

SAN DIEGO POLO CLUB

P.O Box 3035

14555 El Camino Real

San Diego, CA 92130

(858) 481-9217 office - (858) 481-2247 fax

GOLDEN OLDIES WORLD RUGBY FESTIVAL/SAN DIEGO POLO CLUB FACILITY USE AGREEMENT

This agreement is made and entered into effective this day, Thursday, March 10, 2005, by and between San Diego Old Aztec Athletic Club representing the "Golden Oldies World Rugby Festival" (hereinafter "Festival"), and the Rancho Santa Fe Polo Club, DBA San Diego Polo Club (SDPC), a California Corporation having its principal place of business 14555 El Camino Real, San Diego, CA 92130.

Whereas, Festival is a non-profit public benefit corporation organized for public and charitable purposes, including the staging of the Golden Oldies World Rugby Festival; and

Whereas SDPC is a non profit mutual benefit corporation and has a long term lease with the City of San Diego for the use of the referenced facilities located at 14555 El Camino Real, San Diego, CA 92130 (hereinafter SDPC or "the property"); and

Whereas, SDPC desires to lease to Festival, and Festival desires to lease from SDPC the property of a term and subject to the terms, agreements, and conditions of this Agreement; and

Whereas, Festival and SDPC desire to enter into a business relationship through which the Festival will produce a 3-day rugby tournament and festival at the SDPC's facility for a period commencing May 16 through May 20, 2005;

The parties agree as follows:

1. **DEFINITIONS.** As used herein the terms set forth below shall be defined as follows:
 - A. **GOLDEN OLDIES WORLD RUGBY FESTIVAL.** The Golden Oldies World Rugby Festival is held on 3 alternating days (Monday, Wednesday, and Friday — May 16, 18, & 20, 2005. The game schedule is as follows: Each day the first game begins at 8:00 am and the last game ends at 6:00. The Festival may continue each evening until 9:00 pm. Festival must vacate the premises by 9:00 pm each evening.

The Festival's facility requirement shall include polo fields #1, #2, #3, & #4. The Festival shall begin set up for the event beginning Saturday, May 14, 2005. The Festival shall return facilities back to SDPC the afternoon of Monday, May 23, 2005.

SDPC will mow and water in preparation for the first day of play.

2. **CONSIDERATION OF FACILITY USE.** In consideration for facility use, the Festival shall make payment to SDP as follows:

PAYMENT SCHEDULE

Due April 16th to SDPC:

First Payment

\$ 15,000.00

Refundable deposit

\$ 3,000.00

Amount due \$ 18,000.00
Due May 1st to SDPC:
Second Payment Amount due \$ 15,000.00
Due May 9th to SDPC:
Third Payment Amount due \$ 15,000.00

Total Amount to SDPC: \$45,000 + Security Deposit \$3,000 = \$48,000

City percentage use tax* due to SDPC prior to first day of Festival - May 16th.
(*10% Use Tax or the amount of percentage mandated by the City of San Diego)

Security deposit refund to Festival by SDPC due June 1, 2005.

Festival shall be responsible for the following:

- ☐ Approval of the City of San Diego Special Event Permit Application (which includes: Event description, route map, site diagram, sanitation program, traffic plan, parking plan, etc.).
- ☐ Approval of the event by the City of San Diego Manager and the City of San Diego Property Department.
- ☐ Execution of the proper sublease agreement and approval of sublease by the City of San Diego Property Department.
- ☐ \$2,000,000 Insurance coverage naming the Rancho Santa Fe Polo Club DBA San Diego Polo Club & City of San Diego as additionally insured.
- ☐ Any profit made by the Golden Oldies World Rugby Festival will be donated to San Diego youth sports organizations.
- ☐ Approval of Events Management Checklist (Appendix A - attached).

San Diego Polo Club is responsible for:

- ☐ Providing Festival with Polo Fields #1, 2, 3, & 4

Event Dates: MAY 16, 18, 20, 2005
Event: Golden Oldies World Rugby Festival
Daily Event Time: 8:00 am - 9:00 pm
Organization Name: San Diego Old Aztec Athletic Club
Contact: Regan Tully, Festival Director, Host Committee
Contact Phone: Office: 619/661-0656
Email Address: tully@breb.com
Billing Address: 2320 Paseo de las Americas, Ste. 114,
Otay Mesa CA 92154

San Diego Polo Club has the right to cancel the Festival due to inclement weather to protect the fields and property. However, every effort will be made to complete the event. If there is any damage to the fields or property, Festival is obligated to reimburse SDPC for any repairs.

Festival must vacate the premises by 9:00 pm each night.

Festival will indemnify and hold SDPC harmless from and against any loss, cost, injury, damage, and/or liability or claim, including by no limited to, cost and fees defending any law suits resulting from or in connection with the Golden Oldies World Rugby Festival.

Festival will provide a liability insurance certificate naming the San Diego Polo Club and the City of San Diego as additionally insured. The insurance certificate must be received in the SDPC office no later than May 1, 2005.

This Agreement does not constitute and will not be construed as constituting a partnership or joint venture between parties. Neither party will have the right to obligate or bind the other in any manner whatsoever, and nothing herein will give or is intended to give any right to a third party.

This Agreement and Appendix A constitute the entire Agreement between the parties and supersedes all prior agreements and understandings, both written and oral, with respect to the subject matter thereof. All modifications, amendments and waivers to this Agreement and Appendix will be in writing.

This property is owned by the City of San Diego and is being utilized for the benefit of the general public under a lease agreement with the San Diego polo Club. Any use of the polo club is at the discretion of the City of San Diego and no further use is either implied or guaranteed. Festival must abide by the terms of SDPC's lease with the City of San Diego.

Regan Tully 4/5/05
Regan Tully, Festival Director Date

Heather Chronert 3/16/05
Heather Chronert, Dir. Special Events Date

Attached: Appendix A Here

GOLDEN OLDIES WORLD RUGBY FESTIVAL/SDPC**APPENDIX A****Events Management Checklist****Pre-Event**

1. Polo Club Contract
 - a. Security deposit
2. Mandatory Meeting (min. 60 days prior to event)
 - a. Approve Set-up Schematic, including tents, toilets, wash stations, concession areas, activity/field layout, and on-site parking.
 - b. Approve vehicles allowed on grass
 - c. Approve public address system & hours of operation
 - d. Location of off-site parking, if needed. Parking for guests not arriving by motor coach must be approved prior to the event.
 - e. Obtain Insurance Certification for both City of San Diego and Polo Club.
4. Special Events Permit
 - a. Health Permit
 - b. Alcoholic Beverage Permit
5. Traffic Control & Parking Planning
 - a. Pre-Event Warning Signs Posted 14 Days in Advance
 - b. Parking for guests not arriving by motor coach must be approved prior to the event. Spectator parking must be offsite.
6. Security
 - a. Crowd Control
 - b. Restricted Area Control
 - c. Night Time Security
7. Support Contracts
 - a. Mandatory Vendors. All tenting, linens, tables and chair rentals must be made through Classic Party Rentals
 - b. Preferred Vendors
 1. All caterers must be fully self contained during each event and must ensure that:
 - a. Ice and hot water from chafing dishes, etc. is not dumped on the grass.
 - b. Barbecues and grills must have ground cover
 - c. All metal i.e. nails, wire, screws and broken glass is removed from the polo field. The area must be kept clean at all times.
 2. The vendors must agree to abide by all health, labor and liquor regulations, and will provide a copy of their current business license to the San Diego Polo Club, and must have current relevant health permits.
 3. All alcoholic beverage permits must be made through San Marcos Bureau of Alcoholic Beverage Control. Copies of permits to be on file in the polo club office.

