

**THIRD AMENDMENT
TO CITY OF INDIAN WELLS SPONSORSHIP AGREEMENT**

This Third Amendment to City of Indian Wells Sponsorship Agreement (this "**Amendment**") is made and entered into as of March 23, 2006, by and between Desert Champions LLC, a California limited liability company ("**Desert Champions**") and the City of Indian Wells, a municipal corporation of the State of California ("**City**").

WHEREAS, PM Sports Management Corporation, a California corporation ("**PM Sports**"), International Merchandising Corporation, an Ohio corporation ("**IMC**"), Desert Champions, Garden of Champions LLC, a California limited liability company ("**Garden of Champions**"), and together with PM Sports, IMC, Desert Champions and Garden of Champions, collectively, "**Tennis Entities**") and City are parties to that certain Sponsorship Agreement, dated as of October 28, 1998 (the "**Sponsorship Agreement**"), as amended by that certain First Amendment to the Sponsorship Agreement, dated as of January 21, 1999 (the "**First Amendment**"), by and among the Tennis Entities and City, and as further amended by that certain Second Amendment to Sponsorship Agreement, dated February 28, 2002 (the "**Second Amendment**"), and together with the Sponsorship Agreement and the First Amendment, collectively, the "**Original Agreement**"), by and between Desert Champions and City;

WHEREAS, the rights and obligations of the Tennis Entities under the Original Agreement were assigned to Desert Champions pursuant to an Assignment and Assumption Agreement, dated September 20, 2001;

WHEREAS, Desert Champions and City view the Original Agreement as valuable and desire to amend the Original Agreement as hereinafter provided; and

WHEREAS, capitalized terms used herein without definition shall have the meanings ascribed to such terms in the Original Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual covenants, representations, warranties and agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Definitions. All references to "Sponsorship Fee" in the Original Agreement shall be revised to read "Naming Rights Fee". All references to "Tennis Entities" in the Original Agreement shall be revised to read "Desert Champions".

2. Payments. A new Section 3.1(f) shall be added to the Original Agreement and read as follows:

(f) The above notwithstanding, for the First Extension Term and the Second Extension Term (each, an "Extension Term"), the Naming Rights Fee payments under this Section 3.1 shall be subject, in all respects, to the amount of admission tax received by

City from events at the Tennis Facility (the "Admission Tax") during the last year of the immediately preceding term. For each Extension Term, (i) if City receives Admission Tax in an amount equal to or greater than \$1,000,000 (the "Targeted Admission Tax") during the last year of the immediately preceding term, no adjustments shall be made to the Naming Rights Fee, as provided in Sections 3.1(b) and 3.1(c), respectively, and (ii) if City receives Admission Tax in an amount less than the Targeted Admission Tax during the last year of the immediately preceding term, the Naming Rights Fee shall be adjusted accordingly and calculated based upon the percentage of the Targeted Admission Tax received by City. The following illustrate examples of such Naming Rights Fee calculation:

For the First Extension Term, if City receives 70% of the Targeted Admission Tax during the last year of the Initial Term and there is no increase to the base Naming Rights Fee of \$2,500,000 in respect of Qualifying Hotel Rooms, City shall pay a Naming Rights Fee of \$1,750,000 ($\$2,500,000 \times .70$). For the Second Extension Term, if City receives 80% of the Targeted Admission Tax during the last year of the First Extension Term and there are 500 Qualifying Hotel Rooms, City shall pay a Naming Rights Fee of \$2,400,000 ($(\$2,500,000 + \$500,000) \times .80$).

3. Assignment by City. The entire text of Section 13.1 of the Original Agreement is hereby deleted in its entirety and replaced with the following:

City may not grant sublicenses or assign, transfer, alienate, encumber, or hypothecate any of its rights or obligations under this Agreement without the prior written consent of Desert Champions. Notwithstanding any provision herein to the contrary, City and Desert Champions may mutually agree to sell the naming rights to the Tennis Facility, including the Stadium.

4. Repayment Guaranty. The entire text of the first two sentences of Section 13.2(c) of the Original Agreement is hereby deleted in its entirety.

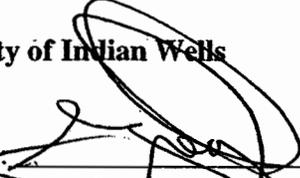
5. Counterparts. This Amendment may be executed in counterparts, by manual or facsimile signatures, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

6. Ratification. In all other respects, the Original Agreement is hereby ratified and affirmed and remains in full force and effect.

[remainder of page intentionally left blank; signature page(s) follow]

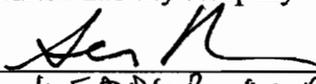
IN WITNESS WHEREOF, the parties have executed this Amendment as of the date set forth above.

City of Indian Wells

By: 
Name: Greg Johnson
Title: City Manager

**Desert Champions LLC,
a California limited liability company**

By: Indian Wells Tennis Tournament, LLC, a
Nevada limited liability company

By: 
Name: GEORGE MACKINI
Title: MEMBER

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