

INTRODUCED BY: Paul Barden
Bill Reams
PROPOSED NO.: 81-19

ORDINANCE NO. 5315

AN ORDINANCE relating to an agreement between King County and Seattle Sounders, Inc. for use of the King County Domed Stadium in accordance with Ordinance No. 2556, and authorizing the King County Executive to sign said agreement pursuant to Ordinance No. 2556.

PREAMBLE:

King County is the owner of the King County Domed Stadium which is suitable for the playing of professional soccer. The Seattle Sounders Corporation is the owner and operator of the Seattle franchise of the North American Soccer League, and desires to use the domed stadium for the presentation of its home games. King County and the Seattle Sounders Corporation have negotiated an agreement for use of the King County Domed Stadium at such rental rates, terms and conditions which adequately protect the public interest and reasonably reflect existing market conditions.

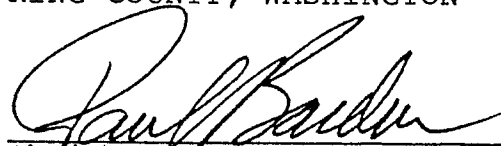
BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

The execution by the County Executive of the agreement between King County and the Seattle Sounders Corporation, a copy of which is attached hereto, and by this reference made a part hereof, is hereby authorized and approved.

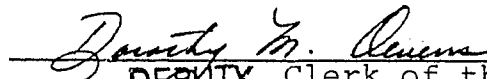
INTRODUCED AND READ for the first time this 12th day of January, 1981.

PASSED this 2nd day of February, 1981.

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON


Chairman

ATTEST:


DEPUTY Clerk of the Council

APPROVED this 13th day of February, 1981.


King County Executive

AGREEMENT

Between

KING COUNTY, WASHINGTON

and

SEATTLE SOUNDERS, INC.

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AGREEMENT

THIS AGREEMENT made and entered into this 13th day of January, 1981, by and between KING COUNTY, WASHINGTON, a duly incorporated municipal corporation of the State of Washington (hereinafter "County") and SEATTLE SOUNDERS, INC. (hereinafter "SSI"), a business corporation organized and existing under the laws of the State of Washington whose address is Seattle Sounders, 419 Occidental Avenue South, Seattle, Washington 98104 and consisting of Vince Coluccio as owner.

W I T N E S S E T H:

Recitals

WHEREAS, The County is the owner and operator of the Domed Stadium (as defined herein) in Seattle, Washington; and

WHEREAS, SSI is the possessor of the Seattle Sounders franchise of the North American Soccer League (hereinafter "NASL"); and

WHEREAS, The County and SSI desire to enter into an agreement specifying the terms and conditions under which SSI will use the Domed Stadium for the playing of Soccer Games in connection with its NASL soccer franchise and providing, inter alia, for a license to use the Domed Stadium for Home Season Games and Exhibition Games (as those terms are defined herein) and to use the Domed Stadium as a practice facility.

NOW, THEREFORE, for and in consideration of the mutual agreements herein contained, the parties hereto do hereby agree as follows:

Definitions

As used in this Agreement, the following terms shall have the meaning herein assigned to them.

A. Agreement means this Agreement, as from time to time amended and supplemented in accordance with the terms hereof, including the license to use the Domed Stadium for Home Season Games and Exhibition Games pursuant to Article Three and to use the Domed Stadium as a practice facility pursuant to Article Three, and all other provisions of this Agreement.

B. Approval of SSI means the prior written consent of Seattle Sounders, Inc., which shall not, in any case, be unreasonably withheld.

C. Commissioner means the party designated as the Commissioner or similar officer of the NASL.

D. County means King County, a municipal corporation of the State of Washington.

E. Day of Game means the calendar day beginning at 9:00 a.m. upon which a Sounders Game (as defined herein) is scheduled to be played in the Domed Stadium.

F. Domed Stadium means the multipurpose Stadium, constructed substantially in accordance with the plans and specifications in effect as of the date of this Agreement, seating approximately 65,000 persons, constructed and owned by King County, together with all structures, equipment and other appurtenances incorporated in or adjacent to the Stadium site.

G. Exhibition Game(s) means any professional Soccer Game or Games hosted or sponsored by the Sounders team or organized by SSI on behalf of the NASL or the United States Soccer Federation, other than a Home Season Game.

H. Home Season Game(s) means any NASL regular-season, playoff or championship professional Soccer Game or Games at which the Sounders team is a participant and the host team.

I. NASL means the North American Soccer League or its successor or successors as the professional Soccer league or organization of which the Seattle NASL team is a member.

