



INDIAN WELLS
CALIFORNIA

Sent via CERTIFIED MAIL - RETURN RECEIPT REQUESTED

June 22, 2012

Desert Champions LLC
Steve Simon, Chief Operating Officer
78-200 Miles Avenue
Indian Wells, CA 92210

Re: Automatic Renewal of Naming Rights Agreement

Dear Mr. Simon:

We look forward to another ten years of exclusivity in the naming rights for the Indian Wells Tennis Gardens and Stadium. It was extremely kind of you to allow us some time to come to that decision. While our agreement does not require us to inform you of our decision, we felt that because of the extensions we were given, it would be appropriate to do so. Your input into that process was very beneficial and we look forward to working with you over the next ten years, marketing the tennis gardens and all the stadiums as the premier tennis venue in the world.

Under the terms of our extension agreement, the City of Indian Wells had until June 30, 2012 to make a decision as to whether or not it would continue its exclusive naming rights agreement. As the decision has been made not to give notice of non-renewal, the Naming Rights Agreement will automatically renew and continue for the First Extension Term on the terms and conditions that are currently in effect.

We look forward to getting together with you in the near future so that we can explore all of the opportunities we have to enhancing our image as a residential resort destination. Given the exposure that the Indian Wells Tennis Gardens, BNP Paribas Tennis Tournament gives our city worldwide, we need to find additional ways of expanding our exposure through our Naming Rights and Marketing Agreements.

Please be advised that under the terms of our First Extension Term the City of Indian Wells will make cash payment at the prescribed time under Section 3.1 of said agreement.

Sincerely,



Douglas H. Hanson
Mayor