

**EXHIBIT B**  
**PERMANENT SEAT LICENSE TERMS AND CONDITIONS**

THIS DOCUMENT constitutes the "Terms and Conditions" referred to in, and incorporated into, the Permanent Seat License Agreement (the "Agreement") executed by the person or entity identified therein as "Licensee" and the Harris County-Houston Sports Authority, d/b/a 2002 Stadium Fund, or its assigns (the "Licensor"). Pursuant to this Agreement, Licensee has received a license to purchase certain tickets to certain Team games to be held at the Stadium. These Terms and Conditions shall be binding upon Licensee, the Licensor, Team, Houston NFL Holdings, L.P. ("HNFL") and the Harris County Sports & Convention Corporation ("Sports & Convention Corporation"). Capitalized terms used but not defined herein shall have the meaning given them on the first page of this Agreement.

1. **GRANT OF PSL.** For and in consideration of Licensee's deposit of the first installment of the PSL Fee and promise to pay the remaining installments of the PSL Fee, Licensee shall receive a Permanent Seat License ("PSL") for the purchase, in accordance with the terms and conditions set forth in this Agreement, of season tickets for the Stadium seat or seats (the "Seat(s)") licensed by Licensee under this Agreement for all pre-season, regular season and post-season Team games to be played in the Stadium (excluding Super Bowl games) so long as the Team uses the Stadium as its home field for the playing of NFL games.
2. **AUTHORITY/AGENCY.** The Sports & Convention Corporation has granted the Licensor the right to market and sell PSLs and enter into Permanent Seat License Agreements for the Stadium pursuant to the terms of the PSL Marketing and Sale Agreement dated November 18, 1999.
3. **LOCATION OF SEAT(S).** The PSL granted hereby relates to a seat or seats located in certain Section(s) of the Stadium designated in this Agreement.
4. **PSL ESCROW.** All PSL Fees (net of Marketing Expenses (defined below)) will be deposited with Southwest Bank of Texas, N.A. as escrow agent (the "Escrow Agent"). PSL Fees will be used exclusively to defray the design, development, financing and construction costs of the Stadium and Team practice fields, the Project costs, additional parking facilities and related infrastructure (collectively, the "Project") and to cover all marketing, consulting, legal and sales costs and expenses of the Licensor and its agents related to the marketing and sale of PSLs (the "Marketing Expenses").
5. INTENTIONALLY LEFT BLANK  
  
(a)
6. **PSL RIGHTS AND OBLIGATIONS.**
  - (a) Except as provided herein, Licensee has the right and obligation to purchase at a price determined by HNFL (the "Ticket Fee") season tickets for each Seat for all Team home games (pre-season and regular season) for as long as the Team plays its home games in the Stadium. Licensee also has the right and obligation to purchase tickets for each Seat for any Team post-season games played in the Stadium (excluding Super Bowl games).
  - (b) If Licensee does not purchase season tickets for Licensee's designated Stadium Seat(s) by a specified deadline each year as determined by HNFL, then Licensee's rights and obligation to purchase season tickets hereunder will terminate automatically without any notice given or action taken by HNFL or the Licensor, and Licensee will forfeit all monies previously paid to the Licensor and/or HNFL hereunder, all rights to buy season tickets associated with the Seat(s), Licensee's PSL for the upcoming NFL season and all NFL seasons that follow. The Licensor will have the right to relicense the forfeited PSL with no further obligation to the Licensee.
  - (c) If Licensee does not purchase tickets for Team post-season games played in the Stadium by the date specified by HNFL in its sole discretion, then HNFL may sell such tickets to persons other than Licensee. If HNFL does not sell such tickets, then Licensee shall remain obligated to pay for such tickets and Licensee's right to transfer the PSL will be suspended until such time as Licensee has paid for such tickets plus applicable late charges.
  - (d) A PSL may not be pledged or hypothecated other than with respect to a purchase money lien or security interest incurred in connection with the acquisition of the PSL being pledged.

