



ACKNOWLEDGMENT AND RELEASE AGREEMENT

This acknowledgment and release agreement (this "Agreement") is entered into as of the 24th day of October, 1998, by and between Houston Oilers, Inc. and its successors and assigns (herein collectively referred to as "HOI"), and The Sports Authority of The Metropolitan Government of Nashville and Davidson County (the "Sports Authority"). All capitalized terms not defined herein shall have the meaning ascribed thereto in the Development Agreement and the Letter Agreement

WHEREAS, Tennessee Football, L.P. ("TFLP"), the successor in interest to HOI, is a signatory hereto in such capacity; and

WHEREAS, the Sports Authority, The Metropolitan Government of Nashville and Davidson County, Cumberland Stadium, L.P. and HOI entered into that certain Development Agreement ("Development Agreement") dated as of May 14, 1996, as amended; and

WHEREAS, on May 14, 1996, HOI executed a Letter Agreement (also referred to in the Development Agreement as the "NFL Team Entity PSL Agreement"), setting forth the terms and conditions on which HOI granted to the Sports Authority the Put Option to cause HOI to acquire permanent seat licenses ("PSLs") in the Stadium up to the Maximum PSL Obligation of \$7,500,000. A copy of said Letter Agreement is attached hereto as "Attachment 1"; and

WHEREAS, Paragraph 3(a) of the Letter Agreement provides that the Sports Authority shall have the right to exercise the Put Option at any time on or after the first day the Sports Authority is no longer entitled to market and sell PSLs under Section 9.12 of the Development Agreement; and

WHEREAS, the Sports Authority has provided HOI with a PSL Sales Report for September 1998 ("Sales Report"), a copy of which is attached hereto as "Attachment 2", indicating the total amount of sales of PSLs by the Sports Authority; and

WHEREAS, Section 9.12 of the Development Agreement provides that the Sports Authority shall be entitled to market and sell PSLs until the PSL Revenues Determination Date; and

WHEREAS, the Sports Authority has sold PSLs (including PSLs relating to reserved seats and to club seats) from and after February 23, 1996 sufficient to retire the Put Option in accordance with paragraph 2 of the Letter Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements of the parties contained herein, and other good and valuable consideration, the parties hereto, intending to be legally bound, hereby agree as follows:

1. ***Release of Put Option.*** As of September 30, 1998, the Sports Authority has sold PSLs from and after February 23, 1996 in an amount sufficient to reduce, on a dollar-for-dollar basis, the total Maximum PSL Obligation. As of the date hereof, the Sports Authority shall have no right or option under the Letter Agreement or otherwise, to exercise the Put Option and the corresponding obligation of HOI under the Letter Agreement to purchase PSLs is hereby eliminated. The Sports Authority hereby fully and finally releases and discharges HOI of its obligation under the Letter Agreement to purchase PSLs with respect to reserved seats located in the Stadium up to the Maximum PSL Obligation.

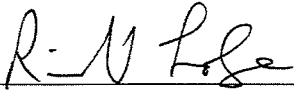
2. ***Acknowledgment of PSL Revenues Determination Date.*** HOI has reviewed the Sales Report and hereby acknowledges and agrees that the Sports Authority has, as of September 30, 1998, sold PSLs from and after February 23, 1996 in an amount sufficient to retire the Put Option. HOI hereby further acknowledges the Sports Authority's release of HOI of its obligation to purchase PSLs in accordance with the terms of the Letter Agreement.

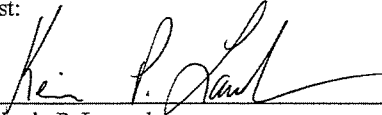
The Sports Authority has satisfied the PSL Revenues Extension Conditions by its sales of PSLs (including PSLs relating to reserved seats and to club seats) from and after February 23, 1996, in an amount sufficient to eliminate (1) the right and option of the Sports Authority under the Letter Agreement to exercise the Put Option; and (2) the corresponding obligation of HOI under the Letter Agreement to purchase PSLs.

Therefore, in accordance with the terms of the Development Agreement and the definition therein of PSL Revenues Determination Date, the Sports Authority, having satisfied the PSL Revenues Extension Conditions prior to October 24, 1998, is entitled to continue to market and sell PSLs until the earlier of (a) the date on which the amount of Net PSL Funds equals \$71.0 million and (b) June 1, 1999.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day first above-written.

