

Edwin M. Lee, Mayor
Philip A. Ginsburg, General Manager

2020 PGA CHAMPIONSHIP HOST SITE AGREEMENT

THIS 2020 PGA CHAMPIONSHIP HOST SITE AGREEMENT (this "Agreement"), dated only for reference as of April 2, 2015, is between THE CITY AND COUNTY OF SAN FRANCISCO ("City"), and PGA TOURNAMENT CORPORATION, INC., a Florida non-profit Corporation ("PTC").

RECITALS

A. PTC is an affiliate of The Professional Golfers' Association of America ("Association") and Association has licensed PTC the right to use the "PGA Championship" name and trademark in connection with the golf tournament called the "PGA Championship".

B. Association has granted PTC, solely and exclusively, the right to conduct the 2020 PGA Championship and to manage the business and affairs thereof.

C. City owns the land and improvements commonly known as the Harding Park Golf Course, consisting of the Harding Park Golf Course and Fleming Golf Course together with the clubhouse and all furniture, fixtures and equipment located thereon, located at 1 Harding Park Road, in San Francisco, California. The Harding Park Golf Course and Fleming Golf Course, together the golf course facilities and clubhouse facilities (the "Clubhouse"), are referred to herein as the "Course." The Course is under the jurisdiction of City's Recreation and Park Commission (the "Commission") and is operated by City's Recreation and Park Department (the "Department").

D. City and Tournament Players Club of California, Inc., a California corporation ("Manager"), entered into a Management Agreement for Harding Park Golf Course Clubhouse and Golf Operations, dated August 10, 2010 (as amended from time to time, the "Management Agreement"), pursuant to which, among other matters, City contracted with Manager to provide management and supervisory services for all clubhouse and golf operations at the Course, excluding course maintenance, and the parties agreed that the Course could be referred to as TPC San Francisco at Harding Park or such other name approved by the Commission. The Course is presently referred to and marketed by Manager as TPC Harding Park.

E. City and San Francisco First Tee, a California nonprofit public benefit corporation ("First Tee), d/b/a The First Tee of San Francisco, are parties to that certain Ground Lease, dated August 7, 2003 (as amended from time to time, the "First Tee Lease"), pursuant to which First Tee presently leases from City certain classroom space on the first floor of the Clubhouse, certain office space on the second floor of the Clubhouse, certain storage space in the basement of the Clubhouse, and a practice area on the grounds of the Course.

Course Property: Means all of the Harding Park Golf Course and Fleming Golf Course buildings (with the exception of the maintenance building), land and Clubhouse Facilities.

Clubhouse Facilities: Means the amenities located within the Clubhouse inclusive of but not limited to the locker room facilities, bag storage area, meeting rooms, dining areas, First Tee classroom and other mutually determined amenities.

Course Likeness: The names, likeness and pictures of the exterior of the Course's Clubhouse and signature holes on the Course.

Course Logo: The Harding Park logo set forth on Exhibit B.

Course Marks: Course name, Course Logo and Course Likeness.

Dual Logo Merchandise: Merchandise offered for sale by PTC to corporate hospitality purchasers containing the PGA Championship Logo and the corporate hospitality purchaser's trademark.

General Manager: The General Manager of the San Francisco Recreation and Park Department.

Gross Revenues: All PGA Championship related revenues (net of sales and admission tax) received during the Term (as hereinafter defined) for the 2020 PGA Championship by PTC and its agents and representatives from ticket sales (excluding handling fees and volunteer fees), corporate hospitality sales of chalets, tables, clubhouse rooms, skyboxes, viewing suites and/or any other type of corporate product that may be developed and sold to corporate clients on site at the PGA Championship (excluding corporate food and beverage sales), and all on-site sales of PGA Championship merchandise sold by PTC or others during Championship Week.

The parties acknowledge and agree that any item not addressed above, including but not limited to the following items, shall not be deemed to be Gross Revenues:

- (i) PGA Championship television and radio rights fees and all ancillary rights fees inclusive of but not limited to film, video, CD ROM, internet and any other over the airways communications (even if yet to be determined e.g., cell phone, direct TV etc.) received by Association consistent with the provisions set forth in Section 3 of the License Agreement;
- (ii) All PGA Championship related merchandise sales sold on Course Property or Adjacent Permitted Properties by City or its agents (provided such are approved by PTC) during the Term;
- (iii) Any other revenues received by Association or its affiliates attributable to PGA Championship related activities of any description conducted by PTC individually, its affiliates or Association outside of the Course Property and Adjacent Permitted Properties such as a post PGA Championship highlight video or "The PGA Golf Experience" (except as provided in subsection (a) above);
- (iv) PGA Championship related merchandise sales received by PTC, its affiliates, agents or representatives for sales outside of the Course Property and Adjacent Permitted Properties including Regional Territory Merchandising;

events, television and media advertising spends and support of other selected member programs and/or benefits such as “Play Golf America” support, player development programs, etc.

Person: Any individual, corporation, or other entity.

PGA Championship: An annual “major” professional golf tournament comprised of a field of approximately 156 golf professionals contested in stroke play format. For purposes of this Agreement, the term “PGA Championship” shall be construed to include the official competition, including any play-off or postponement, as well as the practice rounds, clinic (if held) and presentation ceremony, and other activities which take place in connection therewith, unless and to the extent that these components are hereinafter referred to individually. The PGA Championship, for purposes of this Agreement, will be played at the Course, in July or August, 2020 at specific dates to be determined by Association.

PGA Championship Logo: A registered trademark owned, designed, and developed by Association.

PGA Championship Merchandise: Merchandise, other than Dual Logo Merchandise, containing the PGA Championship Logo.

PGA Championship Merchandise Sales Period: The period commencing one-week prior to the Monday of the PGA Championship Week through the day following the conclusion of the PGA Championship.

PGA Championship Week: The ten (10) day period from the Saturday preceding the PGA Championship through the Monday following the PGA Championship.

Regional Territory: An area that includes all counties in any state within a 75 mile radius of the Course.

Term: The Term of this Agreement shall commence as of the Effective Date, as defined in Section 8.15 below, and expire upon the latter of December 31, 2020 or upon the Parties’ mutual completion of their respective obligations as set forth herein.

Trademarks: The Trademarks listed in Exhibit A to this Agreement.

1.02 **Rules of Construction.** The following rules of construction shall apply to this Agreement:

(A) All section headings in this Agreement are for the convenience of reference only and are not intended to qualify the meaning of any section.

(B) All personal pronouns used in this Agreement, whether used in the masculine, feminine or neuter gender, shall include all other genders, the singular shall include the plural, and vice versa, as the context may require.

(C) Each provision of this Agreement shall be considered severable from the rest, and if any provision of this Agreement or its application to any Person or circumstances shall be held invalid and contrary to any existing or future law or unenforceable to any extent, the remainder of this Agreement and the application of any other provision to any Person or circumstances shall not be affected thereby

set-up and breakdown. PTC will consult with City's Project Manager throughout site and operating plan design and development.

The PTC shall submit to the City a detailed layout of set-up plans no later than 180 days prior to the event for the City's approval. The plan will specifically address and/or include the following:

- Location of all hospitality tents, food and beverage booths, portable toilets, dumpsters, and any and all other structures.
- Set-up and breakdown times and dates. Set-up and breakdown dates shall be staggered to minimize the amount of time that the premises are closed to the public.
- A plan for the clean-up of the entire site.

Parking off of roadways and on lawn areas is prohibited, except as included in an operating and site plan approved by the Department.

All structures must meet ADA specifications and a plan addressing compliance with Disabilities Act requirements.

Structures, decorations, equipment may not be attached to Department property or vegetation without the Department's approval.

The General Manager may require reasonable modifications to the proposed site and operating plans.

(B) **Transportation and Parking Plans; Security.**

PTC shall submit to the City a detailed Transportation Management Plan addressing traffic flow for arrival and exit, including confirmation of specific MUNI, Department of Parking and Traffic and San Francisco Police Department resources necessary to support the plan, no later than 60 days prior to the event for the City's approval.

PTC shall submit to the City a detailed Security Plan, including any request for Park Patrol presence, no later than 60 days prior to the event.

Reasonable and customary San Francisco Police Officers and Park Patrol officers needed for the event will be at the cost of the PTC, provided, as outlined in Section 3.01(xvii), Department staff agrees to assist PTC in developing Championship related solutions to help PTC minimize the costs, subject to the acknowledgements set forth in Section 2.02(C) below.-

PTC shall provide security from the first day of the Course closure prior to Tournament Week through the last day of Tournament Week.

(C) **City Acting in Priority Capacity.** PTC understands and agrees that City is entering into this Agreement in its capacity as a property owner with a proprietary interest in the Course Property and not as a regulatory agency with police powers. Nothing herein shall limit in any way PTC's obligation to obtain any required regulatory approvals from City departments, boards or commissions or other governmental regulatory authorities or limit in any way City's exercise of its police powers.

serve as a liaison between the PGA Championship and the local business community and assisting in the direct sale of hospitality (tables, chalets, viewing suites, sky boxes and any other corporate product) and assisting in advanced ticket sales. Notwithstanding anything to the contrary in this Agreement, it is understood that such support, assistance, and obligations are limited to Department staff and other soliciting volunteer help.

