

DATE

INTRODUCED BY BILL REAMS

PROPOSED NO. 80-702

ORDINANCE NO. 4945

AN ORDINANCE relating to an Agreement between King County and the major league professional indoor soccer franchise located in Seattle for use of the King County Domed Stadium in accordance with Ordinance 2556, and authorizing the King County Executive to sign said Agreement.

PREAMBLE:

King County is the owner of the King County Domed Stadium which is suitable for the playing of professional indoor soccer and which will be ready for such play in 1980. The Seattle Sounders, Inc. is the possessor of the Seattle indoor soccer franchise of the North American Soccer League. King County and the Seattle Sounders, Inc. 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 for such use.

BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

SECTION 1. The execution by the County Executive of the Agreement between King County and the Seattle Sounders, Inc., for Use of King County Domed Stadium for Professional Indoor Soccer, 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 16th day of June, 1980.

PASSED this 23rd day of June, 1980.

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON

Bill Reams
Chairman

ATTEST:

Donald A. Peterson
ACTING Clerk of the Council

APPROVED this 27th day of June, 1980.

[Signature]
King County Executive

4945

INDOOR SOCCER AGREEMENT

between

KING COUNTY, WASHINGTON

SEATTLE SOUNDERS, INC.

FOR USE OF KING COUNTY DOMED STADIUM

FOR PROFESSIONAL INDOOR SOCCER

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INDOOR SOCCER AGREEMENT

THIS AGREEMENT, made and entered into this ___ day of _____, 1980, 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 Indoor Soccer 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 in connection with its NASL Indoor 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 an in consideration of the mutual agreements herein contained, the parties hereto do hereby agree as follows:

Definitions

All words in this agreement bearing initial capitals, other than proper nouns, section headings or words required to be capitalized for proper usage, are defined terms and shall have the meanings specifically assigned to them in this article.

As used in this agreement, the following terms and words are hereby defined as follows:

1.1 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 Four and to use the Domed Stadium as a practice facility pursuant to Article Four, and all other provisions of this Agreement.

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

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

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

1.5 Day of Game means the calendar day upon which a Sounders Game is scheduled to be played in the Domed Stadium.

1.6 Domed Stadium means the multipurpose Stadium, seating approximately 35,000 for Indoor Soccer, constructed and owned by King County, together with all structures, equipment and other appurtenances incorporated in or adjacent to the Stadium site.

1.7 Exhibition Game or Exhibition Games means any professional Indoor 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.

1.8 Home Game or Home Games means any professional Indoor Soccer game or games scheduled at which SSI is the host team, including exhibition, regular season, and playoff games.

1.9 Home Game Day means any day on which one or more Home Games are played.

1.10 Indoor Soccer means professional soccer games played in an arena field size (approximately 200 ft. x 85 ft.) equipped with dasher boards.

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

1.12 NASL Indoor Soccer Season, including playoffs, runs from approximately November 15 of each year to March 15 (includes playoffs) of the following year.

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

1.14 Pay Television Broadcast means any day of game television coverage of any Sounders Game transmitted by cable or otherwise, 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.

1.15 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.

1.16 Sounders Game or Sounders Games means all Home Games and all Exhibition Games which are played in the Domed Stadium.

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

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

1.19 Sounders means the NASL professional Indoor Soccer team owned and managed by Seattle Sounders, Inc.

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

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

1.22 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.

1.23 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 TWO

Term

The term of this use agreement shall be three (3) years commencing November 15, 1980 and ending November 14, 1983. SSI shall have the option, exercisable by notice to the County at any time prior to January 1, 1983, to extend the term for an additional three (3) years, commencing on November 15, 1983, and ending on November 14, 1986, on the same terms and conditions as herein set forth.

Insurance

3.1 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.

3.2 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 of 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 or 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 FOUR

License to Use Domed Stadium for Sounders Games

4.1 Use of Domed Stadium for Home Games. During the term of this Agreement, SSI shall play all Home Games, which shall be at least eight (8) in number, in the Domed Stadium. It is recognized by SSI that the County has previous scheduling commitments to other Domed Stadium tenants during the time period of the NASL Indoor Soccer Season, and scheduling of the Home Games shall be subject to availability of the remaining dates.

A. It is agreed and understood that if because of previous scheduling commitments to other Domed Stadium tenants the County is unable to provide the facility for playoff dates, then

SSI shall be entitled to schedule such playoff games in another facility without obligation to the County. In consideration of the detriment experienced by SSI in having to schedule such games in another facility, the County shall, to the extent practicable, permit SSI to remove the Domed Stadium astroturf surfacing and dasher boards used for Indoor Soccer to such other facility. The cost of removal from the Domed Stadium, the installation of same at such other location and the return and reinstallation of same to the Domed Stadium in as good a condition as when received, shall be the sole obligation and at the sole expense of SSI.

