



CITY OF SANTA CLARA

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SANTA CLARA STADIUM AUTHORITY

AGENDA

A complete agenda packet with back-up reports is available at either City Library beginning Saturday before the Tuesday meeting or at the City Clerk's Office on weekdays. A complete agenda packet is also available at the City Council meeting and on the City's website.

March 18, 2014

5:30 pm

Closed Session

Council Conference Room

Conference with Legal Counsel - Existing Litigation
Pursuant to Government Code Section 54956.9(a)
*Vinod K. Sharma, et al v. Successor Agency to the
Redevelopment Agency of the City of Santa Clara, et al.*
Sacramento County Superior Court Case No. 34-2013-80001396
and

Conference with Legal Counsel - Anticipated Litigation
Pursuant to Government Code Section 54956.9(a)
Potential initiation of litigation: 1 potential case

REGULAR MEETING

7:00 PM in the City Hall Council Chambers

APPEAL OF HEARING DECISIONS OF THE STADIUM AUTHORITY MUST BE MADE TO THE SUPERIOR COURT WITHIN 90 CALENDAR DAYS OF FINAL ACTION. BECAUSE OF THE AGENDA PROVISION FOR RECONSIDERATION, FINAL ACTION IS DEEMED TO OCCUR AT THE END OF THE NEXT REGULAR MEETING PURSUANT TO CITY COUNCIL POLICY (P&P 042). (CODE OF CIVIL PROCEDURE SECTION 1094.6)

AB23 ANNOUNCEMENT: MEMBERS OF THE SANTA CLARA STADIUM AUTHORITY BOARD ARE ENTITLED TO RECEIVE \$30 FOR EACH ATTENDED MEETING.

- 1. ROLL CALL:**
- 2. APPROVAL OF MINUTES:**
 - A. February 11, 2014.**
- 3. CONTINUANCE/EXCEPTIONS:**

4. UNFINISHED BUSINESS:

- A. Possible Reconsideration of Actions Taken at Immediately Preceding Meeting. (See Summary of Actions for potential reconsideration, which is attached to the posted Agenda and is in the Agenda Packet Binder in the Council Chambers.)

5. NEW BUSINESS:

- A. Adoption of a Resolution approving an SBL Website Marketing Agreement with STR Marketplace, LLC authorizing STR to host a website as the secondary market exchange for the purchase and sale of SBLs and approves the Fourth Amendment to the Stadium Management Agreement expanding the scope of the Stadium Manager's duties to include the facilitation of the secondary market for SBLs and the administration and enforcement of the existing SBL licenses.

6. PUBLIC PRESENTATIONS:

This item is reserved for persons to address the Stadium Authority on any matter not on the agenda that is within the subject matter jurisdiction of the City. The law does not permit Stadium Authority action on, or extended discussion of, any item not on the agenda except under special circumstances. The Stadium Authority, or staff, may briefly respond to statements made or questions posed, and the Stadium Authority may request staff to report back at a subsequent meeting. Although not required, please submit to the Stadium Authority Secretary your name and subject matter on forms available by the door in the Council Chambers.

7. REPORTS OF STADIUM AUTHORITY MEMBERS AND SPECIAL STADIUM AUTHORITY COMMITTEES:

- A. Reports regarding conference attendance, if any.

8. CLOSED SESSION MATTERS:

- A. Stadium Authority Counsel Reports:

9. ADJOURNMENT:

- A. To Tuesday evening, **March 25, 2014** at 7:00 pm for the regular scheduled meeting in the City Hall Council Chambers.

3/18/14

CLOSED SESSION NOTICE

Santa Clara Stadium Authority

5:30PM
SA



The **GOVERNING BOARD OF THE STADIUM AUTHORITY** will meet in closed session on **Tuesday, March 18, 2014**, at **5:30 p.m.**, or as soon thereafter as the matter can be discussed, in the Council Conference Room located in the East Wing of City Hall at 1500 Warburton Avenue, Santa Clara, California, to consider the following matter(s) and to potentially take action with respect to it/them:

- CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION**
Pursuant to Gov. Code § 54956.9(a)
Vinod K. Sharma, et al. v. Successor Agency to the Redevelopment Agency of the City of Santa Clara, et al., Sacramento County Superior Court Case No. 34-2013-80001396

- CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION**
Pursuant to Gov. Code § 54956.9(a)
Potential initiation of litigation: 1 potential case

Date: March 14, 2014



RICHARD E. NOSKY, JR.
Stadium Authority Counsel

3/18/14

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SA

MINUTES OF THE SANTA CLARA STADIUM AUTHORITY OF
THE CITY OF SANTA CLARA FOR MEETING
HELD ON TUESDAY EVENING, FEBRUARY 11, 2014

The Santa Clara Stadium Authority of the City of Santa Clara met at 6:00 pm, on the above mentioned date, for a Closed Session in the Council Conference Room for a Conference with Legal Counsel-Existing Litigation pursuant to Government Code Section 54956.9(a); *Vinod K. Sharma, et al. v. Successor Agency to the Redevelopment Agency of the City of Santa Clara, et al.*, Sacramento County Superior Court Case No. 34-2013-80001396 and for a Conference with Legal Counsel-Anticipated Litigation pursuant to Government Code Section 54956.9(a); Potential initiation of litigation: 1 potential case (Stadium Authority Counsel - 02/07/14).

Present: Stadium Authority Board Members Debi Davis, Lisa M. Gillmor, Patrick Kolstad, Patricia M. Mahan, Jerry Marsalli and Teresa O'Neill and Chairperson Jamie L. Matthews.

The Stadium Authority then met at 10:07 pm for the regular scheduled meeting in the City Hall Council Chambers.

- 2A. MOTION was made by Mahan, seconded and unanimously carried with Marsalli abstaining (not present at the meeting), that the Minutes for the meeting of January 7, 2014 - Special Meeting be adopted as written.
5. Under Public Presentations, Stephen Hazel addressed the Stadium Authority with general comments of concern.
- 7A. Earlier in the evening, the Stadium Authority met for a Closed Session in the Council Conference Room for a Conference with Legal Counsel-Existing Litigation pursuant to Government Code Section 54956.9(a); *Vinod K. Sharma, et al. v. Successor Agency to the Redevelopment Agency of the City of Santa Clara, et al.*, Sacramento County Superior Court Case No. 34-2013-80001396 and there was no reportable action and for a Conference with Legal Counsel-Anticipated Litigation pursuant to Government Code Section 54956.9(a); Potential initiation of litigation: 1 potential case and there was no reportable action.