(iii) City shall work with PTC to help recruit all necessary volunteers for the PGA Championship.

(iv) City, at its own expense agrees to maintain and adequately prepare the Course in championship condition for the PGA Championship. City acknowledges that such expenses may include, but not be limited to, the following expenses incidental to hosting the PGA Championship: overseeding, leveling of PGA Championship tees and re-sodding areas on the Course if required to restore the Course to championship condition, and increased labor costs required to get the Course ready for the PGA Championship, etc.

PTC shall determine, in its sole discretion, the playing conditions of the Course and all practice facilities, including speed, firmness, grass height of playing surfaces and other matters affecting play. PTC shall select all teeing areas and hole locations on the Course and will determine the width and contour of fairways and the extent and height of the cut of "rough" areas.

The parties acknowledge that City will be solely financially responsible for any major capital improvements made in connection with the Course or any portion of the Course premises with the exception of major capital improvements specifically requested by PTC directly attributable to the Course requirements for the PGA Championship. Any such improvement requested by the PTC shall be subject to the agreement and consent of the City, and the financial obligations of each Party with respect to any such improvements requested by the PTC will be agreed to in writing between the Parties. City and PTC shall consult with each other on all matters related to the maintenance, conditioning and/or reconditioning of the Course, and City shall carry out the commercially reasonable requests of PTC in that regard. City acknowledges that such request may include limiting guest play and/or cart usage subsequent to three (3) weeks prior to the start of PGA Championship Week to ready the Course to PGA Championship condition as reasonably determined by PTC. If conditions are not up to PGA Championship standards prior to the event, as reasonably determined by PTC, in its sole discretion, then PTC will have the right to request the Course be closed from up to two (2) full weeks prior to the PGA Championship Week and the City will agree to such request.

City shall be responsible for the services of the personnel, the material and the equipment required hereunder at its sole cost. City acknowledges PTC will have total control and discretion over the Course set-up, length and conditioning during PGA Championship Week inclusive of, but not limited, to green speed, mowing heights and watering.

PTC acknowledges that the Department operates under strict budgetary constraints and processes, and the Department's annual budget is subject to the City's annual approval and appropriation process, including the approval by the City's Board of Supervisors in its sole discretion.

(v) At no cost to PTC, other than the cost of any food and beverage requested by PTC, City shall from time to time at PTC's written request provide suitable meeting room space to PTC to hold business meetings in relation to the PGA Championship, which space, where possible and as often as possible, shall be at the Course Property. PTC shall schedule such meetings sufficiently in advance to

(xiii) City agrees to provide the Course and facilities (A) for up to five (5) days, during the year prior to the Championship, for use by PTC at no charge and no green fees or cart fees during the Term, such uses may include, but shall not be limited to, individual corporate hospitality purchasers for group play and for advertising purchasers group play, media days to accommodate press conferences for the PGA Championship on dates to be mutually agreed; and (B) for the Monday following the PGA Championship for a Media/sponsor golf outing, providing the Championship itself has not been extended to this Monday due to weather or other delay at no charge and no green fees or cart fees during the Term. In addition, City agrees to provide PTC and its sales committee access during the Term for corporate sales/clients to play the golf course at no charge and no green fees or cart fees during the Term for up to fifty (50) foursomes during the Term. Any such tee times to be agreed to by City so as not to interfere with member outings, busy playing times or other corporate outings that the Course may host.

(xiv) City agrees to manage and operate the Clubhouse operations for PGA Championship Week at no cost to PGA other than for food and beverage (and food and beverage set-up) in the Clubhouse. City agrees that such food and beverage (and set-up) costs shall be charged as customarily charged to the public including any gratuity charges in such rates. All revenues derived from such food and beverage operation, in the Clubhouse, during PGA Championship Week shall belong to the City, and all expenses incurred in such operation during PGA Championship Week will be paid for by the City. City acknowledges that PTC shall have the right to review the prices charged to PGA hospitality, players, player families and guests and clubhouse ticketed guests for food, beverage and all other set-up charges/related items in connection with PGA Championship related functions to ensure such prices are commensurate with prevailing and customary local rates.

(xv) In a manner mutually agreed to by City and PTC, City shall arrange for no advertising or displays of any kind for commercial purposes in the Clubhouse, on the Course or the grounds of the Course Property or Adjacent Permitted Properties during PGA Championship Week, and no items shall be distributed or offered to the players on the course during such period without prior written approval of PTC. (City agrees to accomplish this on or a before a mutually agreeable date prior to the start of PGA Championship Week.) Additionally, during PGA Championship Week City shall not allow or permit any commercial announcement or other mention by any agent of or party under the control of City of any advertiser or supplier, or the products or services of any advertiser or supplier without the express prior written consent of PTC. PTC will not permit any advertising or displays of any kind for commercial purposes in the Clubhouse, and any advertising on the grounds permitted by the PTC shall be consistent, in extent and scope, with advertising on the grounds at the 2019 PGA Championship. This paragraph shall not be construed to eliminate the use of corporate logos to identify the corporate tents on the grounds. Notwithstanding the above, PTC acknowledges that City has installed donor recognition signage at the Course for sponsors who have contributed to course renovations including the Clubhouse renovation. Such signage shall be permitted to remain on site, but may be covered, at PTC's expense, if PTC elects to cover such recognition signage. In the event that City solicits additional sponsors for course improvements, any donor recognition signage shall likewise be permitted to remain on site during the event, but may be covered, at PTC's expense, if PTC elects to cover such recognition signage.

(xvi) City agrees to allow PTC and a PGA Championship television broadcaster to purchase a hospitality tent each at "cost" for use during the PGA Championship by PTC and the applicable

Any and all associated costs are the responsibility of the Outreach Program, and will be handled as a separate program distinct from the Championship.

3.02 **Limitation on City's Obligation Regarding Access to Course Property.** Notwithstanding anything to the contrary in this Agreement, City shall not be obligated to provide the following areas for PTC's use: The maintenance building on the Course Property, certain offices within the Clubhouse used by Manager or any successor manager and offices and storage areas within the Clubhouse leased to First Tee or any other third party, as generally shown on the diagram attached hereto as Attachment 2, or areas within the Lake Merced Boathouse designated for the exclusive use of any third party. City shall use reasonable good faith efforts to cause Manager or any other third party with rights to occupy or use portions of the Course Property to exercise those rights in a manner that does not interfere with PTC's conduct of the 2020 PGA Championship.

3.03 **PTC Restoration Obligations; Arbitration of Disputes Regarding Restoration; City Right to Make Repairs.** PTC will pay for the restoration costs to the golf course and facilities and any Adjacent Permitted Property, normal wear and tear excepted. Following the conclusion of the 2020 PGA Championship, the Parties agree to promptly review the conditions of the Course and related facilities to mutually agree upon the areas that PTC shall reasonably restore and to mutually agree upon the manner in which PTC (or a PTC determined third party) shall perform such restoration.

If the Parties, after meeting and conferring for a period of ten (10) days following the conclusion of the 2020 PGA Championship (or such longer period as may be agreed to by the Parties) (the "Consultation Period"), are unable to agree on the areas that require restoration or on the manner in which such restoration shall be performed either City or PTC can initiate arbitration within sixty (60) days following the meet and confer period.

To initiate arbitration under this provision, the party requesting such arbitration shall submit the matter to a single qualified arbitrator at Judicial Arbitration and Mediation Services, Inc. ("JAMS") in the San Francisco area in accordance with the applicable rules of JAMS, and simultaneously send a copy of such submission to the other party (the "Arbitration Notice"). The Arbitration Notice must include a summary of the dispute and the reasons why the requesting party is not willing to agree to the last proposal of the other party. The Parties will cooperate with JAMS and with one another in selecting an arbitrator with appropriate expertise in the matter from a JAMS panel of neutrals, and in scheduling the arbitration proceedings as quickly as feasible. If the Parties are not able to agree upon the arbitrator, then each will select one arbitrator, and the two selected arbitrators shall select a third arbitrator. The third arbitrator selected shall resolve such dispute in accordance with the laws of the State of California pursuant to the JAMS Streamlined Arbitration Rules and Procedures.

The Parties shall bear their own fees and costs during the arbitration proceedings provided that fees may be awarded to the prevailing party if the arbitrator finds that the request was frivolous or that the arbitration action was otherwise instituted or litigated in bad faith. Each Party shall initially bear one-half of the costs assessed by JAMS, provided the losing party in arbitration shall pay the arbitrator's fees and related costs of arbitration. The Parties shall use good faith efforts to conclude the arbitration within thirty (30) days after selection of the arbitrator, and the arbitrator shall be requested to render a written decision consistent with, based upon, and subject to, the requirements of this Agreement within ten (10) days after the final submission by the Parties to the arbitrator. Judgment upon the arbiter's decision may be entered in any court of competent jurisdiction.