J. Parking Area means the area adjacent to the Stadium containing approximately 2,000 passenger vehicle parking stalls.

K. Pay Television Broadcast means any Day of Game television coverage of any Sounders Game transmitted by cable or otherwise, by whatever means or process now existing or hereafter developed of preserving, transmitting or reproducing for hearing and/or viewing Day of Game events in the Domed Stadium, in such a manner that a charge is made to the receiver or viewer for the reception of signals in usable form, and shall include, but not be limited to, telecasts in theaters, taverns and similar establishments and any metered, subscription or "pay-as-you-see" home television.

L. Press Box means the upper and lower press areas of the 200 level of the Domed Stadium, excluding the baseball and football owners' boxes and access thereto.

M. Season Tickets means those tickets to Home Season Games in the Domed Stadium sold by SSI each year as part of a multiticket package.

N. Seats means those seats in the Domed Stadium from which events in the Domed Stadium are to be viewed.

O. Soccer or Soccer Game(s) means professional soccer played on a full-size field (approximately 360 ft. x 225 ft.). Such term shall not include "indoor soccer" or "indoor soccer game(s)" which is played in an arena field size (approximately 200 ft. x 85 ft.) equipped with dasher boards.

O. Soccer Novelties shall mean merchandise, goods, wares, programs and other publications bearing the symbol, mark or name of the Sounders, the NASL, or any other NASL team, and all other soccer-related merchandise, including team pictures or pictures of players or other team personnel.

Q. Sounders means the NASL professional Soccer Team owned and managed by SSI.

R. Sounders Game(s) means all Home Season Games and all Exhibition Games which are played in the Domed Stadium.

S. SSI means Seattle Sounders, Inc., a Washington corporation possessing the Seattle NASL Soccer franchise and its successor or successors.

T. Stadium Director means the County Director of the Department of Stadium Administration.

U. Stadium Novelties shall mean merchandise, goods, wares and publications depicting, describing or otherwise relating to the Domed Stadium and/or King County, excluding Soccer Novelties.

V. Ticket Sales Proceeds means the gross revenues derived from the sale of tickets for each Sounders Game less admissions taxes or similar taxes levied on admissions to Sounders Games.

ARTICLE ONE

Term

The term of this Agreement shall be ten (10) years, commencing on March 1, 1981: Provided, that SSI may, at its option, extend the term of this Agreement for an additional five (5) years upon the terms and conditions contained in this Agreement, said option to be exercisable no later than March 1, 1990.

ARTICLE TWO

Insurance

2.1 Property Waiver of Subrogation. The County and SSI do hereby mutually release and discharge each other from all claims and liabilities arising from or caused by and hazard to owned or rented property, covered by insurance, in, on, or about the leased property due to the negligence of said parties, their agents, employees or assigns.

2.2 Liability Insurance. SSI shall, at all times during the term of this Agreement, at its cost and expense, carry and maintain general public liability insurance against claims for bodily injury, personal injury, death, or property damage occurring in, on, or about the Domed Stadium, which insurance shall cover such claims as may be occasioned by an act, omission, or negligence of SSI or its officers, agents, representatives, assigns or servants during all times that SSI uses the Domed Stadium under the terms of this Agreement. The limits of liability insurance, which may be increased from time to time as deemed necessary by the County with the approval of SSI which shall not be unreasonably withheld, shall not be less than Five Million Dollars (\$5,000,000) combined single limit personal injury and property damage insurance. The insurance

required above shall be issued by an insurance company or companies authorized to do business within the State of Washington and must be acceptable to the County. The County shall be specifically named as an additional insured on all such policies and all such policy or policies shall be primary to any other valid and collectable insurance. The policy or policies shall also contain a cross-liability clause or endorsement. Certificate or certificates or other evidence satisfactory to the County evidencing the existence and terms and conditions of all insurance required above shall be delivered to the County within ten (10) days after approval of this Agreement. The policy or policies of insurance required to be maintained in accordance with this Agreement shall not be cancelled or given notice of non-renewal nor shall the terms or conditions thereof be altered or amended without sixty (60) days written notice being given to the County.

The County and SSI agree that as to all third-party claims, actions, or causes of action of whatsoever kind or nature made or asserted against either or both of them and arising out of the use or operation of the Kingdome each will be liable to the other only to the extent of each party's proportional or comparative fault or causation and shall indemnify the other for such amount. As to all such third-party claims, actions, or causes of action which are a consequence of the sole fault, negligence or causation of a party to this Agreement, such party shall have the duty to defend, save and hold the other harmless, and upon failure to do so shall pay reasonable fees, costs and expenses incurred by the other party to this Agreement in defense of any such third-party claims or actions.

