

LEASE

This LEASE (the "Lease") is made and entered into as of the 26 day of April, 2022 (the "Effective Date"), by and between KEENELAND ASSOCIATION, INC., a Kentucky corporation, whose address is 4201 Versailles Road, Lexington, Kentucky 40510 ("Lessor" or "Keeneland"), and LEXINGTON PICNIC WITH THE POPS COMMISSION, an agency of the Lexington-Fayette Urban County Government, whose address is 200 East Main Street, Lexington, Kentucky 40507 ("Lessee").

RECITALS:

WHEREAS, the parties agree that the presentation of "Lexington Picnic with the Pops," as previously presented on Keeneland's grounds has been successful and desire to continue their relationship in connection therewith;

WHEREAS, with the aid and support of Keeneland, Lessee has invested more than \$60,000 in permanent improvements to the Leased Premises, namely, an on-site electrical distribution system ("Electrical Distribution System") and reconfiguration of the grounds under the stage site (collectively referred to herein as the "Improvements");

WHEREAS, Keeneland has agreed to maintain said Improvements during the Term of this Lease; and

WHEREAS, Lessee has agreed that the Improvements are the property of Keeneland.

NOW, THEREFORE, in consideration of the Premises and the covenants contained herein, the sufficiency of which is hereby acknowledged, the parties do hereby agree as follows:

(A) Definitions and Usage.

(1) For purposes of this Lease, the terms and variations thereof have the meanings specified, defined, or referred to herein and as follows:

"Date" or "Dates" are the date or dates of an Event.

"Electrical Distribution System Credit" or "Credit" is the sum of \$750.

"Event" is the event known as "Lexington Picnic with the Pops," conducted and hosted by Lessee, which shall be held on one (1) or two (2) consecutive Dates during each year of the Term. An "Event" shall also include preparation or rehearsal time of not less than three (3) days prior to the start of the Event, as well as reasonable use of and access to the Electrical Distribution System.

"Third Party" is any person or entity other than (a) Keeneland, its related entities and affiliates, and (b) Lessee and its related entities and affiliates.

(2) In this Lease, unless a clear contrary intention appears:

- (a) the singular number includes the plural number and vice versa;
- (b) reference to any gender includes each other gender;
- (c) "or" is used in the inclusive sense of "and/or";
- (d) references to "Section" refers to the specified Section of this Lease.

(B) Improvements. Lessee hereby conveys, quitclaims and assigns all of Lessee's right, title and interest in and to the Improvements to Keeneland.

(C) Premises.

(1) Keeneland hereby leases to Lessee and Lessee hereby leases from Keeneland that certain real property immediately west and below the Keene Library, most recently referred to and designated as the "Keeneland Meadow," Versailles Road, Lexington, Kentucky, including adjacent grounds as designated by Keeneland, in its sole discretion, for vehicular parking accommodating not less than 2500 automobiles (the "Leased Premises") for the Event Dates during the Term.

(2) Keeneland expressly reserves the right to offer the Leased Premises to any other person or entity for any and all uses as Keeneland, in its sole discretion, deems appropriate, at such times other than the Event Dates as provided herein. In the event Keeneland receives a request to lease the Leased Premises to any party other than Lessee on a date in August during the Term, Keeneland shall notify Lessee in writing of such request. Lessee shall have the first option to use the Leased Premises pursuant to the terms and conditions of this Agreement during the month of August, and in order to exercise said option, must notify Keeneland in writing of Lessee's intent to use the Leased Premises during the dates set forth in the request received by Keeneland within ten (10) days from the date of the written notice from Keeneland.

(3) The Lessee accepts the Leased Premises in "AS IS" condition. Keeneland has no obligation to alter or change any of its physical facilities as a condition of or consideration for this Lease. Without the prior express written approval of Keeneland, Lessee may not make alterations, installations, or decorations on or to the Leased Premises. Should Lessee wish to make alterations, installations or decorate the Leased Premises, Lessee must submit the plans for any such proposal to Keeneland at least two (2) weeks in advance of commencement of the Event during each year of the Term for Keeneland's written approval before proceeding with such plans, which may be granted or withheld as determined appropriate in Keeneland's sole discretion. Lessee understands and agrees that if Lessee intends to have any alteration, installation, or decoration that requires rigging or attachment of any nature to the physical structure of the Leased Premises, it is Lessee's obligation to conform said rigging or attachment at all times to the specifications required by the Keeneland staff or other designated representatives. Except for the Improvements, it is the Lessee's responsibility to remove any alterations to return property to original condition, unless Keeneland and Lessee reach other mutually agreeable terms.

(D) Term and Termination.

