

## NASHVILLE FAIRGROUNDS SPEEDWAY SUMMARY OF DEAL TERMS

- Bristol Motor Speedway (“Bristol”) will renovate, operate, and maintain the Nashville Fairgrounds Speedway Metro Fair Board pursuant to a development agreement and a 30 year lease agreement.
- Revenue sources:
  - \$17,000,000 grant from the State of Tennessee
  - \$17,000,000 payment from the Nashville Convention and Visitors Corporation (the “CVC”) for the use of the Speedway and tourism promotion activities
  - Revenue Bonds issued by the Metro Sports Authority backed by:
    - \$1,000,000 annual rent payments from Bristol (with a 1% escalator)
    - \$650,000 annual CVC rent payments
    - ticket tax revenues
    - redirect of the state and local sales taxes generated at the Speedway similar to other Metro Sports facilities (Geodis Park, First Horizon Ballpark, Bridgestone Arena, and Nissan Stadium)
    - Guaranteed annual payment by Bristol of \$103,125, plus additional rent of up to \$103,125 annually (with a 2% escalator) to be paid out of anticipated excess project revenues
    - A share of gross revenues and food & beverage revenues
    - Facility sponsorship payment up to \$600,000 per year (with a 1% escalator)
    - 10% of facility naming rights net revenue
- Bristol agrees to use a procurement process consistent with the Metro Procurement Code, including minority participation goals established by the Metro Business Assistance Office.
- The estimated \$6,000,000 design costs for the Speedway Improvements will be paid as follows: \$2,000,000 from Bristol and \$4,000,000 from the CVC (out of the \$17,000,000 CVC contribution).
- Bristol will pay all pre-development expenses in excess of \$6,000,000 and will cover any cost overruns for the Speedway Improvements.
- If the expected Speedway Improvements project budget exceeds available funds from the State, the CVC and the Sports Authority bond issue, Bristol will have the option to (i) terminate the Development Agreement and Lease Agreement or (ii) contribute additional funds as may be necessary to fund the adjusted project budget.
- Bristol will have sole financial responsibility for operations at the Speedway
- Bristol will designate four weeks in each calendar year as “Significant Event Weeks” and will retain 100% of all revenues generated within the Speedway footprint other than sales tax and ticket taxes.
- For three of the Significant Event Weeks, Bristol will be entitled to use of all Fairgrounds property controlled by the Fair Board and not otherwise committed to other parties, including the Expo Center and Expo parking areas, and will be entitled to all revenues generated on those additional portions of the Fairgrounds property. For the fourth week, Bristol will only be entitled to use the Speedway.
- Bristol will contract separately with the CVC for up to 20 days each year to use the Speedway and certain other tourism promotion rights related thereto. CVC will pay \$650,000 per year for these 20 days, regardless of whether CVC uses its full allotment of days or not.
- Bristol will take such measures as are reasonably necessary to ensure that the needs of the Fair Board for the Charter-protected uses are met.
- Bristol will hold a NASCAR Cup Race at least every other year throughout the lease agreement and has agreed to make up any deficits in pledged revenues in order to ensure the bond payments are met in the event a race is not held as anticipated.
- Metro and the Fair Board will work cooperatively to maximize available space on the Fairgrounds for parking for racing and other events, and to facilitate transportation, parking, and pedestrian safety in and around the Speedway during major Speedway events.
- Bristol, the Fair Board, and Nashville SC have negotiated a cooperative scheduling process that will ensure all parties can schedule events as required by Metro Charter and the Nashville SC lease.
- Motorsports events at the Speedway during each calendar year shall not occur on more than 10 total weekends per calendar year during the term, and the number of practice dates during which race cars may run on the track shall not exceed 20 weekdays.

- Practice days and track usage will have the following curfews:
  - Monday-Thursday 3:00 p.m. to 7:00 p.m.
  - Saturdays 9:00 a.m. to 9:00 p.m.
  - Qualifying and open practice during Motorsports Events between 3:00 p.m. and 9:00 p.m. on Fridays.
  - During Motorsports Events other than NASCAR Cup Races, practice, qualifying and Motorsports Events on Saturdays will not start prior to noon without Fair Board approval and will be scheduled to end no later than 10:00 p.m., but in any event, typically a weather delay, will not end later than 11:00 p.m.
  - During Motorsports Events other than NASCAR Cup Races, practice, qualifying and Motorsports Events on Sundays when MNPS school is in session on the following day will be limited to noon to 7:00 p.m., and such events on Sundays when School is not in session on the following day will be limited to noon to 9:00 p.m.
- Bristol will ensure muffler use for its non-NASCAR sanctioned Motorsports Events and practice days.
- The Lease sets limits on maximum allowable sound levels during Motorsports Events as measured at appropriate points on the Fairgrounds property.
- Includes measures to protect Metro in the event of a payment shortfall, and Bristol will be required to provide a guaranty securing its obligations under the development agreement and lease agreement.
- Bristol must maintain insurance coverage consistent with other Metro sports facilities.
- Bristol will be responsible for preparing an annual Capital Asset Management Plan (CAMP) for required capital repairs and improvements to the Speedway.