

STADIUM LEASE AGREEMENT

This Stadium Lease Agreement (this “Agreement”) is made and entered into this _____ day of October, 2025 (the “Effective Date”), by and between **WAKE COUNTY**, a political subdivision of the State of North Carolina (the “County”), **TOWN OF ZEBULON**, a municipal corporation, incorporated under the laws of the State of North Carolina (the “Town”); the County and the Town being collectively referred to herein as “Lessor”), and **CAPITOL BROADCASTING COMPANY, INCORPORATED** a corporation organized and existing under the laws of the State of North Carolina (being referred to herein as “CBC” or “Lessee”; the County, the Town and CBC are sometimes referred to herein individually as a “Party” and collectively as the “Parties”).

WITNESSETH:

WHEREAS, the County and the Town, as tenants in common, own that approximately 52.02-acre parcel of real property (Wake County Real Estate Identification #0186526) as depicted on that plat entitled “Property Survey for Five County Stadium” recorded in BM1992, Page 1076, Wake County Registry (the “Land”), a copy of which is attached hereto as **Exhibit A** and incorporated herein by reference;

WHEREAS, the County and the Town, as tenants in common, own that stadium located on the Land and being commonly known as “Five County Stadium” (the “Stadium”; the Land and the Stadium are collectively, the “Premises”) and such Stadium is used in connection with sporting and entertainment events;

WHEREAS, the County and Town issued a joint Request for Proposal #24-108 (“RFP”) on or about January 9, 2025, for an operator and lessee of the Stadium;

WHEREAS, the Parties entered into a Five County Stadium Term Sheet, jointly approved by the Wake County Board of Commissioners and the Town of Zebulon Board of Commissioners on September 2, 2025, which authorized the Parties to negotiate in good faith this Agreement for the use and operation of the Premises, subject to certain terms and conditions set forth therein (unless otherwise mutually agreed);

WHEREAS, Lessee is procuring a summer collegiate baseball team affiliated with the Coastal Plain League (the “Team”) as the primary user of the Stadium and may further sublease the Stadium to collegiate sports teams affiliated with Wake Technical Community College (“WTCC”) and other sports and entertainment users (as defined herein) all in accordance with the terms and conditions set forth in this Agreement; and

NOW THEREFORE, in consideration of the payments herein required to be made by Lessee, and the covenants and agreements hereinafter contained to be kept and performed by the Parties, Lessor agrees to authorize Lessee to control, manage, and operate the Premises for the term and upon and subject to the terms and conditions hereinafter stated:

ARTICLE I **TERM**

1.1 Term & Extension. The term (the “Term”) of this Agreement shall commence on January 1, 2026 (“Commencement Date”) and shall continue for a period of ten (10) years and terminating on December 31, 2036 (the “Expiration Date”), unless earlier terminated in accordance with the terms hereof. Lessee may request an extension of the Term by providing written notice to Lessor at least twelve (12) months prior to expiration of the Term, but such an extension shall be subject to Lessor’s sole discretion and governing Board approval. If Lessor agrees to the requested extension of the Term, the Parties shall memorialize the extension with a new written instrument duly executed by the Parties.

1.2 Early Termination. Lessee shall have the right, in its sole discretion, to terminate this Agreement, effective as of December 31, 2030 ("Early Termination Date"), if Lessee determines that its operations at or related to the Premises are not Profitable as of the Termination Notice (the "Early Termination Right"). For purposes of this Paragraph 1.2, Lessee's use and operation of the Premises shall be deemed "Profitable" if the total revenue attributable to Lessee's use and operation of the Premises exceeds the total expenses of such use and operation, including, without limitation, operating costs and expenses, overhead, taxes, financing costs, and capital expenditures. Lessee's determination of whether Lessee's operation of the Premises is Profitable shall be based on Lessee's operational metrics as established by Lessee. To exercise this termination right, Lessee shall deliver written notice to Lessor ("Termination Notice") not less than twelve (12) months prior to the Early Termination Date. Lessee's Termination Notice shall include a certification from Lessee confirming that Lessee's operations at the Premises are not Profitable as of the date of such Termination Notice. If Lessee fails to provide the Termination Notice at least twelve (12) months prior to the Early Termination Date, then Lessee shall waive the Early Termination Right and have no further right to terminate this Agreement except as otherwise expressly set forth herein. As consideration for Lessee's right to terminate under this Section, Lessee shall pay to Lessor, on or before the Early Termination Date, an amount equal to the total remaining Base Rent and Additional Rent that would have been due and payable under this Agreement from the Early Termination Date through the end of the Term ("Termination Fee"). On or before the Early Termination Date, Lessee shall surrender the Premises in the condition set forth under Section 14.19 herein. Upon Lessee's (i) payment of the Termination Fee and (ii) surrender of the Premises in accordance with Section 14.19 herein (the "Termination Conditions"), this Agreement shall terminate as of the Early Termination Date, and neither party shall have any further obligations to the other, except for those that expressly survive termination of the Lease. Notwithstanding the foregoing, if Lessee fails to satisfy the Termination Conditions on or before the Termination Date, the Early Termination Right shall become null and void and this Agreement shall continue in full force and effect for the remainder of the Term.

ARTICLE II

RENT & RIGHTS TO REVENUES

2.1. Base Rent. Beginning January 1, 2026 (the "Rent Commencement Date"), Lessee shall pay to Lessor throughout the Term in accordance with the rent schedule attached hereto as **Exhibit B**, the annual base rental rate ("Base Rent"), as follows: 1) 85% shall be paid to the County and 2) 15% shall be paid to the Town at the mailing addresses provided for in Section 14 of this Agreement or as otherwise specified by the Parties in writing. The Base Rent will be deposited into the Lessor's fund for capital repairs for the Premises (the "Structural Maintenance and Capital Repair Fund") as more fully defined in Section 5. For each calendar year throughout the Term, Base Rent shall be paid in two (2) semi-annual payments, with the first occurring on January 1 and the second occurring on July 1.

2.2. Additional Rent. Any and all other amounts owed by Lessee to Lessor pursuant to the terms of this Agreement shall be paid to Lessor as additional rent ("Additional Rent"; Base Rent and Additional Rent are collectively, "Rent"). Additional Rent shall include, but not be limited to, payments to be made to Lessor in connection with any "Additional Subtenant" (as hereinafter defined), net taxes. Lessor shall meet with Lessee to discuss a reasonable structure for the payment of Additional Rent, on a case-by-case basis, in conjunction with Lessor's approval of any Additional Subtenant. The Additional Rent will be deposited into the Structural Maintenance and Capital Repair Fund.

2.3. Ticket Revenue Credit. On an annual basis throughout the Term, Lessee shall accrue, as an annual ticket incentive from Lessor, a credit in the amount of \$2.50 per paid ticket sold during the first five (5) years of the Term and \$1.50 per paid ticket sold during the last five (5) years of the Term in association with any "Third-Party Ticketed Event" (as hereinafter defined), Additional Subtenant events and "Lessor Events" (as hereinafter defined) hosted or permitted by Lessee during a given calendar year (the "Operating and Maintenance Credit"). For purposes of this Section 2.3, ticket sales from Primary Use or Secondary Use shall

be excluded from the Operating and Maintenance Credit. Any funds received by Lessee as an Operating and Maintenance Credit must be dedicated to maintenance and operations of the Premises and may not be used as a credit or offset of Lessee's Rent obligations as set forth in this Agreement. In no event shall the Operating and Maintenance Credit exceed \$100,000.00 for a given calendar year. By way of example, if 100,000 tickets for eligible events are sold for the year 2026, Lessee is only eligible to receive \$100,000.00 as an Operating and Maintenance Credit for 2026 (even though it sold \$250,000.00 worth of tickets) and no such credits or amounts shall be carried over to the following calendar year. Each annual Operating and Maintenance Credit shall be paid in arrears, beginning in 2027 and extending through 2036, and 2037 to the extent Lessee's 2036 Operating and Maintenance expenses exceed 2035's Operating and Maintenance Credit. On or before January 30th of each year of the Term, beginning in 2027, Lessee shall submit an accounting to Lessor of all tickets sold for eligible events for the prior year. Within thirty (30) days following receipt of the accounting, the County shall pay Lessee 85% of the Operating and Maintenance Credit owed based on such accounting and the Town shall pay Lessee the remaining 15% of the Operating and Maintenance Credit owed to Lessee. Excluding Operating and Maintenance expenses Lessee incurred during the last year of the Term that exceed the prior year's Operating and Maintenance Credit, Lessee shall not be entitled to any Operating and Maintenance Credit for the last year of the Term, unless the Term is extended pursuant to Article I.

2.4. Other Revenues. Subject to Lessee's obligation to pay Rent and "Net Naming Rights Revenues" (as hereinafter defined), unless otherwise agreed to by the Parties or specified herein, Lessee shall be entitled to retain all other revenues received from Primary Use, Secondary Use, Additional Subtenants, and Third-Party Ticketed Events (but specifically excluding Lessor Events (as defined herein)). All costs associated with generating these revenues from such events (including but not limited to game day event staff and any and all municipal services such as fire, police, and EMS) shall be at Lessee's sole cost and expense, and Lessor shall not be responsible for any such costs.

ARTICLE III **USE OF THE PREMISES**

3.1. Lessee's Possession & Rights. In consideration of the conditions set forth herein, Lessor hereby leases to Lessee and engages Lessee, and Lessee hereby leases the Premises and accepts such engagement, to control, manage, operate and promote the Premises, with the right to exploit the economic rights arising out of or relating to the Premises provided for in this Agreement. On the Commencement Date, subject to the terms and conditions of this Agreement, Lessor will give and deliver to Lessee the exclusive right to control, manage, operate and promote the Premises free of all tenancies, licenses, and parties in possession of such Premises (other than those arising by, through or under Lessee). Lessee agrees to operate and maintain the Premises throughout the Term in a condition necessary to conduct the permitted uses authorized herein and in accordance with the terms of this Agreement. Lessee acknowledges and agrees that one of the primary reasons for Lessor's financial and other commitments to enter into this Agreement is to provide for the betterment of the community generally. Lessee will make reasonable efforts to provide opportunities for local and regional charities and non-profits to utilize and gain exposure to the Premises. Lessee acknowledges that use of the Premises reflects upon the image and goodwill of Lessor, and Lessee agrees that no event, signage at the Premises, or any other use of the Premises by Lessee shall be inconsistent with prevailing community standards.

3.2. Permitted Uses & Scheduling. Throughout the Term, Lessee shall occupy, manage and use the Premises for the following purposes:

- 1) **Primary Use of Stadium:** The primary use of the Stadium shall be regular season home games and any post-season home games (the "Team Games") in which the Team is eligible to participate in during the Coastal Plain League season (the "Primary Use"). The Primary Use shall be governed by a sublease agreement

entered into by and between Lessee, as sublessor, and the Team, as sublessee (the “Team Sublease”). The Team Sublease shall be subject to the prior review and written approval of Lessor, such approval not to be unreasonably withheld; provided that, (i) Lessee shall negotiate the Team Sublease in good faith to secure commercially reasonable business terms, and (ii) the Team Sublease shall be subordinate to and not otherwise in conflict with all terms and/or conditions of this Agreement. Lessor’s review and approval pursuant to this subsection is not required for any extensions of the term of the Team Sublease or non-material amendments. Lessee represents and warrants to Lessor that the Team will utilize the Stadium for the Primary Use throughout the Term, and such failure shall constitute a material default of this Agreement.

