

CRAIG RANCH PARK DIGITAL DISPLAY PARQUEE® AGREEMENT

This CRAIG RANCH PARK DIGITAL DISPLAY PARQUEE® AGREEMENT (“**Agreement**”) is made and entered into this 20th day of January 2016 (“**Effective Date**”), by and between the City of North Las Vegas, a municipal corporation with the State of Nevada (the “**City**”) and Elite Media, Inc., a Nevada corporation (“**Elite**” or the “**Elite**”). City and Elite are individually or collectively referred to herein as “**Party**” or “**Parties**.”

RECITALS

WHEREAS, City is the owner of certain parcels of real property located at 628 West Craig Road, North Las Vegas, Nevada, which are more particularly described in Exhibit A (the “**Craig Ranch Regional Park**” or “**Property**”);

WHEREAS, the City’s plan for the ongoing development and improvements to the Craig Ranch Regional Park includes the construction of infrastructure to advertise the purposes of the Craig Ranch Regional Park and other City-sponsored activities, and to provide the opportunity to derive revenue for the operations and maintenance of Craig Ranch Regional Park;

WHEREAS, the City does not have funding available and allocated for the construction of such infrastructure that includes a digital display that would be appropriate and effective for the site;

WHEREAS, City’s Municipal Code (“**Code**”) does not prohibit the construction and operation of a digital display,

WHEREAS, Elite possesses experience in the business of public/private partnerships between private companies and municipal corporations for the purposes of joint advertising, and is the current operator of a series of digital displays located upon real property owned by the City of Las Vegas known as the “**Parquee® Network**,” and

WHEREAS, Elite desires to identify a specific location for and obtain an easement upon a defined area within Craig Ranch Regional Park for the purpose of installing, operating, and maintaining a digital display (the “**Craig Ranch Parquee®**”) and for the installation and maintenance of all related equipment and utilities (together with the Craig Ranch Parquee®, the “**Digital Display Facilities**”) pursuant to this Agreement;

WHEREAS, the City will derive significant public benefits from this Agreement in the form of City advertising, emergency messaging, and revenue sharing through an agreement to participate in the Parquee® Network; and

WHEREAS, City is willing to grant an easement to Elite, and Elite is willing to accept an easement from the City, for Elite’s construction of the Digital Display Facilities;

WHEREAS, in connection with City’s grant of easement, City is willing to grant Elite the sole and exclusive right to erect and maintain a digital display on, about or within the Easement Area, all as more particularly set forth herein. All of the uses and purposes permitted Elite

under this Agreement, including, without limitation, use of the Easement Area (as defined herein), shall be referred to herein collectively as “**Digital Display Advertising Operations.**”

AGREEMENT

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions set forth herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

SECTION 1 GRANT OF EASEMENT; EXCLUSIVE RIGHTS

1.1 Grant of Easement: City hereby grants an easement to Elite, and Elite hereby accepts such easement from City, subject to the terms and conditions set forth herein, an easement for the planning, construction, operation and maintenance of the Digital Display Facilities, together with rights for access and utilities as set forth in this Agreement, at the Craig Ranch Regional Park.

1.2 Easement Only. Notwithstanding any provision of this Agreement or any negotiation, correspondence, course of performance or dealing, or other statements or acts by or between the Parties to the contrary, Elite’s rights to use the Craig Ranch Regional Park are limited to the easement rights created by this Agreement, and this Agreement creates only an easement in accordance with the terms of this Agreement. City and the Elite do not by this Agreement intend to create a lease or transfer title to the Easement Area. Elite’s rights under this Agreement are subject to all covenants, restrictions, easements, agreements, reservations and encumbrances upon, and all other conditions of title to, the Easement Areas. Nothing in this Agreement shall be construed as granting Elite the authority to use any property that is owned by any person or entity other than City.

1.3 Easements Areas: City grants Elite a non-exclusive easement on, about, over, under, through and across the areas of the Property described in Exhibit B for the construction of the Digital Display Facilities, including:

A. Craig Ranch Parquee®: The construction, maintenance, improvement, or removal of the Craig Ranch Parquee® which shall substantially comply with the drawing attached hereto as Exhibit C;

B. Subjacent Support: The right of subjacent and lateral support for Digital Display Facilities to whatever extent is necessary for the safe construction, operation and maintenance of the Digital Display Facilities;

C. Utility Easement: The non-exclusive easement on, about over, under, through and across the portions of the Property as may be required for the construction of and access to any other improvements, fixtures, facilities, appliances, machinery and equipment (whether temporary or permanent) related to or associated with any of the Digital Display Facilities or any Utility Improvements associated therewith. The term “**Utility Improvements**” shall mean: underground and/or overhead distribution, collection and transmission lines; underground and/or overhead control, communications and radio relay systems and

telecommunications equipment; energy storage facilities; interconnection and/or switching facilities, circuit breakers, transformers; utility lines and installations, cables, wires, fiber, conduit, footings, foundations, towers, poles, crossarms, guy lines and anchors, and any related or associated improvements, fixtures, facilities, appliances, machinery and equipment.

D. Encroachment. A non-exclusive easement to permit the Digital Display Facilities to: (a) encroach onto or overhang over any portion of the Property, or cast shadows or light onto any portion of the Property; and (b) impact or alter the view or visual effects from the Property.

E. Access. A non-exclusive easement for vehicular and pedestrian access, ingress and egress to, from and over the Easement Area at such locations as Elite shall reasonably determine, for purposes related to or associated with the Digital Display Facilities installed or to be installed on the Easement Area, on adjacent property or elsewhere on the Property in connection with the Digital Display Facilities (the "**Access And Staging Easement**"). Without limiting the generality of the foregoing, the Access And Staging Easement shall grant Elite the non-exclusive right to: (i) use any existing and future roads, bridges and access routes as Elite reasonably deems necessary or desirable (x) from time to time located on or providing access to the Property, (y) across any other property owned by City, and (z) across any access routes over which City has the right to travel; (ii) construct, use and maintain erosion control facilities related to the Digital Display Facilities; (iii) construct, use and maintain signs, fences, gates (whether locked or unlocked) and other safety and protection facilities on, about or at the Digital Display Facilities (including, without limitation, the Utility Improvements); and (iv) utilize portions of the Property for staging and laydown areas in connection with the rights of development, erection, installation, construction, improvement, reconstruction, enlargement, removal, relocation or replacement of the Digital Display Facilities and/or any other use of the Easements granted to Elite in this Agreement. City and its agents shall have the right to enter the Easement Area at reasonable times to examine and inspect the Easement Areas and the Digital Display Facilities.

F. Pruning, Trimming and Removal. The non-exclusive easement to enter the Property to remove, trim, prune, top or otherwise control the growth of any tree, shrub, plant or other vegetation; dismantle, demolish, and remove any improvement, structure, embankment, impediment, berm, wall, fence or other object, on or that intrudes (or upon maturity could intrude) into the Easement Area, or could obstruct, interfere with or impair the Digital Display Advertising Operations, the visibility of any part of the Digital Display Facilities or any other intended uses of the Easement Area by Elite under this Agreement, subject to the City's approval pursuant to Section 4.5.

1.4. Easements In Gross; Additional Rights. The Easements granted by City in this Agreement are in gross, and the Easements and other rights granted to Elite herein are for the benefit of Elite and its successors and assigns, as the holder of an easement in the Easement Area. Without limiting the generality of this Section 1, the Easements shall include a grant to Elite of the non-exclusive right to undertake any other activities that Elite reasonably determines are necessary, helpful, appropriate, convenient or cost-effective in connection with, incidental to, or to accomplish any of the purposes of this Agreement or the respective Easements granted herein, for the benefit of the Digital Display Advertising Operation, including, without

limitation, conducting such tests, surveys, studies of or on the Property and the Easement Area, and as Elite deems necessary or desirable in connection with the Digital Display Facilities.