ARTICLE THREE

License To Use Domed Stadium For Sounders Games

3.1 Use of Domed Stadium for Home Season Games.

During the term of this Agreement, SSI shall play all Home Season Games (as defined herein), which shall be at least twelve (12) in number, in the Domed Stadium unless precluded from doing so either by the existence of a labor dispute involving the Domed Stadium which renders the Domed Stadium substantially unavailable for use for professional Soccer Games, or by the existence of a labor dispute involving SSI whereby the presentation of Soccer Games by SSI is rendered impossible.

3.2 Use of Domed Stadium for Exhibition Games.

During the term of this Agreement, SSI may at its option play any or all Exhibition Games (as defined herein) in the Domed Stadium unless precluded from doing so by the scheduling of another and incompatible event in the Domed Stadium on the day of the Exhibition Game, or unless precluded from doing so by the existence of a labor dispute as specified in Section 3.1 of this Agreement. If the Domed Stadium is available on a date requested for an Exhibition Game it shall be available to SSI. The playing of Exhibition Games shall be subject to the same terms and conditions as for Home Season Games, except that use payments for Exhibition Games shall be as specified in paragraph 3.10(d) of this Agreement.

3.3 Use of the Domed Stadium as Practice Facility.

a. Use On Sounders Game Days

SSI shall have the right to the exclusive use of the Domed Stadium playing field for three (3) consecutive

hours (between 9:00 a.m. and 6:00 p.m.) as a practice facility without charge, except for the actual cost of utilities as described in section 3.10. In addition, at the request of SSI the visiting team shall have the right to exclusive use of the playing field of the Domed Stadium for three (3) consecutive hours (between 9:00 a.m. and 6:00 p.m.) on the Day of Game without charge except for the actual cost of utilities. In no event shall the use of the Domed Stadium as a practice facility by either SSI or a visiting team interfere with or preclude the normal scheduling of stadium tours by the County: Provided, that such tours shall not be conducted on the playing field. The rights of SSI and a visiting team to use the Domed Stadium as a practice facility shall include the right to use a locker room for a reasonable period before and after the three (3) hour practice period.

b. Additional Use On Non-Game Days

In addition to the use of the Domed Stadium playing field as a practice facility on Sounders Game days, as described in paragraph 3.3(a), SSI shall be entitled to the following practice rights on non-game days. SSI shall have the right to use the Domed Stadium playing field as a practice facility four (4) times during the period prior to commencement of each NASL season, subject to prior written notice to the County and availability of the Domed Stadium at a mutually acceptable time. If the County is not able to provide all four pre-season practices, then the number of practices not provided will be credited to SSI for use during the season on non-game days, subject to the same conditions as before. Such practices shall be without charge except for the actual

cost of utilities as described in section 3.10. SSI shall also have the right to use of the Domed Stadium playing field as a practice facility, without charge except for the actual cost of utilities, on the day preceding each Sounders Game Day, subject to prior written notice to the County and availability of the Domed Stadium at a mutually acceptable time. SSI may request practice sessions in addition to those already specified, in which case the charge, if such request is granted, shall be \$125 per hour (minimum 1/2-hour increments) plus the actual cost of utilities.

3.4 Use of Parking Facilities in Connection With Games. SSI shall have the right to use without charge no less than 200 parking spaces at the Domed Stadium on the Day of Game, and no less than 50 parking spaces at the Domed Stadium on the day of any use of the Domed Stadium for practice.

3.5 Exclusive Use on Game Days. SSI shall have exclusive use of the Domed Stadium on the Day of Game. The County will not use the Domed Stadium for any purpose, nor permit use of the Domed Stadium by any other party for any purpose on the Day of Game without the prior written consent of SSI.

3.6 Use of Domed Stadium for Other Soccer Games. The Domed Stadium will not be used for any professional Soccer Games other than those involving the Sounders, or hosted or promoted by SSI, without the written consent of SSI, which shall not be unreasonably withheld. No other Soccer Games of any character will be permitted in the Domed Stadium during the six (6) days immediately preceding Home Season Games without the written consent of SSI, except Soccer Games involving colleges and universities operated by the State of Washington.

3.7 County to Furnish Domed Stadium. On the Day of Game, the County shall furnish and make available to SSI at a mutually agreeable time the entire Domed Stadium facility, including the stadium itself, the playing field, visiting locker rooms, press box, broadcast facilities and other facilities (all of which are included in the definition of Domed Stadium) fully equipped, operating, lighted and staffed for Soccer Game purposes. All County personnel, other than the Stadium Director, personnel designated by the Stadium Director as essential to the management and operation of the Domed Stadium, and the personnel specifically authorized by SSI to remain, shall have exited from the Domed Stadium by game time. All costs incurred in connection with the conversion of the playing field and/or other portions of the Domed Stadium from a baseball or other configuration to a Soccer configuration, shall be the sole responsibility of the County.