B. It is further agreed and understood that from time to time SSI may request permission to play preseason exhibition games at a location outside of King County in an effort to further develop its market for Indoor Soccer; provided, that SSI shall use its best efforts to schedule as many preseason Exhibition Games as practicable in the Domed Stadium. SSI will request the County's permission to conduct exhibitions outside of King County, and such permission shall not be unreasonably withheld.

4.2 Use of the Domed Stadium as Practice Facility.

SSI shall have the right to the exclusive use of the Indoor Soccer playing field in the Domed Stadium for three (3) consecutive hours (between 10:00 AM and 6:00 PM) as a practice facility on Day of Game without charge, except for the actual cost of utilities as described in Paragraph 4.10. In addition, at the request of SSI the visiting team shall have the right to exclusive use of the Indoor Soccer playing field of the Domed Stadium for three (3) consecutive hours (between 10:00 AM and 6:00 PM) on 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 the Sounders 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 the Sounders and the visiting team to use the Domed Stadium as a practice facility shall include the right to use the locker room facilities for a reasonable period before and after the three (3) hour practice period.

4.3 Additional Use of Domed Stadium as Practice Facility.

In addition to the use of the Domed Stadium as a practice facility as described in Paragraph 4.2 the Sounders may also, at their option but subject to the availability of the Domed Stadium, use the Domed Stadium as a practice facility at other times mutually acceptable to the Stadium Director and SSI; provided, that SSI shall pay to the County \$75 for each hour of such use (minimum of one hour) plus the actual cost of utilities as described in Paragraph 4.10.

4.4 Use of Parking Facilities in Connection with Games.

SSI shall have the right to use without charge 175 parking spaces at the Domed Stadium on the day of any Sounders Game, and no less than 25 parking spaces at the Domed Stadium on the day of any use of the Domed Stadium for practice.

4.5 Exclusive Use on Game Days. SSI shall have

exclusive use of the Domed Stadium for the entirety of the Day of Game except that the north half of the stadium field is reserved for County use to fulfill its existing contractual obligations.

4.6 Use of Domed Stadium for Other Soccer Games.

The Domed Stadium will not be used for any professional Indoor Soccer games other than those hosted or promoted by SSI, without the written consent of SSI. No other soccer games of any character will be permitted in the Domed Stadium during the six days immediately preceding Home Games without the written consent of SSI, except games involving colleges and universities operated by the State of Washington.

4.7 County to Furnish Domed Stadium. On the day of Sounders Games, the County shall furnish and make available to SSI the entire Domed Stadium facility, including the playing field, visiting locker rooms, press box, broadcast facilities and other facilities fully equipped, operating, lighted and staffed for Indoor Soccer game purposes no later than three (3) hours prior to game time. All costs incurred in connection with the conversion of the playing field and/or other portions of the Domed Stadium from a non-soccer configuration to a soccer configuration, or from a soccer configuration to a non-soccer configuration, shall be the sole responsibility of the County.

4.8 County to Furnish Utilities. On a Home Game Day 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 Indoor 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 and actual cost of said utilities will be paid to County by SSI pursuant to Paragraph 4.10.

4.9 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 4.10. 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 cleaning 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.

4.10 Use Payments. In consideration for the license to use the Domed Stadium as provided in this Article, SSI shall pay to the County for each Sounders Game the following:

A. For the first three (3) years of the Agreement beginning November 15, 1980, Five Percent (5%) of Ticket Sales Proceeds or \$2,500 minimum, whichever is greater. If the option to extend the term of this Agreement is exercised by SSI, SSI shall pay Seven Percent (7%) of Ticket Sales Proceeds or \$2,500 minimum, whichever is greater, beginning November 15, 1983.

B. The actual cost to the County of providing Day of Game personnel pursuant to Paragraph 4.9.

C. The actual cost of providing utilities specified in Paragraph 4.2, 4.3 and 4.8.

4.11 Time of Payment. The use payments defined in Paragraph 4.10 shall be due and payable by SSI within five (5) business days after receipt of the Day of Game settlement statement from the County. 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.

4.12 Books, Records and Inspection. SSI shall keep accurate books and accounts of the matters upon the basis of which the use payments specified in Paragraph 4.10 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 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 Paragraph 4.10.

4.13 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 previously agreed to by the general manager of the Sounders.