- 2) **Secondary Use of Stadium and Premises.** In addition to the foregoing Primary Use of Stadium, the secondary permitted use shall be collegiate sporting events for WTCC (the “Secondary Use”) in accordance with a sublease agreement entered into between Lessee, as sublessor, and WTCC, as sublessee (the “WTCC Sublease”). The WTCC Sublease shall be subject to the prior review and written approval of Lessor, such approval not to be unreasonably withheld; provided that, (i) Lessee shall negotiate the WTCC Sublease in good faith to secure commercially reasonable business terms, and (ii) the WTCC Sublease shall be subordinate to and not otherwise in conflict with all terms and/or conditions of this Agreement. Lessor’s review and approval pursuant to this subsection is not required for any extensions of the term of the Team Sublease or non-material amendments.
- 3) **Additional Subtenants.** In addition to the Team Sublease and WTCC Sublease, Lessee may sublease the Premises to Additional Subtenants, subject to the prior written consent of Lessor. For purposes of this Section, “Additional Subtenants” shall mean any licensee, permittee, user or other occupant who uses the Stadium and/or Premises (or any portion thereof) for ten (10) or more games and/or events (as applicable) during any given calendar year of the Term or any sport team who otherwise plays their entire season at the Stadium (but specifically excluding the Team and WTCC) . If Lessor provides written consent to any sublease to an Additional Subtenant, Lessee shall deliver a copy of the proposed sublease agreement (an “Additional Sublease”) to Lessor for review and approval, such approval not to be unreasonably withheld provided that such Additional Sublease (i) is negotiated by Lessee in good faith to secure commercially reasonable business terms, and (ii) shall be subordinate to and not otherwise in conflict with the terms and/or conditions of this Agreement. Lessor may require, as a condition to Sublessor’s consent to an Additional Sublease, the payment of Additional Rent by Lessee in an amount equal to an agreed-upon portion of the rent to be paid by the Additional Subtenant to Lessee as sublessor. The amount and/or structure of Additional Rent (if any) for each Additional Sublease shall be negotiated by and between Lessor and Lessee while Lessor deliberates its consent to the applicable Additional Sublease.
- 4) **Third-Party Use of Stadium and Premises** In addition to the Primary Use and Secondary Use, the Stadium and/or Premises may be used by Lessee for other sporting events, included but not limited to, outdoor sports and recreation, meetings, trade shows, exhibitions, concerts, public entertainment events, private events, and any other similar functions that will encourage economic development and tourism in the Town (“Third-Party Ticketed Events”); and for purposes related

and incidental thereto including, without limitation, operation of restaurants and concession facilities in and adjacent to the Stadium (during games and events and at other times), sale of food and beverages (alcoholic and non-alcoholic), conducting tours, storage, and office uses, and for any other lawful purpose that is not a prohibited herein. Notwithstanding the above, any Primary Use of the Stadium by the Team as defined herein shall take scheduling priority over the Secondary Use and all Third-Party Ticketed Events.

- 5) **Lessor Use of the Stadium and Premises.** The Town and the County shall have the right to use the Stadium and Premises for any of the following uses which are collectively or individually referred to herein as a “Lessor Event”:

- a) Stadium Seating Bowl: The County and Town will have the right to use the Stadium Seating Bowl and Field for five (5) events each, comprising a total of ten (10) events in total annually without payment or compensation to Lessee, provided approval is granted by Lessee, said approval shall not be unreasonably withheld, and the proposed use does not conflict or interfere with any Primary Use, Secondary Use, Additional Subtenants, and/or Third-Party Ticketed Events at the Stadium and/or Premises.
- b) Parking Lot, Land, and Stadium Concourses & Suites: The County and Town will have the right to use the Stadium concourses and suites, parking lots and any other areas of the Land (outside of the Stadium Seating Bowl and Field), provided approval is granted by Lessee, said approval shall not be unreasonably withheld, and the proposed use does not interfere with conflict or interfere with any Primary Use, Secondary Use, Additional Subtenants and/or Third-Party Ticketed Events at the Stadium and/or Premises.

Lessor shall be responsible for all costs associated with a Lessor Event, including, without limitation, maintenance and preparation of the Premises, ticket-takers, ushers, in-stadium security, scoreboard/sound and other personnel, cleaning and trash removal, repairs, supplies, concession staffing, and all other event costs in connection with all Lessor Events. Lessee will invoice Lessor for fees owed to Lessee for services involving such Lessor Events; fees will be due to Lessee net 45 days of the invoice date. Lessor will return Premises to Lessee in the same or better condition as before each of Lessor Events’ use. Lessor or its designee shall retain all revenue generated from Lessor Events, including, without limitation, ticket revenue (less \$2.50 per paid ticket sold in association with any Lessor Event during the first five (5) years of the Term and \$1.50 per paid ticket sold in association with any Lessor Event during the last five (5) years of the Term), Lessor-procured-sponsorship, merchandising (excluding revenue from the sale of all Team and/or WTCC merchandise) and/or other sales revenue. In connection with Lessor Events, and subject to separate agreement between the Parties, Lessee will have first right of refusal to provide personnel and/or support services for any Lessor Event, including, but not limited to, the food and beverage concessions.

3.3. Master Schedule of Events. Throughout the Term, Lessee shall maintain a master calendar of scheduled Team Games for each season as soon as each schedule is finalized and approved (including tentative post-season home games), WTCC events, and any other events (which shall be made available to Lessor and third-party users throughout the Term) (the “Master Schedule”). On or before March 1st of each calendar year, Lessor shall be provided an initial copy of the Master Schedule for that particular calendar

year. Upon receipt, Lessor shall have the right to reserve and/or request approval of any Lessor Events as described herein. Lessee shall be required to submit to Lessor a revised schedule of previous and planned annual events and/or activities on June 30, September 30, and December 31 of each calendar year during the Term.

3.4. Compliance with Laws. Lessee shall, throughout the Term, and at no expense to Lessor, promptly comply or cause compliance in all material respects with all laws, ordinances, orders, rules, regulations and requirements of duly constituted governmental authorities, which may be applicable from time to time to its use of the Premises and its operation, repair and alteration thereof.

3.5. Prohibited Uses. Lessee shall not allow the Premises to be used for any use other than those authorized in this Agreement. More specifically, Lessee shall not use the Premises for any of the following purposes: use that constitutes a public nuisance; any use violating a zoning regulation or other law; use as a sexually oriented business as defined in the Town Code; or use as an industrial site or waste disposal facility.

3.6. Hazardous Materials.

1. Lessee shall not use, generate, manufacture, produce, store, release, discharge or dispose of on, in or under the Premises, or transport to or from the Premises, any Hazardous Materials (as defined in Section 3.6(5) below), or allow any other person or entity to do so.
2. Lessee shall comply with all applicable Environmental Laws with respect to Lessee's use and occupancy of the Premises.
3. Lessee shall promptly notify Lessor should Lessee receive notice of or otherwise become aware of any: (1) pending or threatened environmental regulatory action against Lessee or the Premises; (2) claims made or threatened by any third party against Lessee or with respect to the Premises relating to any loss or injury resulting from any Hazardous Material; (3) release or discharge or threatened release or discharge of any Hazardous Material in, on, under or about the Premises; or (4) violation of any Environmental Law with respect to the Premises. Receipt of such notice shall not be deemed to create any obligation on the part of Lessor to defend or otherwise respond to the notification.
4. Lessee agrees to indemnify, defend and hold harmless Lessor from and against any and all liabilities, claims, demands, damages, liens, penalties, costs and expenses of every kind and nature (including without limitation reasonable attorneys' fees) directly or indirectly attributable to Lessee's failure to comply with this Section 3.6. Lessee's indemnity contained in this Section 3.6(4) shall survive the termination or expiration of this Agreement.
5. As used in this Section 3.6, (i) "Hazardous Material" means any substance or material meeting any one or more of the following criteria: (a) it is or contains a substance designated as a hazardous waste, hazardous substance, hazardous material, pollutant, contaminant or toxic substance under any Environmental Law; (b) it is toxic, reactive, corrosive, ignitable, infectious, radioactive or otherwise hazardous; or (c) it is or contains, without limiting the foregoing, medical waste or petroleum hydrocarbons; and (ii) "Environmental Law" means any federal, state or local law, statute, ordinance, rule, regulation, permit, directive, license, approval, guidance, interpretation, order or other legal requirement relating to the protection

of safety, human health or the environment.

ARTICLE IV
AS-IS CONDITION, MAINTENANCE, ALTERATIONS AND OWNERSHIP OF
IMPROVEMENTS

4.1. As-Is Condition. On the Commencement Date, Lessor shall deliver exclusive possession of the Premises, which shall include certain items of personal property (the “Personal Property”) that remain on the Premises as agreed upon by the Parties. Lessee acknowledges that it has conducted several site visits and walk-throughs of the Premises as of the Commencement Date and accepts the same in their present, “AS-IS” condition and without any obligation on the part of Lessor to make any improvements, alterations, additions or repairs thereto. Furthermore, Lessor makes no representation regarding the condition of the Personal Property. Lessee has had the opportunity to examine the Personal Property and to satisfy itself of the condition thereof. Lessee hereby accepts the Personal Property “AS-IS” and at its own risk, and LESSOR DISCLAIMS ANY AND ALL WARRANTIES FOR THE PERSONAL PROPERTY WHETHER EXPRESSED OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES THAT SUCH PERSONAL PROPERTY IS MECHANTABLE OR FIT FOR ANY PARTICULAR PURPOSE. Provided, however, this section shall remain subject to Lessor’s representations and warranties contained herein.

4.2. Lessee’s Maintenance of the Premises. Lessee shall, at its sole cost and expense, perform all Routine and Preventative Maintenance (as defined below) required or associated with the operations and related to stadium programming and events in order to keep, maintain, and operate the Premises, including the interior and exterior portions of the improvements, (i) in a safe, clean, attractive, and first-class manner consistent with other Coastal Plain League stadiums and otherwise in as good condition as exists on the Commencement Date subject to ordinary wear and tear, and (ii) in compliance with all governmental rules and regulations governing the Premises (the “Maintenance Standard”). “Routine and Preventative Maintenance” shall include all work performed and expenses incurred for any maintenance reasonably necessary for the day-to-day operations of the Stadium, including: facility and parking lot cleaning; cleaning and upkeep of playing surfaces; routine visual inspection of all facility structures, major systems and facility components defined under Section 5.2(a)(i) of this Agreement to confirm working condition; cleaning and servicing of all food and beverage equipment; routine cleaning of plumbing and drainage systems to prevent clogs and damage; repair of minor damages to walls, signage, and furniture, fixtures, and equipment; timely disposal of Lessee’s surplus furniture, fixtures, and equipment; pest control; and keeping all routes of egress free of debris. Except for Structural Maintenance & Capital Repair expenditures authorized in Section 5.2 of this Agreement, Lessor has no maintenance obligations under this Agreement and no obligation to perform or incur any expenses related to Routine and Preventative Maintenance. At Lessee’s discretion, Lessee may enter into service contracts with third parties to perform some portions or the entirety of Routine and Preventative Maintenance. Lessee shall maintain records of the Routine and Preventative Maintenance inspections for a period of time reasonably determined by Lessor. Lessee shall make such records available to Lessor upon providing reasonable notice to Lessee.

Beginning on March 1, 2026, and continuing annually thereafter through the Term, Lessor and Lessee shall collaborate and work in good faith to create a plan for the purposes of prioritizing certain Structural Maintenance & Capital Repairs activities mutually agreed to by the Parties, and an annual maintenance plan, delineating between Routine and Preventative Maintenance and Structural Maintenance and Capital Repairs funding obligations for the Lessee and Lessor, respectively, for the following twelve (12) month period, including a schedule for quarterly on-site meetings.

Lessor shall also have the right throughout the Term, upon providing reasonable prior notice to Lessee, to enter the Premises for purposes of visual inspections and auditing or assessing the condition

thereof. Lessor shall also have the right (but not the obligation) to hire a third-party consultant (“Maintenance Consultant”) to conduct such examination. If upon examination, Lessor (or the Maintenance Consultant), in its reasonable discretion, determines that any portion of the Stadium and/or Premises is not being kept and/or maintained in accordance with the Maintenance Standard, then Lessee shall have thirty (30) days after written notice from Lessor to obtain compliance with the Maintenance Standard (as reasonably determined by Lessor); provided, however, in the event that such compliance cannot be reasonably obtained within such thirty (30) day period, Lessee shall not be in default hereunder if Lessee commences such cure within the thirty (30) day period and diligently pursues the cure to completion within sixty (60) days. Excluding a Force Majeure (defined below), if Lessee fails to remedy the non-compliance within the time period prescribed in the preceding sentence, then Lessor shall have the right (but not the obligation) to make all necessary repairs and/or take all other actions necessary to achieve such compliance with the Maintenance Standard and thereafter seek reimbursement from Lessee for the actual cost of such efforts or may deduct said cost from the Operating and Maintenance Credit Fund (as hereinafter defined) until paid in full.

