

SECOND AMENDMENT TO MASTER TOURNAMENT AGREEMENT

This Second Amendment to Master Tournament Agreement (the "Amendment") is made and entered into as of the first day of May, 2007, by and between the City and County of San Francisco, a municipal corporation, acting by and through its Recreation and Park Commission ("City"), and PGA TOUR, Inc., a Maryland corporation ("TOUR" and, together with City, the "Parties"), for good and valuable consideration, the receipt of which is hereby acknowledged.

This Amendment is made with reference to the following recitals of fact:

R E C I T A L S

A. WHEREAS, City and TOUR entered into that certain Master Tournament Agreement, dated April 19, 2002 (the "Original Agreement"), which was later amended by that certain First Amendment to Master Tournament Agreement, dated as of April 1, 2004, between the Parties (the "First Amendment" and, together with the Original Agreement, the "Agreement"); and

B. WHEREAS, City and TOUR agree that circumstances have changed surrounding the Championships as such term is defined under the Agreement, leading the parties to seek an understanding as to the scheduling of future events at Harding Park; and

C. WHEREAS, City and TOUR agree that the Presidents Cup, the penultimate PGA TOUR Playoff event, and a World Golf Championship event each generally meet the criteria for a Championship under the Agreement; and

D. WHEREAS, City and TOUR further wish to add to the Agreement their understanding as to the holding of Schwab Cup Championship events at Harding Park under the terms and conditions of the Agreement;

NOW, THEREFORE, in consideration of the foregoing recitals, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City certifies and the parties hereto agree as of the date of this Amendment as follows:

A G R E E M E N T:

1. Defined Terms. Capitalized terms not separately defined herein shall have the same meaning provided in the Agreement

2. Tour Events at Harding Park. Section 1 of the Agreement is hereby amended by deleting the first two sentences of Section 1 from the Agreement and replacing them with the following:

Subject to the terms and conditions of this Agreement, TOUR hereby agrees to hold a Championship (as defined below) at Harding Park six (6) times over the fifteen (15) year period beginning January 1, 2005 (the "Initial Term") as further described

below. For purposes of this Agreement the definition of "Championship" shall include the Presidents Cup, the Schwab Cup Championship, the penultimate PGA TOUR Playoff event (as described further below), and a World Golf Championship event; provided, however, that for purposes of the provision of this Section 1 describing the circumstances under which TOUR may exercise its option to terminate this Agreement, the Schwab Cup Championship shall not be considered a "Championship."

The 2005 American Express Championship shall be considered the first Championship held at Harding Park under this Agreement. The remaining five (5) Championships held at Harding Park under this Agreement shall be held as follows:

- a. 2009 Presidents Cup;
- b. 2010 Schwab Cup Championship;
- c. 2011 Schwab Cup Championship;
- d. 2013 or 2014 PGA TOUR Playoff event, provided that such event shall be the penultimate playoff event of the FedEx Cup playoff series which narrows the field from approximately 70 golfers to the final TOUR Championship field (a "Penultimate Playoff Event"); and
- e. between 2014 and the expiration of the Initial Term, a World Golf Championship event, a Presidents Cup or a Penultimate Playoff Event.

The parties understand and agree that this Agreement is predicated on the prize money, eligibility requirements (including "strength of field"), and television coverage for the events listed above remaining comparable during the Term to the status of those events as of February 1, 2007 (the "Current Event Status"). The parties further agree that an event may be substituted for an event included in the above list by mutual agreement of the Parties, provided that the substituted event is comparable to the listed event's Current Event Status.

3. Facility Fee. Section 8 of the Agreement is hereby amended by 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 ten (10) days after TOUR's receipt of the Cost Documentation described in clause (a) below, TOUR shall pay a Base Reimbursement Fee of one million dollars (\$1,000,000) increased by an amount equal to the cumulative increases in the Consumer Price Index from the date of the prior Championship. Such Base Reimbursement Fee shall be paid as follows:

(a) TOUR shall pay to the City an amount equal to the incremental costs incurred by the City by the holding of such Championship (i.e. costs that would not have been incurred but for the hosting of such Championship, including costs of maintaining the Harding Park golf course and additions to the golf facilities that are caused by hosting the Championship, and that are in excess of regular maintenance costs), plus lost revenues from the closure of Harding Park for the Championship, up to

the full amount of the Base Reimbursement Fee (in the amount so paid, the "City Fee"), as such costs are documented and forwarded in a written notice by the City to TOUR (the "Cost Documentation").

(b) TOUR shall pay to the local First Tee chapter all Base Reimbursement Fee amounts remaining after the payment of the City Fee, if any (as so paid, the "First Tee Contribution").

(c) It is the intention of the parties that the Cost Documentation shall be provided in a single written notice from City to TOUR within a reasonable amount of time following the conclusion of the applicable Championship, in order to facilitate the prompt payment of the appropriate City Fee and the First Tee Contribution amounts.

(ii) No more than one hundred twenty days after the completion of each Championship held at Harding Park under this Agreement, other than any Schwab Cup Championship, 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 for such Championship (as so increased, the "Gross Operating Revenue Threshold"). "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 relating to a Championship. For purposes of any Schwab Cup Championship held at Harding Park under this Agreement, all of the provisions of this paragraph shall apply, except that the Gross Operating Revenues Threshold shall be set at Eight Million Dollars (\$8,000,000) for the first Schwab Cup Championship, and shall be increased for each successive Schwab Cup Championship by an amount equal to the cumulative increases in the Consumer Price Index from the date of the prior Schwab Cup Championship.

4. Terms and Conditions of Agreement Remain in Full Force and Effect. Except as specifically amended hereby, the terms and conditions of the Agreement shall remain in full force and effect. The parties agree that the Tournament Facilities Agreement shall be amended to reflect the terms of this Amendment.

5. Counterparts. This Amendment may be executed in one 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, this Amendment has been executed as of the day and year first above written.



PGA TOUR, Inc., a Maryland corporation

By:

A large, stylized handwritten signature in black ink, written over a horizontal line.

Edward L. Moorhouse
Co-Chief Operating Officer

THE CITY AND COUNTY OF SAN FRANCISCO, a
municipal corporation, acting by and through its
RECREATION AND PARK COMMISSION

By:

Yomi Agunbiade
General Manager

Approved as to form:

DENNIS J. HERRERA
City Attorney

By:

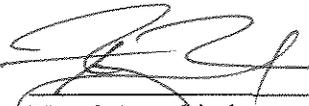
Deputy City Attorney

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