3.8 County to Furnish Utilities. On the day of Sounders Games the County shall furnish and have available at the Domed Stadium all utilities required for the use of the Domed Stadium as an arena for professional Soccer Games, together with such technical and other personnel as are required to maintain and operate such utilities. On the day of the game all such utilities will be turned on as specified by SSI.

3.9 Day of Game Personnel. On the Day of Game, the County shall furnish all personnel, including ticket sellers, ticket takers, ushers, cleanup personnel, maintenance personnel, medical personnel, security personnel and all other personnel reasonably necessary for the operation of the Domed Stadium. The number and type of such personnel shall be mutually agreed upon between the County and SSI prior to Day of Game. The costs to the County of furnishing the Day of Game personnel

will be reimbursed by SSI as provided in Paragraph 3.10 of this Agreement. In lieu of requesting the County to furnish such personnel, SSI may, at its option, furnish any or all such personnel at its own expense, but such personnel must be paid at the prevailing union rate. In no event shall SSI be responsible for the costs incurred in cleaning the interior of the concession areas or for police and security personnel deployed offsite from the Domed Stadium for traffic control purposes, nor shall SSI be responsible for the costs incurred by the County, including personnel costs, in connection with the operation of the Domed Stadium parking lots. Because of cleanup difficulties, the County will not permit its concessionaire to sell gum or similar food items which entail extraordinary cleanup expense.

3.10 Use Payments. In consideration for the use of the Domed Stadium as provided in this Agreement, SSI shall pay to the County for each Sounders Game an amount equal to the sum of:

- a. The actual cost of providing the utilities specified in Sections 3.3 and 3.8; plus
- b. The actual cost to the County of providing Day of Game personnel pursuant to Section 3.9, exclusive of any costs for administration incurred by the County; plus
- c. A minimum flat amount or a percentage of Ticket Sales Proceeds, whichever is greater, to be determined in accordance with the following schedule:

<u>Year of Term</u>	<u>Rate</u>
Years 1 through 3	\$3,500 minimum or 7% Ticket Sales Proceeds
Year 4	\$3,500 minimum or 8% Ticket Sales Proceeds
Year 5	\$3,500 minimum or 9% Ticket Sales Proceeds
Years 6 through 10	\$5,000 minimum or 10% Ticket Sales Proceeds
Option Period (Years 11 through 15)	\$5,000 minimum or 10% Ticket Sales Proceeds

Notwithstanding the schedule of rates appearing above, SSI shall be charged a minimum flat amount of \$2,500 or 6% of Ticket Sales Proceeds, whichever is greater, for a maximum of two Exhibition Games per year.

3.11 Time of Payment. The use payments defined in Section 3.10 shall be due and payable by SSI no later than fifteen (15) days after the date of each Sounders Game in the Domed Stadium. SSI shall be assessed a late payment fee of Twelve Percent (12%) per annum on any outstanding balance, unless prior written approval by the Stadium Director has been granted for payment extension.

3.12 Books, Records and Inspection. SSI shall keep accurate books and accounts of the matters upon the basis of which the use payments specified in Section 3.10 are to be computed and ascertained. Such books and records shall be open and available for inspection by the County upon the official request of the Stadium Director during regular working hours between Monday and Friday. The County covenants and warrants that, except as otherwise required by law, it will keep the information acquired from the examination of such books and records confidential and that it will not disclose any of such

information directly or indirectly or use such information for any purpose during the term of this Agreement or any time thereafter except with respect to the disclosure of information concerning the amount of the use payments made to the County pursuant to Section 3.10.

3.13 Day of Game Personnel Costs. After each Sounders Game, the County shall submit to SSI a data sheet showing the numbers of persons working in each job description, the number of hours each person worked and the hourly rate of pay and the total pay for each person. SSI shall not be responsible for any costs incurred by the County for Day of Game personnel unless such personnel were specifically requested or approved in writing by the President/General Manager of SSI.

3.14 Presentation of Soccer Games. SSI shall assume full responsibility for the presentation of Sounders Games including the payment of all expenses of its own team, guarantees and payments to visiting teams and other expenses incident to the playing of games, including the costs of game officials. SSI shall also obtain, furnish and present such pregame, game-time, half-time and post-game activities within the Domed Stadium as it shall deem appropriate in connection with Sounders Games.