SECTION 2 TERM

2. Term. The Effective Date of this Agreement shall be the date of its approval by the City Council of the City of North Las Vegas, and subject to Elite's right to terminate as set forth in Section 2.1(A), this Agreement is for a term (the "**Initial Term**") commencing on the Effective Date, and expiring on the date which is the tenth (10th) anniversary of the date on which Commercial Operations have commenced (the "**Initial Term Expiration Date**"). As used herein, the term "**Commercial Operations**" shall mean the condition existing when the applicable Digital Display Facilities are mechanically complete and operating in accordance with their manufacturing specifications, and Elite has commenced the sale of advertising, as determined by Elite and evidenced by Elite's written notice to City thereof; provided, however, in no event shall "Commercial Operations" be deemed to have occurred during periods of start-up and testing of the Digital Display Facilities.

2.1. Development Period. During the Development Period (as defined below), Elite agrees to use commercially reasonable efforts to investigate and determine the feasibility of obtaining entitlements, permits, utility agreements, and any other approvals or authorizations which may be required for Elite's proposed Digital Display Advertising Operations. Within five (5) days following the Effective Date, City shall make available to Elite copies of all environmental, geotechnical and other site assessments, surveys, plans and other such records prepared for or on behalf of, or in the possession of the City to the extent such information relates directly to the proposed Digital Display Advertising Operations and/or the proposed Digital Display Facilities, and to the extent that City has not already provided such materials to Elite. During the Development Period, Elite shall be permitted to inspect the Property and take such measurements, recordings and photographs as Elite shall reasonably require to assess the suitability of the Property for the proposed Digital Display Advertising Operations. Such investigation may include review of permits, reports and other documentation maintained by City with respect to the Property, interviews of employees or other representatives of City and environmental and safety review and assessment of the Property, including sampling of soil, groundwater and other materials as reasonably necessary to assess the presence of Hazardous Materials (as defined in Section 5). City shall assist and fully cooperate with Elite in complying with or obtaining any permits and approvals, building permits, environmental impact reviews or any other approvals necessary or deemed desirable by Elite in connection with the development, financing, construction, installation, replacement, relocation, maintenance, operation or removal of the proposed Digital Display Facilities and/or the other aspects of Elite's proposed Digital Display Advertising Operations, including, without limitation, execution of applications for such approvals and delivery of information and documentation related thereto, and execution, if required, of any orders or conditions of approval.

A. Elite Pre-Operation Termination. If Elite determines, in the exercise of Elite's sole and absolute discretion, that the Property is not adequate for the proposed Digital Display Advertising Operations or that Elite will not be able to timely obtain the necessary permits, utility meters, interconnection points, and other agreements for Elite's proposed Digital Display Advertising Operations, Elite may elect to terminate this Agreement by providing written notice ("**Pre-Operation Termination Notice**") to City on or prior to the expiration of the Development Period. If Elite delivers a Pre-Operation Termination Notice to City, then Elite shall pay City all amounts owed by Elite under this Agreement through the effective date of such termination, and except for rights and obligations that expressly survive termination as set forth herein, Elite shall have no further liability under this Agreement. As used in this Agreement, the term "**Development Period**" shall mean the period commencing on the Effective Date and continuing through and including the date which is the earlier of (i) the date on which Commercial Operations have commenced from the Easement Area (as determined pursuant to this Section 2) and (ii) the first (1st) anniversary of the Effective Date (the "**Commencement Date**").

2.2 Renewal Term. Elite shall have the right to renew this Agreement for two additional terms of five years (each a "**Renewal Term**") at the conclusion of the Initial Term. Each Renewal Term shall be on the same terms and conditions as set forth herein. This Agreement shall automatically renew for each successive Renewal Term unless Elite notifies City, in writing, of Elite's intention not to renew this Agreement, at least ninety (90) days prior to the expiration of the Initial Term or any Renewal Term.

2.3 Holding Over Term. Any holding over by Elite after the expiration of the Initial Term or any Renewal Term, with the written consent of City, shall be construed to be an agreement from month to month on the terms and conditions herein ("**Holding Over Term**"). This Section shall not be construed as authorizing a holding over by Elite.

2.4 "**Term**", as used in this Agreement, shall collectively refer to the Initial Term, Renewal Term and any Holding Over Term.

SECTION 3 BUSINESS ROYALTY FEE & OTHER CONSIDERATION

3.1 Development Period Payments. Commencing on the Effective Date and continuing until the date which is the earlier of (i) the day immediately preceding the Commencement Date, and (ii) the effective date of termination of this Agreement as set forth in a Pre-Operation Termination Notice delivered by Elite pursuant to Section 2.1(A) above, Elite shall pay to City monthly installments of rent (the "**Development Period Payments**") in the amount of *Twenty Dollars (\$20.00)*. Payments of Development Period Payments shall be made on the first day of each month. Notwithstanding anything to the contrary herein, no Development Period Payments shall be due or payable with respect to any periods from and after the Commencement Date.

3.2 Business Royalty Payments. After the Commencement Date, Elite shall pay City an on-going quarterly business royalty calculated based on twenty five percent (25%) of the Total Net Revenues collected for messaging placed on the Craig Ranch Parquee® (the "**Business**

Royalty Payments”). Total Net Revenue shall mean the total amount of revenue attributable to the Craig Ranch Parquee® minus any applicable taxes, any advertising agency commissions and any maintenance and utility costs related to the Craig Ranch Parquee®. The formula for the calculation of payments to the City will not change throughout the Term unless agreed to in writing by the Parties.

A. City acknowledges that Elite intends to offer messaging on the Craig Ranch Parquee® through a variety of individual and network-based packages that may not be based exclusively on placement on the Craig Ranch Parquee®, and that Elite may offer promotional pricing or discounts as part of its sales packages. Elite will use its best business judgment to maximize Total Net Revenue, which may include “self-promotion” advertising or other placement of free or reduced-price messaging as an incentive for sales.

3.3 Accounting Methods. Elite shall use commercially acceptable accounting methods to track Total Net Revenue. Where sales packages include messages on Parquees® or advertising facilities at other locations within the Parquee® Network, Elite shall provide City with its methodology for calculating the amount of Business Royalty due the City as a result of such package pricing with each Business Royalty Payment. Upon request, City may inspect Elite’s accounting and other related business records, at sole cost of City, to determine compliance with the Business Royalty requirement of this Agreement. Any City objection to Elite’s methodology for the calculation of Business Royalty due the City shall be resolved according to Section 11 of this Agreement.

3.4 Business Royalty Payment. The first Business Royalty Payment to the City shall be calculated based on the first full quarter following the Commencement Date, plus any additional amounts attributable to the period between the Commencement Date and the date of the commencement of the first full quarter. Succeeding Business Royalty Payments shall be calculated on a quarterly basis throughout the Term. Quarters end on March 31, June 30, September 30 and December 31. Each Business Royalty Payment shall be due and payable within thirty (30) days after the end of the applicable quarter.

A. If Elite fails to pay the Business Royalty Payment within thirty (30) day of the due date, Elite is responsible for interest on the unpaid balance at the rate of eighteen percent (18%) per annum from the due date until payment is made in full.

3.5 Additional Consideration. As additional consideration for entering into this Agreement, Elite shall also:

A. Accept and coordinate with City its on-going advertising placement of one (1) eight, (8) second spot per minute message on the Craig Ranch Parquee®, at no additional cost to City, nor for any reduction in the Business Royalty;

B. Broadcast any emergency messages on the Craig Ranch Parquee® that City considers reasonably necessary for public safety; and

C. Acknowledge receipt of, consider, and promptly respond to any City objection to Craig Ranch Parquee® advertising. Elite agrees not to accept or display any advertising that promotes obscene matter or conduct (Chapter 9.12 of the City’s Municipal

Code), any material that is untrue, deceptive, or misleading in violation of federal, state or local law, or any messaging which expressly or implicitly advocates the success or defeat of any party, measure or person at any election.

