

FIRST AMENDMENT TO MASTER TOURNAMENT AGREEMENT

This First Amendment to Master Tournament Agreement ("Amendment ") is made as of this 1st day of April, 2004, by and between the City and County of San Francisco, acting by and through its Recreation and Parks Commission ("City") and PGA TOUR, Inc., a Maryland corporation ("TOUR"), for good and valuable consideration, the receipt of which is hereby acknowledged.

This Amendment is made with reference to the following facts and circumstances:

- A. City and Tour entered into that certain Master Tournament Agreement, dated April 19, 2002 (the "Original Agreement", and together with this Amendment, the "Agreement").
- B. City and Tour desire to amend the Original Agreement as set forth below.

NOW THEREFORE, City and TOUR hereby agree as follows:

1. Defined Terms. Capitalized terms not separately defined herein shall have the same meaning provided in the Original Agreement.
2. Tour Events at Harding Park. Section 1 of the Original Agreement is hereby amended by deleting Section 1 from the Original Agreement and replacing it with the following:

Subject to the terms and conditions of this Agreement, TOUR hereby agrees to hold a Championship at Harding Park five times (5) times over the fifteen (15) year period beginning January 1, 2005 (the "Initial Term") or until the TOUR permanently cancels all three Championships (as defined below). For purposes of the Agreement, the definition of "Championship" under this Agreement shall include the TOUR Championship, the NEC Invitational or the American Express Championship, provided that, with respect to the American Express Championship and the NEC Invitational, the prize money, eligibility requirements (including "strength of field"), and television coverage for those events remains comparable during the Term to the current status of such measures for those events. TOUR and City shall have the option to renew the Agreement for three (3) nine-year terms (with three (3) championships played during each such term) on the same terms and conditions described herein, by written agreement no later than two (2) years prior to the expiration of the applicable term (each, a "Renewal Term"). TOUR shall have the option to terminate this Agreement by providing City with written notice thereof within (180) one hundred eighty days of the completion of any Championship held at Harding Park if, and only if, (i) at least three Championships have been held at Harding Park pursuant to this Agreement, (ii) average admissions, corporate hospitality sales, merchandise sales, and other revenues directly related to the most recent three (3) consecutive Championships held at Harding Park is less than ninety percent (90%) of the average of the last three (3) respective Championships held at venues other than Harding Park (the "Revenue Target"), and (iii) TOUR used its good faith efforts to cause the Championships held at Harding Park to meet or exceed the Revenue Target. TOUR shall provide City with at least twelve (12) months written notice of the next scheduled date for the Championship to be held at Harding Park. Notwithstanding the foregoing, if City performs its

obligations set forth in Sections 2 and 3 of this Agreement in a timely fashion, TOUR agrees to schedule as the first Championship at Harding Park an American Express Championship in the fall of 2005.

3. Facility Fee. Section 8 of the Original Agreement is hereby amended by deleting Section 8 from the Original Agreement and replacing it with the following:

For each Championship held at Harding Park, TOUR shall pay the following fees in the following order of priority:

(i) No later than thirty (30) days after the scheduled commencement date of any Championship held at Harding Park, the TOUR shall pay the City five hundred thousand dollars (\$500,000) (the "Base Reimbursement Fee"), and shall pay the local First Tee Chapter at Harding Park five hundred thousand dollars (\$500,000) (the "First Tee Contribution"). For each successive Championship, the amount of the Base Reimbursement Fee and the First Tee Contribution shall be increased by an amount equal to cumulative increases in the Consumer Price Index from the date of the prior Championship.

(ii) No more than one hundred twenty (120) days after the completion of each Championship held at Harding Park, the TOUR shall pay the City and shall contribute to the local First Tee Chapter at Harding Park each six and two-thirds percent (6.66%) of any "Gross Operating Revenues" in excess of Ten Million Dollars (\$10,000,000) (increased for each successive Championship by an amount equal to the cumulative increases in the Consumer Price Index from the date of the prior Championship) earned by the TOUR from such Championship. "Gross Operating Revenues" shall mean gross revenues derived from the following categories: admissions, corporate hospitality, publications and on-site sponsorships (other than title, presenting or umbrella sponsorships) and on-site concessions. Gross Operating Revenues shall not include any television revenues related to a Championship.

4. Additional TOUR Contributions.

(i) The Tour shall pay the City \$100,000 to help offset the costs of designing and constructing the clubhouse to accommodate the Championship within 60 days of the City request therefor.

(ii) The TOUR shall provide the City design consulting services regarding (i), construction of a new club house at Harding Park (ii) the renovation of the golf course at Lincoln Park and (iii) the renovation of the golf course at Sharp Park, free of charge, except for reimbursement of the Tour's actual travel, lodging and other reasonable out of pocket costs related to the provision of such consulting services. The TOUR shall also provide the City's golf maintenance staff at Harding Park, at no cost to City, with periodic agronomic report and training related to Harding Park as part of the TOUR's regular West Coast rotation.

(iii) Upon execution of this Amendment, the TOUR hereby agrees to forgive, as a contribution, all amounts currently owed TOUR by the local chapter of the First Tee for design consulting services previously provided by TOUR, but the local chapter of the First Tee shall

still reimburse the TOUR for its documented out of pocket costs associated with providing such services in the amount of One Hundred and Twenty Thousand Dollars (\$120,000).

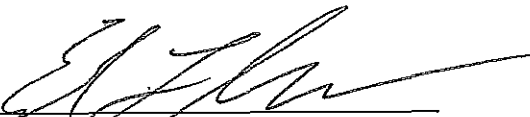
5. Boathouse. To the extent City implements plans to renovate the "Boathouse" adjacent to the Golf Courses for a restaurant or similar use, City shall use its best reasonable efforts to include in any lease or other agreements regarding the use and operation of such Boathouse a provision requiring the operator thereof to make the Boathouse available exclusively for events and activities related to a Championship during the term of any such Championship, provided that the operator thereof is given the right to provide food and beverage service to TOUR during a Championship at reasonable and customary prices or is otherwise reasonably compensated therefor.

6. Terms and Conditions of Original Agreement Remain in Full Force and Effect. Except as specifically amended hereby, the terms and conditions of the Original Agreement shall remain in full force and effect.

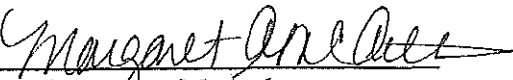
7. Counterparts. This Amendment may be executed in two or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their authorized representatives as of the day, month and year set forth above.


PGA TOUR, Inc., a Maryland corporation:

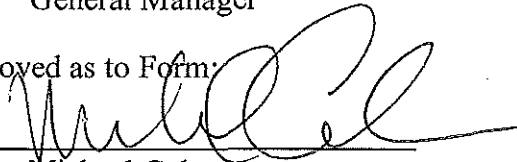
By: 
Edward L. Moorhouse
Executive Vice President
and Co-Chief Operating Officer

Recreation and Park Commission:

By: 
Margaret McArthur
Commission Secretary
Resolution Number: 0312-011

Recreation and Park Department:

By: 
Elizabeth Goldstein
General Manager

Approved as to Form:
By: 
Michael Cohen
Deputy City Attorney