

LEASE SUMMARY

TEAM: Indiana PACERS

Team Owners: Herbert Simon

[Team Website](#)

FACILITY: Bankers Life Fieldhouse

[Facility Website](#)

Year Built: 1999

TITLE OF AGREEMENT: Conseco Fieldhouse

Lessor: Marion County Convention and Recreational Facilities Authority (“MCCRFA”) & The Capital Improvement Board of Managers of Marion County, Indiana (“CIB”)

Lessee: Pacers Basketball Corporation (“PBC”) & Herbert Simon (“Simons”)

TERM OF AGREEMENT:

“The initial term of this Operating Agreement shall be a period of approximately twenty (20) years, beginning on November 1, 1999 (the “Commencement Date”), and ending, unless sooner terminated, at the end of the NBA Season ending in the year 2019.” Section 2.3, page 7.

RENT:

Fees Paid by PBC:

- (a) Fieldhouse Fee Paid by PBC: “PBS shall pay to CIB, in consideration for the exclusive right, authority, license and privilege to use, possess, occupy and operate the Fieldhouse Complex in the manner provided hereunder, an annual fee of One Dollar (\$1.00).”
- (b) Parking Fee Paid by PBC: PBS shall pay “an annual fee of Three Million Four Hundred Fifty Thousand Dollars (\$3,450,000).”

Section 5, page 10.

TEAM USE OF THE FACILITY:

“PBC shall, by way of example and not limitation, have the sole and exclusive right to:

- (i) . . . enter into contracts or otherwise exercise authority over all aspects of the operation of the Fieldhouse Complex;
- (ii) Use, occupy and possess the Fieldhouse Complex or permit the Fieldhouse Complex to be used, occupied or possessed by way of license, lease or other arrangement;
- (iii) Prepare and sell food, beverages, programs, merchandise, souvenirs and other wares and services and permit others to do so . . .;
- (iv) Erect, control or license advertising promotions, signs and displays in, or about the Fieldhouse Complex;
- (v) Advertise or promote the Fieldhouse Complex and any and all events that take place in the Fieldhouse Complex;
- (vi) Televis, broadcast or otherwise communicate Fieldhouse Events by and through any and every broadcasting medium or method . . .;

- (vii) Sell and distribute tickets and other admissions for Fieldhouse Events or grant third parties the right . . .;
- (viii) Grant naming or sponsorship rights for the Fieldhouse Complex . . .;
- (ix) Grant naming or sponsorship rights for any product or service used in or at the Fieldhouse Complex . . .;
- (x) Contract for the right of others to use suites, club seats, premium seats, season tickets, ticket packages or other admission rights with respect to the Fieldhouse Complex;
- (xi) Contract for the rights of others, or grant licenses for the use of, the Reserved Parking Spaces . . .;
- (xii) License or otherwise allow the use of the Fieldhouse Complex for any lawful event at rates it determines . . .;
- (xiii) Contract with other sports franchises to play one or more games in the Fieldhouse;
- (xiv) Contract with entertainers, promoters, sponsors, or others to hold Fieldhouse Events; and
- (xv) Use and have a license from CIB and MCCRFA, on a non-exclusive basis, of all of CIB's and MCCRFA's intellectual property rights in the Fieldhouse Complex."

Section 3, page 3-5.

MAINTENANCE:

"During the Term, PBC shall be responsible for, and at its cost shall . . . undertake all Normal Routine Maintenance" Section 7, page 13.

OPERATING EXPENSES:

"Subject to CIB's maintenance, repair and replacement obligations under this Section 7, CIB's obligations to pay all real property taxes described in Section 9 hereof, and CIB's express obligations under the Fieldhouse Complex Documents, PBC shall be responsible during the entire Term for all costs and expenses of every kind and nature related to the use, occupancy, possession and operation of the Fieldhouse Complex." Section 7, page 15.

ESCAPE, DEFAULT OR TERMINATION CLAUSES:

"It shall be an 'Event of Default' of PBC hereunder if:

- (i) PBC fails to pay any amount required to be paid . . .;
- (ii) PBC fails to perform or observe any other of its covenants, agreements, terms or conditions . . .;
- (iii) PBC files a voluntary petition in bankruptcy . . .;
- (iv) An Event of Default by PBC under any of the other Fieldhouse Complex Documents."

Section 13, pages 26-27.

INSURANCE:

"During the Term, PBC and CIB shall obtain and maintain insurance in accordance with the following provisions:

- (i) CIB shall keep the Fieldhouse Complex (including all components of the FF&E Package) and the Reserved Parking Facilities and the Improvements related to the Reserved Parking Facilities insured against loss caused by fire and other perils . . .;
- (ii) PBC shall keep the Operator's Portion of the FF&E . . .;

- (iii) PBC shall procure and maintain a policy of public liability insurance . . . ;
- (iv) CIB shall procure and maintain . . . public liability insurance against claims resulting in injury”

Section 8, pages 15-16.