THE SPORTS AUTHORITY OF THE
METROPOLITAN GOVERNMENT OF
NASHVILLE AND DAVIDSON COUNTY:

By: 
Richard Lodge
Chair

Attest: 
Kevin P. Lavender
Secretary

ACKNOWLEDGED AND
AGREED:

HOUSTON OILERS, INC.

By: 
Name

Title: Vice President & General Counsel

TENNESSEE FOOTBALL, L.P., as
successor in interest to Houston
Oilers, Inc.

By: Its General Partner

CUMBERLAND FOOTBALL
MANAGEMENT, INC.

By: 
Name

Title: Vice President & General Counsel

THE SPORTS AUTHORITY OF THE METROPOLITAN GOVERNMENT
OF NASHVILLE AND DAVIDSON COUNTY

May 14, 1996

Houston Oilers, Inc.
P. O. Box 1516
Houston, Texas 77251-1516

Gentlemen:

The purpose of this letter agreement (this "Letter Agreement") is to set forth the terms and conditions on which Houston Oilers, Inc. ("HOI") grants to The Sports Authority of The Metropolitan Government of Nashville and Davidson County, a Tennessee nonprofit corporation (the "Sports Authority"), the right and option (the "Put Option") to cause HOI to acquire from the Sports Authority permanent seat licenses (individually, a "PSL," and collectively, "PSLs") with respect to reserved seats (as contrasted with club seats) located in the Stadium (as hereinafter defined), up to a total maximum aggregate obligation of HOI of \$7,500,000 (the "Maximum PSL Obligation"). The PSLs are subject to the provisions of this Letter Agreement and the Reserved Seat Agreement (each hereinafter defined) and relate to the public spectator seating at that certain stadium (the "Stadium") to be constructed in Nashville, Tennessee, in accordance with that certain Development Agreement, effective as of March 7, 1996, as amended (the "Development Agreement"), by and among The Metropolitan Government of Nashville and Davidson County, the Sports Authority, HOI and Cumberland Stadium, L.P., a Tennessee limited partnership ("Cumberland"), and to be owned by the Sport Authority.

I. Permanent Seat License Obligations.

(a) Upon the exercise of the Put Option, and subject to the terms and conditions hereof, HOI shall enter into a Permanent Seat License (Reserved Seat) Agreement (the "PSL (RS) Agreement") with the Sports Authority and a Reserved Seat License Agreement (the "Reserved Seat Agreement") with Cumberland in substantially the forms attached hereto as Exhibits A and B with respect to the PSLs to be acquired by HOI.

(b) During the term of HOI's Reserved Seat Agreement, HOI shall have the right, at any time and from time to time, to assign, transfer and convey any or all of the Stadium admission tickets corresponding thereto upon whatever terms HOI deems appropriate.

(c) The total aggregate maximum amount payable by HOI with respect to the PSLs shall not exceed the Maximum PSL Obligation, except that said Maximum PSL Obligation may be exceeded in the case of an increase in the Tennessee tax to be borne by HOI, as referred to in Section 2.c of the PSL (RS) Agreement.

(d) The final assignment of Stadium seats corresponding to the PSLs granted under the PSL (RS) Agreement contemplated hereby shall remain subject to the sole and absolute discretion of Cumberland.

2. **Retirement of Obligations Subject to Put Option.** The Maximum PSL Obligation of \$7,500,000 shall be reduced on dollar-for-dollar basis for any amounts received by the Sports Authority as PSL fees and attributable to sales of PSLs (including both PSLs relating to reserved seats and those relating to club seats) after February 23, 1996.

3. **Exercise of Put Option.**

(a) The Sports Authority shall have the right to exercise the Put Option at any time on or after the first day the Sports Authority is no longer entitled to market and sell licenses under Section 9.12 of the Development Agreement, but not later than 15 days thereafter, by delivering written notice thereof to HOI (the "Exercise Notice"). The Exercise Notice shall set forth (i) the number of PSLs in each class to be acquired by HOI; (ii) the total aggregate amount payable by HOI as PSL fees; and (iii) the wire transfer instructions in accordance with which the amount payable by HOI is to be paid to the Sports Authority.

(b) The closing of the transactions contemplated by the Put Option (the "Closing") shall occur on the date specified in the Exercise Notice, which date shall occur no earlier than five days nor later than 15 days after the delivery of the Exercise Notice. At the Closing, HOI shall (i) execute and deliver a PSL (RS) Agreement with the Sports Authority and a Reserved Seat Agreement with Cumberland, corresponding to the PSLs to be acquired by HOI, and (ii) pay by wire transfer of immediately available funds the PSL fees then due and payable by HOI under HOI's PSL (RS) Agreement and Reserved Seat Agreement. As of the Closing, title to the PSLs to be acquired by HOI shall vest in HOI.