8A. MOTION was made by Davis, seconded and unanimously carried, that, there being no further business, the meeting was adjourned at 10:11 pm to Tuesday evening, February 25, 2014 at 7:00 pm for the regular scheduled meeting in the City Hall Council Chambers.

ATTEST: _____
Secretary

APPROVE: _____
Chairperson

DRAFT

Meeting Date: 3/18/14

AGENDA REPORT

City of Santa Clara, California

Agenda Item # 5A



Date: March 13, 2014
To: Executive Director for Stadium Authority Action
From: Economic Development Officer/Assistant City Manager
Subject: Resolution to approve a Website Marketing Agreement with STR Marketplace, LLC to Host a Stadium Builders License Resale Marketplace

EXECUTIVE SUMMARY:

In July 2011, the Stadium Authority entered into an agreement with Legends Premium Sales (“Legends”) to sell Stadium Builders Licenses (“SBLs”) for Levi’s Stadium. Legends has proceeded with marketing of the SBLs and to date has sold more than 95% of the available SBLs.

The terms of the SBLs sold by the Stadium Authority allow SBL holders to transfer their SBLs under certain conditions as set out in the Stadium Builders License Agreement. The Stadium Authority is now proposing to enter into an agreement with STR Marketplace, LLC (“STR”) to allow STR to establish a secondary market website to facilitate the transfer of SBLs.

Under the terms of the proposed Website Marketing Agreement with STR, STR would manage and operate a website where buyers and sellers of SBLs would conduct transactions. In exchange for use of the Levi’s Stadium trademarks and links on the Stadium Authority website, STR will pay to the Stadium Authority a fee of not less than \$325,000 during each year of the three year agreement. In addition, if STR’s commission on the sales of SBLs exceeds \$650,000 in any year, STR will pay to the Stadium Authority 50% of the amount in excess of \$650,000.

The Stadium Authority’s obligations under the Website Marketing Agreement are to provide a link to the STR Marketplace website on the Stadium Authority website, to provide STR with the necessary Stadium trademarks and to process the transfers in accordance with the terms of the SBL license agreement. The Stadium Authority is also proposing to amend the Stadium Management Agreement with Forty Niners SC Stadium Company, LLC (“Stadium Manager”) to include within the scope of the Stadium Manager’s duties the responsibility to process transfer of SBLs and to administer the terms of the SBLs.

Copies of the SBL Website Marketing Agreement and the Fourth Amendment to the Stadium Management Agreement are available for review in the Council offices.

ADVANTAGES AND DISADVANTAGES OF ISSUE:

The agreement with STR will provide holders of SBLs with a resale market for the SBLs and will compensate the Stadium Authority for each resale. The funds to be paid from STR will provide additional funds to the Stadium Authority for operating costs and debt service. Users of the STR website will pay commissions to STR with buyers and sellers each paying a 10% commission on sales facilitated on the

Executive Director for Stadium Authority for Action

Subject: STR Marketing Agreement and Fourth Amendment to Stadium Management Agreement

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website. SBLs holders are not obligated to use the STR website in order to transfer SBLs and sales not conducted through the website will be processed by Stadium Manager in accordance with the terms of the License Agreement.

ECONOMIC/FISCAL IMPACT:

The Stadium Authority will be compensated a minimum of \$325,000 each year of the three year agreement with STR with the potential for additional compensation if STR's commissions exceed \$650,000 in any year. This revenue will be reflected in the proposed Stadium Authority budget which will be forwarded for Stadium Authority consideration on March 25, 2014.

RECOMMENDATION:

That the Authority adopt a resolution approving (i) the SBL Website Marketing Agreement with STR Marketplace, LLC authorizing STR to host a website as the secondary market exchange for the purchase and sale of SBLs and (ii) the Fourth Amendment to the Stadium Management Agreement expanding the scope of Stadium Manager's duties to include the facilitation of the secondary market for SBLs and the administration and enforcement of the existing SBL licenses.



Ruth Shikada

Economic Development Officer /
Assistant City Manager

APPROVED:



Julio J. Fuentes

Executive Director for
Stadium Authority

Documents Related to this Report:

- 1) *Resolution*
- 2) *SBL Website Marketing Agreement*
- 3) *Fourth Amendment to Stadium Management Agreement*

BACKGROUND

The Stadium Authority entered into the Agreement for Stadium Builders License Sales with Legends Premium Sales in July 2011 authorizing Legends to sell SBLs for Levi's Stadium. The terms of the License Agreement with SBLs allows SBL holders to transfer their SBLs under certain conditions, subject to approval of the Stadium Authority. To date 95 percent of the total number of SBLs have been sold and Legends continues to market the remaining unsold SBLs.

The Stadium Authority is now proposing to enter into an Agreement with STR Marketplace, LLC to allow STR to host a website as the secondary market exchange for the purchase and sale of SBLs. In exchange for the Stadium Authority agreeing to provide STR with rights to use certain Stadium trademarks on the website and providing links to the STR website on the Stadium Authority website, STR will pay to the Stadium Authority a minimum of \$325,000 each year for the three year term of the agreement. If STR commissions in any year exceed \$650,000, STR will also pay to the Stadium Authority 50% of the commissions received in excess of \$650,000.

STR is considered to be the industry-leader in partnering with seat license issuers in the secondary market for seat licenses. STR partners with venues to build, maintain, and operate customized and branded marketplace websites for the purchase and sale of licenses. STR Marketplace has been operating online seat license marketplaces for over six years and has processed over \$100 million in transfers. STR currently operates secondary marketplaces for the San Francisco Giants, the Pittsburgh Steelers, the Chicago Bears and the New York Giants, among others. Under the terms of the Partnership Agreement, STR will assume all liability, as well as all costs associated with running the online marketplace. The website design and content will be subject to the approval of the Stadium Authority prior to launching the marketplace. STR will also indemnify the Stadium Authority for any liability associated with the operations of the website.