ARTICLE FOUR

Selection of Dates for Sounders Games

4.1 Dates of Games. The parties recognize that customarily schedules for professional Soccer Games are made by the NASL in January and February of each year and that SSI will be unable to specify the dates of its league games until the NASL schedule is established. SSI will provide the County with a proposed schedule of playing dates on or before February 15th

of each year of the term. During the term SSI shall have the right to use the Domed Stadium on all playing dates set forth in such schedule for which other events have not been scheduled. Within five (5) days of receipt by the County of such schedule, the County will advise SSI if any of such playing dates is unavailable and SSI shall have the right to choose alternative dates on which no other events have been scheduled in the Domed Stadium. It is agreed that, upon consideration of the professional football and baseball schedules, the County shall leave open until February 15th of each year of the term at least one date in each of ten separate weekends during the period beginning with the last week in March and ending after the third week of August during each year of the term. A weekend as used herein is defined as that period beginning at 5:00 p.m. on Friday night and ending at midnight on Sunday.

ARTICLE FIVE

Tickets

5.1 Seats. The sale of tickets (whether individual game tickets or season tickets or season tickets affording the purchaser the right to purchase a season ticket for the same seat the following year) by SSI as to all seats in the Domed Stadium shall be under the exclusive control of SSI, and SSI shall be responsible for all costs associated therewith. The Domed Stadium shall be used by SSI as a ticket sales outlet utilizing a suitable space to be provided by the County.

5.2 Tickets and Ticket Prices. Prices to be charged for tickets to Sounders Games by SSI, including prices to be charged for season tickets and the Sounders Games to be included in a season ticket package, shall be under the exclusive control of SSI and shall be determined, from time to time

by SSI. The number of complimentary tickets or complimentary admission to Sounders Games played in the Domed Stadium, not including credentials issued to officials and personnel of the NASL and other league teams, to the press and broadcast and similar personnel, and credentials for persons working or performing in the Domed Stadium shall not exceed 1000: Provided, that for special promotions SSI may exceed this limitation upon prior written approval by the Stadium Director. SSI shall furnish all tickets for Sounders Games at its expense.

ARTICLE SIX

Owner's Box and Access to Press Box

6.1 Construction of Owner's Box. As part of the overall consideration provided by the County under this Agreement, the County shall provide a suitable space for an owner's box at a mutually agreeable location within the Domed Stadium. The County shall rough in all utilities, but all other furnishing and refurbishing of the owner's box shall be the sole responsibility of SSI. The plans and specifications for such owner's box, once agreed upon by the parties, shall be incorporated by reference and become part of this Agreement.

6.2 Access to Press Box. On the day of Sounders Games in the Domed Stadium, SSI shall have exclusive control of access to the Press Box and the press lounge or owners lounge, if any, for a period beginning at a mutually agreed-upon time prior to game time and ending three (3) hours after the end of the game: Provided, that the Stadium Director and personnel designated by the Stadium Director as essential to the operation of the Press Box shall be afforded reasonable access.

6.3 Stadium Club. Should a stadium club be constructed for operation in conjunction with events at the Domed Stadium, the parties agree that SSI shall be given the right to participate on an equitable basis in such club upon such terms and conditions as the parties may then find mutually acceptable.

ARTICLE SEVEN

Concessions

7.1 Concessions. Except for rights and concessions reserved to SSI (such as the sale of Soccer Novelties, Paragraph 7.2; broadcast rights, Article Nine; and similar rights) the County will retain the right to operate or authorize others to operate such concessions at the Domed Stadium as it deems appropriate. The County will require concessionaires to so operate as to provide reasonable service and food, beverages and merchandise of wholesome quality and at reasonable prices.

7.2 Sale of Soccer and Stadium Novelties. SSI shall have the right to sell Soccer Novelties at the Domed Stadium on the day of each Sounders Game, and, except as to Stadium Novelties, which the County may sell or cause to be sold at the Domed Stadium at any time, no other novelties, souvenirs, programs or other publications may be sold at the Domed Stadium on the day of a Sounders Game without the prior written approval of SSI. SSI may itself publish, manufacture and sell Soccer Novelties, or it may authorize other parties to do so. To provide for continuity of the Domed Stadium concession program for the benefit of the public, SSI shall use its best efforts in utilizing the Domed Stadium concessionaire to sell its Soccer Novelties at a negotiated commission fee.

ARTICLE EIGHT

Public Address, Scoreboard Systems and Advertising

8.1 Public Address System. As a part of the Domed Stadium the County will provide and maintain a public address system. SSI will have the exclusive use and control of the public address system within the Domed Stadium on the Day of Game: Provided, however, that such public address system shall not be used for propaganda or political purposes and further provided that the County shall have the right of access for emergency purposes including but not limited to general announcements and crowd control.