3.6 Additional Easement Areas. If City determines to install additional digital advertising displays on any other property owned by the City, Elite shall be given a right of first refusal for the construction, operation and maintenance of same, on terms comparable to this Agreement.

SECTION 4 USE OF EASEMENT AREA

4.1 Purpose; Comply with Laws. Elite may use and occupy the Easement Area for Digital Display Advertising Operations only, and for no other use whatsoever. Elite shall, at all times during the Term, comply with all federal, state and local governmental rules, policies, permits, authorizations, regulations, ordinances, codes, statutes and laws, now or hereafter in effect pertaining to the Easement Area and Property or any party's use thereof (collectively, the "**Applicable Laws**").

4.2 Approval to Construct. Prior to commencing construction, Elite shall obtain any required development permits and construction approvals from the respective City departments. No improvement, construction, installation or alteration shall be commenced until plans for such work have been approved by City and all necessary permits have been properly issued. During construction, Elite shall secure the construction site with temporary fencing and otherwise prosecute the construction in a safe and workmanlike manner.

4.3 Liens. Elite shall cause all construction to occur lien-free. If any lien is filed against the Easement Area or the Property as a result of acts or omissions of Elite or Elite's employees, contractors or agents, Elite shall discharge the lien or bond the lien off in a manner reasonably satisfactory to City within sixty (60) days after Elite receives written notice that the lien has been filed.

4.4 Operational Requirements. Elite may operate the Craig Ranch Parquee® twenty-four (24) hours a day, seven days a week. Elite shall use commercially reasonable best efforts to minimize any unreasonable impact that its use of the Easement Area will have on other uses of the Craig Ranch Regional Park and the adjacent City property/facilities. Elite shall operate the Craig Ranch Parquee® in a manner consistent with the terms of this Agreement and consistent with the best industry practices including, without limitation, regulations regarding advertising transitions times and brightness of the Craig Ranch Parquee®. Elite shall adjust the brightness of the Craig Ranch Parquee® from sunset to sunrise to no more than 300 Nits, or to a level that complies with applicable federal and state guidelines, whichever is lower.

4.5 City Property. Elite shall not remove, damage or alter in any way any improvements or personal property of City upon the Property or the Easement Area without City's prior written approval, which shall not be unreasonably withheld or delayed. Elite shall repair any damage or alteration to the Easement Area to the same condition that existed before the damage or alteration, reasonable wear and tear excepted, provided, that if the Digital Display

Facilities are removed for any reason, the below ground portions of the Craig Ranch Parquee® foundation shall be removed to a depth of no less than two feet below natural grade of the Easement Area.

4.6 Restoration of Property. Whenever Elite disturbs any part of the Property or the Easement Area as a result of its construction or use of the same, Elite shall obtain all necessary construction permits and shall promptly restore City's property to the satisfaction of City. Construction permits are not required for routine maintenance, repair or replacement of equipment authorized by this Agreement. If Elite fails to restore the Easement Area as required, City may take all actions necessary to restore the Easement Area, and Elite shall pay all of City's reasonable costs of such restoration upon demand within thirty (30) calendar days.

4.7 Signs. Except for the Digital Display Facilities, Elite shall not install any signs in the Easement Area other than required safety warning signs or any other signs as are requested or approved by City.

SECTION 5 ENVIRONMENTAL / HAZARDOUS MATERIALS

5.1 City Environmental Representations and Warranties. For purposes of this Agreement, "Hazardous Materials" means any substance, material, waste, gas or particulate matter which is regulated by any local governmental authority, the State of Nevada, or the United States Government, including, but not limited to, any material or substance which is 1) defined as a "hazardous waste," "hazardous material," "hazardous substance," "extremely hazardous water," or "restricted hazardous waste" under any provision of state or local law, 2) petroleum, 3) asbestos, 4) polychlorinated biphenyl, 5) radioactive material, 6) designated as a "hazardous substance" pursuant to Section 311 of the Clean Water Act, 33 U.S.C. State Statute 1251 et seq. (33 U.S.C. State Statute 1317), 7) defined as a "hazardous waste" pursuant to Section 1004 of the Resource Conservation and Recovery Act, 42 U.S.C. State Statute 6901 et seq., 42 U.S.C. State Statute 9601 et seq. (42 U.S.C. State Statute 9601). The term Environmental Laws shall mean all statutes specifically described in the foregoing sentence and all applicable federal, state and local environmental health and safety statutes, ordinances, codes, rules, regulations, orders and decrees regulating, relating to or imposing liability or standards concerning or in connection with Hazardous Materials.

5.2 City represents and warrants, to the best of City's knowledge, (a) the Property and Easement Area have not been used for the use, manufacturing, storage, discharge, release or disposal of Hazardous Materials, (b) neither the Property, Easement Area, nor any part thereof is in breach of any Environmental Laws, (c) there are no underground storage tanks located on or under the Easement Area, (d) the Property and Easement Area are free of any Hazardous Materials that would trigger response or remedial action under any Environmental Laws or any existing common law theory based on nuisance or strict liability; and (e) City has not and will not permit any third party to use, generate, store or dispose of any Hazardous Materials on, under, about, or within the Property or the Easement Area in violation of any law or regulation or cause a significant effect on public health. City shall promptly take any and all remedial and removal action as required by law to clean up the Property and the Easement Area, mitigate

exposure to liability arising from, and keep the Property and Easement Area free of any lien imposed pursuant to the violation of any Environmental Laws.

City represents and warrants to Elite that City has received no notice that the Property, the Easement Area nor any part thereof are, and, to the best of its knowledge and belief, no part of the Easement Area nor Property are located within an area that has been designated by the Federal Emergency Management Agency or Army Corp of Engineers or any other governmental body as being subject to special hazards.

5.3 No Hazardous Materials. Elite shall not use the Easement Area, or permit any entity or person to use the Easement Areas, for the generation, storage, manufacture, production, releasing, discharge or disposal of any Hazardous Material; provided however, Elite shall be permitted to store, use and dispose of Hazardous Materials to the extent packaged and contained in materials used in the usual and customary operations of the Digital Display Facilities. If Elite knows, or has reasonable cause to believe, that Hazardous Materials have come to be located in, on, under or about the Property or Easement Area during the Term, Elite shall promptly give City written notice thereof, together with a copy of any statement, report, notice, registration, application, permit, license, claim, action or proceeding given to, or received from any Governmental Authority or private party concerning the presence, spill, release, discharge of, or exposure to, Hazardous Materials, including, but not limited to, all such documents as may be involved in any reportable use involving the Property or Easement Area during the Term. If any Hazardous Materials are present in or about the Property or Easement Area during the Term, City shall have the right upon twenty-four hours advance written notice to Elite to engage a consultant to inspect the Easement Area and to review Elite's use of Hazardous Materials and all of Elite's practices with respect to its use of Hazardous Materials. Elite shall cooperate in all respects with such inspections and reviews. All reasonable costs of such consultants shall be reimbursed to City within fifteen (15) days of written demand by City. No termination, cancellation or release agreement entered into by City and Elite shall release Elite from its obligations under this Section 5, unless specifically so provided in such agreement.