- (e) A PSL may not be transferred prior to May 31, 2003, other than to immediate family members, without the approval of the Licensor.
- (f) Subject to the restrictions and guidelines set forth herein, Licensee has the right to transfer the PSL by gift, bequest or otherwise at any time. There will only be one Licensee for a given Seat at any given time. Once a Licensee transfers a PSL, such Licensee will no longer have any rights associated with that seat. A PSL may not be transferred more than once each season except in the case of the death of Licensee.
- (g) No transfer will be complete until the transferee has assumed all obligations of the transferor and the transfer has been recorded on the books of Licensor or HNFL. The transferor shall pay to the Licensor a per seat transfer fee established by the Licensor.
- (h) A PSL may be transferred to an immediate family member for a nominal per seat transfer fee established by the Licensor to defray record keeping costs. An "immediate family member" is defined to include any parent, spouse, child, sibling, or grandchild.
- (i) A PSL does not entitle the Licensee to (i) admission to any Team games played at the Stadium or (ii) a reduction or discount in the price of tickets to Team games.

7. REPRESENTATIONS OF LICENSEE. Licensee hereby represents and warrants as follows:

- (a) Licensee has read and understands the terms of the Permanent Seat License Agreement including this Exhibit B;
- (b) Licensee is not acquiring this PSL as an investment and has no expectation of profit as an owner of this PSL;
- (c) Licensee is acquiring this PSL solely for the right to purchase tickets to Team football games played in the Stadium;
- (d) Licensee is acquiring this PSL for Licensee's own use and not with a view to the distribution of this PSL or tickets to others; and
- (e) Licensee acknowledges that the transfer of this PSL will be restricted and that PSLs are subject to forfeiture under certain conditions including those explained in this Agreement.

8. POSSESSION AND USE. Licensee will have access to the Stadium and Seat(s) to which Licensee's PSL relates only upon presentation of a ticket for admission to a Stadium event. Licensee and Licensee's guests and invitees shall be bound by and shall observe the terms and conditions upon which tickets for admission to the Stadium have been issued, including, without limitation, any policy adopted with respect to the cancellation or postponement of games or events. In addition, Licensee shall maintain decorum and comply with all laws, rules and regulations of all governmental authorities, the Licensor, HNFL and, if any, another event sponsor. Licensee shall not suffer or permit the use of the Seat(s) covered hereby in violation of this Agreement, create any nuisance or take any action which either diminishes hazard insurance coverage for the Stadium or increases the premium payable for such insurance.

9. LATE FEE. Any PSL Fee or Ticket Fee or other monetary obligation under this Agreement not paid to the Licensor or HNFL, as applicable, by the date specified in this Agreement shall bear interest accruing from such date at the rate of fifteen percent (15%) per annum or the highest rate permitted by law, whichever is less.

10. DEFAULT. In addition to the rights of the Licensor and HNFL set forth in Section 6(b) and (c) hereof, in the event Licensee fails to pay when due any amounts to be paid by Licensee pursuant to this Agreement (including, without limitation, the PSL Fee or Ticket Fee) or otherwise defaults in the performance or observation of Licensee's duties and obligations under this Agreement, either the Licensor or HNFL may, at their option: (a) withhold distribution of tickets to Licensee for games and events played in or held at the Stadium until such time as such default is cured and/or (b) terminate the rights of Licensee under this Agreement after giving Licensee not less than ten (10) days prior written notice of such default or breach. If Licensee shall not have cured the default or breach specified in said notice within said ten (10) day period, then either the Licensor or HNFL may terminate the Licensee's PSL and all other rights and privileges of Licensee under this Agreement.

The foregoing remedies shall not be to the exclusion of any other right or remedy set forth in this Agreement or otherwise available at law or in equity. Licensee shall be responsible for all attorneys' fees and costs incurred by

the Licensor or HNFL in the enforcement of this Agreement whether or not litigation is actually commenced and including any appellate proceedings. LICENSEE HEREBY UNCONDITIONALLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, SUIT, PROCEEDING OR COUNTERCLAIM RELATING TO OR ARISING OUT OF THIS AGREEMENT.

