date of delivery.

12. **General**

12.1 The City, in executing this Agreement, is doing so in its capacity as a municipal corporation exercising its natural person powers and not in its capacity as a

regulatory, statutory or approving body pursuant to any law of the Province of Alberta and nothing in this Agreement will constitute the granting by the City of any approval or permit as may be required pursuant to the Act, and any amendments thereto, and any other legislation in force in the Province of Alberta. Nothing in this Agreement restricts the City, its municipal council, its officers, servants or agents in the full exercise of any and all powers and duties vested in them in their respective capacities as a municipal government, as a municipal council and as the officers, servants and agents of a municipal government, subject to the compliance by the City of its obligations under this Agreement. For greater certainty, nothing in this Agreement shall constitute the granting by the City of any development, construction or other similar approval or permit pursuant to the Act as may be required for the carrying out of the design and construction of the Public Event Park or the Village at ICE District Infrastructure.

12.2 This Agreement shall be construed and governed by the laws of the Province of Alberta and the laws of Canada applicable therein.

12.3 OEGSE acknowledges that:

12.3.1. the City is subject to the provisions of ATIA,

12.3.2. the City may be requested to disclose any records relating to this Agreement and under the custody or control of the City, including, without limitation, the contents of this Agreement, and

12.3.3. any such disclosure if required by ATIA will only be made in accordance with and to the extent required by the provisions of ATIA.

For greater certainty, the foregoing shall not limit or restrict the rights of objection to disclosure that OEGSE has under ATIA.

12.4 The waiver of any covenant, condition or provision of this Agreement must be in writing. The failure of any Party at any time to require strict performance by the other Party of any covenant, condition or provision of this Agreement shall in no way affect such Party's right thereafter to enforce such covenant, condition or provision, nor shall the waiver by any Party of any breach of any covenant, condition or provision hereof be taken or held to be taken as a waiver of any future breach of any such covenant, condition or provision.

12.5 An amendment of any term of this Agreement, including the Schedules, must be in writing and signed by the Parties.

12.6 Each of the Parties shall from time to time execute and deliver all further documents and instruments and do all things and acts as the other Parties may reasonably require to effectively carry out or better evidence or perfect the full intent and meaning of this Agreement.

12.7 The relationship of the Parties under this Agreement is solely that of independent contractors and the Parties are not to be deemed or construed as being in partnership, in a joint venture or in a relationship of employment under this

Agreement, and any representation, claim or assertion to the contrary is hereby negated.

- 12.8 The insertion of headings is for convenience of reference only and shall not be construed so as to affect the interpretation or construction of this Agreement. The reference to any legislation in this Agreement shall be deemed to include all amendments thereto and all regulations thereunder and all statutes, including all amendments thereto and regulations thereunder, that may be substituted for that legislation.
- 12.9 Time is of the essence in this Agreement and no extension or variation of this Agreement operates as a waiver of this provision.
- 12.10 This Agreement and the Ancillary Agreements constitute the entire agreement between the Parties and there are no other representations, conditions, covenants or warranties other than those expressed therein.
- 12.11 If there is a conflict between this Agreement and any Ancillary Agreement, the provisions of the Ancillary Agreement shall prevail.
- 12.12 If any provision of this Agreement or its application to any Party or circumstance is determined by a court of competent jurisdiction to be illegal, invalid or unenforceable, it will be ineffective only to the extent of its illegality, invalidity or unenforceability without affecting the validity or the enforceability of the remaining provisions of this Agreement and without affecting its application to other parties or circumstances.
- 12.13 This Agreement may be signed in counterpart and may be delivered originally or by electronic means (e.g., PDF) and each original or electronic copy when so signed shall be deemed to be an original and each of which taken together shall constitute one and the same document.

[The rest of this page has intentionally been left blank]

The Parties have signed this Agreement as of the date first referenced above.

THE CITY OF EDMONTON

Per:

Eddie Robar
City Manager

**OEG SPORTS &
ENTERTAINMENT INC.**

Per

Brad Gilewich
Director