4. Festival and Vendors must carry \$2,000,00.00 liability insurance naming the San Diego Polo Club and the City of San Diego as additionally insured.
- c. Trash Dumpster - All trash will be cleaned from banquet/event area and removed from the premises
8. Determine Power Requirements
9. Set Emergency Response Procedures
 - a. EMT - ambulance standby on site at all times during Festival.

Setup

Lining of fields, and construction and placement of goals will be contracted by the Festival Committee. Supervised by Joe Strickland from the San Diego Polo Club (SDPC). Set up and strike dates must be reviewed and approved SDPC

1. Cordon Off By Stake & Caution Tape:
 - a. All Well Head Water Risers
 - b. Wheel Line Sprinklers
 - c. Restricted Areas (i.e. Barns, Polo Club Parking Lot, Buildings & Trailers)
2. Traffic Control
 - a. Pre-Event Warning (14 days) - Notification & information of the event and suggestion of taking an alternate route should be posted on adjacent City streets 14 days (2 weeks) prior to the start of the Festival. Dates of Festival to be listed on signage.
 - b. Signage - Event signage and placement to be approved by SDPC.
 - c. Barricades & Cones
 - d. Posting of No Parking Signs
3. Parking Layout - Transportation to and from field to be arranged with motor coaches. No parking on field. Coach and vendor parking to be coordinated with SDPC. Festival officials must keep all traffic from backing up on El Camino Real. Limit of 225 cars on property, plus additional motor coaches.
4. Trash - Trash pickup and field sweep to be made hourly throughout each day of event. Recommend at least 60 trashcans and 2 40-yard dumpsters.
 - a. Receptacle Layout
 - b. Toilets & Sanitary Facilities - The Festival must provide portable restrooms - we suggest at least 45 or more (especially near the beer tent) portable toilets and 5 AD (handicapped) accessible toilets must be available.
 - c. Locations
 - d. Wash Stations- Wash sinks are suggested near toilet areas (typically 14 or these).
 - e. 3 Compartment Sinks
6. Concessions
 - a. Layout
 - b. Refrigeration - if truck, approve location
 - c. Compound Area/Storage
7. Power Setup

- a. SDG&E
- b. Portable Generators
 - 1) Location
 - 2) Hours of Operation
- c. Any lighting must be directed to the riverbed (the south) as a ~~a~~ courtesy to our neighbors.
8. Communications/Public Address Systems
 - a. Walkies/Cell Phones
 - b. Establish direct communications with Joe Strickland
 - d. Approve setup of public address systems - Any public address system announcements are to be limited. Start time 9:00 am - ending at 5:00 pm.
 - e. Any amplified music must be completely tented
9. On-Site Transportation
 - a. Shuttles
 - b. Golf Carts
 - c. Only vehicles approved by Joe Strickland on the grass. Delivery vehicles and heavy equipment will not be allowed on the grass unless approved.
10. Layout Active Use Area (playing fields)
 - a. Approval of paint/markings materials by Joe Strickland
 - b. Lining of fields, and construction and placement of goals will be contracted by the Festival Committee. Supervised by Joe Strickland from (SDPC).

Event

1. Festival start time will not be prior to 8:00 am. End time will be 9:00 pm
2. There will be an approved number of players on field.
3. Horns and/or noisemakers will not be allowed at event as a courtesy to our neighbors.
4. Festival is responsible for the actions of the players at event. SDPC has the right to remove any person demonstrating any inappropriate behavior.
5. Maintain Areas Cordoned Off By Stake & Caution Tape
6. Traffic Control
 - a. Off-site to minimize impact on local traffic patterns
 - b. On-site to protect grass and maximize safety
7. Parking Area
 - a. Adequate personnel to maintain traffic flow
8. Trash - Trash pickup and field sweep to be made hourly throughout each day of event.
 - a. Dumpster replaced as necessary
 - b. Receptacles emptied as necessary
 - c. Loose trash pick-up continuously
9. Toilets & Sanitary Facilities

- a. Toilets maintained with paper & serviced as necessary but only during approved hours. Toilets and sanitary facilities to be cleaned not prior to 9:00 am and not later than 9:00 pm. Suggest cleaning on the "off" days of Festival – May 17, 19, 21, 2005
- b. Wash Stations maintained with towels and serviced as necessary
- c. 3 Compartment Sinks serviced as necessary
- 10. Concessions
 - a. Maintain per health dept. requirements
 - b. Refrigeration – if truck, hours of operation only as approved
- 11. Power
 - a. Maintain power cords
 - c. Signage & ramps for safety
- 12. Communications
 - a. With Joe Strickland
- 13. On-Site Transportation
 - a. Shuttles
 - b. Golf Carts – safety regulations for use on-site
 - c. Only vehicles approved by Joe Strickland on the grass

Tear Down & Post-Event Activities

- 1. Removal of all equipment
- 2. Field sweep for trash & debris. Complete sweep of all fields after all tenting and structures are removed from property following Festival.
- 3. Outlying streets sweep for trash & debris
- 4. Final walk through with Joe Strickland to assess cleanliness and assess for damage to field and facilities.

SAN DIEGO SURF CUP/SAN DIEGO POLO CLUB FACILITY USE AGREEMENT LONG TERM

This agreement is made and entered into effective January 1, 1998 by and between San Diego Surf Cup, Inc., a California Corporation located at 3101 La Costa Avenue, Carlsbad, California 92009 (hereinafter "Cup") and San Diego Polo Club a California Corporation having its principal place of business 14555 El Camino Real, Rancho Santa Fe, California 92067 (hereinafter "SDPC").

Whereas, Cup is a non-profit public benefit corporation organized for public and charitable purposes, including the staging of one or more soccer tournaments for the benefit of youth soccer activities; and

Whereas, SDPC is a non profit mutual benefit corporation and has a long term lease with the City of San Diego for the use of the referenced facilities located at 14555 El Camino Real, San Diego, California (hereinafter "the Property"); and

Whereas, SDPC desires to lease to Cup, and Cup desires to lease from SDPC the Property for a term and subject to the terms, agreements and, conditions of this Agreement.

Whereas, Cup and SDPC desire to enter into a business relationship through which the Cup will produce amateur youth soccer events and conduct soccer practices/games at the SDPC's facility for the period beginning January 1, 2001 and ending December 31, 2013, and SDPC shall provide for such facility use; and

The parties agree as follows:

1. **DEFINITIONS.** As used herein the terms set forth below shall be defined as follows:
 - A. **SAN DIEGO SURF CUP SOCCER TOURNAMENT.** The San Diego Surf Cup Soccer Tournament (320 teams) is held on two consecutive weekends (Friday, Saturday, and Sunday at the end of July and the first of August.) The game schedule is as follows: on Friday and Saturday the first game begins at 8:00AM and the last game ends at 6:30PM; and on Sunday the first game begins at 9:00AM and the last game ends at 6:30PM.

The Cup's facility requirement shall include polo fields #1, #2, #3 and #4.

The Cup shall begin set up for the event beginning Monday prior to the first Friday's game. The Cup shall return the facilities back to SDPC the afternoon of the Wednesday following the last day of play.

The Cup shall not conduct practices the week after the tournament.

SDPC will mow and water in preparation for the first weekend of play and shall mow and water between the weekends of the events.

