

CITY CONTRIBUTION AGREEMENT

Time 2:15 PM Sept 21st 2003
MATHIAS E. GALL, Auditor & Recorder
By: *[Signature]*
Recorded at Roll 583 Image 1778

This CITY CONTRIBUTION AGREEMENT ("City Contribution Agreement"), effective as of April 7, 2003, is entered into by and between the City of Sioux City (the "Contributor") and Civic Sioux Corporation, an Iowa corporation (the "Recipient").

RECITALS

A. The Contributor and Civic Partners Sioux City L.L.C., an Iowa limited liability company ("Company"), have, pursuant to Resolution No. 2001-1027 passed and approved November 19, 2001, entered into a Development Agreement for the redevelopment of a portion of the Combined Central Sioux City - CD Urban Renewal Area and certain amendments thereto (collectively such agreement and the amendments thereto are referred to as the "Development Agreement"). Under the Development Agreement, City agreed to make a non-shareholder capital contribution to Recipient in the amount of \$2,435,000 less any amounts previously paid by the Contributor to the Company ("Contribution"). Capitalized terms not defined in this City Contribution Agreement shall have the meanings given to them in the Development Agreement

B. The City is making the Contribution in order to benefit the community by providing revitalization of an underdeveloped area of downtown to create retail and entertainment opportunities for the purpose of adding economic stimulus to the convention center area that connects the central business district with Historic 4th Street District. The Contribution will fund an investment in that certain project located in Sioux City consisting of approximately 66,000 square feet consisting of a Cineplex and retail complex on approximately 1.8 acres located at the southwest corner of 4th and Virginia Streets (the "Project"). The proceeds of this City Contribution Agreement are to be used exclusively in order to develop the Project.

C. The Contributor wishes to make the Contribution to Recipient, with the understanding that Recipient will in turn contribute the Contribution and this City Contribution Agreement to the Company, the owner of the Project, in order that the Contribution and the proceeds therefrom are used to develop the Project.

AGREEMENT

NOW THEREFORE, in consideration of the mutual promises and for other valuable consideration, the receipt and sufficiency of which are acknowledged by the parties, the parties agree as follows:

1. Contribution.

(a) Subject to the terms and conditions of this City Contribution Agreement, the Contributor hereby contributes the Contribution and all proceeds to be derived therefrom to the Recipient, as a non-shareholder capital contribution, as of April 7, 2003 (the "Contribution Date").

(b) The Contribution is made free and clear of all objections, liens, pledges, claims, rights of first refusal, security interests, mortgages or other encumbrances of any nature whatsoever.

(c) The Contribution may be made in multiple payments and all such payments shall be made pursuant to this Agreement and pursuant to other contractual arrangements which the Contributor may have with the Company .

2. Conveyance Instruments. In order to effectuate the Contribution, the parties have, or will soon hereafter, execute and deliver, or cause to be executed and delivered, all such documents or instruments of assignment, transfer or conveyance as the parties and their counsel shall deem necessary or appropriate to effectuate the Contribution. The Recipient or its successor(s) in interest to the Contribution shall bear the costs of effectuating such Contribution.

3. Representations and Warranties of Contributor. As of the Contribution Date, the Contributor represents and warrants to the Recipient that:

(a) There is no litigation, dispute, action or claim against any person, whether pending or threatened, pertaining to the Contribution.

(b) Contributor and each of the parties executing this Agreement on behalf of the Contributor, has the authority to execute this Agreement, contribute the Contribution to the Recipient and perform the obligations of Contributor created by this Agreement without the consent or approval of any other person(s).

(c) Each and every representation and warranty hereinabove made by Contributor is true and correct as of the date made and each representation and warranty shall survive the performance of the parties' obligations under this City Contribution Agreement.

4. Representations and Warranties of Recipient. As of the Contribution Date, the Recipient represents and warrants to the Contributor that:

(a) Recipient shall contribute the Contribution, and the right to the proceeds of the Contribution, and this City Contribution Agreement to the Company upon date of receipt of the Contribution.

(b) Recipient shall treat the Contribution as a non-shareholder capital contribution under Section 118 of the Internal Revenue Code of 1986.

(c) Recipient acknowledges and agrees that the proceeds of this City Contribution Agreement are to be used in order to benefit the public by providing entertainment and retail opportunities to the community, and the proceeds of this City Contribution Agreement are to be used exclusively in order to advance the purposes of the Project.

(d) Recipient shall not use the Contribution or any proceeds therefrom to pay dividends, salaries or other amounts owing to Recipient's members or manager.