4.14 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, guaranties 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 FIVE

Selection of Dates for the Sounders Games

The parties recognize that the schedule for professional Indoor Soccer games will be released by the NASL in July or August of each year and that SSI will be unable to specify the

final dates of its Home Games until the NASL schedule is established. It is recognized by SSI that the County has contractual obligations to existing Domed Stadium tenants during the NASL Indoor Soccer Season and that scheduling of Sounders Games shall be subject to availability of the remaining dates. If there is a schedule conflict with the existing Domed Stadium tenants, SSI shall have the right to choose alternative dates.

ARTICLE SIX

Tickets

6.1 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 Indoor Soccer Seats in the Domed Stadium shall be under the exclusive control of SSI.

6.2 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.

6.3 Complimentary Tickets The number of complimentary tickets issued for a Sounders Game by SSI, not including credentials issued to officials and personnel of the NASL and other league teams, to the press and broadcast media and similar personnel, and credentials for persons working or performing in the Domed Stadium, shall not exceed 1,500 during the first three (3) years of the term of this Agreement. If the original term is extended, the maximum number of complimentary tickets shall not exceed 1,000 per game. For special promotions, SSI may exceed the above per game limitations upon prior written Approval from the Stadium Director.

Press Box Access

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 area for a period beginning three (3) hours 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.

ARTICLE EIGHT

Concessions

8.1 Concessions. Except for rights and concessions reserved to SSI (such as the sale of Soccer Novelties, Paragraph 8.2; broadcast rights, Article Ten; 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.

8.2 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.

Use of Public Address and Scoreboard Systems

9.1 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 provided further that the County shall have the right of access for emergency purposes including but not limited to general announcements and crowd control.

9.2 Scoreboard. The County shall, during the term of this Agreement, provide and maintain two arena scoreboards which shall have the capability of presenting, on a fixed format basis, game-in-progress information relating to an Indoor Soccer game including the 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.

9.3 Video Screen. As a part of the Domed Stadium, the County shall provide and maintain a video screen which is in accordance with the contract entered into with the Conrac Corporation dated August 5, 1975 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 Paragraph 9.4, SSI shall have the exclusive control of the timing of information displayed on the video screen.

9.4 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 a primary and auxiliary scoreboards 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 minutes per game 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.

9.5 Advertising on Dasher Boards. SSI shall have the right to place advertising panels on the Indoor Soccer dasher boards. It is recognized by SSI that the County has existing contractual obligations to other Domed Stadium advertisers. SSI shall not enter any advertising agreement for advertising space in the Domed Stadium that adversely affects a Domed Stadium advertiser. All advertising agreements by SSI shall be provided to County for review and approval prior to execution. SSI shall be responsible for the advertising copy, installation, maintenance and liability of all dasher board advertising.

ARTICLE TEN

Broadcasting

10.1 Broadcast Rights. 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 for 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. No Sounders Game shall be televised within a radius of 75 miles of the Domed Stadium unless the paid attendance for the game exceeds 18,000 twenty-four (24) hours before the start of the game; provided, however, the 18,000 limitation shall not apply to any broadcast for which the starting time is delayed at least twenty-four (24) hours after the conclusion of the live event.

10.2 Broadcast Facilities. With regard to the broadcast and reproduction rights referred to in Paragraph 10.1, 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 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.

10.3 Camera Facilities. As part of the Domed Stadium, the County shall make available at no cost to SSI adequate TV camera locations for use by SSI and broadcasting media for the purpose of filming, taping and broadcasting the on-field activities. In consideration therefor, SSI will allow transmission of on-field activities through the closed circuit facility, and to the stadium concession booths and video screen.

10.4 Pay Television Broadcast within 75-mile Radius of the Domed Stadium. SSI shall not authorize, permit or otherwise participate in any pay television broadcast to locations within a 75-mile radius of the Domed Stadium without the prior written consent of the Stadium Director, which consent shall not be unreasonably withheld.

Default

11.1 Nonexcusable Acts of Default. The County shall have the right, at its option, 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 acts 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, the filing of which petition is 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.

11.2 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. If the NASL at any time during the term of this Agreement terminates the league play of Indoor Soccer, SSI shall have the right to terminate this Agreement in its entirety and be released from all contractual obligations except for payment of the remaining capital equipment costs pursuant to Article Twelve. SSI will not have the right to terminate this Agreement as long as Indoor Soccer is played in the NASL.

11.3 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 duties 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.