- B. **SAN DIEGO SURF CUP GIRLS THANKSGIVING TOURNAMENT.** The San Diego Surf Cup Girls Thanksgiving Tournament (160 teams) is held over the Thanksgiving weekend beginning Friday following Thanksgiving, Saturday, and Sunday. The game schedule is as follows: on Friday and Saturday the first game begins at 8:00AM and the last game ends at 4:00PM; and on Sunday the first game begins at 9:00AM and the last game ends at 4:00PM.

The Cup's facility requirements are polo fields #1, #2, #3, and #4.

The Cup shall begin set up on Monday prior to the first game day. The Cup will return facilities back SDPC the afternoon of the Wednesday following the last tournament day.

SDPC shall mow and water prior to the event.

- C. **PRACTICE/GAMES.** The Cup shall be allowed to schedule practice by the San Dieguito Surf Soccer Club and to conduct games.

The Cup's facility use requirements are one and one-half adjacent polo fields in April, May, July, August, September, October and November as follows: Weekday use shall be Monday through Thursday, 3:00PM until 7:00PM and for Saturday games from 9:00AM until 5:00PM.

The Cup's facility use requirement is one polo field in January, February, March, and December as follows: weekdays use shall be Monday through Thursday, 3:00PM until 7:00PM and for Saturday games from 9:00AM until 5:00PM.

There will not be practices on Friday or Sunday.

There may be makeup games on Sunday.

The exact location for practice, Saturday and Sunday makeup games will be determined by SDPC pursuant to a one-week notice to the Cup.

2. **CONSIDERATION OF FACILITY USE.** In consideration for facility use, the Cup shall make payment to SDPC as follows:

- A. **SAN DIEGO SURF CUP SOCCER TOURNAMENT.** The Cup shall pay SDPC a fee of \$48,315.00, which shall be adjusted annually on January 1 of each succeeding year, based on an increase or decrease in the United States Department of Labor's Bureau of Labor Statistics Consumer Price Index, All Urban Consumers, San Diego, California (1967 equals 100), or a successor of such index (hereinafter the "CPI"), for the year immediately proceeding such Adjustment Date. The numerator shall be the CPI in the month which facility use commenced. In addition the Cup shall pay a 10% use tax of the yearly rental fee to the City of San Diego.

In addition the Cup shall pay two per cent (2%) of Surf Cup gross revenues (exclusive of concessions) over \$500,000.00.

- B. **SAN DIEGO SURF GIRLS CUP.** The Cup shall pay SDPC a fee of \$24,623.00, which shall be adjusted annually on January 1 of each succeeding year, based on an increase or decrease in the United States Department of Labor's Bureau of Labor Statistics Consumer Price Index, All Urban Consumers, San Diego, California (1967 equals 100), or a successor of such index (hereinafter the "CPI"), for the year immediately proceeding such Adjustment Date. The numerator shall be the CPI in the month which facility use commenced.

In addition the Cup shall pay a 10% use tax of the yearly rental fee to the City of San Diego.

In addition the Cup shall pay two per cent (2%) of Girls' Cup gross revenues (exclusive of concessions) over \$500,000.00

- C. **PRACTICE/GAMES.** The Cup will pay SDPC a monthly fee as follows: \$6,000.00 for April, May, July, August, September, October, November (there is no practice during the month of June), and \$5,000.00 for January, February, March, and December, which shall be adjusted annually on January 1 of each succeeding year, based on an increase or decrease in the United States Department of Labor's Bureau of Labor Statistics Consumer Price Index, All Urban Consumers, San Diego California (1967 equals 100), or a successor of such index (hereinafter the "CPI"), for the year immediately preceding such Adjustment Date. The numerator shall be the CPI in the month which facility use commenced.
3. **PERMISSION OF FACILITY USE.** In consideration of the fees and other consideration to be paid by Cup the SDPC, and of the other obligations by SDPC herein:
- A. Cup shall be given complete use of the designated areas of the facility during the term of the agreement;
- B. Cup shall manage, produce, and conduct its activities on said premises;
- C. SDPC shall make reasonable measures to maintain its facilities for Cup's contemplated usage.
4. **TERM.** This agreement shall remain in full force and effect for the period beginning January 1, 2001 and expiring on December 31, 2013.
5. **SPECIFIC TERMS AND CONDITIONS.** Cup and SDPC additionally agree to the following:
- A. The Cup shall bear full cost and responsibility for trash pick up and disposal.
- B. The Cup shall supply portable toilets.
- C. The Cup shall supply parking control attendant for practices/games.
- D. No permanent markings will be allowed on the fields that would interfere with polo matches.
- E. Soccer goals shall be stored at the end of use in areas designated by SDPC.

- F. The Cup will not allow activities to interfere with polo play.
 - G. SDPC recognizes that each Saturday is a game day. The field location for games may not be adjusted by SDPC without the mutual consent of Cup and SDPC following a one-week proper notice.
 - H. Parking for practice/games will be in areas mutually agreed to by Cup and SDPC.
 - I. A public address system may be used only during the tournaments between the hours of 11:00AM and 6:00PM exclusive of practice.
 - J. The Cup shall make all efforts to prevent traffic backup. To this extent shall hire proper personnel subject to the approval of SDPC.
 - K. The Cup shall be solely responsible for any necessary action or expense to assure the safety of their participants.
 - M. The Cup shall supply insurance and waivers required by SDPC. SDPC requires insurance of two million dollars (\$2,000,000.00) naming the City of San Diego, San Diego Polo Club as additional insured.
 - N. During the term of the Agreement, and any renewals or extensions thereof, the Cup and its affiliates will not approach the City of San Diego concerning the SDPC lease with the City of San Diego.
 - O. SDPC may require the Cup to adjust field locations if wear is excessive. SDPC recognizes that this is an additional expense to the Cup and will work to avoid this request.
6. **POLO CLUB ACCESS.** Cup and SDPC agree that vehicle parking during the Surf Cup and Girls Cup events shall be offsite and that vehicle parking during practices/games shall be on site. Cup shall be responsible for the annual payment of \$9,000.00 to SDPC for access to the Polo Club via El Camino Real, except as may be provided below. Cup may charge a parking fee for offsite parking or may subcontract parking and parking fee collection. If the Cup subcontracts to the 22nd Agg District, SDPC agrees that Cup shall not be responsible for the payment of any annual fee subject to SDPC prior consent to any Cup/22nd agreement.
7. **CANCELLATION DUE TO WEATHER.** Cup and SDPC each individually retains the right to cancel either tournament as a result of the consequences of inclement weather or acts of God. If a use is cancelled prior to said use, the Cup will be refunded 50% of any amount of fees paid.
8. **EXCLUSIVITY.** Cup is hereby granted by SDPC exclusive use of the Property for all soccer activities for the duration of this Agreement.
9. **LONG TERM AGREEMENT FEE.** In consideration for the right to enter into this long term agreement, the Cup shall pay to SDPC two non refundable lump sum deposits: the first payment will be made on March 31, 1998 in the amount of \$75,000.00 and the second payment will be made on March 31, 1999 in the amount of \$75,000.00.
10. **SECURITY DEPOSITS.** The Cup shall pay refundable security deposits to SDPC as follows:
- A. Surf Cup. The Cup shall pay a refundable security deposit of \$5,000.00. This deposit will be paid by May 15. SDPC will refund the security deposit within 60

days following the event. SDPC may deduct monies from the security deposit for damages caused by the Cup. If damages are deducted SDPC will provide the accounting for the amount of the deduction.

- B. Girls Thanksgiving Tournament. The Cup shall pay a refundable security deposit of \$3,000.00. This deposit will be paid by November 1. SDPC will refund the security deposit within 60 days following the event. SDPC may deduct monies from the security deposit for damages caused by the Cup. If damages are deducted SDPC will provide the accounting for the amount of the deduction.