8.2 Scoreboard. The County shall, during the term of this Agreement, provide and maintain one primary scoreboard and one auxiliary scoreboard each of which shall have the capability of presenting, on a fixed format basis, game-in-progress information relating to a Soccer Game, including but not limited to score and time remaining in period. The County shall be responsible for the actual operation of the scoreboard provided that SSI shall have exclusive control of the information presented on the scoreboard.

8.3 Video Screen. As a part of the Domed Stadium, the County shall provide and maintain a video screen for the transmission of instant replays, commercial messages, and other information. The County shall be responsible for the operation of the video screen: Provided, that except as provided in section 8.4, SSI shall have the exclusive control of the timing of information displayed on the video screen.

8.4 Advertising on Video Screen. It is understood by the County and SSI that the County is selling advertising on the scoring and information system which includes fixed advertising panels on the primary and on the auxiliary scoreboard and spot advertising on the video screen, and that the revenue generated therefrom is committed to amortize the costs of the scoreboard. The County shall have the right to display up to nine (9) minutes of commercial message time on the video screen. SSI shall determine, in conjunction with the County, the timing of such commercial message time: Provided, that such commercial message time shall occur on the day of game and between the period beginning 15 minutes prior to the commencement of the game and the end of the game: and Provided Further, that such time shall be fairly distributed within that period. SSI is not entitled to sell or display advertising on the video screen.

8.5 Field Advertising. The parties agree to negotiate at a future date the matter of field advertising by event sponsors at international Soccer Games sanctioned by the NASL.

ARTICLE NINE

Broadcasting

9.1 Broadcast Rights. Subject to paragraph 9.4 of this Agreement, SSI shall have and retain exclusive broadcast and reproduction rights incident to each Sounders Game including, but not limited to, radio and television broadcasting, film or tape rights, closed circuit, cable or pay television rights and similar rights by whatever means or process now

existing or hereafter developed of preserving, transmitting and reproducing for hearing and/or viewing Day of Game events in the Domed Stadium. Such broadcasts will not be used for propaganda or political purposes except for regular commercials. All proceeds from such broadcast rights shall be retained by SSI except as provided for in section 9.4 of this Agreement. Except as provided for in section 9.4 of this Agreement, no Sounders Game played in the Domed Stadium shall be televised within a radius of 75 miles of the Domed Stadium unless 55,000 paid admissions have been achieved by 24 hours prior to the start of the game.

9.2 Broadcast Facilities. With regard to the broadcast and reproduction rights referred to in Section 9.1, the County will cooperate with SSI and with those parties actually producing any of such broadcasts and reproductions in all phases of the preparation, broadcast and production of Sounders Games and the attendant activities. In connection with any of such broadcast activities, the County shall provide access to the Domed Stadium and maintenance personnel and all utilities at the request of SSI. SSI shall be authorized to issue a reasonable number of credentials for admission to the Domed Stadium on the part of personnel engaged in such broadcasts and reproductions, the production thereof and the removal of equipment thereafter.

9.3 Camera Facilities. As part of the Domed Stadium, the County shall provide facilities at each end of the Domed Stadium adequate for the use by SSI and broadcasting media for the purpose of filming, taping and broadcasting the on-field activities.

9.4 Pay Television Broadcasts. Should SSI participate in any Pay Television Broadcast originating in the Domed Stadium to any locations within a 75-mile radius of the Domed Stadium, the County shall be entitled to receive Ten Percent (10%) of the gross receipts received by SSI for such broadcasts, unless 55,000 paid admissions have been achieved by 24 hours prior to the start of the game.

ARTICLE TEN

Default

10.1 Nonexcusable Acts of Default. The County shall have the right to terminate this Agreement in its entirety in the event that SSI shall not, within sixty (60) days of receipt of notice thereof, cure any of the following events of default:

- a. The occurrence of any act or omission on the part of SSI which operates to deprive it of the right, powers, licenses, and authorizations necessary for the lawful and proper conduct and operation of the services and activities authorized herein; or
- b. The filing by or against SSI of any petition in bankruptcy, either voluntary or involuntary; or
- c. The making by SSI of an assignment for the benefit of creditors, the making of which assignment shall automatically terminate this Agreement and the filing of such petition or making of such assignment shall bar the passing thereunder of any benefits under this Agreement to such Creditors, assignees or transferees thereof; or
- d. The abandonment or discontinuance without the written consent of the County of any or all of the operations of SSI under this Agreement; or

e. The failure of SSI to pay the use payments required under the terms of this Agreement, or

f. The failure of SSI to perform, keep and observe any of the terms, and conditions of this Agreement, required on the part of SSI to be performed, kept or observed.