4.3. Alterations & Compliance with Regulatory Requirements. Following completion of the Initial Capital Improvements (as hereinafter defined), Lessee must obtain Lessor’s prior written consent, such consent not to be unreasonably withheld, prior to making any subsequent alterations, additions, or construction of new improvements on or in the Premises (“Subsequent Capital Improvements”); provided, however, that Lessee is not required to obtain Lessor’s prior approval for (a) non-structural remodeling or installation or removal personal property or other trade fixtures and equipment; (b) temporary improvements or alterations to accommodate particular events; (c) alterations required to comply with any applicable governmental regulations; (d) alterations resulting from restorations or repairs of existing facilities; or (e) any other nonstructural alterations. Any Lessor approved Subsequent Capital Improvements must be consistent with the permitted uses of the Premises as set forth this Agreement. For any Subsequent Capital Improvements, Lessee shall submit the plans, specifications and construction drawings to Lessor. Standards, requirements, and timing related to financing, design, development, and construction of any Subsequent Capital Improvements shall be established by separate agreement. Lessee shall, at its sole cost and expense, procure or cause to be procured all necessary building permits, other permits, licenses and other authorizations required for the lawful and proper addition to or alteration, occupation, operation, and management of the Premises and Lessor agrees to reasonably cooperate with Lessee’s efforts with respect to obtaining such permits, licenses or other authorizations. Lessor agrees to work in good faith to connect Lessee with Town and County departments overseeing the permitting, licensing, and other regulatory compliance matters associated with the operation of the Premises.

4.4. Ownership of Improvements. Title to and ownership of all improvements to the Premises during the Term of this Agreement shall be and remain with Lessor, except for food and beverage equipment existing on the Premises as of the Effective Date, trade fixtures, furniture, equipment, furnishings and other personal property installed in or affixed to the Premises by Lessee and owned by Lessee (collectively, the “Removables”), all of which shall remain Lessee’s sole property. At the expiration or earlier termination of this Agreement, all alterations, additions, and improvements to the Premises (except for the Removables) shall remain upon and be surrendered with the Premises. For the avoidance of doubt, the Personal Property and any trade fixtures, furniture, equipment, furnishings and items of personal property paid for by Lessor or out of the Structural Maintenance and Capital Repair Fund (as hereinafter defined) shall remain the property of Lessor.

4.5. Lessors’ Right of Inspection. Prior to Lessor giving or withholding their consent to any proposed Subsequent Improvement, Lessor may review Lessee’s conceptual design drawings and construction drawings for Subsequent Capital Improvement. Upon completion of any Subsequent Capital Improvement, Lessee shall obtain a written certification from a licensed architect or engineer reasonably stating that the construction has been completed substantially in accordance with the reviewed construction

drawings and that, to the best of each professional's knowledge, the completed improvements are in compliance with all applicable ordinances, statutes, and the requirements of all any governing authority.

ARTICLE V

CAPITAL IMPROVEMENTS

5.1. Stadium Improvements. The Parties have agreed upon certain capital improvements to be made to the Stadium during the calendar years 2025 and 2026 (the "2026 Capital Improvements") and 2027 (the "2027 Capital Improvements"; the 2026 Capital Improvements, and 2027 Capital Improvements are collectively, the "Initial Capital Improvements"), as further described and set forth in detail in the attached **Exhibit C**.

- a. Lessor's Contribution to 2026 & 2027 Capital Improvements.** Subject to approval by their respective governing boards, Lessor's contribution to the 2026 and 2027 Capital Improvements has been calculated at a total budgeted cost that is not-to-exceed (NTE) EIGHT MILLION, SIX HUNDRED TWENTY-SIX THOUSAND, EIGHT HUNDRED SEVENTY-FIVE and 00/100 DOLLARS (\$8,626,875.00) (the "Capital Improvements Budgeted Cost"). Of the Capital Improvements Budgeted Cost, FOUR MILLION and 00/100 DOLLARS (\$4,000,000.00) shall be appropriated to the 2026 Capital Improvements (the "2026 Budgeted Cost") and FOUR MILLION, SIX HUNDRED TWENTY SIX THOUSAND EIGHT HUNDRED SEVENTY-FIVE and 00/100 DOLLARS (\$4,625,291.93) shall be appropriated to the 2027 Capital Improvements (the "2027 Budgeted Cost"); provided, however, (a) any unspent or excess funds remaining from the 2026 Budgeted Cost following completion of the 2026 Capital Improvements may be carried over and allocated to the 2027 Capital Projects, and (b) any unspent or excess funds remaining from the 2027 Capital Improvements Budgeted Cost following completion of the Initial Capital Improvements may be carried over and allocated towards future Subsequent Capital Improvements agreed to by Lessor in accordance with Section 4 above.
- b. Construction Lead for 2026 Capital Improvements.** The 2026 Budgeted Cost shall be provided to Lessee on a reimbursable basis, subject to the conditions and provisions set forth in this Agreement. Unless otherwise mutually agreed to by the Parties in writing, Lessee shall be solely responsible for the payment of any amounts in excess of the 2026 Budgeted Cost as needed to complete the 2026 Capital Improvements; provided, however, should Lessor require any changes to the 2026 Capital Improvement Plans or to the scope of any of the 2026 Capital Improvements listed in Exhibit C attached hereto, and such changes result in the costs exceeding the 2026 Budgeted Cost, unless otherwise mutually agreed to by the Parties in writing, Lessor shall be solely responsible for the payment of such excess amounts. Lessee shall enter into a construction contract(s) for the 2026 Capital Improvements identified in Exhibit C (the "2026 Construction Contracts") and shall directly oversee the scope of all construction activity on the Premises with respect to the 2026 Capital Improvements. Considering the tight deadline of the work contemplated under the 2026 Construction Contracts, if time permits, prior to execution of any 2026 Construction Contracts, Lessee shall provide Lessor the opportunity to review and comment on the terms of such 2026 Construction Contracts and shall consider, in good faith and if time permits, any requests or suggestions made by Lessor with respect thereto; provided, Lessee shall provide Lessor with the opportunity to review all bids and pricing proposals related to the 2026 Capital Improvements prior to any 2026 Construction

Contracts being executed. Any project plans involving the 2026 Capital Improvements (including detailed plans and specifications) ("2026 Capital Improvement Plans") shall be developed and prepared as part of the 2026 Budgeted Cost and shall be developed in cooperation with Lessor and subject to Lessor's written approval. Any changes to the 2026 Capital Improvement Plans shall be subject to the prior written approval of Lessor. Prior to any payment being issued by Lessor from the 2026 Budgeted Cost, Lessee shall submit an invoice or other written request for payment to the County which must be accompanied by documentation demonstrating each project completion (which may include receipts, photos, temporary or permanent certificate of occupancy). Lessor will promptly review all invoices submitted by Lessee and reimburse Lessee within forty-five (45) days of receiving each invoice. The invoice or written request must contain the recipient's name, address, invoice number/project name, date, and description of how the expenditure relates to the scope and purpose of the specific improvement/project identified among the list of 2026 Capital Improvements set forth in Exhibit C attached hereto.

- c. **Construction Lead for 2027 Capital Improvements.** Lessor shall enter into a construction contract(s) for the 2027 Capital Improvements identified in Exhibit C (the "2027 Construction Contracts") and shall directly oversee the scope of all construction activity on the Premises with respect to the 2027 Capital Improvements. Any project plans involving the 2027 Capital Improvements (including detailed plans and specifications) ("2027 Capital Improvement Plans") shall be developed and prepared as part of the 2027 Budgeted Cost. Lessor shall be solely responsible for the payment of any amounts in excess of the 2027 Budgeted Cost as needed to complete the 2027 Capital Improvements; provided, however, should Lessee require any changes to the 2027 Capital Improvement Plans or to the scope of any of the 2027 Capital Improvements listed in Exhibit C attached hereto, and such changes result in the costs exceeding the 2027 Budgeted Cost, unless otherwise mutually agreed to by the Parties in writing, Lessee shall be solely responsible for the payment of such excess amounts. The Parties agree to work in good faith to set an order of priority for the 2027 Capital Improvements set forth on Exhibit C, provided should the Parties be unable to agree on an order of priority, Lessor's order of priority shall control. Should the Parties mutually agree that a 2027 Capital Improvement is no longer a priority, and a different improvement should be substituted on Exhibit C, the Parties shall work in good faith to execute a mutually agreeable amendment to this Agreement evidencing such substitution.

- d. **Food and Beverage Capital Improvements.** The Parties acknowledge that the Initial Capital Improvements also include Lessee bringing four (4) concession stands into operation with similar equipment and improvements as existed in such concession stands prior to the Commencement Date. Lessee shall bring two (2) concession stands into operation on or before the first 2026 Stadium event in conjunction with the 2026 Capital Improvements, provided all costs shall be deducted from the 2027 Budgeted Cost. The remaining two (2) concession stands shall be operational on or before the first 2027 Stadium event and costs shall also be deducted by the 2027 Budgeted Cost, provided costs for such concession stands shall not be invoiced for reimbursement prior to January 1, 2027, regardless of the timeframe in which Lessee completed the improvements. Such improvements are included in what is defined as the "Food and Beverage/Concessions Improvements" set forth on Exhibit C, despite such improvements being undertaken by Lessee. All Lessee obligations and requirements regarding contracting, bid review, and invoicing related to the 2026 Capital Improvements shall apply to the improvements made pursuant to this subsection. Lessee shall be responsible for acquiring all occupational

permits associated with concessions and foodservice stands located within the Stadium.

- e. **Lessor's Contribution to Future Improvements.** Unless otherwise provided in this Agreement, Lessor shall not be obligated to fund, reimburse or expend monies on improvements to the Premises or Stadium. Any future funding or cost-share arrangements between the Parties not contained in this Agreement will require a separate funding agreement between the Parties.

5.2. Structural Maintenance & Capital Repairs. During the Term, Lessor shall fund all expenditures associated with the Structural Maintenance and Capital Repairs as required by and at the times and subject to the terms and provisions of this Section.

- a. **Definition of Structural Maintenance & Capital Repairs.** "Structural Maintenance and Capital Repairs" shall be defined as:

- (i) repairs that are necessary to maintain the Premises including but not limited to the following: roof, foundation, structural integrity, concrete seating bowl, fixed stadium seats, HVAC systems, electrical system, lighting systems, plumbing system and/or restrooms (including broken pipes), windows, stadium paint, gates/fences, backflow inspections, elevator systems, fire alarm/safety systems, sprinkler systems, drinking fountains, stadium netting and poles, stadium railings, ceiling systems, irrigation, expansion joints, boilers and hot water heaters, exterior landscaping Agreement, clubhouse washer/dryers, replacement of the playing surfaces and associated drainage systems consistent with typical useful life of such systems, damages due to power surges, the video board and the connection between the press box and video board. In addition, the following concession stand permanent equipment repairs, including but not limited to: concession stands plumbing, concession stand exhaust fans, concession stand walk in coolers, concession stand lighting/electrical, and concession stand ovens, of the Premises and preserve the Premises' usefulness for the purposes for which it is being leased hereunder; or
- (ii) repairs, replacements, or modifications required to maintain the structural components of the Premises' compliance with any applicable laws and entitlements.

Notwithstanding the foregoing, Lessee shall be solely responsible for any Structural Maintenance and Capital Repairs necessitated by the negligence and/or willful misconduct of Lessee or any of Lessee's agents, contractors, subcontractors, employees, and/or invitees; provided, however, Lessor shall have the option (but not the obligation) to make any such repair and Lessee shall reimburse Lessor for the entire cost thereof within thirty (30) days receipt of written notice from Lessor evidencing such cost.

- b. **Structural Maintenance and Capital Repairs Not to Include:**

- (i) Routine and Preventative Maintenance, as defined in Section 4.2 of this Agreement;
- (ii) Operating expenditures of the Premises, as defined in Section 6.1 of this Agreement;
- (iii) Subsequent Capital Improvements;
- (iv) Non-permanently affixed food and beverage service equipment;
- (v) Repairs made necessary due to Lessee's failure to maintain the Premises in

accordance with the Maintenance Standard;

(vi) Repair of any personal property owned by Lessee; or

(vii) Repair of data and telecommunication infrastructure, including Lessee installed security systems.