(e) Each and every representation and warranty hereinabove made by Recipient is true and correct and does not omit to state a material fact as of the date made and each representation and warranty shall survive the performance of the parties' obligations under this City Contribution Agreement.

5. **Broker's Commission.** Each party acknowledges and represents to the other party that they have not utilized the services of any broker with respect to this transaction. Contributor and Recipient shall each defend, indemnify and hold harmless the other from all claims of brokers, agents or finders in connection with this transaction by each broker, agent or finder, licensed or otherwise, claiming through, under or by reason of the conduct of the indemnifying party respecting the transaction contemplated hereunder.

6. **Cooperation with the Recipient.** Contributor agrees to join Recipient in the execution of any and all necessary documents in connection with the Contribution, so long as such actions are at the sole expense and obligation of the Recipient.

7. **Governing Law.** This City Contribution Agreement, and all rights and obligations created by it, shall be interpreted in accordance with the laws of the State of Iowa.

8. **Limitation on Liability of the Recipient and Others.** No recourse under or upon any obligation or covenant of this City Contribution Agreement, or for any claim based thereon or otherwise in respect thereof, shall be had against: (i) any Member of the Recipient; or (ii) any corporate general partner, member, incorporator, shareholder, officer or director of any Member of the Recipient, as the case may be.

9. **Binding.** This City Contribution Agreement inures to the benefit of, and is binding on the parties, their respective heirs, personal representatives, successors and assigns.

10. **Entire Agreement.** This document when executed by Contributor and Recipient shall constitute the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior discussions, negotiations, and agreements, whether oral or written. Any subsequent amendment, including an oral modification supported by new consideration, must be reduced to writing and signed by both parties before it will be effective.

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IN WITNESS WHEREOF, the parties hereto have executed this City Contribution Agreement as of the date first above written.

CITY OF SIOUX CITY, IOWA

CIVIC PARTNERS SIOUX CITY
L.L.C.

By: *Craig S. Berenstein*
Craig S. Berenstein, Mayor

By: *J.S. Clements*
Its: *Authorized Agent*
J.S. Clements

ATTEST:

Robert K. Padmore
Robert K. Padmore, City Clerk

Date: *2-20-03*

Date: *April 4, 2003*

STATE OF IOWA)
 : SS
COUNTY OF WOODBURY)

BE IT REMEMBERED, on this 20th day of February, 2003, before me the undersigned, a Notary Public in and for Woodbury County, personally appeared Craig S. Berenstein. and Robert K. Padmore, to me personally known, who, being by me duly sworn, did say that they are Mayor and City Clerk, respectively, of the City of Sioux City, Iowa; that the seal affixed hereto is the seal of the City of Sioux City, Iowa; that the said instrument was signed and sealed on behalf of said City of Sioux City, Iowa, and that the said Craig S. Berenstein and Robert K. Padmore acknowledged the execution of said instrument to be the voluntary act and deed of said City of Sioux City, Iowa, by it and by them voluntarily executed.

Diane Bailey

NOTARY PUBLIC IN AND FOR WOODBURY COUNTY



STATE OF _____)
 : ss.
COUNTY OF _____)

On this _____ day of _____, 2003, before me, the undersigned a Notary Public in and for said County and State, personally appeared J.S. Clements, to me personally known, who being by me duly sworn, did say that he is its attorney in fact, of said corporation executing the within and foregoing instrument, that
(no seal has been procured by the said) corporation; that said instrument was
(the seal affixed thereto is the seal of said)
signed (and sealed) on behalf of said corporation by authority of its Board of Directors; and that the said J.S. Clements as such officers acknowledged the execution of said instrument to be the voluntary act and deed of said corporation by it and by them voluntarily executed.

(SEAL)

NOTARY PUBLIC

See Attached

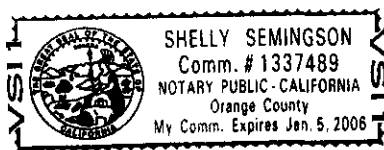
CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California }
County of Orange } ss.

On April 4, 2003, before me, Shelly Semingson, Notary Public
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")
personally appeared J.S. Clements
Name(s) of Signer(s)

personally known to me
 proved to me on the basis of satisfactory evidence

to be the person~~(s)~~ whose name~~(s)~~ is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity~~(ies)~~, and that by his/~~her/their~~ signature~~(s)~~ on the instrument the person~~(s)~~ or the entity upon behalf of which the person~~(s)~~ acted, executed the instrument.



Place Notary Seal Above

WITNESS my hand and official seal.
Shelly Semingson
Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: Contribution Agreement

Document Date: April 2003 Number of Pages: 5

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: Authorized Agent

Signer Is Representing: Civic Partners Sioux City, LLC