11. **USE OF PROPRIETARY VENDORS.** Whereas SDPC has an exclusive agreement with North County Party Rental for the rental of tents. If tent rental is necessary Cup agrees to rent tents from North County Party Rental.

12. **NOTICES.** All notices, statements and payments provided for herein shall be made in writing and deemed given if sent by registered or certified mail, postage prepaid, air carrier or by verifiable facsimile transmission, to the parties at the addresses given below, or such other addresses as either party may designate in writing to the other during the term of the agreement:

Cup: R. Michael Connerley, President
San Diego Surf Cup, Inc.
3101 La Costa Avenue
Carlsbad, CA 92009

SDPC: Tom Goodspeed
San Diego Polo Club
P. O. Box 3035
Rancho Santa Fe, CA 92067

It is the obligation of each party to notify the other of any address change.

13. **RIGHT TO TERMINATE.**

- A. Upon written default notice to Cup, SDPC may terminate this agreement given notice and right to cure 30 days if Cup fails to cure within 30 calendar days after receipt of written default notice for the following:

- a. Fails to perform any material term or condition provided for herein; or
b. Is adjudicated insolvent, dissolved or declares bankruptcy.

If SDPC so terminates this agreement, Cup forfeits any outstanding deposits.

- B. Upon written notice to SDPC, Cup shall have the right to terminate this Agreement given notice and right to cure 30 days if Cup fails to cure within 30 calendar days after receipt of written default notice for the following:

- a. Fail to perform any material term or condition provided herein; or
b. Is adjudicated insolvent or declares bankruptcy.

SDPC
Initials
WCP
Initials

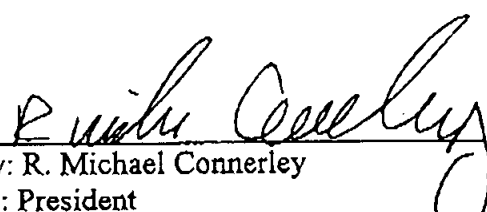
If Cup so terminates this agreement, SDPC shall refund all outstanding Cup deposits and the remaining Long Term Agreement Fee after reducing Long Term Agreement Fee balance by one sixteenth per year beginning in 1998. Outstanding deposits and remaining fees shall be paid to the Cup as follows: the initial 50% within 60 calendar days from the notice to terminate and the final 50% within 240 calendar days from the notice to terminate.

14. **ASSIGNMENT/DELEGATION.** Neither Cup nor SDPC shall assign or delegate the obligations of this Agreement without the express prior written consent of the other party.
15. **PARAGRAPH CAPTIONS.** Paragraph and other captions contained herein are for reference purposes only and are in no way intended to describe, interpret, define or limit the scope, extent or intent of the Agreement of any of its provisions.
16. **ENTIRE AGREEMENT.** Upon execution by both parties this agreement shall constitute the entire understanding between the parties and may not be altered or modified except by a written agreement, signed by both parties. Any previous agreements between Cup and SDPC have for further force and effect.

Witness whereof, the parties have executed this agreement on the date described below.

SAN DIEGO SURF CUP, INC.

SAN DIEGO POLO CLUB


By: R. Michael Connerley
Its: President


By: Howard C. Bird
Its: President

Dated: 1-20-98

Dated: 1-16-98

Fax



Date: July 14, 2003

To: Carol Young
City of San Diego - Real Estate Assets

Fax Phone: (619) 236-6706

From: Mike Connerley

Pages: 7 (Including Cover)

Subj: Polo Club Agreement

Enclosed is the signed agreement with the San Diego Polo Club.

Thanks,
Mike

AMENDMENT to the POLO GROUNDS USE AGREEMENT

This amendment to the "POLO GROUNDS USE AGREEMENT" is entered into on October 20, 1999, by and between the RANCHO SANTA FE POLO CLUB, a California non-profit corporation ("Owner"), and CABRILLO KENNEL CLUB, a California non-profit corporation ("Cabrillo"), with reference to the following facts, amends the above referenced POLO GROUNDS USE AGREEMENT, as follows.

Upon execution of this Amendment, Cabrillo shall pay the Owner the sum of sixty-thousand dollars (\$60,000.00), in addition to the already paid one-hundred-and-seventy-thousand dollars (\$170,000.00), into the existing Damage Deposit account of Cabrillo, under the existing terms and conditions thereof. The sixty-thousand dollars (\$60,000.00) shall be made available to the Owner under the following schedule:

\$30,000.00 on or before November 15, 1999, but no earlier than November 1, 1999

\$30,000.00 on or before May 31, 2001, but no earlier than May 1, 2001

In consideration of these amounts, the Owner agrees to waive the portion of the existing POLO GROUNDS USE AGREEMENT, Section 5, DAMAGE DEPOSIT, subsection 5.1, which states, "In the event any application of any portion of the Damage Deposit under Section 5.2 below decreases the balance of the Security (Damage) deposit to below \$25,000, Cabrillo shall deposit sufficient sums with Owner such that the Security (Damage) deposit shall at all times have a balance of at least \$25,000." This item is hereby amended to read, "In the event any application of any portion of the Damage Deposit under Section 5.2 below decreases the balance of the Security (Damage) deposit to below eighth-thousand dollars (\$8,000.00), Cabrillo shall deposit sufficient sums with Owner to bring the DAMAGE DEPOSIT account balance to eighth-thousand dollars (\$8,000.00), ninety (90) days prior to the actual date of any of Cabrillo's scheduled events".

All of the other existing terms and conditions of the POLO GROUNDS USE AGREEMENT entered into on June 17, 1996, by and between the RANCHO SANTA FE POLO CLUB, a California non-profit corporation ("Owner"), and CABRILLO KENNEL CLUB, a California non-profit corporation ("Cabrillo"), shall remain in effect.

IN WITNESS WHEREOF, the parties have executed this Amendment to the Polo Grounds Use Agreement as of the date first written above.

RANCHO SANTA FE POLO CLUB,
a California non-profit corporation

By: [Signature]

Print Name: Thomas F. Gaudin

Title: General Manager

Date Signed: 11/10/99

By: _____

Print Name: _____

Title: _____

Date Signed: _____

CABRILLO KENNEL CLUB,
a California non-profit corporation

By: [Signature]

Print Name: Mark Joseph Walsh

Title: TREASURER

Date Signed: 11-10-99

By: [Signature]

Print Name: JOSEPH ARVILL

Title: LOW CHAIRMAN

Date Signed: 11-10-99

THE INSURANCE STORE
231 W. MAIN STREET
EL CAJON, CALIFORNIA 92020

FAX: 619-401-1815

619-401-1800 EXT: 146

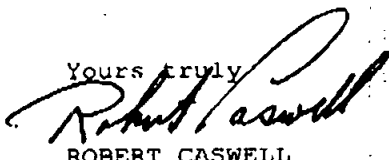
FROM: ROBERT CASWELL

TO: MADISON WIGGINS

JULY 09, 2003

REF. I AM SENDING YOU A COPY OF THE LEASE WE HAVE WITH THE RANCHO SANTA FE POLO CLUB. I AM THE COORDINATOR FOR CARRILLO AND DEL SUR KENNEL CLUBS

Yours truly



ROBERT CASWELL

619-401-1800 EXT 146 BUS.
619-733-5617 CELL
519-445-3517 HOME

POLO GROUNDS USE AGREEMENT

This POLO GROUNDS AGREEMENT is entered into as of June 17, 1996, by and between RANCHO SANTA FE POLO CLUB, a California non-profit corporation ("Owner"), and CABRILLO KENNEL CLUB, a California non-profit corporation ("Cabrillo"), with reference to the following facts, and supersedes all other contracts and agreements by and between Owner and Cabrillo.