- c. Performance of Planned Capital Repairs.** The Parties “Planned Capital Repair Schedule” is attached hereto as Exhibit D and is the Parties’ reasonable estimate of the planned Structural Maintenance and Capital Repairs expected to be performed during the initial Term. Lessee may also propose that Structural Maintenance and Capital Repairs items be made to the Premises outside of the schedule. If a Structural Maintenance and Capital Repair item arises outside of the schedule in Exhibit D, Lessor and Lessee shall work in good faith to follow the provisions of Section 5.2(e) of this Agreement or utilize the annual maintenance plan provisions of Section 4.2 of this Agreement. If either Party knows of or discovers any applicable laws necessitating a Structural Maintenance and Capital Repair or any condition or defect in, damage to, or alteration of the physical structure, fixtures, appurtenances, machinery, equipment, furniture, systems, surfaces or any other component of the Premises necessitating Structural Maintenance and Capital Repair, which, in the Party’s reasonable opinion, makes such Structural Maintenance and Capital Repair necessary or advisable, the Party shall promptly notify the other Party of such matter.
- d. Structural Maintenance and Capital Repair Fund.** Commensurate with the Effective Date of this Agreement, Lessor shall establish a Structural Maintenance and Capital Repair Fund in which Lessor shall deposit an initial ONE MILLION, NINE HUNDRED SEVENTY-FIVE THOUSAND and 00/100 DOLLARS (\$1,975,000.00) which is to be funded in the amounts of ONE MILLION, SEVEN HUNDRED TWENTY-FOUR THOUSAND, SIX HUNDRED NINETY-TWO and 00/100 DOLLARS by the County and TWO HUNDRED FIFTY THOUSAND, THREE HUNDRED EIGHT and 00/100 DOLLARS by the Town, and in which the Base Rent payments shall be deposited. The Structural Maintenance and Capital Repair Fund shall be used to fund Structural Maintenance and Capital Repair expenditures outlined in this subsection and Section 4.2 of the Agreement. It is the intent of Lessor to make recurring contributions to the Structural Maintenance and Capital Repair Fund over the Term of this Agreement for use and contribution to maintenance and capital repairs to the Stadium.
- e. Payment from the Structural Maintenance and Capital Repairs Fund.** The Lessee shall have the authority to conduct maintenance, repair or replacement of Structural Maintenance and Capital Repair items as defined in Section 5.2(a) of this Agreement without receiving the Lessor’s prior approval, provided, (i) Lessee shall comply with any applicable legal requirements, (ii) such maintenance, repair, or replacement estimate does not exceed \$5,000, and (iii) in the case of replacement the replacement item is identical to the item to be replaced, or a more recent model of the item to be replaced. If the cost exceeds \$5,000 but is less than \$30,000, Lessor shall respond to Lessee’s request within three (3) business days of Lessee’s request for approval. If Lessor fails to respond to Lessee’s request within said timeframe, Lessee may proceed as if the cost was under \$5,000. If structural maintenance, repair, or replacement of Structural Maintenance and Capital Repair is estimated to equal or exceed \$30,000, the Lessor and Lessee shall come to mutual agreement in writing within ten (10) business days as to who will proceed with the authority to conduct said maintenance, repair, or replacement. Prior to any payment being issued by Lessor to Lessee for undertaking any maintenance, repair, or replacement in accordance with this Section from the Structural

Maintenance and Capital Repair Fund, Lessee shall submit an invoice or other written request for payment to the County which must be accompanied by documentation demonstrating project completion (which may include receipts, photos, temporary or permanent certificate of occupancy). Lessor will promptly review all invoices submitted by Lessee and reimburse Lessee within forty-five (45) days of receiving each invoice. The invoice or written request must contain the recipient's name, address, invoice number/project name, date, and description of the maintenance, repair, or replacement.

- f. **Subsequent Capital Improvements.** Notwithstanding the foregoing, Lessee shall, at Lessee's sole cost and expense, be responsible for all Structural Maintenance and Capital Repairs to Subsequent Capital Improvements constructed by Lessee at the Premises. For the avoidance of doubt, the Structural Maintenance and Capital Repair Fund shall not be used for purposes of making Structural Maintenance and Capital Repairs to any Subsequent Capital Improvements, unless agreed to by Lessor in writing.

5.3. Bidding & Contract Requirements.

- a. **Competitive Bidding.** To the extent required by applicable law, some (or all) of the improvements, contracts for repairs, capital improvements/replacements, goods and/or services with respect to the Premises for which Lessee will or may undertake as described in this Agreement shall be designed and contracted for in accordance with the requirements set forth in N.C.G.S. §143-129 or any other applicable statutory requirements governing purchase and/or construction projects that involve the use of public funds.
- b. **Assignment of Warranties.** Lessee shall ensure that all construction contracts, including any capital projects Lessee oversees (including the Initial Capital Improvements and Subsequent Capital Improvements) and all subcontracts for the supply of equipment or systems shall provide for the assignment of all warranties to Lessor and give Lessor the independent right to enforce the same as an express third-party beneficiary thereunder, and permit Lessor to use any plans and specifications pursuant to any such contracts. Lessee covenants and agrees that without the prior written consent of Lessor, which consent shall not be unreasonably withheld, conditioned or delayed, it will not (i) voluntarily, involuntarily, by operation of law or otherwise, sell, assign or transfer any of the maintenance and warranty contracts to any other person or entity; (ii) terminate any of the maintenance and warranty contracts; (iii) waive or release any of the respective obligations of any person under any of the maintenance and warranty contracts; or (iv) in any way voluntarily modify or amend any of the maintenance and warranty contracts. Further, Lessee agrees that Lessor is a third-party beneficiary of the warranty contracts and hereby conveys, transfers and assigns to Lessor the nonexclusive right to enforce any and all of the respective obligations of any person under the maintenance and warranty contracts, including, but not limited to, any and all representations and warranties thereunder. Lessor and Lessee shall cooperate with each other regarding the enforcement of any and all warranty and similar claims under any and all contracts or other agreements with third parties for the design, construction, supply, alteration, improvement, or maintenance projects affiliated with the Premises.
- c. **Performance and Payment Bonds.** Lessor hereby informs Lessee that Lessee must comply with the payment and performance bond requirements set forth in North Carolina General Statute § 44A-25 et seq. prior to Lessee commencing any

construction project on the Premises estimated to cost greater than \$300,000.

- d. **Change Orders.** No changes in plans or specifications shall be made to any Initial Capital Improvements and/or Subsequent Capital Improvements unless agreed to in a written change order (“Project Change Order”) by the Parties. Lessor shall consider, in good faith, any requests or suggestions made by Lessee with respect to any Project Change Order. Unless otherwise agreed with respect to any specific Project Change Order, the Party submitting the proposed Project Change Order shall be responsible for all costs relating to the preparation of such Project Change Order.

ARTICLE VI

ADDITIONAL OBLIGATIONS & COVENANTS

6.1 Lessee’s Obligations. Subject to Lessor’s rights to host Lessor Events as defined in Section 3.2, Lessee shall be the exclusive manager and operator of the Premises and shall have the right to contract for its license or use during the Term. Without limiting the generality of the foregoing, Lessee is authorized to and shall:

- a. charge and collect all operating revenue, concession revenue, and seat and suite use charges for the Stadium and Premises and, in connection therewith, use all commercially reasonable efforts to obtain all fees, rents and other amounts due from licensees, concessionaires and other users of the Stadium and Premises;
- b. commence, defend and settle in good faith such legal actions and proceedings concerning the operation of the Stadium (except for Lessor Events);
- c. employ, pay and supervise all personnel that Lessee determines to be necessary for the operation of the Premises (such personnel, during the course of such employment, shall be employees and/or contracted personnel of Lessee and shall not be employees of Lessor);
- d. maintain the Premises subject to the terms of this Agreement, and operate in compliance with all laws and regulations;
- e. from and after the Commencement Date, arrange for and provide all utility and other services for the Premises and pay or cause to be paid when due all charges for water, sewer, gas, light, heat, telephone, wireless internet, electricity, garbage collection and disposal, Lessee-installed security services, and other utilities and services required for operations;
- f. maintain or cause to be maintained all necessary licenses, permits and authorizations for the operation of the Premises;
- g. manage and oversee all operations of the concession stands, the sale of food and beverages (both alcoholic and non-alcoholic) including coordinating food trucks;
- h. manage and oversee all operations of the merchandise stands;
- i. delay, reschedule and/or cancel any events (excluding Lessor Events) due to

inclement weather or safety concerns;

- j. furnish to Lessor a statement on or before the 30th day of the first month following the end of each calendar year during the Term showing the following for the year to date:
 - (i) a current user summary and detailed use activity report for any users of the Premises;
 - (ii) expenses and receipts for all Lessee expenses for Lessor Events;
 - (iii) all expenditures by Lessee with respect to Lessee's Maintenance obligations;
 - (iv) a detailed accounting of official attendance numbers associated with Team Events, WTCC events and Third- Party Ticketed Events; and
 - (v) such other related information as Lessor may reasonably request; it being understood, however, that Lessee shall not be required to generate any special reports pursuant to this clause.
- k. Lessee shall keep and maintain the following records and documents and, upon request of inspection by Lessor or termination of this Agreement, Lessee shall, within a commercially reasonable timeframe and pursuant to its Record Retention Schedule, provide Town with a complete and accurate copy of such books and active records for access and use by Lessor:
 - (i) executed use agreements for any events, or other use or license agreements relating to the Premises, original insurance certificates, and related correspondence, all of which may be maintained by Lessee in electronic form;
 - (ii) maintenance and repair files;
 - (iii) operation files, including HVAC, concessions, and equipment maintenance schedules, warranties, and operation manuals;
 - (iv) service contracts, including cleaning, landscaping, trash removal, etc.;
 - (v) permits and licenses;
 - (vi) copies of insurance policies or certificates; and
 - (vii) such other books, records and documents as Lessor may reasonably require Lessee to maintain.
- l. provide adequate supervision and security and shall strictly enforce all rules, regulations, and safety procedures that are required by law or regulation for the safe and orderly use of the Premises. At all times the Premises are occupied for a Primary Use, Secondary Use, Additional Subtenants and/or Third-Party Ticketed Events, the Premises shall be under the control, supervision and security of Lessee;
- m. control the issuance of and issue all credentials for events at the Stadium; and
- n. employ commercially reasonable methods to protect Lessor's assets from theft, gross negligence or fraudulent activity on the part of Lessee's employees or other agents. Uninsured losses arising from theft, gross negligence or fraud of Lessee, its employees or agents are to be borne by Lessee and not as an operating expense of the Premises.

6.2 Lessor's Tickets to Events. Lessee agrees that Lessor shall be provided, at no cost to Lessor, with the use of (i) one suite for up to ten (10) Team Games (five (5) total Team Games for the Town and five (5) total Team Games for the County); and (ii) up to thirty (30) tickets per Team Game each calendar

year (fifteen (15) tickets to the Town and fifteen (15) tickets to the County) (the “Allocated Tickets”). In an effort to prevent empty Stadium seats, two (2) days prior to a Team Game, Town and County shall email Lessee the list of the Allocated Tickets not used; those unclaimed Allocated Tickets will immediately revert back to Lessee for sale to the public. If there is a pattern of non-use of 20% or more of the Allocated tickets, Lessee and Lessor agree to reduce the number of Allocated Tickets allotted per Team Game. Such reduced allotment will be agreed to in writing by the Parties. Within thirty (30) days of receiving the Master Schedule, both the County and the Town shall each select up to five (5) Team Games, of which it wishes to have a suite reserved and Lessee shall ensure that a suite is available for the selected Team Games. For clarity, should there be a conflict, County will have first priority in requested suite dates, (priority based on ownership percentage). Suite access passes and all of the Allocated Tickets shall be provided to the County and Town prior to the commencement of the Team’s applicable season.

6.3 Taxes and Other Charges. Lessee shall pay prior to delinquency, in addition to the payment of Rent, each and every lawful cost, expense and obligation of every kind and nature, by reason of Lessee’s interest in the Premises or any portion thereof or by reason of or in any manner connected with or arising out of Lessee’s possession, operation, maintenance, alteration, repair, rebuilding, use or occupancy of the Premises, or any part thereof. Lessee shall pay and discharge, prior to the delinquency thereof, all lawful assessments, sales taxes, business and occupation taxes, occupation license taxes, water charges, sewage disposal charges, or other utility charges imposed on the Premises and Lessee’s use and occupancy of the Premises. Lessee also shall pay or cause to be paid all lawful charges for gas, water, sewer, electricity, light, heat, power, telephone, and other utilities and services used, rendered or supplied to, upon or in connection with the Premises.