No waiver by the Licensor or HNFL of any default or breach by Licensee of its obligations under this Agreement shall be construed to be a waiver or release of any other subsequent default or breach by Licensee under this Agreement, and no failure or delay by the Licensor or HNFL in the exercise of any remedy provided for in this Agreement shall be construed a forfeiture or waiver thereof or of any other right or remedy available to the Licensor or HNFL.

11. **STRIKES, DAMAGES, DESTRUCTION, ETC.** In the event of: (a) any strike or other labor disturbance which results in the cancellation of any regular season Team games to be held at the Stadium or (b) any damage to or destruction of Licensee's Seat(s) or the Stadium which renders Licensee's Seat(s) or the Stadium unusable, then, in the case of either of said events, the Ticket Fee payable under this Agreement shall, unless reasonably comparable seats are made available to Licensee, be abated during the period of time that the Licensee's Seat(s) are unusable. Any such abatement of the Ticket Fee shall be computed for each NFL season by dividing the number of regular season Team games for which Licensee's Seat(s) were unusable by the total number of regular season Team games originally scheduled to be played in the Stadium during the applicable NFL season, including the number of NFL games that were cancelled as a result of any strike, labor disturbance, damage or destruction. Any such abatement shall be offset against the next succeeding installment of the Ticket Fee payable by Licensee. There shall be no abatement for cancelled pre-season Team games or post-season Team games or unavailability of the Licensee's Seat(s) or the Stadium for pre-season Team games or post-season Team games. If, in the event of any damage to or destruction of Licensee's Seat(s) or the Stadium that render Licensee's Seat(s) unusable, the Sports & Convention Corporation, the Licensor or the County elect not to repair or restore the same, this Agreement shall terminate as of the date of such damage or destruction, and the entire amount of the abatement, including the PSL Fee, promptly shall be returned to Licensee; provided, however, that the PSL Fee shall not be returned to Licensee if this Agreement is terminated pursuant to the terms of this sentence after the ten year anniversary of the Contract Date. Upon payment of such abatement, neither the Licensor nor HNFL shall have any further liability under this Agreement. No interest shall be paid on any returned Ticket Fees or PSL Fees. The Ticket Fee shall not be abated if the Seat(s) are rendered unusable due to the fault or neglect of Licensee.

12. **DISCLAIMER OF LIABILITY/INDEMNITY.** None of the Licensor, Sports & Convention Corporation, the County, HNFL or any Stadium manager designated by Licensor (the "Stadium Manager") or any of their officers, employees or agents shall be liable or responsible for any loss, damage, or injury to any person or to any property of Licensee or Licensee's guests in or around the Stadium, resulting from any cause whatsoever, including but not limited to theft and vandalism, unless due to the gross negligence or the willful misconduct of the Licensor, the County, the Sports & Convention Corporation, HNFL or the Stadium Manager, respectively.

**IN ADDITION, LICENSEE AGREES TO RELEASE, DEFEND, INDEMNIFY AND HOLD HARMLESS THE LICENSOR, SPORTS & CONVENTION CORPORATION, THE COUNTY, HNFL AND THE STADIUM MANAGER AND EACH OF THEIR OFFICERS, EMPLOYEES AND AGENTS ("INDEMNITEES") FROM AND AGAINST ANY LIABILITY, LOSSES, CLAIMS, DEMANDS, COSTS AND EXPENSES, INCLUDING ATTORNEYS' FEES AND LITIGATION EXPENSES, ARISING OUT OF ANY PERSONAL INJURY OR PROPERTY DAMAGE OCCURRING IN OR AROUND THE STADIUM IN CONNECTION WITH LICENSEE'S OR LICENSEE'S GUEST'S OR INVITEE'S USE OR OCCUPANCY OF THE SEAT(S), REGARDLESS OF WHETHER SUCH PERSONAL INJURY OR PROPERTY DAMAGE WAS CAUSED BY OR RESULTS FROM, IN WHOLE OR IN PART, THE NEGLIGENCE OR OTHER FAULT OF ANY INDEMNITEE, WHETHER SOLE, JOINT, ACTIVE OR PASSIVE, EXCEPTING FROM THIS INDEMNITY ONLY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF AN INDEMNITEE, OR (II) DUE TO ANY CONTRAVENTION OF THE PROVISIONS OF THIS AGREEMENT OR OF ANY APPLICABLE LAWS, RULES, REGULATIONS OR ORDERS.**