(1) The term ("Term") of this Lease will commence as of the Effective Date and end on August 31, 2023 ("Expiration Date"), unless sooner terminated or extended as provided herein. During the Term, Lessee shall be permitted to host the Event annually on such Date(s) as Keeneland and Lessee mutually agree. The parties acknowledge that an Event shall not be held during a Keeneland Race Meeting, which historically take place annually in April and October, or during a Keeneland Thoroughbred Auction sale, which historically take place in September, November, January, and April.

(2) Unless otherwise agreed to by the parties, the Event shall normally take place in August of each year with Lessee to notify Keeneland of the Event date(s) not less than three (3) months in advance of same. In any event, Lessee shall have first right of refusal with respect to dates in August as set forth in Paragraph C(2) above.

(3) Lessee may terminate this Lease and be reimbursed the Lease Payment for an Event so long as written notification is received by the Keeneland at least thirty (30) days prior to the earliest Event Date of the year of termination. Lessee agrees that Keeneland shall retain as liquidated damages the Lease Payment for Events canceled less than thirty (30) days prior to the earliest Event Date in the year of termination.

(E) Option to Renew. If Keeneland and Lessee both consent, the Lease may be renewed upon mutually agreeable terms.

(F) Lease Payment.

(1) In consideration for use of the Leased Premises, and except as otherwise provided herein, Lessee will pay Keeneland \$5,000 per year during the Term ("Lease Payment"), less any Electrical Distribution System Credit.

(2) The Lease Payment shall be due and payable upon invoice by Keeneland. Keeneland reserves the right to require all Lease Payments and incidentals be paid in full prior to an Event. All Lease Payments, as well as all other payments that become due pursuant to this Lease, shall be due within ten (10) business days of issuance by Keeneland of an invoice for the Lease Payment or other amounts that become due pursuant to this Lease. If the balance on an invoice is not paid pursuant to the terms of this Lease, Keeneland is authorized to cancel an Event without notice.

(3) In the event a Third Party connects to the Electrical Distribution System for an event, Keeneland shall apply the Electrical Distribution Credit to the Lease Payment; provided, however, that Keeneland shall in no case be obligated to disburse any sums directly to Lessee in connection with the Credit; rather, it is the intent of the parties to this Lease that such sums shall be applied solely as a Credit against the Lease Payment. In the event Keeneland is a named sponsor or principle financial underwriter of the event for which the Third Party connects to the Electrical Distribution System, no Electrical Distribution Credit shall be applied.

(4) Lessee agrees that its failure to pay such sums when due and payable hereunder shall not excuse payment or extinguish the debt created by this Lease and shall be assessed a late charge of one and one-half (1.5) percent per month on the unpaid balance until the balance is paid in full.

(G) Lessee's Obligations.

(1) During an Event, Lessee will keep and maintain the Leased Premises in good order and sanitary condition, and shall provide, at its sole expense, concert production, seating, an appropriate number of temporary toilet facilities (the placement of which shall be determined by mutual agreement of Lessee and Keeneland), and temporary lighting for the Leased Premises. Except as otherwise provided in this Lease or as agreed by Keeneland in writing, Lessee will provide all personnel necessary to manage an Event, including ushers, admission control, parking attendants, security, and emergency medical personnel. If repairs are necessary as a result of the negligence of Lessee, Lessee shall make, at its own expense, all of such repairs.

(2) To the extent allowable by law, Lessee shall be permitted to use the Leased Premises during an Event without restriction as to the service of food and beverage.

(3) After each Event, the Lessee will restore the Leased Premises to its condition prior to the Event and cause reasonable pick-up and placement of trash in proper receptacles. Failure to adequately restore the Leased Premises to its condition prior to the Event may result in additional charges.

(4) After each Event, with the exception of the Improvements, Lessee agrees to promptly remove from the Leased Premises all property brought thereon by Lessee and Lessee agrees that Keeneland shall in no way be responsible for property not so removed.

(5) Lessee shall comply with all laws and regulations relating to the Leased Premises and its use, as well as comply with any and all rules and policies established by Keeneland or its authorized representatives. In the event of any violation of this Section, or any other provisions of this Lease by the Lessee or by any person employed by or admitted to the Leased Premises by the Lessee, the Lessee shall immediately cease and desist from and correct or cause to be corrected any such violation. Lessee assumes full responsibility for the character, acts and conduct of all persons admitted to the Leased Premises for an Event.

(6) Lessee agrees to notify Keeneland with the estimated number of attendees to an Event no later than twenty-four (24) hours before such Event Date.