If City reasonably believes that PTC has failed to perform any of its obligations under this Agreement to restore the Course Property and Adjacent Permitted Properties, if applicable, or repair damage, then without waiting

4.04 **Sales Reports; Audits.** Starting in January, 2019 PTC shall provide to City monthly reports of all Gross Revenues within thirty (30) days after the close of each month. Within ninety (90) days after the conclusion of the PGA Championship, PTC shall prepare and deliver to City a statement certified as correct by a senior representative of PTC and otherwise in a form mutually agreed to by City and PTC, showing the total Gross Revenues, as required to determine the amount of the Site Fee (the "Final Gross Revenue Statement"). PTC agrees to make its books and records available to City, or to any City auditor, or to any auditor or representative designated by City, for the purpose of examining such books and records to determine the accuracy of PTC's statement(s) of Gross Revenues. Such books and records shall be kept for four (4) years and shall be made available in San Francisco to City's representative for the purpose of auditing or re-auditing these accounts; except that, if an audit is made within such four-year period and City claims that errors or omissions have occurred, the books and records shall be retained and made available until those matters are resolved. If an audit reveals that PTC has understated the Gross Revenues and as a result thereof has underpaid the Site Fee, PTC shall pay City, promptly upon demand, the difference between the amount PTC paid as a Site Fee and the amount it should have paid to City. City shall bear the cost of such audit unless PTC understates the Gross Revenues by three percent (3%) or more, in which event the cost of the audit shall be borne by PTC.

4.05 **Commercial Revenues.** Except as expressly provided in this Agreement, City shall not knowingly, directly or indirectly, exploit, or authorize the exploitation for commercial purposes by third-parties, of the PGA Championship, persons competing in the PGA Championship, or the Course Property, as it relates to the PGA Championship, or any elements, names, events or incidents of or connected to the PGA Championship except in accordance with prior written approval from PTC. The term "exploit" and "exploitation" as used in this Section shall include, but not be limited to, any activity or other matter which produces, directly or indirectly, or is intended to produce revenue or any other consideration or advantage in any form. Notwithstanding the foregoing restrictions, and so long as PTC's Marks are not used without the express permission of PTC, City shall be entitled to promote the Course, Course Facilities and Clubhouse for historical, commemorative and educational purposes.

City shall not knowingly directly or indirectly authorize, without prior written authorization of PTC, manufacturers, distributors, suppliers or any other person or entity; the privilege of having their products sold or their names, trademarks, logos and/or any other identifying mark, name or slogan seen or heard during the PGA Championship, including but not limited to, by those people attending the PGA Championship and those people viewing, or listening to any broadcast of, the PGA Championship.

4.06 **Interest.** If any sum is not paid by PTC on (i) the due date, if City provides an invoice or reminder of the required payment no earlier than sixty (60) days prior to such due date, or (ii) within five (5) days of written notice from City that such sum was not paid when due, if City did not provide the notice described in the foregoing item (i), such unpaid amount shall bear interest from the due date until paid at the rate of ten percent (10%) per year or, if a higher rate is legally permissible, at the highest rate an individual is permitted to charge under Law.

4.07. **Charitable Contribution to Local Charity.** In order to support local San Francisco charities, PTC shall review its annual contribution to the First Tee program and adjust such contribution in 2020 to direct a portion of such contribution towards the local First Tee Chapter of Harding Park instead of to the National body. If no such donation is made by PTC in 2020, PTC will look for ways (financial or otherwise) to support the local First Tee chapter at Harding Park in and around the 2020 PGA Championship.

and Distribution Conditions Agreement in the form set forth in Exhibit C if such vendor is not already contractually licensed by PTC.

(C) Merchandising During the PGA Championship Merchandise Sales Period. PTC will manage all aspects of the purchasing, marketing and sale of PGA Championship related merchandise on Course's premises during the PGA Championship Merchandise Sales Period. All expenses incurred in the purchase, marketing and sale of merchandise actually sold on Course's premises during such period shall be at PTC's expense. Revenues derived from such on site sales and net profits derived from any such sales in the Regional Territory, shall be retained by PTC and are not to be included in the Gross Revenue calculation as set forth in the Gross Revenues definition Section 1.01. City may not sell any merchandise during the PGA Championship Merchandise Sales Period, either on site or elsewhere, including any sales of Course or Championship logo items. City acknowledges that PTC shall have final decision-making responsibility for excess inventory distribution and all revenues and expenses associated with the purchase and sale of excess inventory shall belong to PTC individually.

(D) Regional Territory Merchandising. PTC may, at PTC's discretion, conduct a merchandising program within the Regional Territory (or similar program) controlled and managed by PTC. PTC may plan to sell PGA Championship Logo Merchandise in the Regional Territory prior to, during, and after the PGA Championship Week ("Regional Territory Merchandising"). PTC will assume all financial obligations of all such Regional Territory Merchandising sales programs. Any net profit derived from such Regional Territory Merchandising sales programs shall be retained solely by PTC and are not to be included in the Gross Revenue calculation.

(E) Reservation of Rights for Corporate Hospitality Merchandise Purchases. The parties agree that PTC shall have the exclusive right to contact corporate hospitality purchasers for PGA Championship and Dual Logo Merchandise sales. Revenues derived from such sales shall be retained solely by PTC and are not to be included in the Gross Revenue calculation as set forth in the Gross Revenues definition Section 1.01. City acknowledges that, except as otherwise provided herein, PTC shall have all other rights to sell merchandise identified with the PGA Championship Logo, including the national and/or international sale and distribution of such merchandise outside of the Course Property and that all such additional sales will not be included in the Gross Revenue definition of Section 1.01.

(F) Acknowledgment. City agrees that it is not acquiring any interests or rights in the Trademarks apart from the rights set forth in this Agreement. City agrees that it shall take no action which could diminish Association's interest in the Trademarks including the registration or attempted registration thereof anywhere in the world. City further agrees not to place any name, logo or any other form of printed identification on PGA Championship Logo Merchandise. Any such proposed usage of the Course's logo in conjunction with the PGA Championship logo must be submitted by City to PTC and approved by PTC prior to such use.

(G) Reservation of Rights. City acknowledges that Association owns all right, title and interest in and to the Trademarks in any form or embodiment thereof and also owns the goodwill associated with the Trademarks. All Trademark rights due to the use of the Trademarks by City shall inure to the benefit of the Association. City agrees not to do or suffer to be done any act or thing that will in any way adversely affect any rights of Association in and to the Trademarks or any registration thereof, or that directly or indirectly will reduce the value of the Trademarks or detract from their reputation. City shall cause to appear on all advertising and promotional material and all other uses of the Trademarks

Association shall have sole and exclusive authority to exploit such rights, anywhere on Course Property and Adjacent Permitted Properties, if applicable, or in any Course building or facility, in any manner it desires, including by granting the rights to third parties, grant the rights and receive all income from such rights, inclusive of, but not limited to, telecasting, internet transmissions, radio broadcasting and motion picture filming and video recording of the PGA Championship for the period beginning on the first day designated for practice and ending with the conclusion of the PGA Championship, including any play-off or postponement. It shall be the duty and responsibility of the Association to issue credentials (at no charge) to the representatives of the media above, which credentials shall set forth their rights and privileges.

During this period, City will not allow any equipment of any broadcasting or radio company, professional photographer, video or film maker, any "new" media producer or other person or entity seeking to commercially exploit the PGA Championship anywhere on the grounds of Course Property or adjacent property under the jurisdiction of the Commission or in any facility or structure located on the Course Property or Adjacent Permitted Properties, except with the express prior written consent of PTC, unless otherwise required by law. City will not interfere, or permit others to interfere, with the exclusive broadcasting, telecasting, webcasting, motion picture or video production or other media or commercial privileges granted to the Company (defined as the party or parties selected by PTC and/or Association to exploit the 2020 PGA Championship as provided for herein). Such Company shall be permitted to locate cables and equipment for power transmission in and about the grounds of the Course Property and, if applicable, the Adjacent Permitted Properties, erect temporary facilities, and make such other provisions as may be necessary to provide for radio, television and Internet broadcasting and production of videos and motion pictures or any other form of reproduction, representation or commercial exploitation of the PGA Championship, except that City shall approve in advance the location or installation of any such facilities or any related activity that both deviates from the operating plan and may negatively impact the environment or affect public health, safety or welfare.

PTC shall cause Association to repair or cause the broadcasting network to repair any damage to the Course Property and Adjacent Permitted Properties occasioned by televising the PGA Championship. It is agreed that no modification, change, or alteration to the Course's Property or any portion thereof shall be made by PTC, the Association, any agent of PTC or the Association, or any person granted telecasting, internet, broadcasting, filming, or recording rights, including without limitation any alteration of any building or any cutting of any trees or limbs, without prior consent of the City which will not be unreasonably withheld.

Association shall have the right, in conjunction with the television network, to impose a blackout of the live telecast of the PGA Championship within a seventy-five (75) mile radius of the site of the PGA Championship.

City authorizes PTC/Association and/or its affiliates to use, and grant the right to use to others, the Course Marks in any broadcast, telecast, internet transmission, film or videotape of the PGA Championship and waives any right to compensation or consideration in connection with said activities.

