

LEASE SUMMARY

TEAM: Oklahoma City THUNDER

Team Owners: Professional Basketball Club LLC

[Team Website](#)

FACILITY: Chesapeake Energy Arena

[Facility Website](#)

Year Built: 2002

TITLE OF AGREEMENT: Arena Use License Agreement

Lessor: The City of Oklahoma City, Oklahoma City Public Property Authority, & SMG

Lessee: The Professional Basketball Club, LLC

TERM OF AGREEMENT:

“This Agreement shall be effective for an initial period beginning July 1, 2010 and ending on 11:59 P.M. (Central Time) on the thirtieth (30th) day after the final Home Game of the 2024-2025 Basketball Season.” Section 2.3, page 21.

RENT:

“The Team shall pay rent for the use of the Leased Premises, consisting of the following:

4.1.1 **Game Expenses:** For Each Home Game played at the Arena the Team shall remit to the Operator the Game Expenses . . . Game Expenses shall initially be \$28,000 per Home Game played in the Arena, but will be subject to periodic adjustment as provided in the definition of such term.

4.1.2 **Naming Rights:** . . . The Team shall remit to the Operator, on behalf of the City an amount equal to Current Naming Rights Revenues . . . Current Naming Rights Revenues will initially be \$409,000, but will be subject to periodic adjustment as provided in the definition of such term.

4.1.3 **License Fee:** The Team shall remit to the Operator, on behalf of the Authority, the sum of \$12,000 for each Home Game played at the Arena”

Section 4.1, pages 29-30.

USE OF THE FACILITY:

“[G]rants the Team the license and right (collectively, the ‘License’) to use and occupy the Leased Premises during the License Term in accordance with the terms of this Agreement for the Permitted Uses . . . ‘Permitted Uses’ means use of the Leased Premises for the presentation of Team Events and related set-up, shut down and other pre and post game activities and events . . . use of the Team Spaces for their intended purposes; use of the Licensed Premises to conduct the marketing, advertising, business and operations of the Team.” Section 2.1, page 18.

MAINTENANCE:

“Operator shall be responsible for repair and maintenance of the Arena and the Leased Premises. The Team shall have no duty or responsibility for repair or maintenance at the Arena or Leased Premises, except as required pursuant to Article XXIV of this Agreement.” Section 6.2.2, page 33.

OPERATING EXPENSES:

“The Team shall reimburse the Operator for all costs of utilities, janitorial services, and routine maintenance.” Section 4.2, page 30.

“The Team shall remit to the Operator all Minor League Ticket Revenue.” Section 4.3, page 30.

“The Team shall remit to the Operator the applicable Facility Fee with respects to tickets sold by the Team.” Section 4.4, page 30.

“[T]he Team shall be responsible for all advertising, marketing, sales and operating costs and expenses incurred by the Team in connection with or attributable to the basketball and business operations conducted by the Team.” Section 5.2, page 31.

ESCAPE, DEFAULT OR TERMINATION CLAUSES:

“Each of the following events shall constitute an ‘Event of Default[:]’ breaches of representation, breaches of covenants, or acts of bankruptcy. Section 21.1, pages 66-67.

INSURANCE:

“[T]he Team shall cause to be procured and maintained in full force and effect at the Team’s sole expense, the following insurance coverages[:]” workers’ compensation, commercial general liability, business automobile liability, crime and fidelity coverage for team employees, excess umbrella coverage, and property insurance. Section 16.1, pages 53-55.