Creating a secondary marketplace where SBL holders can buy and sell SBLs provides a valuable service for SBL holders and has the potential to increase the value of their SBLs. The website creates a secure forum for buyers and sellers to connect and exchange funds with STR holding funds in escrow until the transaction is completed. The creation of the marketplace is a benefit for SBL holders, providing SBL holders with a fast, secure process for transferring SBLs.

Sellers and buyers using the marketplace will each pay a 10% commission to STR for use of the website. Buyers and sellers who have already reached agreement on the terms of the sale of the SBLs also have the option of using the website solely for the purpose of facilitating the exchange of their payments in which case the commission to STR will be limited to 5% of the transfer price. All transfers will continue to be subject to approval of the Stadium Authority as required in the SBL License Agreement. The Stadium Authority will also be responsible for providing STR information on the SBL holder necessary to verify sellers listing SBLs on the website are the holders of such SBLs.

The Stadium Authority is also proposing to enter into the Fourth Amendment to the Stadium Management Agreement to expand the scope of duties for the Stadium Manager to include handling transfers of SBLs and to work with STR in providing STR with the information necessary regarding SBL holders. In addition,

Executive Director for Stadium Authority for Action

Subject: STR Marketing Agreement and Fourth Amendment to Stadium Management Agreement

March 10, 2014

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upon expiration of the Legends' Agreement, the Fourth Amendment would require Stadium Manager to administer and enforce the terms of the SBL License Agreement. This would include maintaining the SBL records and invoicing SBL holders for payments due on the SBLs.

RESOLUTION NO. _____ (STADIUM AUTHORITY)

**A RESOLUTION OF THE SANTA CLARA STADIUM
AUTHORITY APPROVING AN AGREEMENT WITH STR
MARKETPLACE LLC AND THE FOURTH AMENDMENT
TO THE STADIUM MANAGEMENT AGREEMENT**

BE IT RESOLVED BY THE SANTA CLARA STADIUM AUTHORITY AS FOLLOWS:

WHEREAS, the Santa Clara Stadium Authority ("Authority"), a joint exercise of powers entity, created through Government Code Section 6500 *et seq.*, is engaged in various activities designed to lead to the development of a 68,500 seat stadium suitable for professional football ("Stadium Project") on a property located at Tasman and Centennial Drive ("Stadium Site"); and

WHEREAS, the Authority entered into an agreement with Legends Premium Sales to sell stadium builders licenses ('SBLs') for the Stadium Project and subsequently has sold SBLs for a majority of the seats in the Stadium; and

WHEREAS, the Authority now desires to enter into a Website Marketing Agreement with STR Marketplace, LLC ("STR") to allow STR to create a secondary marketplace website for the sale of SBLs by SBL holders; and

WHEREAS, the Authority also desires to enter into the Fourth Amendment to the Stadium Management Agreement with Forty Niners Stadium Management Company LLC ("Stadium Manager") to include within Stadium Manager's duties the management and administration of the Authority's obligations under the STR agreement and the administration of the SBLs, including the invoicing and collection of payments under the SBL agreements upon the expiration of the Legends Agreement; and

WHEREAS, the Staff Report provides additional information upon which the findings and actions set forth in this Resolution are based.

NOW THEREFORE, BE IT FURTHER RESOLVED BY THE SANTA CLARA STADIUM AUTHORITY AS FOLLOWS:

1. That the Board of the Authority hereby finds that the above Recitals are true and correct and by this reference makes them a part hereof.
2. The Board of the Authority hereby approves the Website Marketing Agreement with STR Marketplace, LLC and the Fourth Amendment to the Stadium Management Agreement , and authorizes the Executive Director to enter into and execute the Website Marketing Agreement and the Fourth Amendment to the Stadium Management Agreement on behalf of the Authority, substantially in the form on file with the Authority Secretary, with such revisions as are reasonably determined necessary by the Authority signatory, such determination to be conclusively deemed to have been made by the execution of such agreement by the Authority signatory. The Executive Director is authorized to implement the Website Marketing Agreement and the Fourth Amendment to the Stadium Management Agreement and take all further actions and execute all other documents which are necessary or appropriate to carry out the Website Marketing Agreement and the Fourth Amendment to the Stadium Management Agreement.
3. The Executive Director is hereby authorized to take such further actions as may be necessary or appropriate to carry out the Authority's obligations pursuant to this Resolution, the Website Marketing Agreement and the Fourth Amendment to the Stadium Management Agreement.
4. The Authority Secretary shall certify to the adoption of this Resolution.
5. Constitutionality, severability. If any section, subsection, sentence, clause, phrase, or word of this resolution is for any reason held by a court of competent jurisdiction to be unconstitutional or invalid for any reason, such decision shall not affect the validity of the

remaining portions of the resolution. The City of Santa Clara, California, hereby declares that it would have passed this resolution and each section, subsection, sentence, clause, phrase, and word thereof, irrespective of the fact that any one or more section(s), subsection(s), sentence(s), clause(s), phrase(s), or word(s) be declared invalid.

6. Effective date. This resolution shall become effective immediately.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY THE SANTA CLARA STADIUM AUTHORITY, AT A REGULAR MEETING THEREOF HELD ON THE ___ DAY OF _____, 2013, BY THE FOLLOWING VOTE:

AYES:	BOARD MEMBERS:
NOES:	BOARD MEMBERS:
ABSENT:	BOARD MEMBERS:
ABSTAINED:	BOARD MEMBERS:

ATTEST:

ROD DIRIDON, JR.
SECRETARY OF THE STADIUM AUTHORITY
SANTA CLARA STADIUM AUTHORITY

Attachments incorporated by reference:

1. STR Website Marketing Agreement
2. 4th Amendment to Stadium Management Agreement

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SBL Website Marketing Agreement

This Agreement (this "Agreement"), effective as of _____, 2014 (the "Effective Date"), is between STR MARKETPLACE, LLC ("STR") and the Santa Clara Stadium Authority ("STADIUM AUTHORITY"). This Agreement is the entire agreement between the parties pertaining to the Website (as defined below) and development and use of the Website, and supersedes all prior agreements and understandings relating thereto, written or oral.