With respect to the Internet:

A. City and PTC acknowledge and agree that PTC shall have the sole and exclusive right to develop a site or other preserve on the Internet for the purpose of promoting and commemorating the PGA Championship (the "PGA Championship Website"). Such PGA Championship Website shall be the "official" website of the PGA Championship and PTC shall promote it as such. PTC shall develop the PGA Championship

F. In the event that the PGA Championship Website and a City and/or Course website are up and running at the same time, each website shall contain a link to the other to permit users to have ease of access to both websites. PTC and City shall mutually agree upon the design and location of such links.

ARTICLE VI
TERMINATION PROVISIONS

6.01 **Termination of Agreement**. This Agreement shall remain in effect during the Term unless terminated at an earlier time for any one of the following reasons:

- (A) The sale, exchange, distribution or other disposition of all or substantially all of the Course's assets;
- (B) City fails to meet the following material conditions as determined by PTC, in its sole discretion. PTC must provide the City Notice of any such breach. If such breach occurs before March 1, 2019, the City will have the right to cure any such deficiency within ninety (90) days from its receipt of Notice of such breach. If such breach occurs on or after March 1, 2019, the City will have the right to cure any such deficiency within ten (10) days from its receipt of Notice of such breach:
 - (i) A properly conditioned and maintained Course, at Course's premises;
 - (ii) Adequate Clubhouse facilities, including dining and locker room facilities as they existed upon execution of this Agreement (subject to normal wear and tear and improvements);
 - (iii) An Association member as the Resident Golf Professional; and
 - (iv) Compliance with Association's policy that City has demonstrably open Course access policies and practices prohibiting discrimination on the basis of race, creed, color, national origin or gender.
- (C) The Bankruptcy of either party;
- (D) At any time during the Term, in the event City does not maintain the controlling interest of the golf course and Clubhouse facilities at Course, PTC shall have the right to terminate this Agreement upon Notice to City. City agrees to provide PTC notice of any substantial change in the controlling interest of the golf course and facilities. City represents that it controls the golf course and Clubhouse facilities at the Course and that it shall not sell or otherwise transfer control of the Course during the Term of this Agreement without PTC's consent. Notwithstanding the foregoing, City may at its sole option amend the Management Agreement, enter into a new management agreement for the Course, extend the First Tee Lease or enter into a new lease with First Tee or others for portions of the Clubhouse and for use of a driving range on the Course, and enter into a lease or management agreement for all or portions of the Lake Merced Boathouse, provided that any such amendment or new agreement shall require City and the applicable third party to comply with the applicable elements of this Agreement, including, but not limited to, any rights PTC may have to the applicable space and provided that City shall require the contracting party to reasonably cooperate with PTC regarding PTC's use of the applicable space and facilities pursuant to this Agreement. If City enters into a new

(i) Name as Additional Insured the City and County of San Francisco, its Officers, Agents, and Employees.

(ii) That such policies are primary insurance to any other insurance available to the Additional Insureds, with respect to any claims arising out of this Agreement, and that insurance applies separately to each insured against whom claim is made or suit is brought.

All policies shall be endorsed to provide thirty (30) days' advance written notice to the City of cancellation for any reason, intended non-renewal, or reduction in coverages.

(c) Certificates of Insurance. PTC shall furnish to City certificates of insurance and additional insured policy endorsements with insurers with ratings comparable to A-, VIII or higher, that are authorized to do business in the State of California, and that are satisfactory to City, in form evidencing all coverages set forth above and in Section 7.01(d) below. Approval of the insurance by City shall not relieve or decrease PTC's liability hereunder. The Certificates of Insurance shall be submitted to City at the initial address for City set forth in Section 8.08 herein. A current Certificate of Insurance and Additional Insured Endorsement for the coverage described above shall be submitted to City by the earlier of April 1, 2019, or the date PTC first occupies or uses any portion of the Course premises or Adjacent Permitted Properties and a current Certificate of Insurance and Additional Insured Endorsement for the coverage described in Section 7.01(d) shall be submitted to City by April 1, 2019.

(d) Insurance of Others. PTC shall ensure that any vendors any serving alcoholic beverages on the Course Property or, if applicable, Adjacent Permitted Property, during the Championship Week (other than vendors engaged by City, if any) carry commercial general liability insurance in a form and with coverage at least as broad as ISO CG 00 01, with limits not less than \$1 million each occurrence and \$2 million annual aggregate with host or liquor (as applicable) liability included by endorsement or otherwise, or addressed by a separate policy with the same minimum limits of \$1 million per occurrence, \$2 million aggregate.

ARTICLE VIII MISCELLANEOUS PROVISIONS

8.01 Counterparts. This Agreement may be executed in any number of counterparts, and all of these counterparts together shall constitute one and the same Agreement.

8.02 No Assignment. This Agreement and any rights herein granted are personal to the parties hereto and shall not be assigned, sublicensed, encumbered or otherwise transferred by either party unless such assignment is made to an affiliate or subsidiary of the parties without the prior written consent of the other party, and any attempt at violative assignment, sublicense, encumbrance or other transfer, whether voluntary or by operation of law, shall be void and of no force and effect.

8.03 No Waiver. Failure of either party to complain of any act or omission on the part of the other party, no matter how long the same may continue, shall not be deemed to be a waiver by either party of its rights under this Agreement.

8.04 Relationship of Parties. This Agreement shall not constitute or be considered a partnership, employer-employee relationship, joint venture, or agency between the parties hereto nor by or between any of their employees or agents.

2. It is a wholly owned subsidiary of the PGA Corporation, which is a wholly owned subsidiary of the Association;

3. It has all the requisite corporate power and authority to enter into and fully perform the Agreement in accordance with its terms and that the Agreement when executed and delivered will be a legal, valid, and binding obligation enforceable against PTC in accordance with its terms; and

4. The Association has granted PTC, solely and exclusively, the right to conduct the 2020 PGA Championship and to manage the business and affairs thereof.

8.10 [Intentionally omitted.]

8.11 **Modification.** No modification or waiver of any provision of this Agreement shall be effective unless in writing and signed by both the Parties.

8.12 **Attachments.** All attachments to this Agreement are hereby incorporated within and made a part hereof.

8.13 **No Prior Agreements.** This Agreement shall be deemed to supersede all prior agreements between the parties in respect to the subject matter addressed in this Agreement.

8.14 **Entire Agreement.** This Agreement embodies the whole agreement of the parties and there are no promises, terms, conditions, or obligations other than those herein contained.

8.15 **Effective Date.** This Agreement shall become effective on the date the Parties duly execute and deliver this Agreement following approval by the Commission and City's Board of Supervisors and the Mayor, in their respective sole and absolute discretion.

8.16 **Excuse of Performance.** The performance of this Agreement by either party is subject to acts of God, War, government regulation or advisory, disasters, fire, infestation, disease, accidents or other casualty, strikes or threat of strikes (exception: Neither party may terminate this Agreement for instances involving their respective employees or agents), civil disorder, acts and/or threats of terrorism, or curtailment of transportation services or facilities, or similar cause beyond the control of either party making it, illegal, impossible or impracticable to hold the golf tournament or provide the golf course and related facilities. Either party may terminate or suspend its obligations under this Agreement with no liability or obligation to the other party if such obligations are delayed or prevented by any of the above events to the extent such events are beyond the reasonable control of the party whose reasonable performance is prevented.

List of Exhibits and Attachments:

Attachment 1 – City Requirements

Attachment 2 – Depiction of Unavailable Clubhouse Areas

Exhibit A - Trademarks

Exhibit B - Harding Park logo

Exhibit C - Goods Production and Distribution Conditions Agreement

ATTACHMENT 1

ATTACHMENT 1 City Requirements

The Agreement shall be subject to the terms and conditions of this Attachment 1. In the event of any conflict between the body of the Agreement and the terms of this Attachment, the terms of this Attachment shall control.

1. INTERPRETATION

As used herein, the term "Agents" when used with respect to either party shall include the agents, employees, officers, contractors and representatives of such party, and the term "Invitees" when used with respect to PTC shall include the clients, customers, invitees, guests, licensees, assignees or sublicensees of PTC. All approvals, consents or other determinations permitted or required by City hereunder shall be made by or through the General Manager of the Department unless otherwise provided in the Agreement, subject to applicable law.

2. COMPLIANCE WITH LAWS

PTC shall, at its expense, conduct and cause to be conducted all activities on the Course Property allowed hereunder in a safe and prudent manner and in compliance with all laws, regulations, codes, ordinances and orders of any governmental or other regulatory entity (including without limitation the Americans with Disabilities Act), whether presently in effect or subsequently adopted and whether or not in the contemplation of the parties. PTC shall, at its sole expense, procure and maintain in force at all times during its use of the Course Property any and all business and other licenses or approvals necessary to conduct the activities allowed hereunder.

3. SUPERVISION OF MINORS

(a) Records Request. If any person applies for employment or for a volunteer position with PTC, or any sublicensee or subcontractor, in which such applicant would have supervisory or disciplinary power over a minor or any person under such applicant's care on the Course Premises, then PTC, and any subtenant or subcontractors providing services at the Course Premises, shall request from the California Department of Justice records of all convictions or any arrest pending adjudication of such applicant involving the offenses listed in Welfare and Institution Code Section 15660(a), in accordance with the procedures established in California Penal Code Section 11105.3.