10.2 Excusable Act of Default. Any prevention or delay which substantially interferes with SSI's performance hereunder due to force majeure causes and any other causes found and determined by the County to be beyond the reasonable control of SSI, shall excuse performance by SSI of its contractual obligations under this Agreement, including the payment of use payments and other considerations to the County as provided herein for a period equal to such delay or prevention, notwithstanding anything to the contrary stated herein.

10.3 Termination Procedure.

a. Termination of this Agreement by the County shall be by written notice authorized by the County Executive and directed to SSI. Upon termination, the County shall have the right, immediately and without further notice to SSI, to enter and take full and exclusive possession of any area occupied by SSI in connection with its operations under this Agreement.

b. Upon such termination by County, all rights, powers, privileges and authority granted to SSI under this Agreement shall immediately cease. SSI shall vacate the premises immediately. SSI waives any and all claims it may have against the County, its elected or appointed officials and employees who are acting in the scope of their duty by reason of such termination.

c. The remedies provided the County herein upon termination shall not be considered to be exclusive but instead shall be cumulative and shall not affect any other right or remedy available to the County.

10.4 Nonwaiver of Default. The County's failure to take advantage of any default or breach of any term or condition of this Agreement by SSI shall not be implied nor construed to be a waiver thereof. A waiver by the County of a particular breach or default shall not be considered continuing as to a subsequent breach or default of the same nature.

ARTICLE ELEVEN

Miscellaneous

11.1 Enforcement of this Agreement. It is recognized that the obligations of the parties to this Agreement are unique in nature and that it may be specifically or mandatorily enforced by either party.

11.2 Powers of the County. Nothing contained in this Agreement shall be considered to diminish the governmental or police powers of the County.

11.3 NASL Rules and Regulations. The activities of SSI in owning and playing a professional Soccer team in the NASL and in matters related to such activities and the obligations of the Seattle NASL team under this Agreement are subject to the Constitution, By-Laws and Rules and Regulations of the NASL: Provided, however, that none of such Constitution, By-Laws, Rules and Regulations shall relieve SSI of its obligation to play its Home Season Games in the Domed Stadium in accordance with this Agreement.

11.4 Warranties, Special Covenants. SSI hereby warrants to, and specially covenants and agrees with, the County as follows, to-wit:

a. That SSI is the owner and holder of an outstanding and effective franchise of the NASL which permits and authorizes SSI to operate a professional Soccer team in the Domed Stadium;

b. That no rule, policy, constitution, or by-law (or any provision of any thereof) of the NASL in any manner or respect prohibits, limits or in any manner affects the right or power of SSI to enter into, accept or perform each and every one of the terms, commitments and provisions of this Agreement; and

c. That none of the partners in SSI are directly or indirectly a party, or parties, to any contract, agreement, commitment or understanding of any nature or kind with any other party or parties, the terms of which prohibit, limit, restrict or affect the right and power of SSI to enter into, execute and perform its obligations under this Agreement to the full extent hereof.

11.5 Notices. Any notice or communication hereunder must be in writing, and may be given by registered or certified mail and, if given by registered or certified mail, same shall be deemed to have been given and received when a registered or certified letter containing such notice, properly addressed, with postage prepaid, is deposited in the United States mail; and if given otherwise than by registered mail, it shall be deemed to have been given when delivered to and received by the party to whom it is addressed. Such notices or communications shall be given to the parties hereto at their following addresses:

If to the County:

County Executive
400 King County Courthouse
Seattle, Washington 98104

and

Stadium Director
King County Domed Stadium
201 South King Street
Seattle, Washington

If to SSI:

Seattle Sounders, Inc.
c/o Mr. Vince Coluccio
419 Occidental Avenue South
Seattle, Washington 98104

Any party hereto may at any time, by giving ten (10) days written notice to the other party hereto, designate any other address in substitution of the foregoing address to which such notice or communication shall be given.

11.6 Force Majeure.

a. This Agreement shall be subject to force majeure (hereafter "force"), including, but not limited to fire, accidents, riots, civil disturbances, war, government regulations and other causes beyond the control of either party whereby the fulfillment of this Agreement may be made impossible. In such event, the County and SSI shall each have the right to terminate this Agreement if the following termination criteria exist:

b. Termination Criteria.

Termination of the respective obligations under this Agreement shall not be automatic by reason of any "force", but instead shall be cause to review the respective obligations if the number of usable seats (defined as the seats within levels 100 and 200 between the goal lines) within the Domed Stadium is reduced by more than 5%. If it is determined that the above

criteria exist and that SSI is prevented by such "force" from exhibiting professional soccer in the Domed Stadium or from carrying out the NASL schedule in any Soccer season during this Agreement, SSI, without payment of use payment under the terms of this Agreement, may exhibit professional Soccer elsewhere without such exhibition being an act of default under this Agreement for the period of time that the Domed Stadium is damaged.

c. Termination of Agreement.