RECITALS

A. Owner is a polo club whose facilities include numerous polo fields, parking area and other open spaces as well as certain club houses and other improvements located at 14555 El Camino Real, in the City of San Diego, San Diego County, California. Such property is hereinafter referred to as the "Club Grounds." Owner leases the Club Grounds from the City of San Diego pursuant to a Lease Agreement dated March 31, 1986 (the "City of San Diego Lease").

B. Cabrillo is a dog show and kennel club that, among other things, sponsors a semi-annual dog show and competition.

C. Cabrillo desires to enter into an agreement with Owner whereby Cabrillo would have the use of a certain portion of the Club Grounds to hold its scheduled shows on the terms and conditions set forth in this Agreement.

D. Owner desires to allow Cabrillo to utilize a portion of the Club Grounds on the terms and conditions set forth herein.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing facts and the mutual promises set forth in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. Use of Club Grounds. Owner hereby agrees to allow Cabrillo to use a portion of the Club Grounds, defined below as the "Show Area," for the purposes, at the times and on the terms and conditions set forth in this Agreement. The Show Area may be used during the Show Dates, as defined below, for the purposes of holding a dog show and competition operated by Cabrillo and for no other purpose. Each of such Dog Shows and Competitions shall be held during a three-day period, twice annually, subject to the terms and conditions herein. Each such separate, multi-day



competition shall be referred to herein as a "Show." Each Show shall be conducted within a portion of the Club Grounds designated at the "Show Area" in the applicable Show Plan (as defined below).

2. Consideration.

2.1 Payment. As consideration for the use of the Show Area during the Show Dates, Cabrillo shall pay to Owner a "Use Fee" in the sum of \$8,000 per Show, as the same may be increased as described below. The Use Fee for the first Show shall be due and payable upon execution of this Agreement. The use Fee for each subsequent Show shall be due and payable 90 days in advance of the first day of each such Show.

2.2 Cost-of-Living Increase. None

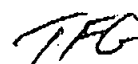
2.3 Refund of Use Fee. Except as specifically set forth in this Agreement, the Use Fee shall not be refundable.

3. Show Dates, Term of Agreement.

3.1 Show Dates. Set forth in Exhibit "A" is a schedule of the Show Dates for each of the Shows to be scheduled during the term of this Agreement. Cabrillo's access to the Club Grounds and the ability of Cabrillo to utilize the Show Area for its events, shall be limited to the applicable dates.

3.2 Times. Cabrillo shall have access to the Show Area for the purpose of setting up beginning on the Wednesday morning at 8:00 a.m. which is immediately prior to the applicable Show Date. Participants, judges, and Cabrillo personnel shall have access to the Show Area from 6:00 a.m. to 8:00 p.m. on the actual Show Dates. The general public shall not be allowed in the Show Area other than during the following times: Friday, 9:00 a.m. to 6:00 p.m., Saturday, 9:00 a.m. to 6:00 p.m., Sunday, 9:00 a.m. to 6:00 p.m. Cabrillo shall not use the amplified public address system at all prior to 10:00 a.m. or after 8:00 p.m. on any day, and shall minimize such use prior to 11:00 a.m. on any day. Motorhomes may not arrive at the Club Grounds prior to 8:00 a.m. on the Friday of the Show Date, and no motorhome shall be admitted after 10:00 p.m. on any evening.

3.3 Force Majeure. It is understood and acknowledged that in the event of war, strikes, inability to procure labor or materials, riot, insurrection, rain, inclement weather, fire, flood, earthquake, acts of God, or other acts beyond the control of Owner ("Force Majeure"), it may be impractical to allow the use of the Club Grounds on a particular Show Date. It is further understood and acknowledged that the use of the Show Area and the other Club Grounds for the Shows may cause damage to the Club



Grounds in the event the Club Grounds are soft because of an event of Force Majeure (particularly excessive rain or other inclement weather), or for any other reason, whether or not the fault of Owner. Accordingly, in the event such Force Majeure or other reason causes the potential for damage to the Club Grounds, or otherwise in the event of any such Force Majeure, Owner shall have the right and option, immediately upon notice to Cabrillo, to cancel any Show Date. In the event of any such cancellation, the Use Fee for that particular Show shall be one-half (50%) of the normally applicable Use Fee, and any amount over such amount previously paid by Cabrillo shall be refunded to Cabrillo or returned to the Damage Deposit balance, as appropriate.

4. Early Termination.

4.1 Voluntary Termination by Owner. Owner shall have the right to terminate this Agreement prior to its natural expiration without cause upon giving Cabrillo at least six months' prior notice of termination.

4.2 Termination by Owner with Cause. In the event of any Default (as defined below) by Cabrillo, Owner shall have the right to terminate this Agreement immediately and recover (i) all damages resulting from such Default plus (ii) the Early Termination Fee described in Section 4.3 below.

4.3 Voluntary Termination by Cabrillo. Cabrillo may terminate this Agreement prior to its natural expiration upon at least six months prior written notice to Owner. In the event of such termination, Cabrillo shall pay a fee (the "Early Termination Fee") of \$16,000, but not in excess of \$8,000 times the number of Shows canceled by such early termination.

4.4 Termination by Causes Beyond the Control of the Parties. If this agreement is terminated prior to its natural expiration by the City of San Diego, because of damage to or destruction of all or a portion of the Club Grounds, because of the condemnation of all or a portion of the Club Grounds, this Agreement shall terminate immediately upon the happening of such event.

4.5 Mutual Termination.

5. Damage Deposit.

5.1 Deposit. Upon execution of this Agreement, Cabrillo shall pay to Owner the amount of \$70,000 in addition to the original \$100,000 (the "Damage Deposit"), as security for Cabrillo's performance of this

Agreement. Owner shall not be required to keep this Damage Deposit separate from its general funds or in any type of a trust account. In the event any application of any portion of the Damage Deposit under Section 5.2 below decreases the balance of the Security deposit to below \$25,000, Cabrillo shall deposit sufficient sums with Owner such that the Security deposit shall at all times have a balance of at least \$25,000.

5.2 Application to Unpaid Fees and Other Costs. Owner may apply all or a part of the Damage Deposit to pay (i) any unpaid Use Fee if such Use Fee is not paid within five (5) business days of the date due, in response to any failure to pay the same, (ii) any unpaid Early Termination Fee if such early Termination Fee is not paid within five (5) business days of the date due, (iii) other charges due from Cabrillo not paid by the date due, of (iv) any amount necessary to cure any other defaults of Cabrillo under this Agreement, including repair and restoration of the Club Grounds at the conclusion of any Show.

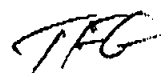
5.3 Interest on the Damage Deposit. There will be no future interest paid on Damage Deposit paid to Cabrillo by the Owner from the date of execution of this agreement. It is specifically noted by both parties, that this clause conflicts with the previous contract by and between the parties and this clause supersedes.

5.4 Guaranteed Return of Damage Deposit. Owner guarantees that, within ninety (90) days of the expiration or other termination of the term of this Agreement, the remaining balance of the Damage Deposit, after taking into account all applicable additions and deductions under the terms of this Article 5, shall be returned to Cabrillo.