(b) Restriction on Hires for Recreational Sites. If PTC, or any sublicensee or subcontractor, is providing services under this Agreement at a City park, playground, recreational center or beach (separately and collectively, "Recreational Site"), PTC shall not hire, and shall prevent its subcontractors from hiring, any person for employment or a volunteer position to provide supervisory or disciplinary power over a minor or any person under his or her care at such Recreational Site if that person has been convicted of any offense listed in Welfare and Institution Code Section 15660(a).

(c) Notice Required for Sites Other Than Recreational Sites. If PTC, or any of its sublicensee or subcontractors, hires an employee or volunteer to provide services to minors at any location owned by City other than a Recreational Site, and that employee or volunteer has been convicted of an offense specified in Penal Code Section 11105.3(c), then PTC shall comply, and cause its subtenants and subcontractors to comply, with Penal Code Section 11105.3(c) and provide written notice to the parents or guardians of any minor who will be supervised or disciplined by the employee or volunteer not less than ten (10) days prior to the day the employee or volunteer begins his or her duties or tasks. PTC shall provide, or cause its sublicensees or subcontractors to provide, City with a copy of any such notice at the same time that it provides notice to any parent or guardian, to the extent permitted by law.

(d) General Requirements. PTC shall expressly require any of its subcontractors with supervisory or disciplinary power over a minor to comply with this Section of the Agreement as a condition of its contract with the subcontractor. PTC acknowledges and agrees that failure by PTC or any of its subcontractors to comply with any provision of this Section of this Agreement shall constitute an event of default. PTC further acknowledges and agrees that such event of default shall be grounds for the City to terminate the Agreement, partially or in its entirety, to recover from PTC any amounts paid under this Agreement, and to withhold any future payments, if any, to PTC. The remedies provided in this Section shall not limit any other remedy available to the City hereunder, or in equity or law for an event of default, and each remedy may be exercised individually or in combination with any other available remedy. The exercise of any remedy shall not preclude or in any way be deemed to waive any other remedy.

4. PREVAILING WAGES FOR THEATRICAL WORKERS

Pursuant to San Francisco Administrative Code Section 21C-4 and Section 21.C-7, unless excepted, Contracts, Leases, Franchises, Permits, and Agreements awarded, let, issued or granted by the City and County of San Francisco for the use of property owned by the City and County of San Francisco shall require any Individual engaged in theatrical or technical services related to the presentation of a Show to be paid not less than the Prevailing Rate of Wages. Individuals engaged in theatrical and technical services include, without limitation, those engaged in rigging, sound, projection, theatrical lighting, videos, computers, draping, carpentry, special effects, and motion picture services. Capitalized terms in this Section that are not defined in this Agreement shall have the meanings provided in Section 21.C-4 and Section 21.C-7.

PTC agrees to comply with and be fully bound by, and to require its Subcontractors to comply with and be fully bound by, the provisions of Section 21.C-4 and Section 21.C-7, including, without limitation, the payment of any penalties for noncompliance and other remedies available to the City. The provisions of Section 21.C-4 and Section 21.C-7 are hereby incorporated by reference and made a part of this agreement. PTC shall cooperate fully with the Labor Standards Enforcement Officer and any other City official or employee, or any of their respective agents, in the administration and enforcement of the requirements of Section 21.C-4 and Section 21.C-7, including, without limitation, any investigation of noncompliance by PTC or its Subcontractors. PTC agrees that the City may inspect and/or audit any workplace or job site involved in or related to the performance of this agreement, including, without limitation, interviewing PTC's and any Subcontractor's employees and having immediate access to employee time sheets, payroll records, and paychecks for inspection.

PTC may obtain a copy of the current Prevailing Rate of Wages from City, including its Office of Labor Standards Enforcement. PTC acknowledges that the City's Board of Supervisors may amend such Prevailing Rate of Wages and agrees that PTC and any Subcontractors shall be bound by and shall fully comply with any such amendments by the Board of Supervisors. This Section is a material provision of this Agreement.

5. FOOD SERVICE WASTE REDUCTION

PTC agrees to comply fully with and be bound by all of the provisions of the Food Service Waste Reduction Ordinance, as set forth in San Francisco Environment Code Chapter 16, including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 16 are incorporated herein by reference and made a part of this agreement as though fully set forth. This provision is a material term of this agreement. By entering into this agreement, PTC agrees that if it breaches this provision, City will suffer actual damages that will be impractical or extremely difficult to determine; further, PTC agrees that the sum of one hundred dollars (\$100.00) liquidated damages for the first breach, two hundred dollars (\$200.00) liquidated damages for the second breach in the same year, and five hundred dollars (\$500.00) liquidated damages for subsequent breaches in the same year is a reasonable estimate of the damage that City will incur based on the violation, established in light of the circumstances existing at the time this

Agreement was made. Such amounts shall not be considered a penalty, but rather agreed monetary damages sustained by City because of contractor's failure to comply with this provision.

6. NO SMOKING IN CITY PARKS

PTC agrees to comply with Section 1009.81 of the San Francisco Health Code, which provides: "Smoking is prohibited on any unenclosed area of property in the City and County of San Francisco that is open to the public and under the jurisdiction of the Recreation and Park Commission or any other City department if the property is a park, square, garden, sport or playing field, pier, or other property used for recreational purposes, or a farmers' market."

7. PTC'S WAIVER OF CLAIMS AND INDEMNITY

PTC covenants and agrees that City shall not be responsible for or liable to PTC for, and, to the fullest extent allowed by law, PTC hereby waives all rights against City and its Agents and releases City and its Agents from, any and all losses, including, but not limited to, incidental and consequential damages, relating to any injury, accident or death of any person or loss or damage to any property, in or about the Course Property or any other City property, from any cause whatsoever. Nothing herein shall relieve City from liability caused solely and directly by the gross negligence or willful misconduct of City or its Agents, but City shall not be liable under any circumstances for any consequential, incidental or punitive damages.

PTC, on behalf of itself and its successors and assigns, shall indemnify, defend and hold harmless ("Indemnify") City including, but not limited to, all of its boards, commissions, departments, agencies and other subdivisions, and all of its and their Agents, and their respective heirs, legal representatives, successors and assigns (individually and collectively, the "Indemnified Parties"), and each of them, from and against any and all liabilities, losses, costs, claims, judgments, settlements, damages, liens, fines, penalties and expenses, including, without limitation, direct and vicarious liability of every kind (collectively, "Claims"), incurred in connection with or arising in whole or in part from: (a) any accident, injury to or death of a person, including, without limitation, employees of PTC, or loss of or damage to property, howsoever or by whomsoever caused, occurring in or about the Course Property during the period of PTC's use thereof; (b) any default by PTC in the observation or performance of any of the terms, covenants or conditions of this Agreement to be observed or performed on PTC's part; (c) the use or occupancy or manner of use or occupancy of the Course Property by PTC, its Agents or Invitees or any person or entity claiming through or under any of them; (d) the condition of the Course Property, to the extent modified by PTC, its Agents or Invitees; (e) any construction or other work undertaken by PTC on the Course Property whether before or during the Term of this Agreement; or (f) any acts, omissions or negligence of PTC, its Agents or Invitees, in, on or about the Course Property, all regardless of the active or passive negligence of, and regardless of whether liability without fault is imposed or sought to be imposed on, the Indemnified Parties, except to the extent that such Indemnity is void or otherwise unenforceable under applicable law in effect on or validly retroactive to the date of this Agreement and further except only such Claims as are caused exclusively by the willful misconduct or gross negligence of the Indemnified Parties. The foregoing Indemnity shall include, without limitation, reasonable fees of attorneys, consultants and experts and related costs and City's costs of investigating any Claim. PTC specifically acknowledges and agrees that it has an immediate and independent obligation to defend the City from any claim which actually or potentially falls within this indemnity provision even if such allegation is or may be groundless, fraudulent or false, which obligation arises at the time such claim is tendered to PTC by City and continues at all times thereafter. PTC's obligations under this Section shall survive the termination of this Agreement.

8. HAZARDOUS MATERIALS

8.1 Definitions

As used herein, the following terms shall have the meanings set forth below:

(a) "Environmental Laws" shall mean any present or future federal, state, local or administrative law, rule, regulation, order or requirement relating to Hazardous Material (including, without limitation, its use, handling, transportation, production, disposal, discharge or storage), or to health and safety, industrial hygiene or the environment, including, without limitation, soil, air and groundwater conditions.

(b) "Hazardous Material" shall mean any material that, because of its quantity, concentration or physical or chemical characteristics, is at any time now or hereafter deemed by any federal, state or local governmental authority to pose a present or potential hazard to human health, welfare or safety or to the environment. Hazardous Material includes, without limitation, any material or substance defined as a "hazardous substance," or "pollutant" or "contaminant" pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA", also commonly known as the "Superfund" law), as amended, (42 U.S.C. Section 9601 et seq.) or pursuant to Section 25316 of the California Health & Safety Code; any "hazardous waste" listed pursuant to Section 25140 of the California Health & Safety Code; and petroleum, including crude oil or any fraction thereof, natural gas or natural gas liquids.