6.4. Liens and Encumbrances. Lessee covenants and agrees that, except for this Agreement, it will not create or suffer to be created by, through or under Lessee any lien, encumbrance or charge upon the Premises. Lessee shall satisfy or cause to be discharged, or will make adequate provision to satisfy and discharge, within thirty (30) days after the same occurs, all such claims and demands for labor, materials, supplies or other items which, if not satisfied, might by law become a lien upon the Premises or any part thereof. If any such lien is filed or asserted against Lessee or the Premises by reason of work, labor, services or materials supplied or claimed to have been supplied on or to Lessee or the Premises at the request or with the permission of Lessee or of anyone claiming under it, Lessee shall, within thirty (30) days after it receives notice of the filing thereof or the assertion thereof against the Premises, cause the same to be discharged of record, or effectively prevent the enforcement or foreclosure thereof, by contest, payment, deposit, bond, order of court or otherwise.

6.5 Use for Disaster Recovery Efforts and Disaster Preparedness. If Lessor or the surrounding area is threatened by a hurricane or some other emergency situation, Lessee shall comply with all lawful orders of Lessor under any emergency declaration or plan. In the event of a declared federal, state, or local emergency as allowed by law or in the event of an actual or imminently threatened event of Force Majeure or similar emergency situation (a “Declared Emergency”), Lessor shall have the right to use the Stadium as a staging area for disaster preparations, response or other related uses purposes.

6.6. Security and Traffic Control. Subject to Lessee’s payment of the Town’s customary charges for similar activities, the Town will provide traffic control and security as is reasonably necessary outside of the Premises to direct traffic to and from events at the Premises at a level of service comparable to that provided to other venues within Town. The Parties shall cooperate in good faith to develop a traffic control management plan to facilitate the ingress and egress of traffic to and from events at the Premises; provided, however, that the Parties are under no obligation under the preceding clause to incur any costs in excess of costs otherwise required by this Agreement.

6.7. Notification of Certain Events. Lessee shall promptly notify Lessor in writing if Lessee becomes aware of any of the following:

- a. Any breach or alleged breach by Lessee under this Agreement or the occurrence of an Event of Default (as hereinafter defined) specifying the details of such Event of Default and the action that Lessee proposes to take with respect thereto;
- b. Any litigation or written notice from a third-party of potential litigation affecting the Premises, or any litigation or written notice from a third-party of potential litigation affecting Lessee that could reasonably be expected to have a material and adverse effect on Lessee and/or its services or obligations under this Agreement;
- c. Any bankruptcy filings, whether voluntary or involuntary with respect to Lessee or, to the extent of Lessee's actual knowledge (and without any obligation of due inquiry or investigation) any party performing any capital repair, maintenance or improvements;
- d. Any casualty, loss, injury, claim or other event relating to the Premises that might result in a claim against Lessor or under any applicable insurance policies;
- e. Any violation or alleged violation of applicable governmental regulations or insurance requirements; and/or
- f. Any involuntary lien filed against the Premises.

6.8. Obligations of Lessee Unconditional. The obligations of Lessee under this Agreement including, but not limited to, the obligations to pay Rent, to maintain the Premises and to pay the premiums or charges necessary to maintain or cause to be maintained the insurance required herein, and to provide the indemnity required herein shall be absolute and unconditional and shall not be subject to any defense or any right of set-off, counterclaim, abatement or otherwise, except as expressly permitted by this Agreement. Notwithstanding the foregoing, Lessee's obligations shall be subject to abatement during any period in which the Premises are materially unusable due to casualty, condemnation, or exclusive control by Lessor for emergency purposes.

ARTICLE VII **INSURANCE**

7.1. Lessee Insurance Policies. Lessee shall obtain and maintain throughout the Term (i) commercial general liability coverage including bodily injury, personal injury, property damage, and contractual liability in combined single limit of Two Million and 00/100 Dollars (\$2,000,000) per occurrence and Five Million and 00/100 Dollars (\$5,000,000) aggregate; (ii) automobile liability coverage with limits of One Million and 00/100 Dollars (\$1,000,000) combined covering all owned, non-owned, leased and hired vehicles; and (iii) workers compensation coverage (in an amount equal to or in excess of statutory requirements) to protect Lessee's permanent and temporary employees; and (v) all-risk property insurance on all personal property within the Premises that are owned by Lessee on a full replacement cost basis. Lessee will name both the County and the Town as additional insureds on the commercial general liability policies. Insurance coverage required herein shall be placed with carriers licensed to do business in the State of North Carolina, have a rating in the most current edition of A.M Best's Property Casualty Key Rating Guide that is reasonably acceptable to Lessor. Lessee will provide Lessor certificates of all insurance required by this Section 7.1 prior to Lessee (or any of Lessee's agents, contractors, subcontractors, employees, and/or invitees) entering the Premises.

7.2. Lessor's Insurance Policies. Lessor shall acquire property insurance insuring the Stadium and other improvements currently located on the Premises against damage or destruction by fire, flood,

hurricanes, tornados, terrorism or any other casualty under a standard property (“Lessor’s Property Policy”) and general liability policy. Lessor’s Property Policy shall be for one hundred percent (100%) replacement value of the Stadium and any other existing improvements.

7.3 Waiver of Subrogation. Notwithstanding any other provision in this Agreement, neither Party shall be responsible or liable to the other Party for any event, act or omission to the extent covered by insurance required to be obtained and maintained by the other Party with respect to the Premises and its use and occupancy thereof (whether or not such insurance is actually obtained or maintained) or the proceeds of any other insurance obtained and maintained by the other Party with respect to the Premises and its use and occupancy thereof. Each Party shall cause its policy or policies of insurance to contain effective waivers of subrogation for the benefit of the other Party.

ARTICLE VIII INDEMNIFICATION

8.1. Lessee’s Indemnification. Lessee shall, except as otherwise provided in this Section, defend, protect, indemnify and hold Lessor and its officers, directors, employees, and agents harmless from and against any and all liabilities, damages, suits, claims and judgments of any nature (including, without limitation, reasonable attorneys’ fees and expenses), arising from any injury to or death of a person or any damage to property resulting from, (i) the use or occupancy of the Premises by Lessee or Lessee’s contractors, employees, officers, directors and/or agents, (ii) Lessee’s failure to comply with its obligations under this Agreement, or (iii) the negligence and/or willful misconduct of Lessee or Lessee’s contractors, employees, officers, directors and/or agents. Notwithstanding the foregoing, Lessee shall not be liable for any liabilities, damages, suits, claims and/or judgments of any nature (including, without limitation, reasonable attorneys’ fees and expenses) arising from or in connection with (a) any injury to or death of a person or any damage to property resulting from the negligence and/or willful misconduct of Lessor or its employees, officers, directors, contractors, agents or invitees; or (b) Lessor’s violation of any provision of this Agreement.

8.2. Lessor’s Indemnification. To the extent allowed by North Carolina law, and to the extent it does not operate as a waiver of sovereign immunity and is not inconsistent with the County and/or Town’s “Resolution Regarding Limited Waiver of Sovereign Immunity”, Lessor shall, except as otherwise provided in this Section, defend, protect, indemnify and hold Lessee and its officers, directors, employees, and agents harmless from and against any and all liabilities, damages, suits, claims and judgments of any nature (including, without limitation, reasonable attorneys’ fees and expenses), arising from any injury to or death of a person or any damage to property resulting from, (i) the use or occupancy of the Premises by Lessor or Lessor’s contractors, employees, officers, directors and/or agents, (ii) Lessor’s failure to comply with its obligations under this Agreement, or (iii) the negligence and/or willful misconduct of Lessor or Lessor’s contractors, employees, officers, directors and/or agents. Notwithstanding the foregoing, Lessor shall not be liable for any liabilities, damages, suits, claims and/or judgments of any nature (including, without limitation, reasonable attorneys’ fees and expenses) arising from or in connection with (a) any injury to or death of a person or any damage to property resulting from the negligence and/or willful misconduct of Lessee or its employees, officers, directors, contractors, agents or invitees; or (b) Lessee’s violation of any provision of this Agreement. Nothing in this Section is intended to affect or abrogate the defense of sovereign or governmental immunity if otherwise available to Lessor.

8.3. Indemnification Procedures. In case any claim shall be brought or, to the knowledge of any indemnitee, threatened against any indemnitee in respect of which indemnity may be sought, such indemnitee shall promptly notify the other in writing; provided, however, that any failure so to notify shall not relieve the indemnitor of its obligations, as applicable, unless (i) such failure so to notify precludes

investigation and defense of such claims as a matter of law, and (ii) the indemnitor does not otherwise have knowledge, either actual or constructive, of such claim. The indemnitor shall have the right (and obligation, subject to the terms below) to assume the investigation and defense of all claims, including the employment of counsel, reasonably acceptable to the indemnitee, and the payment of all expenses. Each indemnitee shall have the right to employ separate counsel in any such action and participate in the investigation and defense thereof, but the fees and expenses of such counsel shall be paid by such indemnitee unless (i) the employment of such counsel has been specifically authorized by indemnitor, in writing, (ii) indemnitor has failed after receipt of notice of such claim to assume the defense and to employ counsel, or (iii) the named parties to any such action (including any impleaded parties) include both parties, and the indemnitee, after consultation with its counsel, reasonably believes that there may be one or more legal defenses available to it which are different from or additional to those available to the indemnitor (in which case, if such indemnitee notifies the indemnitor in writing that it elects to employ separate counsel at indemnitee's expense, indemnitor shall not have the right to assume the defense of the action on behalf of such indemnitee; provide, however, that indemnitor shall not, in connection with any one action or separate but substantially similar or related actions in the same jurisdiction arising out of the same general allegation or circumstances, be liable for the reasonable fees and expenses of more than one separate firm of attorneys for the indemnitee, which firm shall be designated in writing by the indemnitees). Each indemnitee shall cooperate with the indemnitor in the defense of any action or claim. The indemnitor shall not be liable for any settlement of any action or claim without its consent, but if any such action or claim is settled with the consent of the indemnitor or there be final judgment or agreement for the plaintiff in any such action or with respect to any such claim, the indemnitor shall indemnify and hold harmless the indemnitees from and against any damages by reason of such settlement or judgment.

8.4. Survival Right to Enforce. The provisions of this Article VIII shall survive the termination of this Agreement. In the event of failure by an indemnitor to observe the covenants, conditions and/or agreements contained in this Article VIII, any indemnitee may take any action at law or in equity to collect amounts then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of the indemnitor. Except as otherwise provided herein, the obligations of the Parties under this Article VIII shall not be affected by any assignment or other transfer of its rights, titles or interests under this Agreement and will continue to inure to the benefit of the indemnitees after any such transfer.

ARTICLE IX

LICENSES, SUBLEASES & ASSIGNMENTS

9.1. Assignment. Except as provided below, Lessee shall not assign its interest in this Agreement or any of its rights or obligations hereunder without the prior written consent of Lessor, which consent may be withheld if in Lessor's sole judgment, but not to be unreasonably withheld, such assignment might materially and adversely affect the financial condition or operations of the Premises. If Lessee shall, at any time during the Term, desire to assign this Agreement or all or part of its interests under this Agreement to a third-party, Lessee shall give notice thereof to Lessor, which notice shall be accompanied by: (a) a copy of the proposed assignment; (b) a statement setting forth, in reasonable detail, the identity of the proposed assignee and the nature of its business; (c) current financial information with respect to the proposed assignee, including its most recent financial statement (which may take into account the effects of the transfer); and (d) banking and business references of the proposed assignee.