5.4 Environmental Indemnity. Elite shall indemnify, protect, defend and hold City, its Mayor and other elected officials, officers, employees and agents, other City licensees and lessors on the Easement Area, if any, harmless from and against any and all damages, liabilities, judgments, costs, claims, liens, expenses, penalties, loss of permits and attorneys' and consultants' fees arising out of or otherwise involving: (a) Elite's failure to use or occupy the Property or Easement Area in a manner consistent with applicable Environmental Law; or (b) any Hazardous Materials brought onto the Property or Easement Area by or for Elite or by anyone under Elite's control after the Effective Date and during the Term. Elite's indemnification obligations under this Section shall include, but not be limited to, the effects of any contamination or injury to person, property or the environment created or suffered by Elite during the Term, and the cost of investigation (including reasonable consultants' and attorneys' fees and testing), removal, remediation and/or abatement of any Hazardous Materials. No termination, cancellation or release agreement entered into by City and Elite shall release Elite from its obligations under this Section, unless specifically so provided in such agreement. Elite's indemnity obligations provided in this Section shall include, without in any way limiting, the foregoing (a) all reasonable costs, expenses and attorneys' fees incurred or sustained by any party in making any investigation on account of any claim, demand, loss, liability, cost, charge,

suit, order, judgment or adjudication, in prosecuting or defending any action brought in connection therewith, in obtaining or seeking to obtain a release therefrom and in enforcing any of the agreements herein contained; (b) Liability for required costs and expenses of abatement, correction or clean-up, fines, damages, response costs or penalties pursuant to the provisions of any Applicable Laws including Environmental Laws; and (c) Liability for personal injury or Easement Area damage arising under any statutory or common-law tort theory, including, without limitation, damages assessed for the maintenance of a public or private nuisance, or for the carrying on of an abnormally dangerous activity, and response costs related to Hazardous Materials and Environmental Laws

Notwithstanding the foregoing, indemnification under this Section shall not extend to indirect, special, incidental or consequential damages, including, without limitation, loss of profits, income or business opportunities to the indemnified Party or anyone claiming through the indemnified Party. Elite's indemnity in this Section shall survive termination of this Agreement.

In the event any action or proceeding shall be brought against a Party by reason of any matter for which the Party is indemnified under this Section, the indemnifying Party shall, upon notice from the indemnified Party, at the indemnifying Party's sole cost and expense, resist and defend the same with legal counsel mutually selected by the indemnifying Party and indemnified Party; provided however, that the indemnifying Party shall not admit liability in any such matter on behalf of the indemnified Party without the written consent of the indemnified Party and provided further that the indemnified Party shall not admit liability for, nor enter into any compromise or settlement of, any claim for which they are indemnified hereunder, without the prior written consent of the indemnifying Party.

SECTION 6

ELITE'S IMPROVEMENTS / UTILITIES / ACCESS

6.1 Modifications to Elite's Improvements. Elite shall have the right to alter, replace, enhance or upgrade the Digital Display Facilities, Utility Improvements, and any other work or improvements constructed by Elite ("**Elite's Improvements**") at any time during the Term. Any material changes shall require City's written approval, and such approval shall not be unreasonably withheld, delayed or conditioned.

6.2 Reserved.

6.3 Taxes. Elite shall pay any personal property tax, real property tax, business fee, business tax or any other tax or fee which is directly or indirectly attributable to this Agreement and the rights to install the Digital Display Facilities. However, any such taxes shall be deducted from the total revenue number utilized in calculating the Total Net Revenue generated by the Craig Ranch Parquee®. City hereby grants to Elite the right, with written notice to City, to challenge, whether in a court, administrative proceeding, or other venue, on behalf of City and/or Elite, any personal property tax, real property tax or other fee or assessment that may affect Elite. If City receives notice of any personal property or real property tax assessment against City, which may affect Elite and is directly or indirectly attributable to Elite's use of the Easement Area, City shall provide timely notice of the assessment to Elite sufficient to allow Elite to consent to or challenge such assessment.

6.4 Maintenance. Elite shall maintain the Easement Area and all improvements, equipment and other personal property on the Easement Areas in good working order, condition and repair, normal wear and tear and casualty excepted. Elite shall keep the Easement Area free of debris and anything of a dangerous, noxious or offensive nature or which would create a hazard or source of undue noise or interference. However, the cost to maintain under this Section shall be deducted from the Total Revenue collected in calculating the Total Net Revenues.

6.5 Signing and Graffiti. Elite may not place or allow the placement of any handbills, leaflets, fliers or graffiti on the Easement Area or Digital Display Facilities except for those required for emergency notification and identification, or as required by law or rule. After thirty (30) days' notice to remove, City at any time may enter the Easement Area and undertake any activities necessary to abate or remove unauthorized handbills, leaflets, fliers and/or graffiti located therein. Elite shall reimburse City all reasonable costs incurred by City in connection with such abatement or removal within thirty (30) days of City's presenting Elite with a statement of such costs.

6.6 Interference and Reservation. Elite shall not use the Easement Areas in any way which interferes with the use of any portion of the Property by the City, or by lessees or licensees of City with rights in any portion of the Property, prior to the Effective Date of this Agreement. Similarly, City shall not use, nor shall City permit its lessees, licensees, grantees, employees, invitees or agents to use, any portion of the Property in any way which materially interferes with the operations of Elite. Such interference shall be deemed a material breach by the interfering Party, who shall, upon written notice from the other, be responsible for terminating said interference. In the event any such interference does not cease promptly, the Parties acknowledge that continuing interference may cause irreparable injury and, therefore, the injured Party shall have the right, in addition to any other rights that it may have at law or in equity, to bring a court action to enjoin such interference or to terminate this Agreement immediately upon written notice.

6.7 Visibility. Elite shall be responsible for initial costs associated with the construction and installation of the Craig Ranch Parquee® at a location and height that maximizes visibility. City agrees that it will subsequently be responsible for maintaining the visibility of the Craig Ranch Parquee® through necessary landscape and facility maintenance, and that it shall not construct, nor allow to be constructed, any improvements or other structures that will subsequently disturb or negatively impact the visibility of the Craig Ranch Parquee®.

6.8 Utilities. Elite shall have the right to install utility lines serving the Easement Area, at Elite's expense, and to improve the present utilities on the Property, all at Elite's expense. City agrees to use reasonable efforts in assisting Elite to acquire necessary utility service. Elite shall pay when due all charges for utilities serving the Easement Areas during the Term of the Agreement. Elite shall install separate meters for utilities used by Elite in order to track utility costs, unless an alternative method of measuring utility costs is approved in writing by the City.

SECTION 7 ASSIGNMENT

7.1 Elite Assignment. Elite may assign this Agreement, upon thirty (30) days written notice to City, and upon City's written consent, which shall not be unreasonably withheld, delayed or conditioned. City may as a condition of consent, require that any assignee submit biographical and financial information to City at least thirty (30) days prior to any request for such assignment of Elite's interests under this Agreement. Consent of the City to an assignment of Elite's interest in this Agreement shall relieve Elite of all liabilities and obligations hereunder provided that such assignee or transferee agrees in writing to fulfill the duties and obligations of Elite under this Agreement during the remainder of the Term.

7.2 Security Interest. Elite may, upon notice to City, mortgage or grant a security interest in this Agreement and the Digital Display Facilities, and may assign this Agreement to any mortgagees, deed of trust beneficiaries or holders of security interests, including their successors and assigns ("**Mortgagees**"), provided such Mortgagees agree to be bound by the terms of this Agreement in its entirety. In this event, City shall execute consent to assignment or other financing as may be reasonably required by Mortgagees. In no event will the Elite grant or attempt to grant a security interest in the real property of the Property or Easement Area. As part of the consent to assignment or other financing to be executed by City as provided herein, City agrees to provide Mortgagee with a copy of any written notice that may be issued by City pursuant to this Agreement, to the attention of the Mortgagee at the address to be provided by Mortgagee in connection with the consent.

7.3 City Assignment. In the event City sells, assigns, or otherwise transfers its rights in the Property, City may assign or transfer this Agreement to its buyer, transferee or assignee, and, upon written notice to Elite of such sale, transfer or assignment, shall be relieved of all liabilities and obligations hereunder provided that such buyer, transferee or assignee agrees in writing to fulfill the duties and obligations of City in said Agreement, including the obligation to respect Elite's rights to non-disturbance and quiet enjoyment of the Easement Area during the remainder of the Term. If City sells any Property subject to this Agreement without assigning its interest in this Agreement to buyer pursuant to this Section, and City determines to terminate this Agreement pursuant to Section 9.1(F), City agrees to pay Elite all costs of Elite's Improvements less any depreciation plus a termination fee as described hereafter. During the Term the termination fee is calculated as 75% of the average of all prior years' Net Revenue, multiplied by the number of years remaining on the Initial Term. If the Initial Term is completed and Elite has exercised one or more Renewal Terms, the termination fee shall be calculated using the number of years remaining under any Renewal Term which has been properly exercised by Elite at the time of City's termination of this Agreement.