(c) "Investigate and Remediate" ("Investigation" and "Remediation") shall mean the undertaking of any activities to determine the nature and extent of Hazardous Material that may be located in, on, under or about the Course Property or that has been, are being or threaten to be Released into the environment, and to clean up, remove, contain, treat, stabilize, monitor or otherwise control such Hazardous Material.

(d) "Release" when used with respect to Hazardous Material shall include any actual or imminent spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing into or inside the Course Property, or in, on, under or about any other property or into the environment.

8.2 No Hazardous Materials

PTC covenants and agrees that neither PTC nor any of its Agents or Invitees shall cause or permit any Hazardous Material to be brought upon, kept, used, stored, generated or disposed of in, on or about the Course Property, or transported to or from the Course Property, except for gasoline and other fuel products used to transport and operate vehicles and equipment provided that PTC handles such gasoline and other fuel products in compliance with all applicable Environmental Laws. PTC shall give immediate written notice to City of: (a) any action, proceeding or inquiry by any governmental authority (including, without limitation, the California State Department of Health Services, the State or any Regional Water Quality Control Board, the Bay Area Air Quality Management district or any local governmental entity) against PTC with respect to the presence or Release or suspected presence or Release of Hazardous Material on the Course Property or the migration thereof from or to other property; (b) all demands or claims made or threatened by any third party against PTC or the Course Property relating to any loss or injury resulting from any Hazardous Materials; (c) any Release of Hazardous Material on or about the Course Property has occurred that may require any Investigation or Remediation; and (d) all matters of which PTC is required to give notice pursuant to Section 25359.7 of the California Health and Safety Code.

8.3 PTC's Environmental Indemnity

If PTC breaches any of its obligations contained in this Section, or, if any act or omission of PTC, its Agents or Invitees, results in any Release of Hazardous Material in, on, under or about the Course Property in violation of any applicable Environmental Laws, then, without limiting PTC's Indemnity contained in this Attachment, PTC shall, on behalf of itself and its successors and assigns, Indemnify the Indemnified Parties, and each of them, from and against all Claims (including, without limitation, damages for decrease in value of the Course Property, the loss or restriction of the use of rentable or usable space or of any amenity of the Course Property and sums paid in settlement of claims, attorneys' fees, consultants' fees and experts' fees and costs) arising during or after the Term of this Agreement and relating to such Release. The foregoing Indemnity includes, without limitation, costs incurred in

connection with activities undertaken to Investigate and Remediate Hazardous Material and to restore the Course Property to its prior condition, fines and penalties assessed for the violation of any applicable Environmental Laws, and any natural resource damages. Without limiting the foregoing, if PTC or any of its Agents or Invitees, causes or permits the Release of any Hazardous Materials in, on, under or about the Course Property, PTC shall immediately and at no expense to City take any and all appropriate actions to return the Course Property affected thereby to the condition existing prior to such Release and otherwise Investigate and Remediate the Release in accordance with all Environmental Laws. PTC specifically acknowledges and agrees that it has an immediate and independent obligation to defend the City from any claim which actually or potentially falls within this indemnity provision even if such allegation is or may be groundless, fraudulent or false, which obligation arises at the time such claim is tendered to PTC by the City and continues at all times thereafter. PTC shall afford City a full opportunity to participate in any discussions with governmental regulatory agencies regarding any settlement agreement, cleanup or abatement agreement, consent decree, or other compromise or proceeding involving Hazardous Material.

8.4 Survival of Obligation

PTC's obligations under this Section shall survive the expiration or other termination of this Agreement.

9. WAIVER OF SUBROGATION

Notwithstanding anything to the contrary contained herein, PTC hereby waives any right of recovery against City for any loss or damage sustained PTC with respect to the Course Property or any portion thereof or the contents of the same or any operation therein, whether or not such loss is caused by the fault or negligence of City, to the extent such loss or damage is covered by insurance which is required to be purchased by PTC under this Agreement or is actually covered by insurance obtained PTC. PTC agrees to cause its insurers to issue appropriate waiver of subrogation rights endorsements to all policies relating to the Course Property; provided, the failure to obtain any such endorsement shall not affect the above waiver.

10. NO RELOCATION ASSISTANCE

This Agreement creates no right in PTC to receive any relocation assistance or payment for any reason under the Relocation Assistance Act (California Government Code Section 7260 et seq.), the Uniform Relocation Assistance Act (42 U.S.C. Section 4602 et seq.) as such acts may be amended or revised or under any existing or future law upon any termination of tenancy except as provided in Section 15 (Eminent Domain) hereof.

PTC fully waives, releases and relinquishes forever any and all claims, demands, rights and causes of action that it may have against the city under any existing or future laws, for any compensation from City not otherwise provided for herein, upon any termination of tenancy hereunder.

11. NON-LIABILITY OF CITY OFFICIALS, EMPLOYEES AND AGENTS

No elective or appointive board, commission, member, officer, employee or other Agent of City shall be personally liable to PTC, its successors and assigns, in the event of any default or breach by City or for any amount which may become due to PTC, its successors and assigns, or for any obligation of City under this Agreement.

12. INTENTIONALLY OMITTED

13. MACBRIDE PRINCIPLES - NORTHERN IRELAND

The City and County of San Francisco urges companies doing business in Northern Ireland to move toward resolving employment inequities and encourages them to abide by the MacBride Principles as expressed in San Francisco Administrative Code Section 12F.1 et seq. The City and County of San Francisco also urges San Francisco companies to do business with corporations that abide by the MacBride Principles. PTC acknowledges that it has read and understands the above statement of the City and County of San Francisco concerning doing business in Northern Ireland.

14. TROPICAL HARDWOOD AND VIRGIN REDWOOD BAN

The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environment Code, PTC shall not provide any items to the construction of Communication Facility or any alterations, or otherwise in the performance of this Agreement which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event PTC fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environment Code, PTC shall be liable for liquidated damages for each violation in any amount equal to PTC's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

15. PESTICIDE PROHIBITION

PTC shall comply with the provisions of Section 308 of Chapter 3 of the San Francisco Environment Code (the "Pesticide Ordinance") which (a) prohibit the use of certain pesticides on City property, (b) require the posting of certain notices and the maintenance of certain records regarding pesticide usage and (c) require PTC to submit to City's Department of Real Estate an integrated pest management ("IPM") plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that PTC may need to apply to the Course Property during the terms of this Agreement, (ii) describes the steps PTC will take to meet the City's IPM Policy described in Section 300 of the Pesticide Ordinance and (iii) identifies, by name, title, address and telephone number, an individual to act as the PTC's primary IPM contact person with the City. In addition, PTC shall comply with the requirements of Sections 303(a) and 303(b) of the Pesticide Ordinance.

Nothing herein shall prevent PTC, through {insert name of City department overseeing the Agreement}, from seeking a determination from the Commission on the Environment that it is exempt from complying with certain portions of the Pesticide Ordinance as provided in Section 307 thereof.

16. FIRST SOURCE HIRING ORDINANCE

The City has adopted a First Source Hiring Ordinance, San Francisco Administrative Code, Chapter 83, which establishes specific requirements, procedures and monitoring for first source hiring of qualified economically disadvantaged individuals for entry-level positions. Upon request when applicable, PTC shall enter into a First Source Hiring Agreement that meets the requirements of Section 83.9 of the First Source Hiring Ordinance.

17. SUNSHINE ORDINANCE

In accordance with Section 67.24(e) of the San Francisco Administrative Code, contracts, contractors' bids, leases, agreements, responses to Requests for Proposals, and all other records of communications between City and persons or firms seeking contracts will be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract, lease, agreement or other benefit until and unless that person or organization is awarded the contract, lease, agreement or benefit. Information provided which is covered by this Section will be made available to the public upon request.

18. CONFLICTS OF INTEREST

Through its execution of this Agreement, PTC acknowledges that it is familiar with the provisions of Section 15.103 of the San Francisco Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and Section 87100 et seq. and Section 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which would constitute a

violation of said provisions, and agrees that if PTC becomes aware of any such fact during the term of this Agreement PTC shall immediately notify the City.

19. CHARTER PROVISIONS

This Agreement is governed by and subject to the provisions of the Charter of the City and County of San Francisco.

20. PROHIBITION OF TOBACCO SALES AND ADVERTISING

PTC acknowledges and agrees that no advertising of cigarettes or tobacco products is allowed on the Course Property. This advertising prohibition includes the placement of the name of a company producing, selling or distributing cigarettes or tobacco products or the name of any cigarette or tobacco product in any promotion of any event or product. This advertising prohibition does not apply to any advertisement sponsored by a state, local, nonprofit or other entity designed to (a) communicate the health hazards of cigarettes and tobacco products, or (b) encourage people not to smoke or to stop smoking.

