



P.O. Box 1749  
Halifax, Nova Scotia  
B3J 3A5 Canada

FAXED

July 21, 2010

Power Promotional Events Inc.

*Address Redacted.*

Att: Harold H. MacKay, President

Dear Harold:

As per the meeting this morning between the Mayor and I representing HRM and you and Edgar, I hereby authorize the release by Metro Centre Limited of an amount up to \$400,000 to Power Promotional Events Inc., in two installments of \$200,000 each representing a repayable grant towards the expenses involved in your producing the July 25th 2010 County Rocks Concert and the August 6<sup>th</sup> and 7<sup>th</sup>, 2010 Halifax Country Rockfest on the Halifax Common (the Concerts), subject to the following conditions:

These funds are advanced on the following conditions:

- (1) The first installment of \$200,000 shall be paid on the execution of this agreement by all of the parties thereto; the second installment of \$200,000 shall be paid on Tuesday, August 3<sup>rd</sup>, 2010;
- (2) The funds advanced shall be used exclusively to cover artists fees and other expenses associated with the production of the Concerts and for no other purpose; and without limiting the generality of the foregoing the cumulative funds advanced shall under no circumstances be used to cover any expenses arising out of losses incurred in respect of any past events promoted by Power Promotional Events Inc., or any associated companies;
- (3) Repayment of the cumulative advance shall be derived from the net funds of the ticket sales for the three Concerts as outlined in the agreements with HRM;
- (4) The first installment of \$200,000 shall be repaid on a pro-rata basis of \$50 per ticket sold on total ticket sales for the July 25th 2010 County Rocks Concert from 9,000 to 10,000 and \$100.00 per ticket on total ticket sales from 10,001 to 11,500. Subject to condition (6), if general admission sales are less than 9,000, the grant shall be forgivable;
- (5) The second installment of \$200,000 shall be repaid on a pro-rata basis of \$50 per ticket sold on total ticket sales for the August 6<sup>th</sup> and 7<sup>th</sup>, 2010 Halifax Country Rockfest from 10,000 to 11,000 and then \$100.00 per ticket on total ticket sales from 11,001 to 12,500. Subject to condition (6), if general admission sales are less than 10,000, the grant shall be forgivable;

- 2 -

(6) If ticket sales to all the concerts are such that it is more advantageous to HRM to calculate repayment on the total ticket sales of all the concerts, HRM may opt to do so, with repayment being calculated on the basis of \$50.00 per ticket from total ticket sales of 19,000 to 21,000 and \$100.00 per ticket from 21,001 to 24,000 tickets sold.;

(7) Power Promotional Events Inc., Power Promotional Concepts Inc., *private names redacted.* and Arrow Construction Products Limited jointly agree and guarantee to provide the additional funding necessary to ensure and do agree and guarantee that the three concerts do take place;

(8) In the event of a default or cancellation of any of the three concerts the total grant shall be repayable;

(9) *private name* and Power Promotional Events Inc. hereby grant the first right of refusal to HRM to host any outdoor concerts to be promoted by them in the Maritimes for the next three years on the Halifax Commons.

Please acknowledge agreement with these terms and conditions by signing and returning copy of letter attached to me. On receipt of the same I shall arrange for the cash advance(s)..

Yours Truly,

*Original Signed*

Wayne Anstey,  
Acting CAO, HRM

We hereby agree with terms and conditions set out in this letter.

*Original Signed*  
\_\_\_\_\_  
Power Promotional Events Inc.  
Per: Harold H. MacKay, President

\_\_\_\_\_  
Witness

*Original Signed*  
\_\_\_\_\_  
Power Promotional Concepts Inc.  
Per: Harold H. MacKay, President

\_\_\_\_\_  
Witness

*Original Signed*  
\_\_\_\_\_  
Arrow Construction Products Limited  
(NOTE: Please ensure this corporate name is correct)  
Per: Edgar Goguin, President

\_\_\_\_\_  
Witness

*Original Signed*  
*private name redacted.*

\_\_\_\_\_  
Witness

*Original Signed*  
*Private name redacted*

\_\_\_\_\_  
Witness