SECTION 8 INSURANCE, SUBROGATION AND INDEMNIFICATION

8.1 Insurance. Elite shall provide commercial general liability insurance and pollution liability insurance in an aggregate amount of Two Million Dollars (\$2,000,000) with a minimum combined single limit for each occurrence of One Million Dollars (\$1,000,000); "All Risk" property insurance for its property replacement costs; and statutory Worker's

Compensation Insurance as required by law at a minimum of One Million Dollars (\$1,000,000); and Automobile liability insurance covering all owned, hired, and non-owned vehicles in use by Elite and its employees with personal injury protection insurance and property protection insurance to comply with the provisions of state law with minimum limits of Two Million Dollars (\$2,000,000) as the combined single limit for each occurrence for bodily injury and property damage. City shall be named as an additional insured on the commercial general liability and pollution liability insurance and automobile liability policies and shall be provided with a Certificate of Insurance as requested by City at the Effective Date of this Agreement and subsequently. Each insurance policy required under this Section shall require a thirty (30) day prior written notice to City upon any termination or material modification of such policy. Elite may satisfy this requirement by obtaining the appropriate endorsement to any master policy of liability insurance Elite may maintain. All insurance policies may be written with commercially reasonable deductibles but not with retainages.

Elite, or its general contractor, shall provide at the start of and during the period of any construction, builders all-risk insurance, together with an installation floater or equivalent property coverage covering cables, materials, machinery and supplies of any nature whatsoever which are to be used in or incidental to the installation of the Digital Display Facilities. Upon completion of the installation of the Digital Display Facilities, Elite shall substitute for the foregoing insurance policies of fire, extended coverage and vandalism and malicious mischief insurance on the Easement Area. The amount of insurance at all times shall be representative of the insurable values installed or constructed.

Elite shall require that each and every one of its contractors and their subcontractors who perform work on the Easement Area to carry, in full force and effect, workers' compensation, commercial general liability, pollution liability and automobile liability insurance coverages of the type, with the restrictions, and in the amounts which Elite is required to obtain under the terms of this Agreement.

The commercial general liability and pollution liability insurance and automobile liability policies required under this agreement shall name City and its elected officials, officers, employees and agents as additional insureds (collectively, "**Additional Insureds**"). Each policy which adds Additional Insureds hereunder, shall contain cross-liability wording, as follows:

"In the event of a claim being made hereunder by one insured for which another insured is or may be liable, then this policy shall cover such insured against whom a claim is or may be made in the same manner as if separate policies had been issued to each insured hereunder."

Certificates of insurance for each insurance policy required to be obtained by Elite in compliance with this Section shall be filed and maintained with City annually during the Term. City may request, and Elite shall provide copies of the actual insurance policies required in lieu of, or in addition to, certificates of insurance required. Elite shall advise City as soon as reasonably possible of any claim or litigation that may result in liability to City or material reduction in available limits of coverage under the insurance policies described above. All insurance policies maintained pursuant to this Agreement shall contain the following endorsement:

"At least sixty (60) days prior written notice shall be given to City by the insurer of any intention not to renew such policy or to cancel same."

All insurance shall be effected under valid and enforceable policies, insured by insurers licensed to do business by the State of Nevada. All insurance carriers and surplus line carriers shall be rated A ("A") or better by A.M. Best Company.

Once during each calendar year during the Term, City may review the insurance coverages to be carried by Elite. If City determines that higher limits of coverage are reasonably necessary to protect the interests of City or the Additional Insureds, Elite shall be so notified and shall obtain the additional limits of insurance, at its sole cost and expense, but each new limit shall not exceed the corresponding limits set forth above escalated for inflation relative to the Commencement Date of this Agreement (computed according to the Consumer Price Index for All Urban Consumers, U.S. City Average).

8.2 Indemnification. City, subject to the limitations as set forth in Nevada Revised Statutes Chapter 41, and Elite each agree to indemnify and hold harmless the other Party from and against any and all claims, damages, costs and expenses, including reasonable attorney fees, to the extent caused by or arising out of (i) the negligent or grossly negligent acts or omissions by the indemnifying Party or the employees, agents, contractors, licensees and/or sub-licensees of the indemnifying Party; (ii) a breach of any obligation of the indemnifying Party under this Agreement; (iii) any and all liability, obligation, damages, penalties, claims, liens, costs, charges, losses and expenses (including, without limitation, reasonable fees and expenses of attorneys, expert witnesses and consultants), which may be imposed upon, incurred by or be asserted against the indemnified Party by reason of any act or omission of the indemnifying Party, its personnel, employees, agents, trustees, contractors or subcontractors, resulting in personal injury, bodily injury, sickness, disease or death to any person or damage to, loss of or destruction of tangible or intangible property, libel, slander, invasion of privacy and unauthorized use of any trademark, trade name, copyright, patent, service mark or any other right of any person, firm or corporation, which may arise out of or be in any way connected with the construction, installation, operation, maintenance, use or condition of the Easement Area or the indemnifying Party's failure to comply with any federal, state or local statute, ordinance or regulation. Notwithstanding the preceding, City shall not at any time be liable for injury or damage occurring to any person or property from any cause whatsoever arising out of Elite's construction, maintenance, repair, use, operation, condition or dismantling of the Digital Display Facilities, and Elite hereby agrees to indemnify and hold harmless City against and from any claim asserted or liability imposed upon City for such injury or damage.

Elite undertakes and assumes for its officers, agents, affiliates, contractors and subcontractors and employees (collectively "Elite" for the purpose of this subsection), all risk of dangerous conditions, if any, on or about the Property.

Notwithstanding the foregoing, indemnification under this Section shall not extend to indirect, special, incidental or consequential damages, including, without limitation, loss of profits, income or business opportunities to the indemnified Party or anyone claiming through the indemnified Party. Notwithstanding anything to the contrary in this Agreement, the Parties

hereby confirm that the provisions of this Section shall survive the expiration or termination of this Agreement.

In the event any action or proceeding shall be brought against a Party by reason of any matter for which the Party is indemnified under this Section, the indemnifying Party shall, upon notice from the indemnified Party, at the indemnifying Party's sole cost and expense, resist and defend the same with legal counsel mutually selected by the indemnifying Party and indemnified Party; provided however, that the indemnifying Party shall not admit liability in any such matter on behalf of the indemnified Party without the written consent of the indemnified Party and provided further that the indemnified Party shall not admit liability for, nor enter into any compromise or settlement of, any claim for which they are indemnified hereunder, without the prior written consent of the indemnifying Party.

SECTION 9

DEFAULT, TERMINATION AND SURRENDER OF EASEMENT AREAS

9.1 Elite Default and Termination. Except as otherwise provided herein, City may place Elite in default and terminate this Agreement without any penalty or further liability as follows:

A. City may place Elite in default of this Agreement by giving the Elite sixty (60) days written notice in the event of Elite's failure to timely pay any uncontested Business Royalty Payment or any other charges required to be paid by the Elite pursuant to this Agreement ("**Payment Default**"). City may immediately terminate this Agreement if Elite fails to cure a Payment Default within the sixty (60) day notice period.

B. City may place Elite in default of this Agreement by giving the Elite sixty (60) days written notice in the event Elite has otherwise violated any other provisions or obligation of this Agreement. During the sixty (60) day notice period, Elite shall cure the default. If the cure cannot be reasonably implemented within the sixty (60) day period, then Elite will have up to ninety (90) days to cure from the date of the original notice; however, Elite must initiate the cure within the original sixty (60) day period and thereafter diligently pursue the cure. City may immediately terminate this Agreement if Elite fails to cure the default within the allocated notice period.