21. PROHIBITION OF ALCOHOLIC BEVERAGE ADVERTISING

PTC acknowledges and agrees that no advertising of alcoholic beverages is allowed on the Course Property, except for those areas on the Course Property where the sale of alcoholic beverages is permitted. For purposes of this section, "alcoholic beverage" shall be defined as set forth in California Business and Professions Code Section 23004, and shall not include cleaning solutions, medical supplies and other products and substances not intended for drinking. This advertising prohibition includes the placement of the name of a company producing, selling or distributing alcoholic beverages or the name of any alcoholic beverage in any promotion of any event or product. This advertising prohibition does not apply to any advertisement sponsored by a state, local, nonprofit or other entity designed to (a) communicate the health hazards of alcoholic beverages, (b) encourage people not to drink alcohol or to stop drinking alcohol, or (c) provide or publicize drug or alcohol treatment or rehabilitation services.

22. INTENTIONALLY OMITTED

23. NOTIFICATION OF LIMITATIONS ON CONTRIBUTIONS

Through its execution of this Agreement, PTC acknowledges that it is familiar with Section 1.126 of the San Francisco Campaign and Governmental Conduct Code, which prohibits any person who contracts with the City for the selling or leasing of any land or building to or from the City whenever such transaction would require approval by a City elective officer, the board on which that City elective officer serves, or a board on which an appointee of that individual serves, from making any campaign contribution to (a) the City elective officer, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the commencement of negotiations for the contract until the later of either the termination of negotiations for such contract or six months after the date the contract is approved. PTC acknowledges that the foregoing restriction applies only if the contract or a combination or series of contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of \$50,000 or more. PTC further acknowledges that the prohibition on contributions applies to each PTC; each member of PTC's board of directors, and PTC's chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than 20 percent in PTC; any subcontractor listed in the contract; and any committee that is sponsored or controlled by PTC. Additionally, PTC acknowledges that PTC must inform each of the persons described in the preceding sentence of the prohibitions contained in Section 1.126. PTC further agrees to provide to City the name of each person, entity or committee described above.

24. PRESERVATIVE-TREATED WOOD CONTAINING ARSENIC

PTC may not purchase preservative-treated wood products containing arsenic in the performance of this Agreement unless an exemption from the requirements of Environment Code Chapter 13 is obtained from the Department of Environment under Section 1304 of the Environment Code. The term "preservative-treated wood containing arsenic" shall mean wood treated with a preservative that contains arsenic, elemental arsenic, or an arsenic copper combination, including, but not limited to, chromated copper arsenate preservative, ammoniac copper zinc arsenate preservative, or ammoniacal copper arsenate preservative. PTC may purchase preservative-treated wood products on the list of environmentally preferable alternatives prepared and adopted by the Department of Environment. This provision does not preclude PTC from purchasing preservative-treated wood containing arsenic for saltwater immersion. The term "saltwater immersion" shall mean a pressure-treated wood that is used for construction purposes or facilities that are partially or totally immersed in saltwater.

25. ATTORNEYS' FEES

For the purposes of this Agreement, reasonable fees of attorneys of City's Office of the City Attorney shall be based on the fees regularly charged by private attorneys with the equivalent number of years of experience in the subject matter area of the law for which the City Attorney's services were rendered who practice in the City of San Francisco in law firms with approximately the same number of attorneys as employed by the Office of the City Attorney.

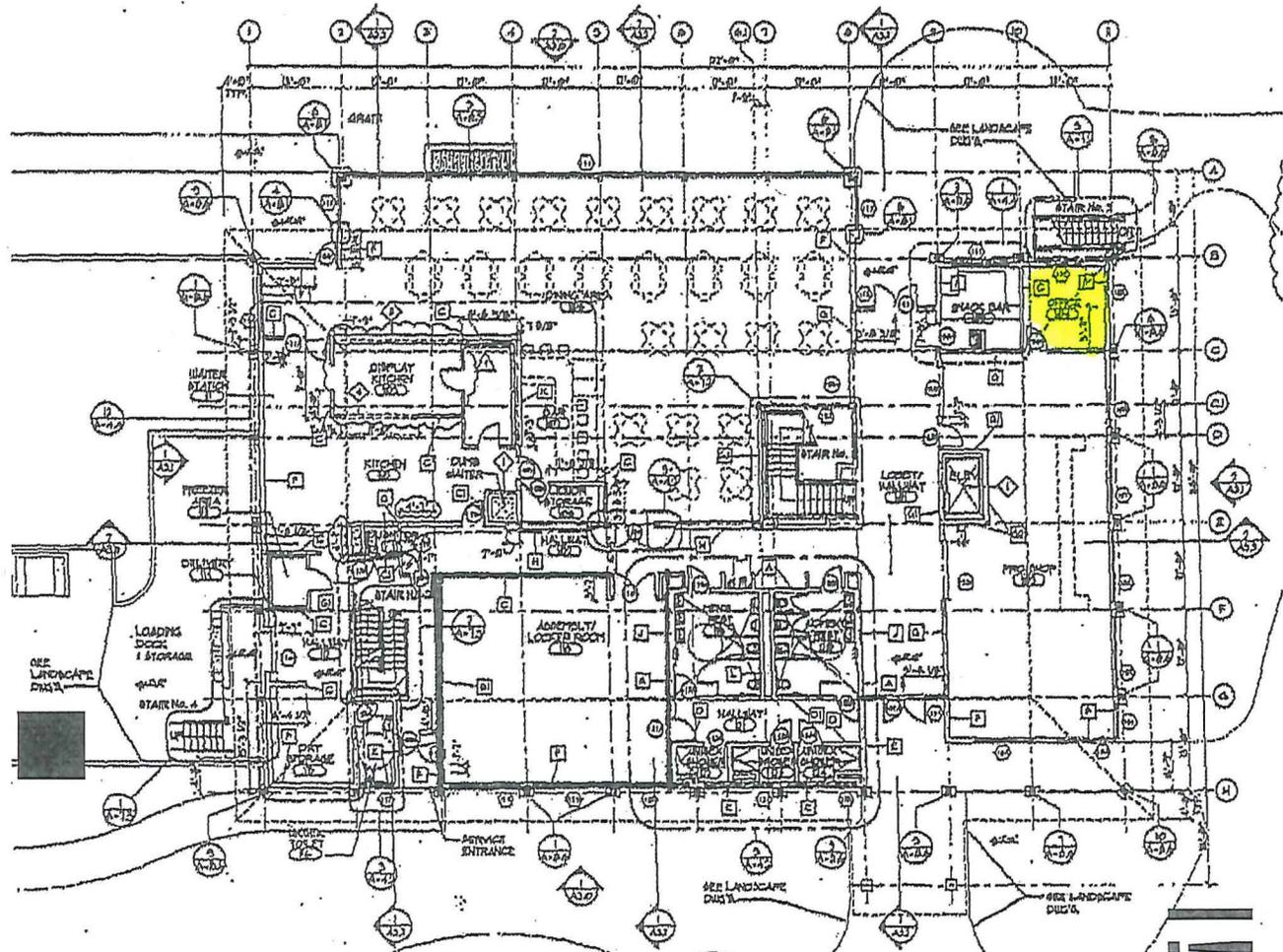
26. SAN FRANCISCO BOTTLED WATER ORDINANCE

Unless exempt, PTC agrees to comply fully with and be bound by all of the provisions of the San Francisco Bottled Water Ordinance, as set forth in San Francisco Environment Code Chapter 24 (prohibiting the sale or distribution of drinking water in a sealed rigid plastic bottle having a capacity of twenty-one (21) fluid ounces or less at certain events held on City property), including the administrative fines, remedies, and implementing regulations provided therein, as the same may be amended from time to time. The provisions of Chapter 24 are incorporated herein by reference and made a part of this Agreement as though fully set forth.

ATTACHMENT 2

EXHIBIT A (2)

M
J. S. J.
UPI



1. FOR EACH SECTION

STEEL AIR TO AIR AND STEEL AIR TO AIR SHALL BE SMALL ENDED LOT OR BENT UP.