WHEREAS, the STADIUM AUTHORITY is the builder and owner of Levi's Stadium located in Santa Clara, California and has sold, and expects to continue selling, Seat Licenses (as defined below) that grant the licensees thereunder certain rights to purchase tickets to events at Levi's Stadium, including the right to purchase season tickets to San Francisco Forty Niners football games;

WHEREAS, FORTY NINERS FOOTBALL COMPANY LLC ("49ers") owns the franchise for the San Francisco Forty Niners football team and has an interest in maintaining a market for the sale of its season tickets and has agreed with the STADIUM AUTHORITY to sell its season tickets to licensees of Seat Licenses;

WHEREAS, STR wishes to host the Website as the secondary market exchange for the purchase and sale of Seat Licenses and to acquire certain advertising benefits from the STADIUM AUTHORITY;

NOW, THEREFORE, in consideration of the mutual promises set forth in this Agreement, the parties hereby agree as follows:

1. Definitions

Unless otherwise defined herein, the following terms shall have the meanings described below:

Buyer: A "Buyer" is a person or entity that has purchased Seat Licenses from a Seller through a Completed Transaction or who has submitted an "Offer to Buy" in accordance with the terms of the User Agreement.

Transferee: A "Transferee" is a person or entity that has agreed to assume ownership of a Seat License from a Transferor through a Private Transfer.

Seller: A "Seller" is a person or entity that has sold its Seat Licenses to a Buyer through a Completed Transaction or who has listed its Seat Licenses for sale on the Website.

Transferor: A "Transferor" is a person or entity that has agreed to transfer ownership of its Seat License to a Transferee through a Private Transfer.

Completed Transaction: A "Completed Transaction" means a transaction where "Transaction Completion" has occurred as defined in the User Agreement and STR has made all payments required to Buyer and Seller.

Private Transfer: A "Private Transfer" means a transaction on the Website where the Transferee and Transferor have already reached agreement on a transfer and do not use the Website to reach a Final Price.

Private Sale Transfer: A "Private Sale Transfer" means a transaction on the Website where the Transferee and Transferor have already reached agreement on a transfer and do not use the Website to reach a Final Price but the Transferee utilizes the Website to transfer the funds from the Final Price to the Transferor.

Final Price: A "Final Price" is the final sales price for a Seat License that is agreed to by a Buyer and Seller.

Seat License: "Seat Licenses" shall mean the rights held by a Licensee; as such term is defined under a binding STADIUM AUTHORITY Stadium Builders License Agreement.

Term: The "Term" shall have the meaning assigned to it in Section 5.1 hereof.

User Agreement: The "User Agreement" is the user agreement published on the Website from time to time by STR that governs the relationship between STR and Sellers and Buyers and sets forth the requirements for use of the Website by Sellers and Buyers.

Stadium Website: The "Stadium Website" means the website or websites that the the STADIUM AUTHORITY maintains as official websites, and shall include, without limitation, <http://www.levisstadium.com/> and any other website that the STADIUM AUTHORITY may maintain or designate as an official website during the Term.

Website: The "Website" means the website that is a secondary market exchange for the purchase and sale of Seat Licenses that is established and maintained by STR as provided herein.

2. **Obligations of STR**

2.1 **The Website:** STR shall design, develop, establish and maintain the Website with reasonable input from the STADIUM AUTHORITY and, to the extent it bears on the sale of 49ers season tickets, the 49ERS. STR shall use reasonable efforts to ensure that:

- a. the Website is used exclusively for transactions relating to the sale and purchase of Seat Licenses;
- b. the Website remains fully operational and functional during the Term; and
- c. the Website is promptly restored to a fully functioning status in the event any of the Website functions are interrupted, delayed, halted or suspended for any reason.

2.2 **Website Use Fees:** STR shall charge the following fees ("Website Use Fees") on the Website:

a. For a Completed Transaction for Seat Licenses, STR shall charge Seller an amount equal to the greater of (a) ten percent (10%) of the Final Price or (b) two hundred fifty dollars (\$250), and

b. For a Completed Transaction for Seat Licenses, STR shall charge Buyer an amount equal to the greater of (a) ten percent (10%) of the Final Price or (b) two hundred fifty dollars (\$250), and

c. For a Private Transfer STR shall charge the Transferee a fee of one hundred dollars (\$100) per seat.

d. For a Private Sale Transfer STR shall charge the Transferee an amount equal to the greater of (a) five percent (5%) of the Final Price or (b) a minimum of two hundred fifty dollars (\$250).

2.3 Records and Audits: STR shall maintain records of Completed Transactions, Private Sales and Private Transfers for a minimum of five (5) years after the end of the Term. The STADIUM AUTHORITY shall have the right to perform an audit of STR's records at its sole cost and expense upon reasonable notice at any time during the Term and for a period of five (5) years after the expiration or early termination of the Term. STR shall not be subject to audit more than once in any six month period provided that the STADIUM AUTHORITY and the 49ers shall have the right to receive copies of records on either of their reasonable requests made prior to the expiration of such five (5) year period.

2.4 Compliance with User Agreement, Applicable Laws. STR shall at all times comply with the terms of the User Agreement and, in performing its obligations hereunder, STR shall, at all times, comply with all applicable laws, rules, ordinances, orders, judgments and regulations of any and all applicable governmental and quasi-governmental entities, and all applicable rules and regulations of the National Football League.

2.5 Exclusivity: Except as set forth herein, STR shall not host or own an interest in (directly or indirectly) or operate any website that is a secondary market exchange for the purchase and sale of Seat Licenses.

2.6 Sponsorship Payments: In consideration of the benefits provided to STR under this Agreement:

1. During the Term of this Agreement, STR shall pay the STADIUM AUTHORITY an annual Sponsorship Fee of \$325,000, paid as follows:

- A. From April 1, 2014 through March 31, 2015, STR shall pay the STADIUM AUTHORITY \$27,083.33 each month within ten (10) days after the end of each calendar month.
- B. From April 1, 2015 through March 31, 2016, STR shall pay the STADIUM AUTHORITY \$27,083.33 each month within ten (10) days after the end of each calendar month.

