

ENTERTAINMENT MEMORANDUM OF UNDERSTANDING

This **MEMORANDUM OF UNDERSTANDING (MOU)** made this 4th day of June, 2014 (the "Effective Date") by and between **NEVELE-R, LLC**, a Delaware limited liability company with an office at Government Center, 2 Elting Court, Fifth Floor, Ellenville, New York 12428 (Nevele) and **SHADOWLAND ARTISTS, INC.**, a New York not-for-profit corporation with an office at 157 Canal Street, Ellenville, New York 12428 (Shadowland).

WITNESSETH:

WHEREAS, Nevele has applied for and seeks approval for a Class 3 Gaming License at the site of the former Nevele Grande Hotel and Country Club in the Town of Wawarsing, County of Ulster, State of New York and would operate under the name of Nevele Resort, Casino & Spa; and

WHEREAS, Shadowland's main stage is located at 157 Canal Street, Ellenville, Town of Wawarsing, County of Ulster, New York, a distance of two (2) miles from the proposed Nevele Resort, Casino & Spa; and

WHEREAS, Nevele has heretofore been supportive of Shadowland by being an advertiser in Shadowland's last two season's playbills and principals thereof having made donations to Shadowland's capital campaign; and

WHEREAS, the mission statement of Shadowland is as follows:

Since theatre impacts our lives in so many intangible ways, the mission of the Shadowland Theatre is to offer the residents of the region, and visitors to the area, the full range of professional theatre and educational opportunities at an affordable price. In achieving this mission, we constantly strive to produce a mixture of classic, contemporary and new plays. Our focus remains on socially relevant, thought-provoking works with vision that will both entertain and challenge our audience; and

WHEREAS, Shadowland and Nevele have heretofore entered into a “Support Agreement With Impacted Live Performance Venue”; and

WHEREAS, Shadowland and Nevele intend to work collaboratively to enable Shadowland to become the entertainment venue of Nevele; and

WHEREAS, Shadowland currently produces seven (7) main stage production with performances four days per week from the first week in May until the first week in November; and

WHEREAS, Nevele desires to promote and cross market Host Community businesses, tourism and cultural institutions and to utilize, to the fullest extent, local vendors; and

NOW, THEREFORE, in consideration of the promises and covenants contained herein, the sufficiency of which the signators hereto deem sufficient, it is agreed as follows:

1. Background. The recitals above are incorporated herein as if set forth at length.
2. Term and Substance of Agreement. The obligations of Nevele under this Agreement shall commence upon the issuance of a Class 3 Gaming license (the

“License”) by the New York Gaming Commission and the actual commencement of operations of the Nevele Resort, Casino & Spa. The Agreement shall remain in full force and effect for five years from the first May 1st after the issuance of the Class 3 Gaming license. Thereafter same shall continue on a year to year basis being May 1st to April 30th unless either party notifies the other in writing of its desire to terminate on or before the 1st of November, in which event the MOU shall terminate on the following April 30th.

In furtherance it is agreed that Nevele and Shadowland, will:

a. Ticket Purchases. Nevele will purchase from Shadowland monthly, in advance, thirty-eight (38) seats for every main stage performance ($38/187=20\%$) at the then retail price. Nevele will be free to purchase additional tickets, subject to availability. Any tickets for a performance not distributed to its patrons by Nevele and assigned a seat by curtain time shall be deemed unsold and may be sold by Shadowland to theatregoers on Shadowland’s wait list without credit to Nevele. Shadowland and Nevele will endeavor to establish a computer program of seat assignments and seat releases that will best accommodate the implementation of this arrangement.

b. Cross-Marketing. Nevele and Shadowland will work together to develop cross-marketing and cross-promotion of Shadowland and the Nevele. Nevele agrees to include appropriate marketing of Shadowland in hotel guest rooms at the Nevele (via in-room TV and/or coffee table reading material or pamphlets), and to distribute Shadowland’s marketing materials through the concierge, front desk and/or other mutually agreed areas (such as links on the Nevele’s website).

c. Meetings. Nevele agrees to meet with Shadowland no less frequently than bi-annually to discuss programming, partnerships, marketing, promotions and

scheduling, as well as other matters relating to the promotion of Shadowland. Nevele agrees to provide to Shadowland demographic information of its patrons to assist Shadowland in regard to future programming.

d. Transportation. Nevele will provide a free shuttle to and from Nevele and Shadowland including early/late shifts to allow patrons to attend Shadowland performances and to frequent the nine (9) Ellenville eateries within two (2) blocks of Shadowland.

e. Expansion of Performances. Based upon the success of the aforementioned collaborative arrangement, Shadowland will consider expanding its programming either or both by expanding the number of weekly performances and/or expanding its mainstage programming into the months of November thru April, inclusive. Shadowland shall maintain, at all times, the sole authority to determine the type and frequency of the performances it offers.

3. Superseding Agreement. In the event a Class 3 Gaming License to operate the Nevele Resort, Casino & Spa is awarded to Nevele, the parties intend, during the construction period of the Nevele Resort, Casino & Spa, to enter into a definitive agreement regarding the development and implementation of the terms contemplated hereby, This MOU outlines preliminary terms of proposed arrangements with Shadowland, however, neither party shall be legally bound hereby until the delivery of a fully executed definitive agreement between Nevele and Shadowland following the award of a gaming license to Nevele to operate the Nevele Resort, Casino & Spa.

4. Miscellaneous.

(a) Modification. Except as otherwise provided herein, this MOU may be amended or modified only by a writing executed by both of the parties.

(b) Binding Effect. This MOU shall be binding on the parties and shall inure to their respective successors and assigns.

(c) Entire Agreement. This MOU constitutes the entire agreement of the parties with respect to the matters set forth herein. All prior agreements, understandings and arrangements among the parties with respect to the matters set forth herein are superseded by this MOU and shall be of no further force and effect, except should there be a conflict between the terms of this MOU and the previously entered in “Support Agreement With Impacted Live Performance Venue”, the terms and conditions of the “Support Agreement With Impacted Live Performance Venue” Agreement shall prevail.

(d) Third Party Beneficiaries. Nothing in this MOU shall be construed as implying or intending any third party beneficiaries to this MOU.

(e) Controlling Law. This MOU and the rights and obligations of the parties set forth herein shall be governed by, construed and interpreted in accordance with the laws of the State of New York, without regard to its conflicts of law principles.

(f) Litigation Legal Fees. In the event litigation is commenced to enforce the terms of this MOU, then in that event, the prevailing party shall be entitled to an award of reasonable attorneys’ fees.


[Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed this MOU the day and year first above written.

NEVELE-R, LLC

By: 
Michael Treanor, CEO

SHADOWLAND ARTISTS, INC.

By: 
William H. Collier, III, President
Board of Directors