6.0 Conduct.

6.1 Motorhome Parking. Motorhome parking shall be allowed in the portion of the Show Area designated for motorhomes in the applicable Show Plan. Motorhomes may not exceed 60 feet in length. Automobiles may be parked on the areas designated for automobile parking only during the times allowed for general public admission to the Show. There shall be no overnight parking other than for motorhomes. No more than 125 motorhomes nor more than 250 passenger automobiles shall be allowed to utilize the parking the Show Area. All motorhomes shall be self contained; no water, electricity or sanitary facilities shall be provided by Owner. No dumping of sewage, outhouses or other waste disposal shall be permitted on the Club Grounds. No more than two thousand (2,000) dogs total shall participate in any one Show.

6.2 Sanitation. Cabrillo shall provide at its sole cost portable toilets for the use of Show participants, service personnel, visitors



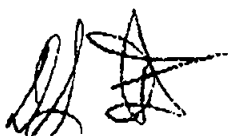
and guests. Dogs shall be confined or on leashes at all times. Cabrillo shall provide at its sole cost appropriate facilities for cleaning up of all dog droppings and the disposal thereof off the Club Grounds. Cabrillo shall be responsible for paying for any damages or repair necessitated by any droppings or urination of dogs on the Club Grounds.

6.3 Clean Up. After each Show, Cabrillo shall clean up all trash and litter on the show area and any trash or litter on the remainder of the Club Grounds related to or caused by the Show. Such cleanup shall be completed by 5:00 p.m. on the Monday immediately following the Show.

6.4 Security; Access; Parking. Cabrillo shall provide sufficient event staff and security guards to assure that access to the Show by participants, Cabrillo members and the general public is confined to the Show Area. Cabrillo shall also pay for the hiring of security guards for the stables area in amounts sufficient to guard the polo ponies and other livestock therein against theft or tampering during the continuance of the Show. Cabrillo shall hire the San Diego City Police Department or the San Diego County Sheriff's Department, or such other security agency approved by Owner, to supervise and patrol the parking areas for the Show. At no time shall any persons have access to the Owners' club house, restrooms or other facilities except as designated in the applicable Show Plan; provided, however, that Owner shall make a portion of such clubhouse facilities as exist from time to time as a hospitality area for Cabrillo members working on the Show and for judges of the Show, all as designated on the applicable Show Plan.

6.5 Costs. All the costs of clean up, security and other event staff shall be borne solely and without exception or limitation by Cabrillo. Cabrillo shall pay all wages, withholding taxes, payroll taxes, workers compensation insurance and other employment costs, and the fees of any [independent] contractor(s) for such services as they may require.

6.6 Compliance with Law; Waste. Cabrillo shall not do or permit anything to be done in or about the Club Grounds in conflict with, and Cabrillo shall, at its expense, comply promptly with all laws, ordinances, rules, regulations, orders, requirements, and recorded covenants and restrictions applicable to the Club Grounds, whether now in force or hereafter in effect, including alterations or installations of additional facilities as required by Cabrillo's occupancy or the conduct of Cabrillo's business. Cabrillo shall obtain, at its expense, all governmental permits required for Cabrillo's use and occupancy of the Club Grounds, and the conduct of the Shows. Cabrillo shall not use or permit the use of the Show Area in any manner which, in the reasonable judgment of Owner: (a) tends to create waste or a nuisance; (b) causes objectionable noise or odors; or (c) will invalidate or cause the cancellation of any fire, extended coverage or other insurance policy

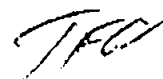


covering the Club Grounds or any part thereof. Lien(s) may be satisfied from the damage deposit if Owner chooses to have them released.

6.7 Liens. Cabrillo shall pay when due all claims for any work performed, materials furnished or obligations incurred by or from Cabrillo, and Cabrillo shall keep the Club Grounds free from any liens arising with respect thereto. If Cabrillo fails to cause any such lien to be released within ten (10) days after imposition, by payment or by posting of a proper bond, Owner shall have the right (but not the obligation) to cause such release by such means as Owner deems proper. Cabrillo shall reimburse Owner upon demand for all costs incurred by Owner in connection therewith. Liens may be satisfied if owner decides to have them released.

7. Show Plan. At least sixty (60) days prior to each Show, representatives of Cabrillo and representatives of Owner shall meet and develop a "Show Plan" for the Show next scheduled. The Show Plan shall address, among such other appropriate matters as such representatives may determine, the following items:

- (a) The location of the Show Area, the lots to be used for motorhome parking and automobile parking, traffic patterns and access routes;
- (b) Set up times and arrangements;
- (c) Security and event staff arrangements;
- (d) Review of insurance documentation;
- (e) Review of prior Shows and handling of any problems that may have previously arisen;
- (f) Restroom locations and arrangements;
- (g) Approval by Owner of Cabrillo pre-event publicity (except that entry forms and participant information directed primarily to potential participants shall not be subject to Owner's approval);
- (h) Directional signage on public streets;
- (i) City of San Diego issues; and



- (j) The possibility of additional overnight motorhome parking, and the location of additional day-of-Show parking of all vehicles, as approved by Owner, shall be identified.

It is distinctly understood and agreed that each Show Plan is to be determined on a Show-by-Show basis, and that Owner shall have the right to impose varying requirements on each Show. The existence or non-existence of a particular element, waiver or exception of a requirement in one Show Plan shall not constitute an agreement or consent to include or exclude such same element or requirement in any other Show Plan under any circumstances.

8. Permanent Improvements. Owner agrees to consider proposals by Cabrillo for permanent improvements to the Club Grounds. Such improvements would be made at the sole expense of Cabrillo. All plans and specifications for such improvements, the location thereof and permits required therefor would be provided by Cabrillo and would be subject to the approval of the Board of Directors of Owner. This paragraph constitutes an agreement to consider such proposals by Owner; however, it is specifically understood that Owner reserves the right to approve or disapprove any such proposals or any portion thereof, or to impose additional requirements thereon, at its sole discretion. Owner shall be under no obligation to approve any such improvements at all.

9. Assignment.

9.1 Assignment by Owner. Owner may assign, sublet, grant, or transfer any of its interest in this Agreement to any other person or group that succeeds to any interest in the Rancho Santa Fe Polo Club or in the Club Grounds at any time.

9.2 Assignment by Cabrillo. Cabrillo may not sell, assign, hypothecate, grant, subcontract or otherwise transfer all or any portion of its interest in this Agreement, and any attempted or purported transfer thereof shall be void and of no force or effect, Owner under no circumstances shall be deemed to accept impliedly any transfer of interest whatsoever, whether by actual or constructive notice any owner may or may not have. Provided, however, that Cabrillo may allow the Del Sur Kennel Club to work in conjunction with Cabrillo on any particular Show. In no event, however, shall Cabrillo not be involved in any particular Show. Cabrillo shall remain fully and primarily liable for all of the obligations and liabilities of Cabrillo hereunder. Cabrillo shall notify Owner of any such arrangement by first class return receipt mail, at least 60 days prior to the date of the affected Show, which notification shall be accompanied by a written agreement by Del Sur



Kennel Club to be jointly and severally liable with Cabrillo for all of the obligations and liabilities of Cabrillo hereunder for that particular Show.

10. Nature of Agreement. This Agreement is a license in favor of Cabrillo to use a portion of the Club Grounds on the terms and conditions contained herein. No interest in real property or in the City of San Diego Lease on the part of Cabrillo or any other person is created hereby, not any sublease or partial assignment or any portion of the City of San Diego is intended or created hereby. If ever required by Owner, Cabrillo shall, within ten (10) days of request therefor, execute, acknowledge and deliver a Quitclaim Deed in recordable form to all or a portion the Club Grounds in favor of Owner.