C. Upon the filing of any lien against any Easement Area because of any act or omission of Elite that is not discharged or fully bonded within sixty (60) days of receipt of actual notice by Elite. This section does not apply to any security interests filed on this Agreement or Elite's Improvements as described in Section 7.2.

D. If Elite, through any fault of its own, at any time fails to maintain all insurance coverage required by this Agreement, City may, upon written notice to Elite, secure the required insurance at Elite's expense. In the event Elite fails to reimburse City for the costs of such insurance, City may place Elite in Payment Default pursuant to this Section 9.

E. If Elite allows the Digital Display Facilities or Easement Area to fall into material disrepair due to Elite's failure to maintain, and Elite fails to make the necessary repairs within sixty (60) days after written notice from City, City shall have the right to secure the repair.

or order the removal of the Digital Display Facilities at Elite's expense. During the sixty (60) day notice period, Elite shall cure the default. If the cure cannot be reasonably implemented within the sixty (60) day period, then Elite will have up to ninety (90) days to cure from the date of the original notice; however, Elite must initiate the cure within the original sixty (60) day period and thereafter diligently pursue the cure. In the event Elite fails to reimburse City for the costs of such maintenance or removal, City may place Elite in Payment Default pursuant to this Section 9.

F. If the City determines to sell the subject property without assignment, the City may terminate the Agreement upon ninety (90) days' notice and the payment of the termination fee described in 7.3.

9.2 City Default and Termination. Except as otherwise provided herein, Elite may terminate this Agreement without any penalty or further liability as follows:

A. Upon ninety (90) day's written notice by City or Elite if destruction or damage to the Digital Display Facilities substantially and adversely affects their effective use.

B. Notwithstanding any other provision of this Agreement to the contrary, Elite may elect to terminate this Agreement at any time after the commencement of Commercial Operations by giving Lessor ninety (90) days' written notice ("**Early Termination Notice**") upon the occurrence of any of the following, in Lessee's sole judgment: (a) Lessee's advertising copy placed on the Craig Ranch Parquee® becomes entirely or partially obstructed or destroyed; (b) the Property becomes unsafe or unsightly for the maintenance of Elite's advertising copy upon the Craig Ranch Parquee® (c) the value of the premises for the purposes of Digital Display Advertising Operations diminishes; (d) the diversion of or change in the directional flow of traffic from the street or streets adjacent to, or leading past the Property and Easement Area; (e) Elite is unable to obtain or maintain any permits required for the continuation of the Digital Display Advertising Operation; or (f) Elite is prevented by a governmental authority or a change in applicable law from constructing or maintaining the Digital Display Facilities, or from continuing the Digital Display Advertising Operations. If Elite delivers an Early Termination Notice to Lessor, then Elite shall pay City all amounts owed by Elite under this Agreement through the effective date of such termination, and except for rights and obligations that expressly survive termination as set forth herein, Elite shall have no further liability under this Agreement

C. Pursuant to Section 10 of this Agreement as a result of a taking of all or a portion of the Easement Area sufficient to render the Easement Area remaining unsuitable for Elite's use. City and Elite shall each be entitled to pursue their own separate awards with respect to such taking. Sale of all or part of the Easement Areas to a purchaser with the power of eminent domain in the face of the exercise of the power shall be treated as a taking by condemnation.

D. In the event Elite provides an Early Termination Notice pursuant to Section 9.2(B), above, based on any action by the City, any approvals granted to any others by the City, or if a change in applicable law or circumstances is a result of any action or interpretation of law within the purview or jurisdiction of the City, Elite shall be entitled to elect

to require the City to purchase Elite's Improvements from Elite pursuant to Section 9.3 of this Agreement.

9.3 City Purchase of Digital Display Facilities in Lieu of Default. In lieu of pursuing damages upon default under this Agreement, or upon Elite's election pursuant to Section 9.2(D), above, City or Elite may first elect as a remedy to require or permit (as the case may be) the City to purchase of the Digital Display Facilities from Elite. City and Elite agree that the purchase price of the Digital Display Facilities shall be calculated as set forth in Exhibit D to this Agreement.

9.4 Removal of Digital Display Facilities upon Surrender. Within sixty (60) calendar days of any termination or expiration of this Agreement (subject to Section 9.3), Elite shall remove the Digital Display Facilities from the Easement Area. In removing such personal property and equipment, Elite shall not damage the Easement Area and shall restore the Easement Area to its original condition at the time the Craig Ranch Parquee® was installed. If Elite fails to remove the Digital Display Facilities within such sixty (60) day period, City shall (1) have the right to retain the remaining Digital Display Facilities as liquidated damages and use the Digital Display Facilities for City's own purposes within its sole discretion; and/or (2) secure the removal of the Digital Display Facilities and restore the Easement Area, with all reasonable costs of such removal and restoration work to be reimbursed to City by Elite within fifteen (15) days of written demand therefor by City to Elite, subject to any Elite reimbursement rights for relocation and early termination as stated in this Agreement.

SECTION 10 CONDEMNATION

10.1 Total Taking. If, during any time during which this Agreement is in force and effect, the entire Property be taken as a result of the exercise of the right of eminent domain, or if less than the entire Property shall be taken but it shall be determined by Elite in its reasonable judgment that the Easement Area cannot at a reasonable expense be repaired, restored, or replaced to a condition suitable for Elite's intended use, this Agreement may, at the option of Elite, be terminated by Elite as of the date of such taking, and the rights of City and Elite in and to the award upon any such taking shall be determined in accordance with this Section 10.

10.2 Partial Taking. If, during any time during which this Agreement is in force and effect, if less than the entire Property is taken but it shall be determined by the Elite in his or her reasonable judgment that the Easement Areas can be repaired, restored, or replaced to a condition suitable for Elite's intended use, this Agreement shall not terminate but shall continue in full force and effect for the remainder of the Agreement Term. The rights of City and Elite in and to the award upon any such taking shall be determined in accordance with this Section 10. Elite shall, with due diligence, restore, repair, and replace that portion of the Easement Area not so taken to a condition suitable for Elite's intended use, having due regard for the design, construction, and character of the Easement Areas existing before such taking.

10.3 Temporary Taking. If all or any portion of the Property is taken by the exercise of the right of eminent domain for governmental occupancy for a limited period of time, this Agreement shall not terminate and Elite shall continue to perform and observe all of its

obligations as though such taking had not occurred except to the extent that the Elite may be prevented from so doing by reason of such taking. The Elite shall in no event be excused from the payment of the Business Royalty Payment and all other sums and charges required to be paid under this Agreement.

10.4 Allocation of Taking Award. If all or a portion of the Property shall be taken by exercise of the right of eminent domain, the total award in any such proceeding or for any such injury or reduction in value shall be determined as follows:

A. In the event of any taking that results in the termination of this Agreement in accordance with the provisions of this Section, then City and Elite shall be entitled to prosecute claims in such condemnation proceedings for the value of their respective interests in the Easement Areas.

B. In the event of any taking of a portion of the Easement Areas that does not result in the termination of this Agreement in accordance with the provisions of this Section, then City and Elite shall be entitled to prosecute claims in such condemnation proceedings for the value of their respective interests affected by such taking.

C. As used in this Section, the phrase "taken as a result of the exercise of the right of eminent domain" shall mean a taking or damaging by eminent domain, or by inverse condemnation, or by deed or transfer in lieu thereof, for any public or quasipublic use under any statute or law. The taking shall, at the election of Elite, be considered to take place as of the earlier of (i) the date actual physical possession is taken by the condemnor; or (ii) the date on which the right to compensation and damages accrues under the applicable law; or (iii) the date on which title vests in the condemnor.

10.5 Settlement. City shall not make any settlement with the condemning authority or convey any portion of the Property to such authority in lieu of condemnation or consent to any taking without the consent of Elite, which consent shall not be unreasonably withheld, conditioned or delayed.