9.2. Permitted Assignment. Notwithstanding Section 9.1, Lessee may, without the consent of Lessor, assign this Agreement once during the Term to an entity which shall be under the Control of Lessee; provided, Lessee provide fifteen (15) days advance written notice to Lessor of such assignment. The notice shall contain the proposed assignment documentation, which documentation shall expressly provide that Lessee and assignee are jointly and severally liable for the payment of all sums due under this Agreement and the performance and observance of all the agreements, covenants, conditions and provisions to be

performed and observed by Lessee under this Agreement as and when performance and observance are due and that Lessor shall have the right to enforce such agreements, covenants, conditions and provisions directly against Lessee and the proposed assignee, and each of them. Promptly following execution of the assignment documentation, Lessee shall deliver to Lessor, an original executed copy of such documentation. Lessee shall have the duty and responsibility to take such actions to ensure that such proposed assignee fully complies with all of the terms and provisions of this Agreement. As used herein, "Control" means ownership of more than fifty percent (50%) of the outstanding voting stock of a corporation or other majority equity and control interest if not a corporation and the possession of power to direct or cause the direction of the management and policy of such corporation or other entity, whether through the ownership of voting securities, by statute or according to the provisions of a contract.

9.3. Assignments and Concession Arrangements. Notwithstanding the foregoing, this Article shall not limit or otherwise restrict Lessee's exercise of its rights or performance of its obligations hereunder, including, without limitation, Lessee's right to enter into or grant certain contractual rights, subcontracts, sublicenses, and other arrangements for concessions, retail, security, services and other providers as Lessee may desire, all without consent from Lessor, to the extent such contracts, subcontracts, sublicenses and other arrangements do not circumvent any prohibition or restriction on the assignment of Lessee's rights or obligations hereunder as a whole.

9.4. Liens and Mortgages. Lessee shall have no right to encumber by mortgage, deed of trust, security agreement or other instrument in the nature thereof (collectively, a "Mortgage") or otherwise to encumber or affect in any way the title, interest, or estate of Lessor in or to the Land or the Premises, but Lessee may encumber Lessee's right to use and occupy the Premises or Lessee's receivables, accounts, or revenue streams from the Premises, and Removables, all without the need for obtaining Lessor's consent.

ARTICLE X

NAMING RIGHTS AND ADVERTISING

10.1. Stadium Naming and Other Rights. Lessee and Lessor shall work together to rename the Stadium (such name to be mutually agreed to by the Parties) prior to the sale of any existing corporate naming rights and such renaming may be temporary in nature. The Party proposing the new name shall verify that it is appropriate for a government-owned facility and such other Party shall have thirty (30) days to disapprove or approve. Lessor may reject a proposed name if Lessor deems such name to be in bad taste, offensive to their image, a potential source of embarrassment to the County or Town, in conflict with community standards, or if such name (i) includes racial epithets, barbarisms, obscenities, names relating to any vaping, tobacco and alcohol products, firearms, overt political reference, or sexually-oriented businesses or enterprises; (ii) otherwise causes embarrassment or disparagement to the County or Town (to be determined by the County and/or Town in either's reasonable discretion); or (iii) includes the name of another political subdivision or governmental authority (the "Naming Right Restrictions"). Except as set forth herein with respect to Lessor Events, Lessee also retains exclusive rights of control over, and the right to grant to others, the rights to broadcasts to and from the Premises, regardless of the medium used (e.g., television, radio, internet, satellite) and all revenues therefrom. Lessor retains exclusive rights of control over, and the right to grant to others, the rights to broadcasts to and from the Premises with respect to Lessor Events, regardless of the medium used (e.g., television, radio, internet, satellite) and all revenues therefrom. Lessee shall make commercially reasonable efforts to secure a written agreement, subject to Lessor's approval, that sells the right to name the Stadium (the "Stadium Naming Rights") by January 1, 2027. Lessee shall obtain Lessor's consent and authorization before marketing or selling any Stadium Naming Rights and the proposed terms of any agreement shall be set forth in writing and mutually agreed upon by Lessee. Any agreement executed by Lessee that sells the right to name the Stadium (the "Naming Rights Agreement") shall include as a material term Lessor's right to receive 25% of all "Net Naming Rights Revenue" (as hereinafter defined)

during the first three (3) years of this Agreement and 50% of all Net Naming Rights Revenue received in all subsequent years of the Lease Term. Net Naming Rights Revenue shall be defined as the total naming rights revenue less all direct costs to Lessee set forth in the Naming Rights Agreement including but not limited to processing fees, taxes, promotional advertising, signage, ticket and hospitality costs. The Stadium Naming Rights Agreement shall also be subject to the Naming Right Restrictions and provide that should the party to whom said right has been sold perform or be the subject of any act of bankruptcy, Lessee shall have the right to immediately terminate such agreement and have the right to seek a new agreement with respect to the naming rights for the Stadium. Each party shall bear their own expenses in marketing the naming rights for the Stadium. Notwithstanding anything herein to the contrary, the naming rights shall be subject to and subordinate to this Agreement and will terminate with this Agreement.

10.2. Team Name. Lessee, in its sole discretion, will determine the Team Name (defined below), secure the trademark for the Team Name and will have sole ownership of all intellectual property rights to the Team Name. The Team shall include “Zebulon” as part of the Team’s name (the “Team Name”). By way of example only, the Team may be named the “Zebulon Cleancats”. The Team Name shall be subject to the Naming Right Restrictions. Lessee grants Lessor rights to use the Team Name and/or Stadium Name in publicizing and marketing the Stadium and in promoting, marketing and selling goods and services that include the name of the Team and/or Stadium without the payment of any licensing fees or other compensation to Lessee.

10.3. Prohibition on Certain Advertising. Lessee shall have the exclusive right to market, sell, and retain all advertising revenue within the Stadium, including the exterior of the Stadium; provided that no such advertisements shall include, involve or reference any: racial epithets, barbarisms, obscenities, political candidates or matters, vaping, cigarette or tobacco products, firearms, contraceptives, adult entertainment,, any illegal activities of any kind or nature, or any content that would otherwise cause embarrassment or disparagement to the County or Town (to be determined by the County and/or Town in either’s reasonable discretion) (the “Advertising Restrictions”); and provided further, that Lessor shall have the right to retain all advertising revenue derived from Lessor Events.

ARTICLE XI DEFAULT

11.1. Lessor Default. The occurrence of any of the following shall be an “Event of Default” by Lessor or a “Lessor Default”: a) the failure of Lessor to pay any of its monetary obligations under this Agreement when due and payable if such failure continues for thirty (30) days after Lessee gives written notice to Lessor that such amount was not paid when due; (b) the failure of Lessor to substantially perform or substantially observe any of the obligations, covenants or agreements to be performed or observed by Lessor under this Agreement if such failure continues for thirty (30) days after Lessee gives written notice to Lessor of such failure; provided, however, that if such performance or observance cannot reasonably be accomplished within such thirty (30) day period, then no Event of Default shall occur unless Lessor fails to commence such performance or observance (curative efforts) within such thirty (30) day period and fails to diligently prosecute such performance or observance to conclusion thereafter. If a Lessor Default shall have occurred and be continuing, Lessee may, at its sole discretion, pursue any one or more of the following remedies without any notice or demand whatsoever, other than any notice expressly provided in this Agreement: (a) Lessee may terminate this Agreement, as provided in this Section; (b) enforce the performance of this Agreement by seeking specific performance or injunctive relief or by any other means; and (c) Lessee may exercise any and all other remedies available to Lessee at law or in equity, but subject to any limitations thereon set forth in this Agreement.

11.2. Lessee Default. The occurrence of the following shall be an “Event of Default” by Lessee or a “Lessee Default”: (a) the failure of Lessee to pay any of its monetary obligations to Lessor under this

Agreement when due and payable if such failure continues for thirty (30) days after Lessor gives written notice to Lessee that such amount was not paid when due; (b) the failure of Lessee to substantially perform or substantially observe any of the obligations, covenants or agreements to be performed or observed by Lessee under this Agreement or within thirty (30) days after written notice from Lessor of such failure; provided, however, that if such performance or observance cannot reasonably be accomplished within such thirty (30) day period, then no Event of Default by Lessee shall occur unless Lessee fails to commence such performance or observance within such thirty (30) day period and fails to diligently prosecute such performance or observance to conclusion thereafter; (c) Lessee's filing of a voluntary petition in bankruptcy or adjudication as bankrupt or insolvent, or the filing of any petition or answer seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under the present or any future federal bankruptcy act or any other present or future applicable federal, state or other statute or law, or shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of a substantial part of its properties or of any interest of Lessee in the Premises; (d) abandonment of Premises by Lessee; (e) failure to maintain location of the Team in the Town; (f) failure to maintain approval by a sanctioning association of the Team as required in herein; or (g) failure to maintain the Premises reasonably commensurate with the Maintenance Standard within thirty (30) days after written notice from Lessor of such failure. If any Lessee Default shall have occurred and be continuing, Lessor may, at its sole discretion, pursue any one or more of the following remedies without any notice or demand whatsoever, other than any notice expressly provided in this Agreement: (a) terminate this Agreement or Lessee's right of possession of the Premises as provided herein; (b) seek another professional or amateur (including, collegiate) team to conduct its regularly scheduled home games at the Stadium; (c) in its own name and for its own account, without impairing the ability of Lessor to pursue any other remedy provided for in this Agreement or now or hereafter existing at law or in equity or by statute, institute such action against Lessee as may appear necessary or desirable to collect such fees and any other amounts then due under this Agreement, or to enforce performance and observance of such covenant, condition or obligation of Lessee hereunder, or to recover damages for Lessee's non-payment, non-performance or non-observance of the same; (d) exclude Lessee from possession of the Premises and reenter the same and take whatever action at law or in equity as may appear necessary or desirable to collect the Rent and any other amounts then due, to enforce performance and observance of any covenant, condition or obligation of Lessee hereunder, or to recover damages for Lessee's non-payment, nonperformance or non-observance of the same; provided that Lessor shall take reasonable efforts mitigate its damages to the extent required by law; (e) enforce the performance of this Agreement by seeking specific performance or injunctive relief or by any other means; (f) recover all Rent and other charges due (pro-rated) and unpaid at the time of termination, together with interest thereon accrued from the date that each sum becomes due at the lesser rate of eight percent (8%) or the maximum allowed by law per annum; and (f) exercise any and all other remedies available to Lessor at law or in equity, but subject to any limitations thereon set forth in this Agreement.

11.3. Termination Upon Default Upon the occurrence of an Event of Default, in addition to its other remedies at law or in equity or otherwise set forth in this Agreement, the non-defaulting Party shall have the right (but not the obligation) to give to the defaulting Party notice (a "Final Notice") of the non-defaulting Party's intention to terminate this Agreement or, in the event of a Lessee Default, Lessee's right of possession of the Premises, after the expiration of a period of ninety (90) days from the date such Final Notice is delivered unless the Event of Default is cured, and upon expiration of such ninety (90) day period, if the Event of Default is not cured, this Agreement shall terminate and/or Lessee's possessory interest shall terminate, as applicable, without liability to the non-defaulting Party. If, however, within such ninety (90) day period the defaulting Party cures such Event of Default, then this Agreement shall not terminate by reason of such Final Notice.

11.4. Lessee to Remain Liable for Payments; Replacement of Lessee. Notwithstanding the exercise by Lessor of its remedies pursuant to this Section (other than termination), Lessee shall continue to be liable for the payment of all Rent payable under this Agreement and other amounts, if any, payable under this Agreement and Lessee shall make such payments at the same times and in the same manner as provided in this Agreement. No receipt of Rent or payment from Lessee after termination of this Agreement, or after the giving of any notice of termination of this Agreement (unless such receipt is before the

termination date set forth in the notice and cures the Event of Default which was the basis for the notice), shall reinstate, continue or extend the Term or affect any notice previously given to Lessee or operate as a waiver of the right of the Lessor to recover possession of the Premises. In the event Lessor elects to exclude Lessee from possession of the Premises and re-enter same, then Lessor shall use commercially reasonable efforts to find a new Lessee for the Premises pursuant to terms and conditions acceptable to Lessor in Lessor's sole discretion. Any such Rent received prior to the stated termination date of this Agreement shall be applied first to the payment of reasonable expenses incurred by Lessor in connection with finding and engaging a new Lessee (including, but not limited to, all brokers' fees, advertising costs and/or upfit costs, all expenses in retaking possession of the Premises, and reasonable attorneys' fees and court costs), and second, to reimburse Lessor for Rent due hereunder. Lessee shall be liable for the entire balance of the aforementioned costs not covered by the received Rent.