- C. From April 1, 2016 through March 31, 2017, STR shall pay the STADIUM AUTHORITY \$27,083.33 each month within ten (10) days after the end of each calendar month.
2. STR shall also pay the STADIUM AUTHORITY as follows:
- A. For all transactions that are completed during the twelve month period from April 1, 2014 through March 31, 2015, STR shall pay the STADIUM AUTHORITY, in a lump sum prior to March 31, 2015, fifty percent (50%) of the balance of such Transfer Fees for that twelve (12) month period that exceeds \$650,000.
 - B. For all transactions that are completed during the twelve month period from April 1, 2015 through March 31, 2016, STR shall pay the STADIUM AUTHORITY, in a lump sum prior to March 31, 2016, fifty percent (50%) of the balance of such Transfer Fees for that twelve (12) month period that exceeds \$650,000.
 - C. For all transactions that are completed during the twelve month period from April 1, 2016 through March 31, 2017, STR shall pay the STADIUM AUTHORITY, in a lump sum prior to March 31, 2017, fifty percent (50%) of the balance of such Transfer Fees for that twelve (12) month period that exceeds \$650,000.

2.7 Other Charges: STR may charge Buyers up to three percent (3%) of the Final Price as an additional charge for credit card transactions and may charge an additional charge for specific shipping methods, and STR shall have no obligation to pay to the STADIUM AUTHORITY any portion of these charges.

3. Obligations

3.1 Exclusivity: The STADIUM AUTHORITY shall not maintain nor permit on any Stadium Website any hyperlinks, advertising, promotion or mention of any other website that is a secondary market exchange for the purchase and sale of Seat Licenses.

3.2 Licenses to Use marks: The STADIUM AUTHORITY hereby grants to STR a non-exclusive, non-transferable, non-sublicenseable, limited right and license to use certain of the SCSA and, subject to any limitations on the STADIUM AUTHORITY'S rights to use, Levi's Stadium trademarks and copyrights (the "Stadium Marks") on the Website, solely in connection with transactions relating to Seat Licenses. 49ERS hereby grant to STR a non-exclusive, non-transferable, non-sublicenseable, limited right and license to use certain of the 49ERS' trademarks and copyrights (the "49ERS' Marks") on the Website within the 49ers Home Marketing Area, as defined by the National Football League and solely in relation to transactions relating to 49ers season tickets. STR understands that its use of the Stadium Marks and the 49ERS' Marks must comply with the respective style requirements of each of them and shall, at all times be subject to the approval of the grantor of the licenses hereunder. In the event that either such grantor notifies STR that STR is using any of their respective marks in a manner that

is contrary to the style requirements, STR shall promptly cease such nonconforming use. The STADIUM AUTHORITY or the 49ERS may also determine that any nonconforming use is a breach of this Agreement, and the STADIUM AUTHORITY agrees to declare a breach of this Agreement if the 49ers notify the STADIUM AUTHORITY of such determination and request such declaration. STR acknowledges that it will not obtain any rights or interests of ownership in the Stadium Marks or the 49ERS' Marks by any use of them. STR's right to use the Stadium Marks and the 49ERS' Marks as provided herein may not be assigned or transferred at any time. Upon termination of this Agreement, STR shall immediately cease use of the Stadium Marks and the 49ERS' Marks. STR agrees to promptly notify the STADIUM AUTHORITY and the 49ERS of any unauthorized use of the Stadium Marks or the 49ERS' Marks by others of which it becomes aware. STR shall have no right to bring, or require any party to bring, infringement or unfair competition proceedings involving the Stadium Marks or the 49ERS' Marks. Before using any of the Stadium Marks or the 49ERS' Marks, STR must submit to the STADIUM AUTHORITY or the 49ERS, as the case may be, artwork or other items which contain or incorporate any Stadium Marks or 49ERS' Marks for prior written approval, which approval may be withheld in the absolute discretion of the STADIUM AUTHORITY or the 49ers, as applicable. In addition to any other rights and remedies available under law, the STADIUM AUTHORITY or the 49ers may seek injunctive relief from any court of competent jurisdiction for any violation or infringement of its intellectual property.

3.3 Transfer Rules: The following transfer rules will apply to the Website:

- a. STADIUM AUTHORITY will waive the collection of any internal transfer fee for any transfer of Seat Licenses completed using the Website;
- b. STADIUM AUTHORITY will waive any restrictions regarding the number of transfers permitted per calendar year for any transfer of Seat Licenses completed using the Website;
- c. STADIUM AUTHORITY will accept transfers throughout the calendar year for any transfers of Seat Licenses consummated on the Website, subject to its right to reject any person as an owner of a Seat License in accordance with the Stadium Builders License Agreement.
- d. STADIUM AUTHORITY will permit Buyers and Sellers, as well as Transferors and Transferees, to submit separate counter-signed transfer forms.
- e. STADIUM AUTHORITY will accept, as a matter of form, original transfer forms, fax copies of transfer forms or digital transfer forms submitted through an online signature process approved in advance by the Stadium Authority. All transfer forms must be accompanied by a copy of a state issued driver's license or passport.
- f. STR will be responsible for assuring that all transfers comply with the requirements of the Stadium Builders License Agreement.

3.4 Cooperation with STR: Subject to the then-applicable STADIUM AUTHORITY Website Privacy Policy and any legal restrictions pertaining to personally identifiable information and all other applicable laws and regulations, the STADIUM

AUTHORITY, as applicable, shall provide STR with information necessary to process transactions on the Website..

3.5 Additional Undertakings:

(a) During the Term, in addition to the rights under Section 3.2, the STADIUM AUTHORITY will:

- (i) at a minimum of four (4) times per calendar year, advertise the services being provided by STR through email communication to Seat License holders and general fans as determined by the STADIUM AUTHORITY, in its sole discretion; and
- (ii) will maintain one banner or standard web advertisement on the Stadium Website.