SECTION 11 DISPUTE RESOLUTION

11.1 Except as otherwise provided in this Agreement, any controversy between the Parties arising out of this Agreement or breach thereof, is subject to the mediation process described below.

A. A meeting will be held promptly between the Parties to attempt in good faith to negotiate a resolution of the dispute. Individuals with decision making authority (in the case of City, the authority to recommend decisions to City Council) will attend the meeting regarding the dispute. If within twenty (20) days after such meeting the Parties have not succeeded in resolving the dispute (subject to approval by City Council), they will, within twenty (20) days thereafter submit the dispute to a mutually acceptable third party mediator who is acquainted with dispute resolution methods. City and Elite will participate in good faith in the mediation and in the mediation process. The mediation shall be nonbinding. Neither Party is

entitled to seek or recover punitive damages in considering or fixing any award under these proceedings.

B. The costs of mediation, including any mediator's fees, and costs for the use of the facilities during the meetings, shall be born equally by the Parties. Each Party's costs and expenses will be paid by the Party incurring them.

SECTION 12 QUIET ENJOYMENT

12.1 Elite, upon paying the Business Royalty Payment and other payments herein required, and upon performance of all the terms, covenants and conditions of this Agreement on its part to be kept, may quietly have, hold and enjoy the Easement Areas during the Term without any disturbance from City or from any other person claiming through City, except as expressly provided otherwise in this Agreement.

SECTION 13 REPRESENTATIONS AND WARRANTIES

13.1 City's Representations and Warranties. In addition to any other representations and warranties made by City herein, City hereby represents and warrant to Elite, which representations and warranties are continuing in nature and shall survive throughout the Agreement, as follows:

A. There are no pending or, to the best of City's knowledge, threatened actions, suits, condemnation or other proceedings before or by any judicial body or any Governmental Authority against or affecting the Easement Areas;

B. City has the full authority and power to execute this Agreement. This Agreement has been duly executed and delivered by City and constitutes the valid and legally binding obligation of City, enforceable in accordance with its terms, except as the enforceability hereof may be limited by bankruptcy, insolvency or other similar laws affecting creditors' rights generally and general principals of equity;

C. City possesses good and marketable fee simple title to the Property;

D. The execution or delivery of this Agreement, the consummation of the transaction contemplated hereby, or the Digital Display Advertising Operation will not: (i) violate any Applicable Laws, injunction, judgment, order, decree, ruling, charge or other restriction of any authority to which City, Property or the Easement Area is subject; (ii) violate any provision of City's charter documents, as amended; or (iii) conflict with, result in a breach of, constitute a default under, result in the acceleration of, give any person the right to accelerate, terminate, modify or cancel, or require any notice under, any agreement, license, permit, authorization, instrument or other arrangement to which City is a party or by which it is bound or which any of its assets are subject (or result in the imposition of any lien upon any of its assets);

E. City has not received any written notice nor does it have any knowledge of or intent to levy any special assessment, impose any utility connection moratorium or rezone the Property or the Easement Area.

F. No consent, approval, order or authorization of, or registration, qualification, designation, declaration or filing with, any Governmental Authority or third person on the part of City is required in connection with City's execution and delivery of this Agreement and the performance of its obligations hereunder; and

G. There are no unrecorded contracts, easements or other agreements, or claim of any third party, affecting the use, title, occupancy or development of the Easement Areas, and no person, firm or entity has any right of first refusal, option or other right to acquire all or any part of the Property or the Easement Areas.

13.2 Elite's Representations and Warranties. In addition to any other representations and warranties made by Elite herein, Elite hereby represents and warrants to City, which representations and warranties are continuing in nature and shall survive throughout the Term, as follows:

A. Elite has the full authority and power to execute this Agreement. This Agreement has been duly executed and delivered by Elite and constitutes the valid and legally binding obligation of Elite, enforceable in accordance with its terms, except as the enforceability hereof may be limited by bankruptcy, insolvency or other similar laws affecting creditors' rights generally and general principles of equity.

B. Neither the execution or delivery of this Agreement, nor the consummation of the transaction contemplated hereby, will: (i) violate any Applicable Laws, injunction, judgment, order, decree, ruling, charge or other restriction of any authority to which Elite is subject; (ii) violate any provision of Elite's articles of incorporation or bylaws, as amended; or (iii) conflict with, result in a breach of, constitute a default under, result in the acceleration of, give any person the right to accelerate, terminate, modify or cancel, or require any notice under, any agreement, license, permit, authorization, instrument or other arrangement to which Elite is a party or by which it is bound or which any of its assets are subject (or result in the imposition or any lien upon any of its assets).

SECTION 14 MISCELLANEOUS

14.1 Incorporation of Recitals and Exhibits. The above Recitals and all Exhibits attached hereto are incorporated by this reference and expressly made part of this Agreement.

14.2 No Third Party Beneficiary. The terms and conditions of this Agreement, express or implied, exist only for the benefit of the Parties to this Agreement and their respective successors and assigns. No other person or entity will be deemed to be a third party beneficiary of this Agreement.

14.3 Non-Discrimination. Elite promises, and it is a condition to the continuance of this Agreement, that there will be no discrimination against, or segregation of, any person or

group of persons on the basis of race, color, sex, creed, national origin, sexual orientation, or ancestry related to the activities permitted under this Agreement and occupancy of the Easement Area.

14.4 Force Majeure. If a Party is delayed or hindered in, or prevented from the performance required under this Agreement (except for payment of monetary obligations) by reason of earthquakes, landslides, strikes, lockouts, labor troubles, failure of power, riots, insurrections, war, acts of God or other reasons of like nature, not the fault of the Party delayed in performing work or doing acts, and where reasonable measures by such Party could not have avoided or mitigated the effects of such acts, then such Party is excused from such performance for the period of delay. The period for the performance of any such act shall then be extended for the period of such delay. In the event that Elite invokes this provision because damage to the Easement Area has hindered, delayed, or prevented Elite from using the Easement Area, Elite may immediately erect any temporary facilities on the Easement Area necessary to resume service, provided that such temporary facilities do not unreasonably interfere with City's use of the Property or ability to repair or restore the Easement Area. If, in City's sole and absolute discretion, it elects to repair or restore the Easement Area, upon completion of such repair or restoration, Elite is obligated to repair or rebuild the Digital Display Facilities in accordance with the terms of this Agreement.

14.5 Bankruptcy. The Parties to this Agreement hereby expressly agree and acknowledge that it is the intention of both Parties that in the event that during the Term, Elite shall become a debtor in any voluntary or involuntary bankruptcy proceeding under the United States Bankruptcy Code, 11 U.S.C. § 101, *et seq.*, this Agreement is and shall be treated as an "unexpired lease of nonresidential real property" for purposes of Section 365 of the Bankruptcy Code, 11 U.S.C. § 365, and, accordingly, shall be subject to the provisions of subsections (d)(3) and (d)(4) of said Section 365.

Any person or entity to which this Agreement is assigned pursuant to the provisions of the Bankruptcy Code, 11 USC Sections 101, *et seq.*, shall be deemed without further act to have assumed all of the obligations of Elite arising under this Agreement both before and after the date of such assignment. Any such assignee shall upon demand execute and deliver to City an instrument confirming such assumption. Any monies or other considerations payable or otherwise to be delivered in connection with such assignment shall be paid to City, shall be the exclusive property of City, and shall not constitute property of Elite or of the estate of Elite within the meaning of the Bankruptcy Code. Any monies or other considerations constituting City's property under the preceding sentence not paid or delivered to City shall be held in trust for the benefit of City and be promptly paid to City.

14.6 Successors and Assigns. This Agreement and the Easements granted herein shall run with the land, and shall be binding upon and inure to the benefit of the Parties, their respective successors, personal representatives and assigns.