11. Insurance; Indemnity.

11.1 Insurance Requirements. Cabrillo shall maintain, at Cabrillo's expense, a policy of comprehensive public liability insurance, insuring Cabrillo and naming Owner, the City of San Diego, and any holder or holders of any mortgage or deed of trust on the Club Grounds designated by Owner ("Owner's designated lenders") as additional insureds, against liability for personal injury or property damage arising out of the use of the Club Grounds by Cabrillo. The initial amount of such insurance shall be at least One Million Dollars (\$1,000,000), combined single liability limit per occurrence. Owner shall have the right to increase such limit periodically based upon inflation, increased liability awards, lender requirements, and other relevant factors. The policy shall provide that: (a) such coverage is primary and non-contributing with any policy carried by Owner (which shall be excess insurance), but only with respect to the activities of Cabrillo or for matters arising out of the Show itself, rather than activities of Owner, and (b) no cancellation or reduction in coverage shall be effective until thirty (30) days after written notice to Owner and any Owner's designated lender. The policy shall not exclude Owner from recovery by reason of Owner being named as an additional insured thereunder. The policy shall be issued by an insurer licensed in California and having a rating in Best's Insurance Guide of B+ or better and otherwise reasonably approved by Owner. The policy shall insure Cabrillo's performance of the indemnity provisions of this Agreement, but the amount of such insurance shall not limit Cabrillo's liability nor relieve Cabrillo of any obligation hereunder. Prior to each Show Date, Cabrillo shall deliver a certificate evidencing such insurance to Owner. Cabrillo shall, at Cabrillo's expense, maintain such other liability insurance as Cabrillo deems necessary to protect Cabrillo.

11.2 Waiver of Subrogation. Notwithstanding any other provision of this Agreement to the contrary, each party waives all rights of recovery against the other party, and its officers, employees, agents and representatives, for any claims for loss or damage to person or property caused



by or resulting from any other risks to be insured against under the provisions of this Agreement. Each party shall cause each insurance policy obtained by it to provide that the insurer waives all right of recovery by way of subrogation against the other party in connection with any damage covered by such policy.

11.3 Indemnification. Cabrillo shall indemnify, hold harmless and defend Owner and its directors, officers, members, employees, contractors, agents, guests and invitees from and against any and all claims, actions, damages, liability, costs, and expense, including attorneys' fees, and costs in connection with loss of life, personal injury and/or property damage arising from (a) the use, occupation, improvement or maintenance of the Show Area or any work or activity in or about the Club Grounds by Cabrillo or its agents, employees, contractors, licensees or invitees; (b) any activity, condition or occurrence in or about the Club Grounds; (c) any breach or failure to perform any obligation imposed on Cabrillo under this Agreement; or (d) any negligent, intentional or other tortuous act or omission of Cabrillo or agents, contractors, employees, customers, invitees or licensees. Upon notice from Owner, Cabrillo shall, at Cabrillo's sole expense and by counsel satisfactory to Owner, defend any action whatsoever or proceeding brought against Owner and its directors, officers, members, employees, contractors, agents, guests and invitees by reason of any such claim. If Owner and its directors, officers, members, employees, contractors, agents, guests and invitees, without fault on its part, is made a party of any litigation commenced by or against Cabrillo, then Cabrillo shall indemnify, protect, hold harmless and defend Owner or such other persons and pay all costs, expenses and reasonable attorneys' fees and costs incurred or paid by Owner or such other persons in connection with such litigation. Cabrillo, as a material part of the consideration to Owner hereunder assumes all risk of, and waives all claims against Owner and its directors for, personal injury or property damage in, upon or about the Club Grounds, from any cause whatsoever.

11.4 Exemption of Owner from Liability. Neither Owner nor any of its directors, officers, members, employees, contractors, agents, guests and invitees shall not be liable for injury to Cabrillo's business or loss of income therefrom or for damage which may be sustained by the person, goods, wares, merchandise or property of Cabrillo, its employees, invitees, customers, agents or contractors or any other person in or about the Club Grounds, caused by or resulting from fire, steam, electricity, gas, water or rain, or from the breakage, leakage, obstruction or other defects of the Club Grounds, pipes, sprinklers, wires, appliances, plumbing, air conditioning, lighting, buildings, structures, fences, driveways or other elements of the same, whether said damage or injury results from conditions arising upon the Club Grounds, or from other sources or places and regardless of whether the cause of such damage or injury or the means of repairing the same is inaccessible to Cabrillo. Owner shall not be liable for any damages arising from any use, act or failure to act of any other person on the Club Grounds and



shall not be liable for any latent defect in the Club Grounds. All property of Cabrillo kept or stored on the Club Grounds shall be so kept or stored at the risk of Cabrillo only, and Cabrillo shall indemnify, protect and hold harmless Owner and its directors, officers, members, employees, contractors, agents, guests and invitees from the against any claims arising out of damage to the same, including subrogation claims by Cabrillo's insurance carriers.

11.5 Taxes. Cabrillo shall pay prior to delinquency all taxes charged against all of its equipment or any other personal property. Cabrillo shall pay all permit fees, taxes, license fees, income or use taxes and other governmental or quasi-governmental charges arising out of any Show. Cabrillo shall additionally pay all sales and use taxes associated with all Shows and any goods or services that may be provided or sold in connection therewith. Cabrillo shall additionally pay any City of San Diego fees, charges, additional rent, percentage rent or other amounts that may be due or become due under the City of San Diego Lease as a result of any activity, payment, or other act on the part of Cabrillo undertaken in connection with this Agreement or otherwise. Cabrillo shall comply with any and all requests for the review or auditing of any books or records of Cabrillo made by the City of San Diego under the City of San Diego Lease and shall simultaneously allow access thereto by Owner. Cabrillo shall pay all payroll taxes associated with its activities, it being specifically understood that all personnel associated with, hired or contracted for by Cabrillo in connection with any Show shall be employees or contractors of Cabrillo and not of Owner.

12. Default. The occurrence of any of the following events shall constitute a Default ("Default") by Cabrillo under this Agreement:

- (a) Failure by Cabrillo to pay all or any portion of the Use Fee when due;
- (b) Failure of Cabrillo to pay any other monetary amounts owed from Cabrillo to Owner when due;
- (c) Failure to perform any other agreement or obligation of Cabrillo hereunder if such failure continues for five (5) days after written notice by Owner to Cabrillo; provided, however, that if the nature of the Default is such that the same cannot be reasonably cured within such five-day period, Cabrillo shall not be in Default if Cabrillo commences to cure such Default within such five-day period and thereafter diligently prosecutes the cure to the completion thereof, and does in fact cure such Default within ninety (90) days after such notice. However, Owner shall not be required to give such notice or allow for Cabrillo's cure if the Default is not susceptible of cure within such ninety-day period or if such cure is otherwise impractical, or cannot be completed in time to be effective; or



(d) A petition on behalf of or against Cabrillo is filed for an order of relief under the Federal Bankruptcy Code or for an order or decree of insolvency or reorganization or rearrangement of Cabrillo under any state or Federal law; or Cabrillo makes a general assignment for the benefit of creditors; or a receiver or trustee is appointed to take possession of any substantial party of Cabrillo's assets; or Cabrillo consents to or suffers an attachment, execution or other judicial seizure of any substantial part of its assets or its interest under this Agreement.