If the premises are damaged or destroyed by any "force" which is then covered by insurance, the County shall proceed with due diligence to apply the proceeds of such insurance to rebuild or restore the damaged area in order to render the same usable under the terms of this Agreement as soon as is practicable. If any "force" causes damage or destruction which is not then fully covered by insurance, the County may, at its option, elect to rebuild or restore the damaged area from any funds available to it. In the event that the damaged area is not fully covered by insurance and the County elects not to rebuild or restore the damaged area, the County shall give SSI written notice to that effect within 60 days after the occurrence of the "force" at which time either party shall have the right to terminate this Agreement by written notice to the other party.

11.7 Assignment. SSI shall not assign or transfer to any other person a fifty-one percent (51%) or greater controlling interest in its NASL Soccer franchise, nor assign any of its rights thereunder, except to such person as may be approved by the NASL and who agrees and is financially able to perform SSI's obligations hereunder.

11.8 Nondiscrimination. SSI agrees to comply with all Federal, State and County laws regarding nondiscrimination and specifically agrees not to discriminate against any employee or applicant for employment because of race, color, religion, creed, sex, or national origin.

11.9 Taxes. SSI agrees to pay on a current basis all taxes or assessments levied on its activities and property: Provided, however, that nothing herein shall modify the right of SSI to contest any such tax and SSI shall not be deemed to be in default so long as SSI shall in good faith, contest the validity or amount of such taxes.

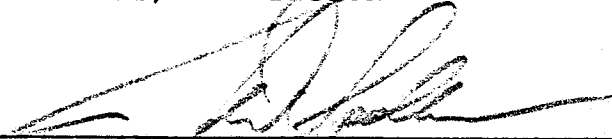
11.10 Successors and Assigns. The terms and provisions of this agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.


11.11 Entire Agreement. This Agreement constitutes the entire agreement between the County and the Club and may not be altered, amended or modified except by an instrument in writing signed by the parties hereto with the same formality as this Agreement.

IN WITNESS WHEREOF, this Agreement has been executed
by the parties hereto as of the day and year first above
written.

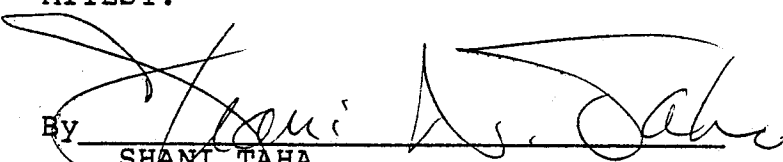
KING COUNTY, WASHINGTON

SEATTLE SOUNDERS, INC.

By 
JOHN D. SPELLMAN
County Executive

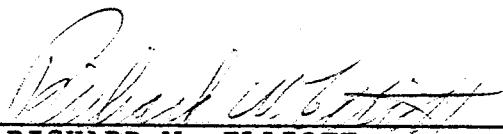
By 
VINCE COLUCCIO
Owner

ATTEST:


By SHANI TAHA
County Administrative Officer

APPROVED AS TO FORM & LEGALITY:

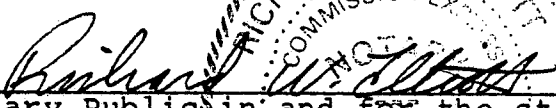
KING COUNTY PROSECUTING ATTORNEY

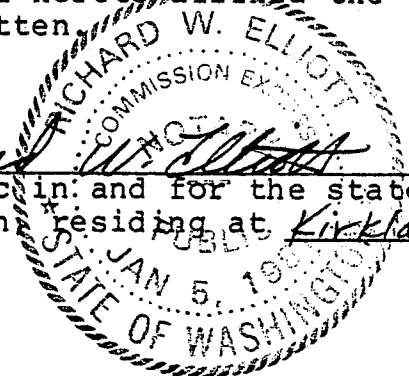
By 
RICHARD W. ELLIOTT
Deputy Prosecuting Attorney

STATE OF WASHINGTON)
: ss.
COUNTY OF KING)

On this 13th day of January, 1981, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared John D. Spellman, to me known to be the King County Executive, who executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of King County, for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute the said instrument.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.

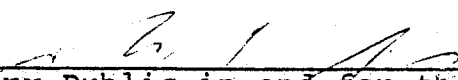

Notary Public in and for the state
of Washington, residing at Kirkland.



STATE OF WASHINGTON)
: ss.
COUNTY OF KING)

On this 12 day of 1, 1981, before me, personally appeared Vince Coluccio, to me known to be the owner of Seattle Sounders, Inc., the corporation that executed the foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.


Notary Public in and for the State
of Washington, residing at _____.