11.5. No Remedy Exclusive. No remedy herein conferred upon either Party is intended to be exclusive of any other available remedy or remedies, and each such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default granted under this Agreement shall impair any right or power or shall be construed to be a waiver thereof, and any such right or power may be exercised from time to time and as often as may be deemed expedient, and the exercise of any one right or remedy shall not impair the right to any or all other remedies under this Agreement. **EXCEPT AS OTHERWISE SPECIFICALLY SET FORTH IN THIS AGREEMENT, IN NO EVENT SHALL LESSOR OR LESSEE BE LIABLE UNDER ANY PROVISION OF THIS AGREEMENT FOR LOST PROFITS, INCLUDING LOST OR PROSPECTIVE PROFITS, OR FOR ANY OTHER SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL, EXEMPLARY OR PUNITIVE DAMAGES, IN CONTRACT, TORT OR OTHERWISE, WHETHER OR NOT CAUSED BY OR RESULTING FROM THE SOLE OR CONCURRENT NEGLIGENCE OF LESSOR OR LESSEE OR ANY OF THEIR AFFILIATES OR RELATED PARTIES; PROVIDED THE FOREGOING SHALL NOT APPLY TO THE INDEMNIFICATION OBLIGATIONS SET FORTH IN ARTICLE VIII .**

11.6. No Additional Waiver Implied. The waiver of either Party of any breach by the other Party of any covenant, condition or obligation under this Agreement shall not operate as a waiver of any subsequent breach of the same or a waiver of any breach of any other covenant, condition or obligation under this Agreement, nor shall any forbearance by the non-defaulting Party to seek a remedy for any breach by the other Party be a waiver by such non-defaulting Party of its rights and remedies with respect to such breach or any subsequent breach of the same or with respect to any other breach.

11.7. Delay not a Waiver. No delay or omission in the exercise of any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or any acquiescence therein, and every power or remedy given by this Agreement may be exercised from time to time and as often as may be deemed expedient. Either Party may waive (via written instrument) any default which in its opinion has been remedied before the entry of final judgment or decree in any suit, action or proceeding instituted by it under the provisions of this Agreement or before the completion of the enforcement of any other remedies under this Agreement. No such waiver shall extend to or affect any other existing or subsequent default or impair any rights or remedies consequent thereon.

11.8. Declaratory or Injunctive Relief. Each Party acknowledges and agrees that (a) a breach or threatened breach by such Party of any of its obligations under this Agreement would give rise to irreparable harm to the other Party for which monetary damages would not be an adequate remedy and (b) if a breach or a threatened breach by such Party of any such obligations occurs, then, in addition to the remedies set forth in this Article XI, the Parties shall be entitled to seek equitable relief, including a temporary restraining order, an injunction, specific performance and any other relief that may be available from a court of competent jurisdiction, and declaratory relief with respect to any matter under this Agreement.

ARTICLE XII
CASUALTY, DAMAGE AND CONDEMNATION

12.1. Damage and Destruction. If the Premises are destroyed (in whole or in part) or are damaged by fire or other casualty, Lessee shall promptly give written notice thereof to Lessor. Except as hereinafter provided, Lessor shall repair, rebuild, and/or restore the portion of the Premises damaged but only to the extent covered by Lessor's insurance proceeds. If Lessor determines that it is impracticable to repair or rebuild the Premises in consultation with Lessee, Lessor may terminate this Agreement by serving upon Lessee written notice setting forth Lessor's decision to terminate this Agreement as a result of such damage or destruction as of the end of the calendar month in which such notice is delivered to Lessee. Upon the service of such notice, this Agreement shall cease and terminate on the date specified in such notice (provided Lessee has paid all Rent owed through the date of such termination) with the same force and effect as if such date were the date originally fixed as the expiration date of this Agreement and neither Party shall have no further obligations hereunder, except for any obligations which, by their terms, are intended to survive termination of the Agreement. Lessor will proceed promptly to repair, rebuild and/or restore the portion of the Premises damaged or destroyed to substantially the same condition as it existed prior to the event causing such damage or destruction (excluding the Removables and any other personal property of Lessee), with such changes, alterations and modifications (including the substitution and addition of other property) as may be desired by Lessor after consultation with Lessee. Lessor shall consider, in good faith, any requests or suggestions made by Lessee with respect to any such changes, alterations and modifications. If such damage renders the Premises unfit or unusable for Team Games, Rent payable under this Agreement shall temporarily abate during the period the Premises are unusable, and during repair and restoration.

12.2. Condemnation. In the event that all or any material portion of the Premises or the interest of Lessee created by this Agreement or any part of either thereof shall be taken under the exercise of the power of eminent domain by any governmental body (other than the County or Town) or by any person, firm or corporation acting under governmental authority which renders the Stadium unfit or unusable for Team Games, or the Premises are conveyed in lieu thereof, this Agreement shall terminate. In such event, Lessee shall pay Rent for the period of time up to the date of taking. Lessee shall have no right or claim to any portion of an award granted to Lessor, except that the Lessee shall maintain an independent right to make a claim, to the extent allowed by law, against the condemnor for any award based on the value of improvements funded by Lessee without contribution or reimbursement from Lessors.

ARTICLE XIII
REPRESENTATIONS AND WARRANTIES

13.1. Representations and Warranties by Lessor. The County and Town make the following representations and warranties as the basis for the undertakings on its part herein contained:

- (a) The Town is a municipal corporation, incorporated under the laws of the State of North Carolina, existing and in good standing under the laws of the State of North Carolina, and has the power to enter into the transactions contemplated by this Agreement and to carry out its obligations hereunder, subject to approval by its governing board, the Town of Zebulon Board of Commissioners. The execution, delivery and performance by Town of this Agreement and the consummation of the transactions contemplated hereby have been duly and validly authorized by all necessary action on the part of Town.
- (b) The County is a body politic and corporate, incorporated under the laws of the State of North Carolina, existing and in good standing under the laws of the State of North Carolina, and has the power to enter into the transactions contemplated

by this Agreement and to carry out its obligations hereunder, subject to approval by its governing board, the Wake County Board of Commissioners. The execution, delivery and performance by County of this Agreement and the consummation of the transactions contemplated hereby have been duly and validly authorized by all necessary action on the part of County.

- (c) There is no litigation now pending or, to Lessor's knowledge, threatened challenging the powers of Lessor with respect to this Agreement or that is expected to have a material adverse effect on the ability of the Lessor to perform its obligations under this Agreement.

No consent, approval, authorization or order of any governmental authority or other regulatory authority, agency, commission or board of arbitration was or will be required in connection with the execution, delivery and performance of this Agreement or the transactions or documents contemplated hereby or thereby, or compliance with the terms and provisions hereof or thereof, except (i) such as have been obtained and are in full force and effect, and (ii) any future permits required to be obtained with respect to the construction of capital improvements.

13.2. Representations and Warranties by Lessee. Lessee makes the following representations and warranties as the basis for the undertakings on its part herein contained:

- (a) Lessee is a corporation duly organized under the laws of the State of North Carolina and duly qualified to do business in the State of North Carolina, is in good standing in the State of North Carolina and has power to enter into the transactions contemplated by this Agreement and to carry out its obligations hereunder. The execution, delivery and performance by Lessee of this Agreement and the consummation of the transactions contemplated hereby have been duly and validly authorized by all necessary action on the part of Lessee.
- (b) Each of the agreements to which it is a party related to the subject matter of this Agreement, including this Agreement, have been duly executed and delivered by duly authorized officers of Lessee, and constitute valid and binding obligations of Lessee, enforceable against Lessee in accordance with their respective terms.
- (c) There is no litigation now pending or, to Lessee's knowledge, threatened, challenging the corporate existence of Lessee and there is no pending, or to Lessee's knowledge, threatened action or proceeding before any court or administrative agency that individually (or in the aggregate in the case of any group of related lawsuits) is expected to have a material adverse effect on the financial condition of Lessee or the ability of Lessee to perform its obligations under this Agreement.
- (d) The execution, delivery and performance of this Agreement and any of the transactions or documents contemplated hereby or thereby or compliance with the terms and provisions hereof or thereof do not and will not (i) violate any governmental regulations applicable to Lessee, which violation would materially and adversely affect the ability of Lessee to perform its obligations under this Agreement or the transactions or documents contemplated hereby or thereby; (ii) conflict with or would result in the breach of, or constitute a default under, this Agreement, or any other contract, lease, indenture, loan agreement, mortgage, deed

of trust or other agreement or instrument to which Lessee is a party or by which Lessee or its property may be bound, or result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of Lessee under the term of any instrument or agreement, which conflict, breach, default or encumbrance would materially and adversely affect the ability of Lessee to perform its obligations under this Agreement or the transactions or documents contemplated hereby or thereby; or (iii) violate the charter, articles of incorporation or bylaws of Lessee.

- (e) Lessee has duly and validly obtained all material certificates, licenses and permits from all public authorities, both federal and state, required as of the Effective Date to enable Lessee to carry on its business as it is now conducted and to enter into this Agreement, with the exception of food and beverage permits that must be acquired prior to opening the Premises for events to the public.
- (f) To the best of Lessee's knowledge, no event has occurred and no condition currently exists, which constitutes or may, with the passage of time or the giving of notice, or both, constitute an Event of Default with respect to or on the part of Lessee under this Agreement or that could materially adversely affect the ability of Lessee to perform its obligations hereunder.
- (g) Lessee will secure the right to locate and operate a Team in the Town of Zebulon to play, at the Stadium, its regular season home games, postseason home games in which Team is eligible to participate and any post-season games awarded to Lessee, and during the Term, the Team shall not be relocated.

ARTICLE XIV **MISCELLANEOUS**

14.1. Amendments, Changes and Modification. No amendment, change, addition to or waiver of any of the provisions of this Agreement shall be binding upon the Parties hereto unless in writing signed by an authorized representative of Lessee and the authorized representatives of Lessor.

14.2. Applicable Law Venue. The Agreement shall be governed exclusively by the provisions hereof and by the laws of the State of North Carolina. Venue for any proceeding to enforce this Agreement shall be in Wake County, North Carolina.

14.3 Force Majeure. Neither Party will be liable for any failure or delay in performance under this Agreement, or be considered in default, due to circumstances beyond its reasonable control, including but not limited to acts of God, natural disasters, war, terrorism, government actions, or significant interruptions in transportation or utilities ("Force Majeure"), and the period for performance shall be extended as necessary to complete performance after the delay period. However, the provisions of this Section shall in no way be applicable to Lessee's obligations to pay Base Rent or any other sums, monies, costs, charges or expenses required by this Agreement.

14.4. Severability. If any provision of this Agreement is held by a court of competent jurisdiction to be illegal, invalid, or unenforceable under present or future laws effective during the Term such provision shall be fully severable and this Agreement shall be construed and enforced as if such illegal, invalid, or unenforceable provision had never comprised a part hereof, and the remaining provisions hereof shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance from this Agreement. Furthermore, in lieu of such illegal, invalid or unenforceable provision, there shall be added automatically as a part of this Agreement a provision as similar in terms to

such illegal, invalid, or unenforceable provision as may be possible and still be legal, valid, or enforceable.

14.5. Notices and Demands. Any notices or other communications required or desired to be given to the other party hereto shall be given in writing and delivered by courier, overnight delivery service, facsimile transaction or through the U.S. postal service, postage prepaid and by certified mail, return receipt requested, at the following addresses:

COUNTY:

Wake County
P.O. Box 550
Raleigh, NC 27602
Attention: Director, General Services Administration

Wake County
P.O. Box 550
Raleigh, NC 27602
Attention: County Manager

with a copy to:

County Attorney
P.O. Box 550
Raleigh, N.C. 27602

TOWN:

Town of Zebulon
1003 N Arendell Ave
Zebulon, NC 27597
Attn: Town Manager

With a copy to:

Wyrick Robbins Yates & Ponton LLP
4101 Lake Boone Trail, Suite 300
Raleigh, NC 27607
Attn: Taylor A. Emory

CBC:

Capitol Broadcasting Company, Inc.
2619 Western Blvd.
Raleigh, NC 27606
Attn: Mike Birling

With a copy to:

Capitol Broadcasting Company, Inc.
2619 Western Blvd.
Raleigh, NC 27606
Attn: General Counsel

14.6. References. Headings of paragraphs are for convenience only and shall not be considered in construing the meanings of the contents of such paragraph. The Lease supersedes and cancels all prior negotiations and prior written agreements between the parties with respect to the lease of the Premises. All references in this Agreement to particular Articles or sections are references to Articles or sections of this Agreement, unless otherwise indicated. Article and section headings are furnished for convenience only and do not constitute a part of this Agreement. References in the singular number in this Agreement shall be considered to include the plural, if and when appropriate, and vice versa.