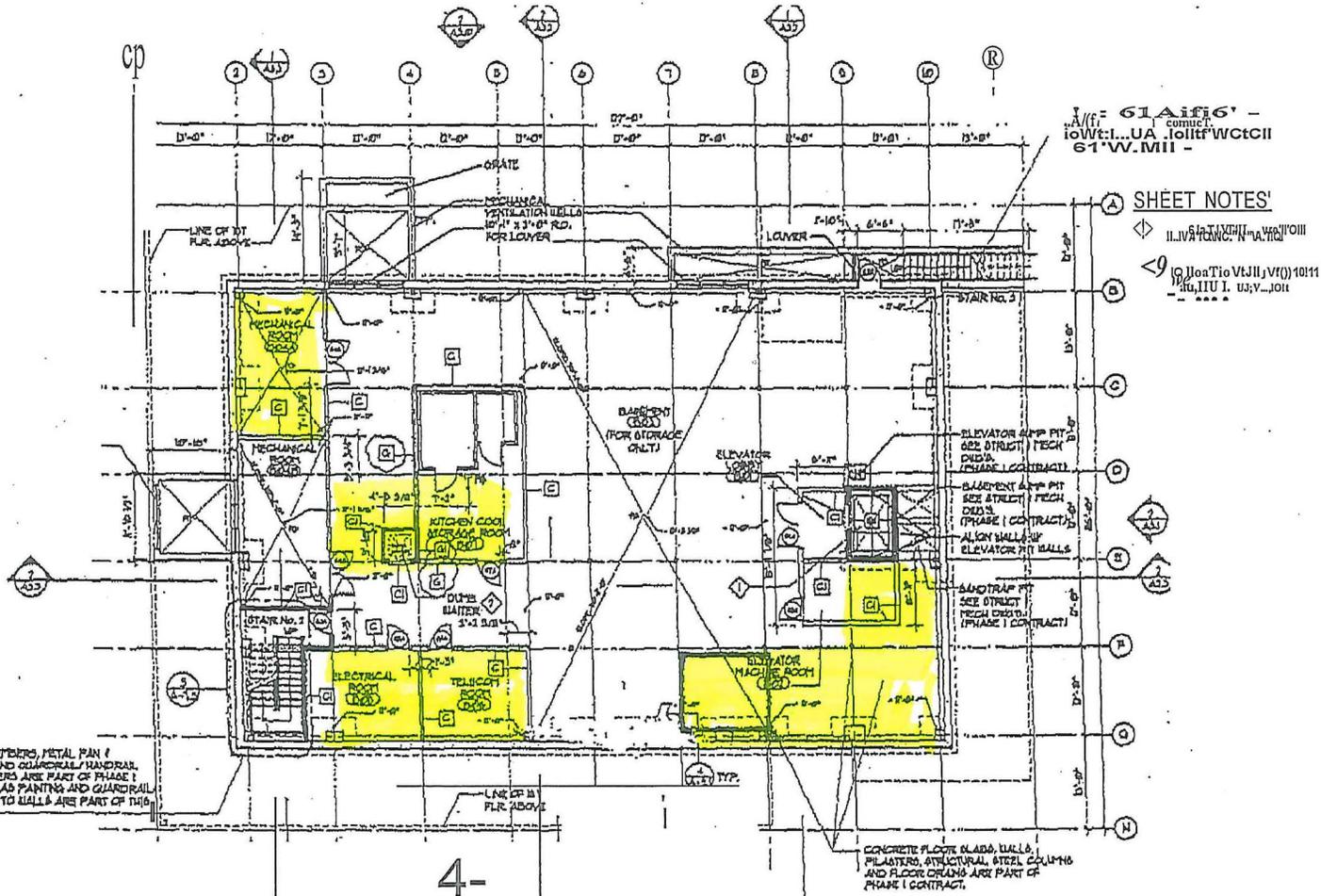
STEEL AIR TO AIR WINDOW SHALL BE SMALL ENDED LOT OR BENT UP.

1 FIRST FLOOR PLAN
SCALE 1/4" = 1'-0"

1: ... H

(C)

EXHIBIT A (4)



SCALE: 1/8" = 1'-0"
 1/4" = 1'-0"
 1/2" = 1'-0"
 3/4" = 1'-0"
 1" = 1'-0"

SHEET NOTES

- 1. SEE CONTRACT FOR ALL NOTES.
- 2. SEE CONTRACT FOR ALL NOTES.
- 3. SEE CONTRACT FOR ALL NOTES.
- 4. SEE CONTRACT FOR ALL NOTES.
- 5. SEE CONTRACT FOR ALL NOTES.
- 6. SEE CONTRACT FOR ALL NOTES.
- 7. SEE CONTRACT FOR ALL NOTES.
- 8. SEE CONTRACT FOR ALL NOTES.
- 9. SEE CONTRACT FOR ALL NOTES.
- 10. SEE CONTRACT FOR ALL NOTES.
- 11. SEE CONTRACT FOR ALL NOTES.
- 12. SEE CONTRACT FOR ALL NOTES.
- 13. SEE CONTRACT FOR ALL NOTES.
- 14. SEE CONTRACT FOR ALL NOTES.
- 15. SEE CONTRACT FOR ALL NOTES.
- 16. SEE CONTRACT FOR ALL NOTES.
- 17. SEE CONTRACT FOR ALL NOTES.
- 18. SEE CONTRACT FOR ALL NOTES.
- 19. SEE CONTRACT FOR ALL NOTES.
- 20. SEE CONTRACT FOR ALL NOTES.

NOTE: (STAIR No. 2)
 STRUCTURAL STEEL MEMBERS, METAL PAN /
 CONCRETE TOPPING AND GUARDRAIL HANDRAIL
 ATTACHED TO STRINGERS ARE PART OF PHASE I
 WORK. FINISHES SUCH AS PAINTING AND GUARDRAIL
 HANDRAIL ATTACHED TO WALLS ARE PART OF THIS
 PHASE II CONTRACT.

CD BASEMENT FLOOR PLAN

LE<:IEND
 (B) Ull,.,.,.,.,KC A-U

Seal of the Board of Architecture, Department of Public Works, City and County of San Francisco. Includes contact information for the Board of Architecture.

HARDWING PARK
 CELLHOUSE -
 PHASE K

MUNICIPAL GOLEFCOPIH
 " IND. OC
 HIM "AICHOOC.CrH"O"HHH"

NO.	DATE	REVISIONS
1	03/16/06	ISSUED APPROVED
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		

PROJECT NO. 0875J

Exhibit A

Trademarks

[Note: The trademark for the 2020 PGA Championship will be specifically designed for TPC Haring Park and will be incorporated in this Exhibit when completed.]

Exhibit B

Harding Park logo



HARDING PARK

Exhibit C

2020 PGA CHAMPIONSHIP TRADEMARK Goods Production and Distribution Conditions

THIS AGREEMENT ("Agreement") is made and entered into as of this _____ day of _____, 20__ by and between PGA TOURNAMENT CORPORATION, INC., a corporation organized under the laws of the State of Florida (hereinafter referred to as "PGA") and _____, a corporation organized under the laws of the State of _____ (hereinafter referred to as "Manufacturer").

The 2020 PGA Championship name and logo ("the Trademarks") are federally registered trademarks owned exclusively by the PGA of America. PGA Tournament Corporation, Inc., an affiliate of the PGA of America was granted the authority to administer all aspects related to the 2020 PGA Championship licensed merchandise program. Manufacturers requested to produce goods bearing the Trademarks by either PGA or PGA's only authorized licensee which is _____ ("the Licensee") are required to abide by the following conditions:

1. **Sample Goods.** Manufacturer is hereby authorized by PGA to reproduce the Trademarks on two (2) items only as product samples ("Sample Goods") for the requested products only. Where applicable, Manufacturer is required to purchase a "PGA Championship" embroidery diskette or tape from a company authorized by PGA to reproduce the Trademarks consistent with PGA's quality control standards manual. Non-embroidery reproductions of the Trademarks shall coincide with the PMS requirements set forth in Exhibit A. Sample Goods must be sent to PGA at the address below and to the applicable licensee for approval.
2. **Approved Goods.** In the event PGA approves Sample Goods for production ("Approved Goods") the following conditions apply:
 - (i) Orders for Approved Goods may be fulfilled by Manufacturer pursuant to orders placed by PGA or the Licensees only.
 - (ii) Approved Goods may be distributed to PGA or the Licensees only. Only PGA or the Licensees are the authorized distributors for Approved Goods.
 - (iii) Approved Goods may not be produced for any purpose subsequent to December 31, 2020.
 - (iv) In the event PGA and either of the Licensees reject Approved Goods for defects ("Rejected Goods"), then such Defective Goods will be returned to the Manufacturer. The Manufacturer shall not sell, transfer, distribute or otherwise release the Defective Goods unless approved in writing by PGA.
 - (v) In the event excess Approved Goods are ordered by the Licensees and returned to Manufacturer, the Approved Goods cannot be distributed, sold or transferred by Manufacturer unless approved in writing by PGA.
 - (vi) No Sample Goods shall be retained by Manufacturer for any purpose or used by Manufacturer for product advertising.

All rights in the Trademarks are reserved by PGA for its own exclusive use and benefit.

3. **Royalty.** As a condition of selection as an authorized Manufacturer of 2020 PGA Championship licensed merchandise, Manufacturer is required to remit a ten percent (10%) royalty payment derived from gross sales revenues derived from sales of the licensed merchandise made payable to **PGA Tournament Corporation, Inc.** All royalty payments shall be due to PGA, on a calendar quarterly basis, on the 15th day of each month following the end of the applicable period representing the previous quarter's gross sales revenues. All royalty payments must be accompanied by an itemized sales report. PGA reserves the right to review your books at reasonable times during the term to verify the accuracy of itemized sales reports.

BEFORE PRODUCING SAMPLE GOODS, PLEASE RETURN THIS SIGNED DOCUMENT TO:

PGA Tournament Corporation, Inc.
100 Avenue of the Champions
Palm Beach Gardens, Florida 33418
Attention: Senior Director of Merchandising

MANUFACTURER

PGA TOURNAMENT CORPORATION, INC.

By : _____

Senior Director, Event Merchandising

Title: _____

Date : _____

(Company Address) _____

(Telephone Number) _____

(Company Contact Person) _____

(Fax Number) _____