14.7 Waiver of City's Lien. City hereby waives any and all lien rights it may have, statutory or otherwise, concerning the Digital Display Facilities or any portion thereof, which shall be deemed personal property for the purposes of this Agreement, whether or not the same is deemed real or personal property under applicable laws, and City gives Elite and mortgagees the

right to remove all or any portion of the same from time to time, whether before or after a default under this Agreement, in Elite's and/or Mortgagee's sole discretion and without City's consent. Should Elite fail to remove any portion of the Digital Display Facilities as required by this Agreement, then the waiver of lien rights is void.

14.8 Notice. All notices, demands, requests, consents, approvals, and other instruments required or permitted to be given pursuant to this Agreement shall be in writing, signed by the notifying party, or officer, agent or attorney of the notifying party, and shall be deemed to have been effective upon delivery in writing if served personally, including but not limited to delivery by messenger, overnight courier service or by overnight express mail, or upon posting if sent by registered or certified mail, postage prepaid, return receipt requested, and addressed as follows:

To City: Attn: Cass Palmer
City of North Las Vegas
2250 Las Vegas Blvd., North, Ste 2
North Las Vegas, NV 89030
(702) 633-1171 (Phone)
(702) 642-1571 (Fax)

To Elite : Attn: President
Elite Media, Inc.
145 Brightmoor Court
Henderson, Nevada 89074
(702) 492-0654 phone
(702) 974-2774 fax

With a Copy to: Maren Parry
Ballard Spahr LLP
100 City Parkway
Ste. 1750
Las Vegas, NV 89106
(702) 471-7000 phone
(702) 471-7070 fax

The address to which any notice, demand or other writing may be delivered to any party as above provided may be changed by written notice given by such party as above provided.

14.9 Entire Agreement/Waiver. All of the representations and obligations of the parties are contained herein, and no modification, waiver or amendment of this Agreement or of any of its conditions or provisions shall be binding upon a party unless in writing signed by that party or a duly authorized agent of that party empowered by a written authority signed by that party. The waiver by any party of a breach of any provision of this Agreement shall not operate

or be construed as a waiver of any subsequent breach of that provision by the same party, or of any other provision or condition of the Agreement.

14.10 Cooperation. Each Party agrees to cooperate with the other in executing any documents, including a Memorandum of Easement, necessary to protect its rights or use of the Easement Area. The Memorandum of Easement may be recorded in place of this Agreement by either Party. In the event the Property is encumbered by a mortgage or deed of trust, City agrees, upon request of Elite, to use reasonable efforts to obtain and furnish to Elite a non-disturbance and attornment agreement for each such mortgage or deed of trust, in a form reasonably acceptable to Elite. Elite may obtain title insurance on its interest in the Easement Area. City agrees to execute such documents as the title company may reasonably require in connection therewith.

14.11 Governing Law/Venue/Waiver of Jury Trial. The laws of the State of Nevada shall govern the validity, construction, performance and effect of this Agreement, without giving effect to its conflict of law provisions. Each party hereto consents to, and waives any objection to, Clark County, Nevada as the proper and exclusive venue for any disputes arising out of or relating to this Agreement or any alleged breach thereof. City and Elite hereby waive trial by jury in any action, proceeding or counterclaim brought by either of them against the other on any matters whatsoever arising out of or in any way connected with this Agreement, the relationship of City and Elite, Elite's use or occupancy of the Easement Area, and/or any claim of injury or damage.

14.12 Partial Invalidity. If any Section, Subsection, term or provision of this Agreement or the application thereof to any party or circumstance shall, to any extent be invalid or unenforceable, the remainder of said Section, Subsection, term or provision of this Agreement or the application of same to parties or circumstances other than those to which it was held invalid or unenforceable shall not be affected thereby and each remaining Section, Subsection, term or provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

14.13 Time is of the Essence. Time is of the essence of this Agreement and all terms, covenants and conditions hereof.

14.14 Headings. The headings of Sections and Subsections are for convenient reference only and shall not be deemed to limit, construe, affect, modify or alter the meaning of such Sections and Subsections.

14.15 Real Estate Broker. If City is represented by any broker or any other leasing agent, City is responsible for all commission fees or other payment to such agent, and agrees to indemnify and hold Elite harmless from all claims by such broker or anyone claiming through such broker. If Elite is represented by any broker or any other leasing agent, Elite is responsible for all commission fees or other payment to such agent, and agrees to indemnify and hold City harmless from all claims by such broker or anyone claiming through such broker.

14.16 Modification or Amendments. All of the representations and obligations of the Parties are contained herein, and no modification, waiver or amendment of this Agreement or of any of its conditions or provisions shall be binding upon a Party unless in writing signed by that

Party or a duly authorized agent of that party empowered by a written authority signed by that Party.

14.17 Grant of Authority. Upon approval of this Agreement by City Council and after it has been fully executed by signature of all parties, staff of the Real Estate Section of City's Department of Operations and Maintenance shall have the authority to complete and execute any additional documents necessary for the completion of the intent of this contractual obligation during the Term. By way of example and not limitation, this may include amendments, changes of address, written extensions of time, adjustments to monetary revenue or expenditure not to exceed ten thousand (\$10,000.00) dollars, filing and recording of appropriate documents with the County Recorder's Office or the County Tax Assessor's Office and recordings and filing with City Clerk's Office.

14.18 Disclosure of Principals. Elite warrants that Chad McCullough is the sole owner, principal, officer, and director of Elite Media, Inc., a Nevada corporation. Elite shall notify City in writing of any material change in the above disclosure within fifteen (15) days of any such change.

14.19 Federal SBA Loan Assistance. In the event Elite receives financing that is guaranteed by the U.S. Small Business Administration, the requirements of such financing shall supersede any conflicting terms of this Agreement.

SIGNATURES ON NEXT PAGE

CRAIG RANCH PARK DIGITAL DISPLAY PARQUEE® AGREEMENT

Signature Page

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written.

CITY OF NORTH LAS VEGAS

By: 

John I. Lee, Mayor

ATTEST:

By: 

~~Barbara A. Anderson, City Clerk~~

Amanda Dillard, Acting City Clerk

APPROVED AS TO FORM:

By: 

Deputy City Attorney

Date

ELITE MEDIA, INC.

By: 

Name: CHAD McCULLOUGH

Title: PRESIDENT


NOTARY ACKNOWLEDGEMENTS ON NEXT PAGE

AMENDED AND RESTATED DIGITAL PARQUEE® EASEMENT AGREEMENT
Notary Acknowledgements

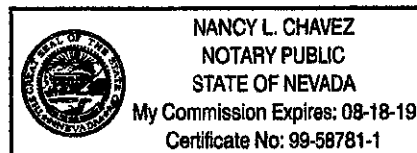
NOTARY ACKNOWLEDGEMENTS

STATE OF NEVADA)
)ss.
COUNTY OF CLARK)

This instrument was acknowledged before me on the 21st day of
January, ²⁰¹⁶2015 by John J. Lee as Mayor of the City of North Las Vegas, a
Nevada municipal corporation.

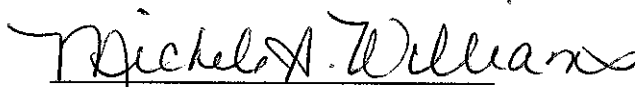


Notary Public



STATE OF NEVADA)
)ss.
COUNTY OF CLARK)

This instrument was acknowledged before me on the 16 day of
December, 2015 by Chad McCullough, President of Elite Media, Inc.



Notary Public

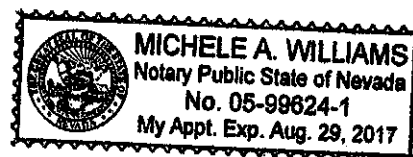




EXHIBIT B

(Digital Display Facilities to be constructed on the Northeast corner of Craig Road and Revere Street. Final Exhibit B will be inserted upon completion to reflect the “as built” area.)

EXHIBIT D

Years 1-5	\$2 million
Years 6-10	\$1.75 million
Years 11-15	\$1.5 million
Years 16-20	\$1.25 million.