(H) Keeneland's Obligations. Keeneland will make reasonable efforts to repair and maintain in good order and condition the Leased Premises, including maintaining the seating area free from ruts and mowing the grass, approximately two (2) weeks prior to an Event. Keeneland will provide personnel to direct incoming and outgoing traffic on the roadways leading to the Leased Premises (but not on the Leased Premises itself). Said personnel shall be available not less than two-and-one-half (2.5) hours prior to the start of an Event on each Date and one (1) hour following an Event on each Date.

(I) Risk of Loss/Release and Indemnification.

(1) To the extent allowable by law, Lessee shall indemnify, defend and hold harmless Keeneland and its parent, subsidiary and affiliated corporations and their respective employees, officers, directors, members, agents, representatives, contractors and dealers from and against any and all claims, damages, liabilities, costs and expenses, including reasonable attorneys' fees, resulting from any act or omission of Lessee and/or its employees, personnel, agents, licensees or invitees arising out of the performance of this Lease. This shall not be deemed a waiver of sovereign immunity or any other third party defense available to Lessee.

(2) Lessee shall, throughout the Term, provide and/or maintain commercial general liability insurance in a minimum aggregate amount of One Million Dollars (\$1,000,000.00) combined single limit for bodily injury and property damage, and Two Million Dollars (\$2,000,000.00) aggregate. If, and only if, Lessee has employees, Lessee shall also obtain and/or maintain throughout the term hereof worker's compensation insurance in an amount satisfying applicable law and employer's liability insurance of not less than Five Hundred Thousand Dollars (\$5,000,000.00). Keeneland shall be provided proof of the acquisition of the aforementioned insurance coverages in the form of one or more certificates of insurance upon request and at least three (3) business days before the date of an Event. Lessee shall provide at least thirty (30) days prior written notice to Keeneland of any change, cancellation or reduction of such coverage. Keeneland reserves the right to review, and must be satisfied with, the types and level of coverage to be obtained and maintained hereunder.

(J) Transfers Require Consent.

(1) Lessee shall not, without the prior written consent of Keeneland, (a) sublet the Leased Premises or any part thereof; (b) permit any assignment or other transfer of this Lease or any interest hereunder by operation of law; or (c) permit the use of the Leased Premises by any person other than Lessee and its partners, employees, invitees and licensees in connection with the Event. If Lessee is in default under this Lease, Lessee shall not be permitted to allow the use of the Leased Premises by any person absent Keeneland's prior written consent.

(2) Any sublease, transfer or use made without Keeneland's prior written consent shall, at Keeneland's option, be null, void, and of no effect. Any attempt to sublease, transfer or allow use of the Leased Premises without Keeneland's prior written consent shall constitute an event of default under this Lease.

(K) Entry of Leased Premises. Keeneland reserves the right to enter the Leased Premises at any time for any reasonable purpose, including inspection to ensure Lessee's compliance with the terms of this Lease.

(L) Force Majeure. Neither party shall be liable for any failure or delay in performance of its duties and obligations contained in this Lease to the extent such failure or delay is caused by causes beyond its reasonable control, including, without limitation, labor disputes, fire or other casualties, pandemics, weather or natural disasters, acts of God, war, terrorism, riots, electrical outages, communication outages, damage to facilities, equipment failures, telephone failures, internet failures, or the conduct of third parties.

(M) Entire Agreement. This Lease contains all the terms and conditions between Keeneland and Lessee relating to the matters set forth herein and no prior or contemporaneous agreement or understanding pertaining to the same shall be of any force or effect, except any such contemporaneous agreement specifically referring to and modifying this Lease signed by both parties. This Lease may not be modified except in writing signed by both parties.

(N) Governing Law. This Lease will be governed by and construed in accordance with the internal laws of the Commonwealth of Kentucky (without giving effect to its laws regarding conflicts of laws).

(O) Waiver. Any provision of this Lease may be waived only by a written instrument executed by the party to be charged with such waiver. The waiver by any party of a breach of any provision of this Lease will not operate or be construed as a waiver of any subsequent breach.

IN WITNESS WHEREOF, Keeneland and Lessee have caused this Lease to be executed as of the Effective Date above by their respective officers thereunto duly authorized.

KEENELAND ASSOCIATION, a Kentucky corporation
c/o Kara Heissenbittel
4201 Versailles Road
Lexington, Kentucky 40510

By: Kara Heissenbittel
Title: Sr. Director of Operations & Community Relations
Date signed: 4.26.2022

PICNIC WITH THE POPS COMMISSION, an agency
of the Lexington-Fayette Urban County Government
c/o Heather Lyons
200 East Main Street
Lexington, Kentucky 40507

By: Heather Lyons
Title: Director, Arts & Culture
Date signed: April 26, 2022