14.7. Successors and Assigns. The terms and provisions of this Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and permitted assigns.

14.8. Multiple Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be an original but all of which together shall constitute but one and the same instrument.

14.9. Recordation. The Parties shall not record this Agreement, but the Parties agree, on request of the other, to execute a memorandum of this Agreement in recordable form, which memorandum may be recorded by the requesting Party. In the event of a discrepancy between the provisions of this Agreement and such short form memorandum thereof, the provisions of this Agreement shall prevail. Notwithstanding the above, the Parties acknowledge that this Agreement is subject to disclosure under the North Carolina Public Record Act.

14.10. Not for Benefit of Third Parties. This Agreement is only for the benefit of Lessor and Lessee, and no third party has any rights or claims under this Agreement. No provision of this Agreement creates a third-party claim against Lessor or Lessee beyond that which may legally exist in the absence of any provision of this Agreement.

14.11. Time is of the Essence. Time is expressly declared to be of the essence with respect to this Agreement.

14.12. Parties' Relationship. The relationship between Lessor and Lessee is that of landlord and tenant and nothing herein shall be construed to give rise to any other relationship including, without limitation, a creditor and debtor relationship, partnership, joint venture or principal/agent.

14.13. Settlement By Mutual Agreement. In the event any dispute, controversy or claim between or among the Parties arises under this Agreement or is connected with or related in any way to this Agreement or any right, duty or obligation arising therefrom or the relationship of the Parties hereunder, the Parties shall first attempt in good faith to settle and resolve such dispute or controversy by mutual agreement in accordance with the terms of this Section. In the event a dispute or controversy arises, either Party shall have the right to notify the other that it has elected to implement the procedures set forth in this Section. Within fifteen (15) days after delivery of any such notice by one Party to the other regarding a dispute or controversy, the Parties shall meet at a mutually agreed time and place to attempt, with diligence and good faith, to resolve and settle such dispute or controversy.

14.14. Binding on Successors and Assigns. The Parties hereto covenant and agree that all of the conditions, covenants, agreements, rights, privileges, obligations, duties, specifications, and recitals contained in this Agreement, except as otherwise expressly stated herein, shall extend to, inure to the benefit of and bind, Lessor and Lessee, and their permitted successors and assigns, to the same extent as if such successors and assigns were named as original parties to this Agreement, such that this Agreement shall always bind the successors of Lessee and Lessor, or any portion thereof, and shall bind predecessors thereof except as otherwise expressly provided herein.

14.15. Non-Appropriation. Except for the funds to be provided pursuant to this Agreement, the obligations

of Lessor for payment and other monetary obligations under this Agreement are each subject to an appropriation and, accordingly, (i) shall constitute a current expense of Lessor in the fiscal year of Lessor to which an obligation applies and (b) shall not constitute an indebtedness of Lessor. Nothing herein shall constitute a pledge by Lessor of any funds, other than funds designated pursuant to lawful appropriations from time to time to pay any money or satisfy any other monetary obligation under any provision of this Agreement. If a non-appropriation occurs in response to a request for a proposed appropriation, Lessor shall provide Lessee with written notice of such non- appropriation on or before the thirtieth (30th) day after the non-appropriation.

14.16. Future Development. Lessee shall be granted a five-year window through December 31, 2030 to design a redevelopment plan for undeveloped areas of the Premises adjacent to the Stadium (the “Redevelopment Project”) and to obtain approval from the County and Town Board of Commissioners for the Redevelopment Project. If the Redevelopment Project is not approved by the Parties by December 31, 2030, the Lessee will have an additional 90 days to present a suitable plan. Lessor acknowledges and agrees to this ninety (90) day timeframe and will consider Lessee’s presentations in good faith. The Redevelopment Project may include any areas adjacent to the Stadium that are not utilized for Stadium operations, including parking areas, provided that it does not reduce parking spaces below the minimum parking spaces, which will be defined upon the mutual agreement of the Parties. If the Redevelopment Project is approved by Lessor, the Parties will execute a separate development agreement once final plans are approved by Lessor, outlining, among other things, the Parties’ respective responsibilities for construction and financing of the Redevelopment Project.

If the Redevelopment Project is not approved by the governing bodies of the Parties by December 31, 2030, any rights to develop the Premises shall immediately revert to Lessor and the Parties shall work in good faith to amend this Agreement to modify the definition of the leased “Premises” to exclude any Land areas that are unnecessary for Lessee’s use and operation of the Stadium. For purposes of this section, a Lease amendment to modify and redefine “Premises” in accordance with this section may be jointly authorized and executed by the County Manager and Town Manager.

14.17. Limitations Regarding Premises. Lessor does not warrant its title to the Premises. This Agreement and the rights and privileges granted Lessee in and to the Premises are subject to all covenants, conditions, restrictions, and exceptions of record or apparent. Nothing contained in this Agreement may be construed to imply the conveyance to Lessee of rights in the Premises that exceed those owned by Lessor.

14.18. Non-Discrimination. In consideration of signing this Agreement, the Parties hereby agree not to discriminate in any manner on the basis of race, natural hair or hairstyles, ethnicity, creed, color, sex, pregnancy, marital or familial status, sexual orientation, gender identity or expression, national origin or ancestry, marital or familial status, pregnancy, National Guard or veteran status, religious belief or non-belief, age, or disability with reference to the subject matter of this Contract. The Parties agree to comply with the provisions and intent of Wake County Ordinance SL 2017-4. This anti-discrimination provision shall be binding on the successors and assigns of the Parties with reference to the subject matter of this Agreement.

14.19. Surrender. Lessee acknowledges and understands that Lessor’s agreement to engage Lessee to lease and operate the Premises as provided by this Agreement is expressly conditioned on the understanding that the Premises must be surrendered, upon the expiration, termination, or cancellation of this Agreement, in as good a condition as received, reasonable use and wear, casualty (where Lessee is without fault), and condemnation, excepted.

14.20. Conditions Precedent. This Agreement and the obligations of Lessor and Lessee hereunder shall not become effective unless and until the Board of Commissioners for Wake County and the Town of Zebulon approve this Agreement. The Parties agree to work in good faith and use commercial best efforts to assure that all of the conditions set out in this section are satisfied. If any of the foregoing conditions are not satisfied

on or before December 31, 2026, as it may be extended by mutual agreement of the Parties, either Party may terminate this Agreement upon written notice to the other, whereupon it shall be null and void and neither Party shall have any further obligations to the other under this Agreement. Upon satisfaction of the foregoing conditions either Party may request execution of a supplement to this Agreement establishing the satisfaction of the foregoing conditions.

14.21. Survival. Sections II, VII and VIII shall survive termination of this Agreement together with any other provisions hereof which, by their terms, are intended to survive termination of the Agreement.

14.22. No Waiver of Immunity. Nothing contained in this Agreement shall be construed as any waiver of governmental immunity to the extent that it is possessed or enjoyed by the Lessors, provided that the Lessors shall not be entitled to assert, nor will the Lessors assert, governmental immunity as a bar to enforcement by Lessee of any of the Lessor's obligations under this Agreement.

14.23. Ownership Percentages. The Premises is owned jointly by the County and the Town. The County has an 85% ownership interest, while the Town has a 15% ownership interest. Lessor agrees to provide written notice to Lessee of any changes in ownership of the Premises during the Term, including interested parties and percentage interests.

14.24. Confidentiality. Lessor is subject to the North Carolina Public Records Act (N.C.G.S. Chapter 132) in regards to disclosure of records associated with the conduct of its public business. It is the responsibility of Lessee to properly designate materials that may be protected from disclosure as trade secrets under North Carolina law as such and in the form required by law prior to the submission of such materials to the Lessor. Lessee understands and agrees that the Lessor may take any and all actions necessary to comply with federal, state, and local laws and/or judicial orders and such actions shall not constitute a breach of the terms of this Agreement. To the extent permitted by law, Lessor will not disclose Lessee's materials to third parties pursuant to a public records request that are submitted to Lessor and meet the criteria to be protected as trade secrets under North Carolina law. To the extent the claim of confidentiality is challenged by the requestor, the City will notify the Lessee of the challenge and provide Lessee with a period of no less than five (5) days to seek injunctive relief to prevent the release of the information. If Lessee does not seek injunctive relief to prevent the release of the information within this five (5) day period, Lessor may release the information without penalty.

[Signatures Appear on Following Page]

EXECUTED IN DUPLICATE, each of which shall be considered an original, to be effective as of the Effective Date.

LESSORS :

TOWN OF ZEBULON, NORTH CAROLINA

_____, Clerk

_____, Mayor

Date: _____

Date: _____

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

_____, Chief Financial Officer

WAKE COUNTY

By: _____

Chair, Board of Commissioners

Date: _____

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

WAKE COUNTY FINANCE DIRECTOR

The person responsible for monitoring the contract performance requirements is

_____.

_____ Department Head Initials

LESSEE:

CAPITOL BROADCASTING COMPANY

By: _____
[INSERT NAME/TITLE]

Date: _____

DRAFT

Exhibit A
Site Plan – Five County Stadium



EXHIBIT B
BASE RENT SCHEDULE

<u>Lease Yr.</u>	<u>Semi-Annual</u>	<u>Annual</u>
01/01/2026 – 12/31/2026	\$25,000.00	\$50,000.00
01/01/2027 – 12/31/2027	\$30,000.00	\$60,000.00
01/01/2028 – 12/31/2028	\$37,500.00	\$75,000.00
01/01/2029 – 12/31/2029	\$37,500.00	\$75,000.00
01/01/2030 – 12/31/2030	\$37,500.00	\$75,000.00
01/01/2031 – 12/31/2031	\$37,500.00	\$75,000.00
01/01/2032 – 12/31/2032	\$37,500.00	\$75,000.00
01/01/2033 – 12/31/2033	\$37,500.00	\$75,000.00
01/01/2034 – 12/31/2034	\$37,500.00	\$75,000.00
01/01/2035 – 12/31/2035	\$37,500.00	\$75,000.00
TOTAL ANNUAL BASE RENT:		\$710,000.00

[PENDING]

EXHIBIT C
INITIAL CAPITAL IMPROVEMENTS

All Initial Capital Improvements as defined in this Agreement must be within the scope of work under one of the following categories.

2026 Capital Improvements

- Grading & Stormwater Improvements
- Synthetic Playing Field Surface
- New Outfield Walls
- New Stadium Lighting
- Bleacher Seating Improvements

2027 Capital Improvements

- Locker Room & Admin. Office Updates
- Entrance & Concourse Enhancements
- Scoreboard Replacement
- Upper Floor Restaurant Improvements
- Food & Beverage/Concessions Improvements
- New Hospitality Areas -1st/3rd Base (Including Children's Playground)

EXHIBIT D
Planned Capital Repair Schedule

The Parties acknowledge and agree that this Exhibit “D” will be updated, as agreed to by the Parties, over the Term of this Agreement. The attached preliminary below identifies the categories of potential capital repairs, the anticipated frequency of investment for investment in such categories, the approximate amount of the expenditure in each area in current dollars and the anticipated expenditures on a year-by-year basis.

EXHIBIT D		
Capital Repair Projects - Five County Stadium		
FY	PROJECT NAME	BUDGET
2026	ADA Restroom Upgrades	\$ 1,145,000
2027	(No Capital Projects Currently Planned)	\$ -
2028	Accessibility Upgrades - Suites	\$ 543,000
	HVAC Lifecycle + FCA - Cattails	\$ 256,000
	HVAC Replacement - Home clubhouse	\$ 77,000
2029	HVAC Lifecycle + FCA - Cattails	\$ 409,000
2030	(No Capital Projects Currently Planned)	\$ -
2031	HVAC+FCA - Pressbox/Will Call/ Concession Kitchen	\$ 643,000
	HVAC+FCA - Office/Maint Bldg/Ticket Booth	\$ 444,000
2032- 2035	TBD by the mutual agreement of the Parties	TBD