(b) During the Term, in addition to the rights under Section 3.2, the 49ERS will, for the benefit of the STADIUM AUTHORITY, provide the following to assist the STADIUM AUTHORITY and STR:

- (i) One (1) dedicated email blast to season ticket holders each contract year; and
- (ii) STR shall have a full-page advertisement in the 49ERS Gameday magazine for pre-season and regular season home games (STR shall provide artwork); and

(c) the 49ERS shall maintain operational hyperlinks to the Website on any 49ERS website under or otherwise conspicuously connected with any webpage relating to season tickets, with a hyperlink sending a user directly to the Website.

With respect to each advertisement referenced above, STR shall prepare and produce such material, at STR's sole expense (unless otherwise agreed by the STADIUM AUTHORITY or the 49ERS, as applicable), in final form or such form that reasonably approximates the anticipated final form of such advertisement and shall provide such material to the STADIUM AUTHORITY or the 49ERS at least thirty (30) days (or such shorter period as they may mutually agree) prior to the first date on which such advertisement is to be broadcast, published, distributed or displayed hereunder. The form, content and presentation of each advertisement shall be subject to the approval of the STADIUM AUTHORITY or the 49ERS, as applicable. the STADIUM AUTHORITY or the 49ERS, as applicable, shall notify STR of its approval or rejection of all or part of the proposed advertisement within ten (10) days after receipt of STR's submission thereof.

STR represents, warrants and covenants that the use (as approved by STR) of any content or materials prepared or provided by STR for any advertising under this Agreement does not and will not infringe any copyright, trademark, right of privacy or any other right of any third party and that STR has all necessary rights for the use of such content and materials in connection with the subject advertisement as contemplated in this Agreement.

4. **Intellectual Property Rights; Customer Information**

4.1 **Intellectual Property Rights:** Except for the license granted to STR under this Agreement to use the Stadium Marks and the 49ers Marks, all intellectual property rights in the Website shall remain the sole property of STR. In addition to any other rights and remedies STR may have, STR may seek injunctive relief from any court of competent jurisdiction for any violation or infringement of its intellectual property.

4.2 **Customer Information:** During the term of this Agreement, customers of the Website (each a "Customer") may provide STR with personally identifying information during a registration process or otherwise (collectively "Customer Information"). STR agrees that as between the parties Customer Information shall be Confidential Information of the STADIUM AUTHORITY and 49ERS, as applicable, and will be kept confidential and secure at all times, except that STR may disclose Customer Information pursuant to STR's obligations to a Buyer or Seller, pursuant to STR's obligations under this Agreement, and pursuant to STR's rights of disclosure reserved under the User Agreement. Except as provided in the preceding sentence, STR shall not use or disclose any Customer Information, except as necessary to perform its obligations hereunder or except as authorized in writing by the STADIUM AUTHORITY and 49ERS, as applicable. The parties agree that if there is any breach of personal information security, STR will immediately notify the STADIUM AUTHORITY and 49ERS in writing, and if such breach is subject to any law requiring notification to customers and/or government authorities of such breach, STR will provide all such required notices and will indemnify and hold harmless the STADIUM AUTHORITY and the 49ers, and each of their respective affiliates, officers, directors, agents and employees against all claims arising from such breach. STR shall in all events comply with all legal requirements and shall use its best efforts to comply with the provisions of this Section 4.2 in full compliance with all applicable laws.

5. **Term; Termination**

5.1 **Term:** The term of this Agreement (the "Term") shall commence upon the Effective Date and shall remain in full force and effect thereafter until March 31, 2017. The provisions relating to required payments representations and warranties and indemnity, and all provisions required to enforce the provisions of this Agreement, shall survive its termination.

5.2 **Termination:** Either party may terminate this Agreement for the other's breach by providing thirty (30) days notice that describes the breach. The termination for breach will not be effective if the breach is cured within the notice period. In addition, the STADIUM AUTHORITY may terminate this Agreement if STR is in breach of the User Agreement by providing thirty (30) days notice that describes the breach. The termination for breach of the User Agreement will not be effective if the breach is cured within the notice period.

5.3 **Procedures upon termination or expiration:** After the date of termination or expiration of this Agreement, STR shall cease accepting new listings for Seat Licenses on the Website. Within two (2) business days after the date of termination or expiration of this Agreement, STR shall remove all listings for Seat Licenses on the Website for which no offer has been accepted by the Seller. STR shall promptly pay the SCSA 50% of all revenues received regardless of whether they are received before or after termination of this Agreement. Within

fifteen (15) days after the date of termination or expiration, STR shall shut down the Website so that it is no longer accessible on the Internet, but STR may thereafter operate a website as a secondary market for Seat Licenses so long as STR does not engage in any form of conduct that would cause a user to believe that a relationship of any kind exists between the STADIUM AUTHORITY and STR. Nothing in the foregoing shall preclude fair use of any trademarks or copyrights or any other rights that STR might have notwithstanding this Agreement; provided that STR shall have no rights to use, and shall not use, the Stadium Marks or the 49ers Marks after termination of this Agreement.

6. Indemnity, Exclusions, Release

6.1 **Indemnity:** STR shall indemnify and hold harmless and defend the STADIUM AUTHORITY and 49ERS and their respective owners, shareholders, members, partners, managers, employees, affiliates, officers and directors from and against any and all claims, demands, damages, liabilities, costs and expenses, including reasonable attorneys' fees and expenses, arising out of STR's breach of this Agreement or the User Agreement (including any representation, warranty, covenant and/or obligation of STR set forth herein or in the User Agreement). STR shall defend all actions to which such indemnity applies and conduct the defense thereof at its expense through attorneys reasonably acceptable to the STADIUM AUTHORITY and 49ERS. The terms of this indemnity shall survive any termination or expiration of this Agreement.

6.2 Representations and Warranties:

a. Mutual Representations and Warranties: Each party hereby represents and warrants to the other that: (i) it has full power and authority to execute and deliver this Agreement and perform its obligations hereunder; (ii) it has duly executed and delivered this Agreement; (iii) this Agreement constitutes the legal, valid and binding obligation of it, enforceable against it in accordance with the terms hereof; and (iv) its execution, delivery, and performance of this Agreement will not conflict with, result in the breach of, or constitute a default under any arrangement or agreement to which it is a party or by which it is bound.

b. Further Representations and Warranties of STR: STR further represents and warrants that: (a) it has obtained all rights and licenses necessary to operate the Website and any services related to this Agreement as contemplated herein, (b) it will operate the Website and provide services hereunder in compliance with all applicable California and other laws, rules and regulations, and (b) to the knowledge of STR, the Website and any services related to this Agreement do not infringe upon or misappropriate any right of any third party, however denominated including, but not limited to any copyright, trademark, patent or trade secret.