11.4 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 TWELVE

Capital Equipment Cost Guarantee

The County shall be responsible for the purchase of the necessary capital equipment, including artificial turf and dasher boards, to stage a professional Indoor Soccer game in the Domed Stadium. It is understood by SSI that the County will incur significant cost in the purchase of such equipment and, for that reason, SSI shall guarantee payment to the County at the end of this Agreement as defined in Article Two or the termination of Indoor Soccer by SSI in the Domed Stadium (as defined in Paragraph 11.2), in an amount equal to the total equipment cost incurred by County less the revenues generated from stadium rental, concession and parking at all Sounder Games played in the Domed Stadium. If such total revenues are in excess of the total equipment cost, no payment shall be necessary. The total capital equipment cost incurred by the County for Indoor Soccer will be determined at a future date upon equipment purchase and will be attached to this Agreement for incorporation herein. In the event that SSI elects to exercise its option to extend its lease to November 14, 1986, as provided for in Article Two hereof, then and in that event the calculations provided for herein shall be made as of November 14, 1986, and not on November 14, 1983.

ARTICLE THIRTEEN

Miscellaneous

13.1 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.

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

13.3 NASL Rules and Regulations. The activities of SSI in owning and playing a professional Indoor 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 Games in the Domed Stadium in accordance with this Agreement.

13.4 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 Indoor Soccer team in the Domed Stadium; and

B. That no rule, policy, constitution, or by-law (or any provision of any thereof) of the NASL 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 parties 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.

13.5 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 of certified letter containing such notice, properly addressed, with postage prepaid, is deposited in the United States mail; and if give 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:

King County Executive
400 King County Courthouse
Seattle, WA 98104

If to Seattle Sounders, Inc.:

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

and

Stadium Director
King County Domed Stadium
201 South King Street
Seattle, WA 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.

13.6 Force Majeure.

A. This Agreement shall be subject to force majeure (hereinafter "force"), including, but not limited to fire, accidents, riots, civil disturbances, war, government regulations, labor strikes 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". If it is determined that SSI is prevented by such "force" from exhibiting professional Indoor Soccer in the Domed Stadium or from carrying out the NASL schedule in any Indoor Soccer season

during this Agreement, SSI, without payment of use payment under the terms of this Agreement, may exhibit professional Indoor 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 sixty (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.

13.7 Assignment. SSI shall not assign or transfer to any other person a controlling interest in its NASL franchise, nor assign any of its rights hereunder, except to such person as may be approved by NASL and who agrees and is financially able to perform SSI's obligations hereunder.

13.8 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.

13.9 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.

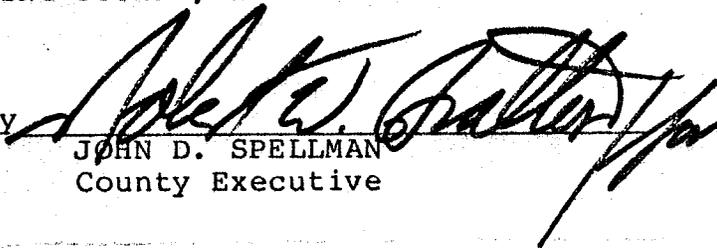
13.10 Successors and Assigns. The terms and provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

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

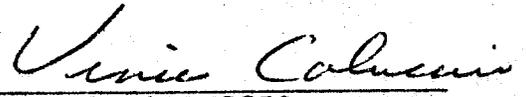
KING COUNTY, WAHSINGTON

SEATTLE SOUNDERS, INC.

By

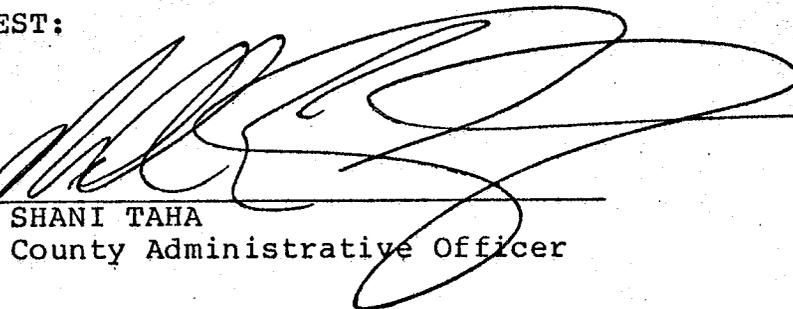

JOHN D. SPELLMAN
County Executive

By


VINCE COLUCCIO
Owner

ATTEST:

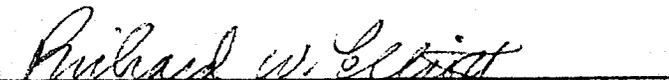
BY


SHANI TAHA
County Administrative Officer

APPROVED AS TO FORM & LEGALITY:

KING COUNTY PROSECUTING ATTORNEY

By


RICHARD W. ELLIOTT
Senior Deputy Prosecuting Attorney