13. **MISCELLANEOUS.**

(a) Except in accordance with terms of this Agreement, Licensee shall not sell, assign, sublease, pledge or otherwise transfer or encumber this Agreement, or any of Licensee's rights and obligations under this Agreement, without the prior written consent of Licensor. Any attempted sale, assignment, sublease, pledge, transfer or encumbrance in contravention of the foregoing shall be null and void and of no effect.

(b) It is understood that the Licensor may mortgage, pledge, assign or otherwise encumber some or all of its rights in this Agreement (i) as security for financing the Project or any portion thereof or other

facilities operated by Licensor or HNFL in the Stadium; (ii) to HNFL or any successor owner of the Team; or (iii) for other purposes of Licensor or HNFL, and that, in such event, this Agreement and the rights and interests of Licensee hereunder shall be subordinate thereto; provided that any such mortgagee, pledgee, assignee or the holder of any such lien shall agree in writing to recognize this Agreement and the rights and interests of Licensee hereunder in the event of foreclosure or enforcement of said lien if Licensee is not then in default in the performance of Licensee's obligations under this Agreement. Upon any assignment of this Agreement, the assignee shall have all the rights of the assignor hereunder.

- (c) All notices, demands and other communications between the parties required or appropriate under this Agreement shall be in writing and deemed given if mailed, postage prepaid, to the respective addresses set forth in this Agreement, or to such other address as may be designated by either party, from time to time, in writing.
  - (d) THIS AGREEMENT SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS AND CALLS FOR PERFORMANCE IN HARRIS COUNTY, TEXAS, AND JURISDICTION AND VENUE FOR ANY DISPUTES ARISING OUT OF OR RELATED TO THIS AGREEMENT SHALL EXCLUSIVELY LIE IN THE STATE COURTS OF HARRIS COUNTY, TEXAS, WITHOUT REGARD TO ANY OTHERWISE APPLICABLE PRINCIPLES OF CONFLICT OF LAWS.
  - (e) This Agreement, including these Terms and Conditions and the Exhibits annexed thereto and hereto, contains the entire agreement of the parties with respect to the matters provided for therein and herein, and shall supersede any written instrument or oral agreement previously made or entered into by the parties to this Agreement.
  - (f) This Agreement and all the terms and provisions hereof, shall inure to the benefit of and be binding upon the parties hereto, and their respective heirs, executors, administrators, personal representatives, successors and permitted assigns. No amendment or modification to this Agreement shall be effective unless the same is in writing and signed by both the Licensor and Licensee.
  - (g) If any provision of this Agreement shall be held invalid and unenforceable, the remainder of this Agreement shall not be affected but shall continue to be valid and enforceable to the fullest extent permitted by law.
14. SUBORDINATION. This Agreement and Licensee's rights hereunder are expressly subject and subordinate to (i) that certain Lease Agreement between Sports & Convention Corporation, as landlord, and HNFL, as tenant, pursuant to which HNFL leases the Stadium, and any and all other leases (ground or otherwise), mortgages or other financing documents affecting the Stadium or land upon which the Stadium is located or HNFL's interest therein, (ii) all zoning, building and other laws, regulations and ordinances of any and all municipal, governmental and quasi-governmental bodies and agencies having jurisdiction over the Stadium or land upon which the Stadium is located, and (iii) any and all matters affecting the state of title to the Stadium and land upon which the Stadium is located, whether or not recorded in the public records of the County.

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