13. General Provisions.

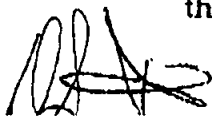
13.1 Attorneys' Fees. Should any party hereto employ an attorney for the purpose of enforcing or construing this Agreement, or any judgment based on this Agreement, in any legal proceeding whatsoever, including insolvency, bankruptcy, arbitration, declaratory relief or other litigation, the prevailing party shall be entitled to receive from the other party thereto reimbursement for all attorneys' fees and all costs, including but not limited to service of process, filing fees, court and court reporter costs, investigative costs, expert witness fees, and the cost of any bonds, whether taxable or not, and that such reimbursement shall be included in any judgment or final order issued in that proceeding. The term "prevailing party" means the party determined by the court to most nearly prevail and not necessarily the one in whose favor a judgment is rendered.

13.2 Counterparts. This Agreement or any Escrow Instructions pursuant to this Agreement may be executed in multiple copies, each of which shall be deemed an original, but all of which shall constitute one Agreement after each party has signed a counterpart hereof.

13.3 Computation of Time Periods. All periods of time referred to in this Agreement shall include all Saturdays, Sundays and state or national holidays, unless the period of time specifies business days, provided that if the date or last date to perform any act or give any notice or approval shall fall on a Saturday, Sunday or state or national holiday, such act or notice may be timely performed or given on the next succeeding day which is not a Saturday, Sunday or state or national holiday.

All prior or contemporaneous agreement, understandings, representations, warranties and statements, oral or written, are hereby superseded, and especially all contracts entered into by both parties previous to this one, on 6/18/96.

13.4 Entire Agreement. This Agreement, together with all exhibits attached hereto and other agreements expressly referred to herein, constitutes the entire agreement between the parties with respect to the subject matter hereof. No oral or written statements, writings,



representations, warranties, negotiations, course of dealings, customary course of dealings for transactions of this nature, or other extrinsic evidence shall be utilized in any manner to interpret, modify, or amend any term of provision of this Agreement, except as may be specifically set forth in this Agreement.

13.5 Exhibits. All exhibits referred to herein are attached hereto and incorporated herein by reference.

13.6 Further Assurances. The parties agree to perform such further acts and to execute and deliver such additional documents and instruments as may be reasonably required in order to carry out the provisions of this Agreement and the intentions of the parties.

13.7 Gender, Number. As used herein, the singular shall include the plural and the masculine shall include the feminine, wherever the context so requires.

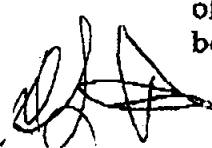
13.8 Governing Law. This Agreement shall be governed, interpreted, construed and enforced in accordance with the laws of the State of California.

13.9 Headings. The captions and paragraph headings used in this Agreement are inserted for convenience of reference only and are not intended to define, limit or affect the construction or interpretation of any term or provision hereof.

13.10 Joint and Several Liability. If any party consists of more than one person or entity, the liability of each such person or entity signing this Agreement shall be joint and several.

13.11 Mediation and Arbitration. In the event a dispute arises out of or related to this Agreement or the breach thereof, and if said dispute cannot be settled through direct discussions between the parties, the parties agree to first attempt to settle the dispute through mediation before a mutually acceptable mediator. The cost of mediation shall be divided equally between the parties. Thereafter, any remaining unresolved controversies or claims shall be settled by binding arbitration before a mutually acceptable arbitrator. The prevailing party in the arbitration shall be entitled to recover reasonable costs and attorneys' fees and costs as determined by the arbitrator. Any judgment rendered by the arbitrator may be entered in any court having jurisdiction.

13.12 Modification, Waiver. No modification, waiver, amendment or discharge of this Agreement or any clause or sentence of this Agreement shall be valid unless the same is in writing and signed by both Cabrillo and Owner.



13.13 No Other Inducement. The making, execution and delivery of this Agreement by the parties hereto has been induced by no representations, statements, warranties or agreements other than those expressed herein.

13.14 Notice. Notice to either party shall be in writing and either personally delivered or sent by certified mail, postage prepaid, return receipt requested, addressed to the party to be notified at the address specified herein. Any such notice shall be deemed received on the date of personal delivery to the party (or such party's authorized representative) or three (3) business days after deposit in the U.S. Mail, as the case may be.

Owner's Address for Notice -
Personal or Messenger Delivery:

Rancho Santa Fe Polo Club
14555 El Camino Real
San Diego, CA 92130
Attention: Mr. Harry A. Collins

Owner's Address for Notice - Mail
Rancho Santa Fe Polo Club
P. O. Box 3035
Rancho Santa Fe, CA 92067
Attention: Mr. Harry A. Collins

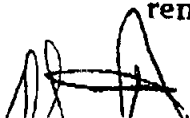
With a copy to:

SCALONE STIPANOV YAFFA & MEBANE
7855 Ivanhoe Avenue, Suite 420
La Jolla, California 92037
Attn: Kenneth J. Stipanov, Esq.

Cabrillo's Address for Notice:

Either party may change its address for notice by delivering written notice to the other party as provided herein.

13.15 Severability. If any term, provision, covenant or condition of this Agreement is held to be invalid, void or otherwise unenforceable, to any extent, by any court of competent jurisdiction, the remainder of this Agreement shall not be affected thereby, and each term,



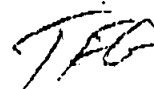
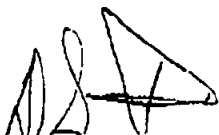
provision, covenant or condition of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

13.16 Successors. Subject to the restriction on assignment contained herein, all terms of this Agreement shall be binding upon, inure to the benefit of, and be enforceable by the parties hereto and their respective heirs, legal representatives, successors, and assigns.

13.17 Review of Agreement. The parties hereto acknowledge that they have carefully reviewed this Agreement and have had the opportunity to consult with legal counsel concerning its terms and provisions. No representation is made by either party or its representatives as to the legal sufficiency, effect or ramifications of this Agreement, and each party is relying solely on the advice of its own legal counsel.

13.18 Time. Time is of the essence of each provision of this Agreement.

13.19 Venue. The venue for any and all disputes shall be in San Diego, California.



IN WITNESS WHEREOF, the parties have executed this Use Agreement as of the date first written above.

RANCHO SANTA FE POLO CLUB, a
California non-profit corporation

By: _____

Print Name: _____

Title: _____

By: _____

Print Name: Thomas F. Gaudin

Title: General Manager

6/18/96

CABRILLO KENNEL CLUB, a
California non-profit corporation

By: _____

Print Name: Robert Caswell

Title: Secretary

6/18/96

By: _____

Print Name: Douglas Shipley

Title: Treasurer

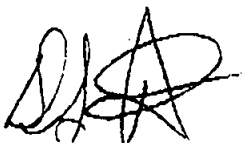
6/18/96

TFC

EXHIBIT "A"

Show Dates

<u>Show Name</u>	<u>Show Date</u>
Fall	1992
Spring	1993
Fall	1993
Spring	1994
Fall	1994
Spring	1995
Fall	1995
Spring	1996
Fall	1996
Spring	1997
Fall	1997
Spring	1998
Fall	1998
Spring	1999
Fall	1999
Spring	2000
Fall	2000
Spring	2001
Fall	2001
Spring	2002
Fall	2002
Spring	2003
Fall	2003
Spring	2004
Fall	2004
Spring	2005
Fall	2005
Spring	2006
Fall	2006
Spring	2007
Fall	2007
Spring	2008
Fall	2008
Spring	2009
Fall	2009
Spring	2010
Fall	2010
Spring	2011
Fall	2011



Spring 2012

Fall 2012

Spring 2013

Fall 2013

1987 agreement-26 year lease, 2013 is term

A handwritten signature in black ink, appearing to be 'D.H.' with a stylized flourish.A handwritten signature in black ink, appearing to be 'T.H.' with a stylized flourish.