4. **Marketing of PSLs.** From and after the date hereof, the Sports Authority shall keep HOI reasonably informed of the Sports Authority's efforts to market and sell PSLs (including both PSLs relating to reserved seats and those relating to club seats). The Sports Authority shall make available to representatives of HOI an opportunity no less than once a month during normal business hours to meet with representatives of the Sports Authority or its designee that is arranging and conducting the marketing efforts with respect to the PSLs in order to review and discuss the current marketing and sale efforts with respect to the PSLs and the marketing plan with respect to the same for the following month. In addition, the Sports Authority shall deliver to HOI by no later than the 15th calendar day of each month a written report indicating the number and dollar value of PSLs sold during the prior calendar month and the total aggregate number and dollar value of PSLs sold from February 23, 1996, up through such calendar month, including a breakdown by class of those sold in each case.

5. **Execution in Counterparts.** This Letter Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same document.

6. *Notices.*

(a) All notices, requests, demands and other communications that are required or may be given pursuant to the terms of this Letter Agreement shall be in written or electronic form and shall be deemed delivered (i) on the date of delivery when delivered by hand, (ii) on the date of transmission when sent by facsimile transmission during normal business hours with telephone confirmation of receipt, (iii) one day after dispatch when sent by overnight courier maintaining records of receipt, or (iv) three days after dispatch when sent by certified mail, postage prepaid, return-receipt requested; provided that, in any such case, such communication is addressed as provided in the immediately following paragraph (b).

(b) All notices, requests, demands and other communications that are required or may be given pursuant to the terms of this Agreement shall be addressed as follows:

(i) If to the Sports Authority:

The Sports Authority of The Metropolitan Government
of Nashville and Davidson County
106 Metropolitan Courthouse
Nashville, TN 37201
Attention: Chair
Telephone: (615) 862-6151
Facsimile: (615) 862-6156

(ii) If to HOI:

Houston Oilers, Inc.
4400 Post Oak Parkway, Suite 2800
P. O. Box 1516
Houston, TX 77251-1516
Attention: General Counsel
Telephone: (713) 881-3468
Facsimile: (713) 881-3471

or to such other address as either party shall have designated by notice in the foregoing manner to the other party.

7. *Entire Agreement.* This Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof and supersedes all prior agreements and understandings of the parties, oral and written, with respect to such subject matter.

8. **Applicable Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Tennessee, without regard to the conflicts of laws provisions thereof.

9. **Headings.** The division of this Letter Agreement into Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

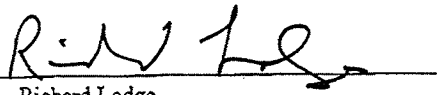
10. **Severability.** If any covenant or provision hereof is determined to be void or unenforceable in whole or in part, it shall not be deemed to affect or impair the invalidity of any other covenant or provision, each of which is hereby declared to be separate and distinct. If any provision of this Letter Agreement is so broad as to be unenforceable, such provision shall be interpreted to be only so broad as is enforceable. If any provision of this Letter Agreement is declared invalid or unenforceable for any reason other than overbreadth, the offending provision will be modified so as to maintain the essential benefits of the bargain among the parties hereto to the maximum extent possible, consistent with law and public policy.

10. **Binding Effect; Benefits.** This Letter Agreement shall inure to the benefit of, and be binding upon, the parties hereto and their respective successors and permitted assigns. Nothing contained in this Letter Agreement, express or implied, is intended to confer upon any person other than the parties hereto, and their respective successors and permitted assigns, and Cumberland (who shall be a third party beneficiary hereof), any rights or remedies under or by reason of this Letter Agreement.

If the foregoing correctly reflects your understanding, kindly confirm your agreement by executing a copy of this Letter Agreement and returning it to me. This Letter Agreement will not be a binding obligation of any party until executed and delivered by all of the parties hereto.

Very truly yours,

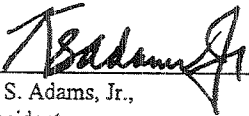
THE SPORTS AUTHORITY OF THE
METROPOLITAN GOVERNMENT OF
NASHVILLE AND DAVIDSON COUNTY

By: 
Richard Lodge,
Chair

Houston Oilers, Inc.
May 14, 1996
Page 5

Agreed and accepted:

HOUSTON OILERS, INC.

By: 
K. S. Adams, Jr.,
President

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