

Fundamental Principles

- (a) the Project will adhere to the Council Event Centre Approvals (as of the Effective Date) and City Policies;
- (b) the Event Centre will, where Prudent and in keeping with the other provisions of this Agreement and the Development Management Agreement:
 - (i) meet, and where Prudent exceed, the current NHL, WHL and NLL facility and operations standards;
 - (ii) be designed and constructed:
 - (A) with a view to optimize arena revenues for NHL events, WHL events, NLL events and other events (such as concerts, assemblies and festivals);
 - (B) as a state-of-the-art, multi-purpose facility with design features, functional components and specifications that, where appropriate and Prudent, are comparable to those consistently found in Comparable Event Centres, subject to such differences as would apply due to differences in the Calgary market, climate and urban environment;
 - (iii) foster a sense of community that, while distinctive in its own aesthetic, is complimentary to the River District neighbourhood (for example, the architectural and visual design of the Event Centre and related facilities shall be consistent with the quality and standard evident in other recent buildings and developments in the Rivers District);
 - (iv) provide for a sustainable business model with a view to optimizing profitability through revenue optimization and cost minimization;
 - (v) be "fan-centric" with a view to exceeding fan expectations in all areas of the guest experience;
 - (vi) be "right sized" for the Calgary market, housing approximately 18,000 seats and a maximum of 19,000 seats for NHL hockey, including suite and premium products that will meet current demand for such suites and products and allow for flexibility in the future as the market changes and evolves;
 - (vii) incorporate, where Prudent, appropriate technologies and design elements to the advantage of CSEC's Teams and will provide a competitive advantage in favour of CSEC's Teams;
 - (viii) be environmentally responsible and designed to be operationally efficient in all aspects;

- (ix) be a gathering place for all Calgarians that includes: concerts, assemblies, festivals, professional and amateur sports, linked to an outdoor gathering space;
- (x) be viable and sustainable while contributing as part of a comprehensive master plan vision that supports The City of Calgary's planning objectives and enhances Calgary communities' brand and reputation; and
- (xi) be a catalyst to attract further vibrancy and investment as an anchor for further development in a mixed-use neighbourhood;
- (c) Public funds must be used for public benefit, including improving access and availability for individuals and groups, while also providing economic benefits for the Calgary economy;
- (d) There will be engagement with the public throughout the process whenever possible to ensure transparency.

For purposes of this Schedule B, the use of the term "Prudent" shall have an ordinary dictionary definition, but shall not involve any consideration of financial matters.