6.3 **Exclusion of Certain Damages:** Except for STR's obligation of indemnity and defense under Sections 4.2 and 6.1 (Indemnity), no party shall be liable to any other party for any lost profits or special, consequential, incidental, indirect, special, or exemplary damages relating to Seat Licenses, the Website or any services relating to the Website. Except for third party claims arising under Sections 4.2 and 6.1 (Indemnity), or claims arising from any violation of laws, each party's liability to any other party to this Agreement is limited to the payments provided by STR to the STADIUM AUTHORITY.

7. **General Terms**

7.1 **Entire Agreement:** This Agreement is the entire agreement between the parties pertaining to the Website and development and use of the Website and supersedes all prior agreements and understandings relating thereto, written or oral.

7.2 **Modification.** This Agreement may only be modified by a written agreement signed by all parties. No amendment, modification or supplement of any provision of this Agreement shall be valid except as provided in this section.

7.3 **Independent Relationship:** The parties are independent contractors. Nothing in this Agreement creates any relationship between the parties of agency, partnership, joint venture, employer-employee, or franchisor-franchisee.

7.4 **Notices:** All notices required or permitted under this Agreement shall be provided in writing by certified mail, return receipt requested, addressed as follows:

If to STR:

STR MARKETPLACE
550 Westcott St.
Suite 500
Houston, Texas 77007
Attn: President

If to the Santa Clara Stadium Authority:

Santa Clara Stadium Authority
1500 Warburton Avenue
Santa Clara, CA 95050
Attn: Executive Director

If to the San Francisco 49ERS:

4949 Marie P. DeBartolo Way
Santa Clara, CA 95054
Attn: Vice President of Ticketing & Suites

7.5 **Governing Law; Personal Jurisdiction; Venue:** This Agreement shall be governed by and interpreted in accordance with the laws of the State of California without reference to conflicts of law rules.

7.6 **Severability:** If any provision of this Agreement is held to be invalid or unenforceable, the remaining provisions shall not be affected.

7.7 **Assignability:** No party to this Agreement may assign its rights or delegate its duties hereunder without the prior written consent of the other parties, which consent may be withheld in their sole discretion.

7.8 **Press Releases:** No party to this Agreement may issue any press announcement or other public communication regarding the subject matter of this Agreement until all parties have agreed to its content and the timing of the release; provided, however, that the SCSA may make public the terms of this Agreement as part of its approval process or as otherwise required by law.

<p>STR MARKETPLACE, LLC</p> <p>Signature: _____</p> <p>Name: _____</p> <p>Title: _____</p> <p>Date: _____</p>	
<p>Entitled to benefits as set forth in this Agreement, but obligated only to the specific grant of rights in Paragraph 3.2 and specific 49er sponsorship rights set forth in Paragraph 3.4</p>	<p>SAN FRANCISCO 49ERS</p> <p>Signature: _____</p> <p>Name: _____</p> <p>Title: _____</p> <p>Date: _____</p>

Signatures continued on next page

STADIUM AUTHORITY:

**SANTA CLARA STADIUM AUTHORITY,
a joint exercise of powers entity,
created through Government Code Sections 6500 *et seq.***

APPROVED AS TO FORM:

RICHARD E. NOSKY, JR.
Stadium Authority Counsel

JULIO J. FUENTES
Executive Director

ATTEST:

1500 Warburton Avenue
Santa Clara, CA 95050
Telephone: (408) 615-2210
Facsimile: (408) 241-6771

ROD DIRIDON, JR.
Secretary

**FOURTH AMENDMENT TO STADIUM MANAGEMENT AGREEMENT
(LEVI'S STADIUM)**

This Fourth Amendment to Management Agreement (this "**Fourth Amendment**") is made and entered into as of _____, 2014 by and between the Santa Clara Stadium Authority, a joint exercise of powers entity, created through Government Code Section 6500 *et seq.* ("**Stadium Authority**"), Forty Niners Stadium Management Company LLC, a Delaware limited liability company ("**Stadium Manager**"), and Forty Niners SC Stadium Company LLC, a Delaware limited liability company ("**StadCo**"). Stadium Authority, Stadium Manager, and StadCo collectively are sometimes referred to herein as the "**Parties**," and each of Stadium Authority, Stadium Manager, and StadCo individually is sometimes referred to herein as a "**Party**."

RECITALS

A. Stadium Authority and StadCo entered into that Stadium Lease Agreement effective as of March 28, 2012, as amended and restated by that certain Amended and Restated Stadium Lease Agreement entered into as of June 19, 2013 (as amended and restated, and as further amended from time to time, the "**Stadium Lease**"), whereby StadCo obtained a leasehold interest from Stadium Authority in the Stadium Site located in Santa Clara County, California.

B. Stadium Authority entered into that Agreement for Stadium Builders License Sales and Related Services ("**SBL Sales Agreement**") as of July 15, 2011 with Legends Premium Sales, LLC ("**Legends**") to provide marketing and sales of Stadium Builders Licenses for the Stadium.

C. The Parties entered into that certain Stadium Management Agreement effective as of March 28, 2012 (the "**Original Management Agreement**"), whereby each of Stadium Authority and StadCo engaged Stadium Manager to provide management services for the Stadium on its respective behalf in accordance with the Stadium Lease, including oversight of the day-to-day operations and maintenance of the Stadium.

D. The Parties entered into that certain First Amendment to Stadium Management Agreement effective as of November 13, 2012 (the "**First Amendment**").

E. The Parties entered into that certain Second Amendment to Stadium Management Agreement effective as of May 9, 2013 (the "**Second Amendment**").

F. The Parties entered into that certain Third Amendment to Stadium Management Agreement effective as of June 19, 2013 (the "**Third Amendment**").

G. The Parties now desire to further amend the Management Agreement as provided herein. The Original Management Agreement, as amended by the First Amendment, the Second Amendment, the Third Amendment, and this Fourth Amendment, is sometimes referred to herein as the "**Management Agreement**."

H. Capitalized terms used in this Amendment, but not defined in this Amendment or in the Management Agreement, shall have the meanings set forth in the Stadium Lease.

AGREEMENT

NOW, THEREFORE, in reliance on the foregoing and in consideration of the mutual covenants, agreements and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto and each of them do agree as follows:

1. Recitals; Effective Date.

1.1 Recitals. The provisions of the Recitals above are fully incorporated herein by this reference.

1.2 Effective Date. Unless otherwise specifically provided herein, all provisions of this Fourth Amendment shall be effective as of the date of execution set forth under the Stadium Authority's signature below.

2. Amendment of Section 2.6. A new section 2.6.18, which had previously been intentionally omitted, is hereby added to Section 2.6 as follows:

2.6.18 On behalf of the Stadium Authority and not on behalf of StadCo, make recommendations to the Stadium Authority with respect to facilitation of a secondary market for SBLs, monitor and manage any agreements entered into by the Stadium Authority with respect thereto, and coordinate with Legends to transition responsibility from Legends to the Stadium Manager for managing both sold and unsold SBLs upon termination of the SBL Sales Agreement. In addition, from and after the termination of the SBL Sales Agreement: (i) maintain appropriate records of the holder of each SBL, (ii) monitor transfers of SBLs, and, where Stadium Authority approval is required, make recommendations to the Stadium Authority with respect thereto, (iii) oversee the marketing of any unsold or defaulted SBLs in accordance with the direction of the Stadium Authority; (iv) administer and enforce the terms and conditions of the SBLs, (v) manage the provision of services specified in the SBLs; (vi) invoice, collect, account for and distribute the amounts payable under SBL agreements; and (vii) provide information to StadCo, the Team and the sponsors of any Non-NFL Events as reasonably required to enable each of them to fulfill their obligations to the holders of SBLs. The services described in this Section 2.6.18 are hereinafter referred to as the "**SBL Management Services**".

3. Amendment of Section 4.6. The second sentence of Section 4.6 is hereby deleted and replaced with the following:

The Stadium Operations Budget will include an annual Stadium Authority Budget (the "**Annual Stadium Authority Budget**"), which meets the scope of services performed by the Stadium Manager on behalf of the Stadium Authority and includes all Stadium Authority Expenses in connection with the Stadium, identifies, among other things, all Stadium Manager's actual costs and expenses in connection with services provided to the Stadium Authority hereunder, any Manager Operating Expenses allocable to the Stadium Manager's services on

behalf of the Stadium Authority, including all Manager Operating Expenses allocable to both the Marketing and Booking Services and the SBL Management Services, the Stadium Authority's share of amounts in the Annual Shared Expense Budget, and the Stadium Authority's allocable share of the Base Management Fee and all of the Marketing and Booking Fee.

4. Miscellaneous.

4.1 Ratification. Except as modified by this Fourth Amendment, all of the terms, conditions and provisions of the Original Management Agreement, as amended by the First Amendment, the Second Amendment, and the Third Amendment, shall remain in full force and effect and are hereby ratified and confirmed.

4.2 Conflict. To the extent the terms of this Fourth Amendment and the Original Management Agreement, as amended by the First Amendment, the Second Amendment, and the Third Amendment, are inconsistent, the terms of this Fourth Amendment shall control.

4.3 Entire Agreement. This Fourth Amendment contains the entire agreement of the Parties with respect to the subject matter hereof. It is understood that there are no oral agreements between the Parties affecting the Management Agreement as hereby amended, and this Fourth Amendment supersedes and cancels any and all previous negotiations, representations, agreements and understandings, if any, between the Parties and their respective agents with respect to the subject matter thereof, and none shall be used to interpret or construe the Management Agreement.

4.4 Authority. Each signatory of this Fourth Amendment represents hereby that he or she has the authority to execute and deliver it on behalf of the Party hereto for which such signatory is acting.

4.5 Counterparts. This Fourth Amendment may be executed in multiple counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same agreement. This Fourth Amendment may be executed by a Party's signature transmitted by facsimile ("fax") or by electronic mail in portable document format ("pdf"), and copies of this Fourth Amendment executed and delivered by means of faxed or pdf signatures shall have the same force and effect as copies hereof executed and delivered with original signatures. All Parties hereto may rely upon faxed or pdf signatures as if such signatures were originals. Any Party executing and delivering this Fourth Amendment by fax or pdf shall promptly thereafter deliver a counterpart of this Fourth Amendment containing said Party's original signature. All Parties hereto agree that a faxed or pdf signature page may be introduced into evidence in any proceeding arising out of or related to this Fourth Amendment as if it were an original signature page.

IN WITNESS WHEREOF, the Parties have caused this Fourth Amendment to Management Agreement to be executed by their duly appointed representatives as of the date first above written.

STADIUM AUTHORITY:

**SANTA CLARA STADIUM AUTHORITY,
a joint exercise of powers entity,
created through Government Code Sections 6500 *et seq.***

APPROVED AS TO FORM:

RICHARD E. NOSKY, JR.
Stadium Authority Counsel

JULIO J. FUENTES
Executive Director

ATTEST:

1500 Warburton Avenue
Santa Clara, CA 95050
Telephone: (408) 615-2210
Facsimile: (408) 241-6771

ROD DIRIDON, JR.
Secretary

[Signatures continued on next page]

[Signatures to Fourth Amendment to Management Agreement continued from previous page]

STADCO:

FORTY NINERS SC STADIUM COMPANY LLC,
a Delaware limited liability company

By: _____
Name: Cipora Herman
Title: Chief Financial Officer

4949 Marie P. DeBartolo Way
Santa Clara, CA 95054
Telephone: (408) 562-4949
Fax Number: (408) 727-4937

STADIUM MANAGER:

FORTY NINERS MANAGEMENT COMPANY LLC,
a Delaware limited liability company

By: _____
Name: Cipora Herman
Title: Chief Financial Officer

4949 Marie P. DeBartolo Way
Santa Clara, CA 95054
Telephone: (408) 562-4949
Fax Number: (408) 727-4937