

10-13-1998

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100879718

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

MRA 10/13/98

1. Name of conveying party(ies):

NYI Holdings, L.P.

- Individual(s)
- General Partnership
- Corporation-State
- Other
- Association
- Limited Partnership (Delaware)

Additional name(s) of conveying party(ies) attached? Yes No

3. Nature of conveyance:

- Assignment
- Security Agreement
- Other Amended & Restated Agreement of Limited Partnership
- Merger
- Change of Name

Execution Date: July 25, 1997

2. Name and address of receiving party(ies)

Name: NAE Sports LLC

Internal Address:

Street Address: Nassau Veteran's Memorial Coliseum

City: Uniondale State: NY ZIP: 11553

- Individual(s) citizenship
- Association
- General Partnership
- Limited Partnership
- Corporation-State
- Other Delaware limited liability company

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No

(Designations must be a separate document from assignment)

Additional name(s) & address(es) attached? Yes No

4. Application number(s) or patent number(s):

A. Trademark Application No.(s)

74/646,848 74/647,149 75/167,356

B. Trademark Registration No.(s)

2,019,857 2,027,733 970,427
970,428 970,429 1,694,498
1,722,053 2,095,297 1,927,741 1,905,606

Additional numbers attached? Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: Samantha Payne

Internal Address: NHL Enterprises, L.P.

Street Address: 1251 Ave. of the Americas

City: New York State: NY ZIP: 10020-1198

6. Total number of applications and registrations involved: 13

7. Total fee (37 CFR 3.41).....\$ 340.00

Enclosed

Authorized to be charged to deposit account

8. Deposit account number:

500205

(Attach duplicate copy of this page if paying by deposit account)

10/15/1998 JSHABAZZ 00000091 500205 74646848

DO NOT USE THIS SPACE

01 FC:481 40.00 CH
02 FC:482 300.00 CH

9. Statement and Signature.

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

Mary J. Sotis
Name of Person Signing

Mary J. Sotis
Signature

10/9/98
Date

Total number of pages including cover sheet, attachments, and document: 33

EXECUTION VERSION

NEW YORK ISLANDERS HOCKEY CLUB, L.P.

**JULY 1997 AMENDED AND RESTATED
AGREEMENT OF LIMITED PARTNERSHIP**

This Amended and Restated Agreement of Limited Partnership is dated this 25th day of July, 1997 by and among NAE Sports LLC, as general partner ("NAEL"), N.A.E. Inc., as a limited partner ("NAE"), WG Islanders, L.P., as a limited partner ("WG") and FLI Islanders, L.P. ("FLI"), as a limited partner.

W I T N E S S E T H:

WHEREAS, a New York limited partnership (the "Partnership") has heretofore been formed which was initially known as Nassau Sports and is now known as New York Islanders Hockey Club, L.P.; and

WHEREAS, a Certificate of Limited Partnership for the Partnership was filed with the Nassau County Clerk on April 27, 1972, which was amended by Amended Certificates of Limited Partnership filed with the Nassau County Clerk on June 1, 1972; August 14, 1972; December 18, 1975; June 30, 1976; April 4, 1977; April 27, 1979; February 14, 1984; March 1, 1985; August 13, 1992 and May 2, 1997; and

WHEREAS, a 1997 Amended and Restated Agreement of Limited Partnership of the Partnership was executed as of April 7, 1997 but was subsequently terminated; and

WHEREAS, the parties desire to amend the Partnership's 1994 Amended and Restated Agreement of Limited Partnership dated as of November 7, 1994 in its entirety to reflect among other matters (i) the withdrawal of certain limited and general partners by separate instrument effective as of April 7, 1997; (ii) the acquisition by WG and FLI, through conversion of certain debentures, of additional partnership interests in the Partnership, and (iii) the understanding between NAE, NAEL, WG and FLI (collectively, the "Partners"), with respect to the conduct of the Partnership, as hereinafter set forth;

NOW, THEREFORE, it is mutually agreed that effective on the date hereof any and all prior agreements of limited partnership of the Partnership are hereby amended and superseded by this July 1997 Amended and Restated Agreement of Limited Partnership, which shall read as follows:

ARTICLE I

GENERAL PROVISIONS

1.1. Formation and Purpose. The parties hereby agree that the Partnership shall continue in existence as a limited partnership pursuant to the Revised Limited Partnership Act as in effect in the State of New York from time-to-time (the "Act"). A Certificate of Adoption pursuant to the Act was filed on August 13, 1992. The purpose and business of the Partnership shall be, subject to rules and regulations, to the extent applicable, of the National Hockey League ("NHL"), as from time to time in effect:

To engage in, conduct and carry on the business of promoting, operating, managing, supervising and developing one or more major or minor league professional or other hockey teams, the promotion and exploitation of such business through any method, including without limitation radio, television, broadcast, film, publication, exhibition, sale, lease, franchise or otherwise; further, to engage in, conduct, and carry on the business of promoting, operating and managing (directly or indirectly) ice skating facilities on Long Island; and to conduct any other activities related to any of the foregoing.

In order to carry out its purpose, the Partnership is authorized to do any and all acts and things permitted under the laws of the State of New York and necessary, appropriate, proper, advisable, incident to or convenient for the protection and benefit of the Partnership.

1.2. Partners. NAEL and any additional General Partners hereafter admitted to the Partnership as herein provided, shall be General Partners of the Partnership. NAE, WG and FLI and all additional Limited Partners hereafter admitted to the Partnership as herein provided, shall be Limited Partners of the Partnership. If this Agreement is subsequently amended, or additional Partners (hereinafter defined) are admitted pursuant hereto, or if pursuant to the terms hereof there is more than one General Partner or Limited Partner, as the case may be, the respective singular terms "General Partner", and "Limited Partner" shall mean and include all General Partners or Limited Partners, collectively, and the term "Partners" shall mean all such General Partners and Limited Partners, unless the context clearly requires otherwise. Nothing shall prevent any person who is a General Partner from also being a Limited Partner in the Partnership, and such person in his, her or its capacity as a Limited Partner shall enjoy all of the rights of a Limited Partner. The ownership interest of a Partner in the Partnership is referred to herein as a "Partnership Interest".

1.3. Name of Partners. The name of the Partnership shall be "New York Islanders Hockey Club, L.P.", or such other name selected by the General Partner.

1.4. Principal Place of Business. The principal place of business of the Partnership shall be Nassau Veterans Memorial Coliseum, Uniondale, New York so long as that is where the New York Islanders play home hockey games. The Partnership may also have such other offices or places of business as the General Partner may deem necessary or desirable.

1.5. Term. The term of the Partnership (unless sooner terminated as provided in this Agreement) shall continue until May 31, 2047.

1.6. Certificate and Filings. The General Partner shall cause an Amended and Restated Certificate of Limited Partnership to be filed in accordance with the Act to reflect the matters set forth in this Agreement and the termination of the 1997 Amended and Restated Agreement of Limited Partnership, dated as of April 7, 1997, that are required to be included in said Certificate. In addition, the General Partner shall file and publish, as required by any provisions of any law of the United States or any state, any other notice, certificate, statement or other instrument which may govern the formation of the Partnership or the conduct of its business, all at the expense of the Partnership.

1.7. New York Registered Office; Agent for Service of Process. The address of the Partnership's registered office in the State of New York is Nassau Veterans Memorial Coliseum, Uniondale, New York 11553, and the name of the registered agent for service of process of the Partnership is the General Partner.

1.8. Ownership of Property. Legal title to all assets, rights and property, whether real, personal or mixed or whether tangible or intangible, acquired by or contributed to the Partnership ("Partnership Properties") shall be acquired, held, owned and subsequently conveyed in the name of the Partnership or in the name of a subsidiary of the Partnership and no Partner, individually or collectively, shall have any ownership interest in such Partnership Properties or any portion thereof by virtue of his being a Partner.

1.9. Definitions. Certain defined terms used in this Partnership Agreement shall have their respective meanings as set forth in ARTICLE VII.

ARTICLE II

MANAGEMENT AND THE GENERAL PARTNER; POWERS, DUTIES AND LIABILITIES OF THE PARTNERS; MAJOR DECISIONS; NHL REPRESENTATION; ACCOUNTING MATTERS;

2.1. Management.

(a) Management and operation of the Partnership shall be vested exclusively in the General Partner. Subject to the provisions of this Agreement, including but not limited to Section 2.2 hereof, the General Partner, shall have the power by itself and shall be authorized and empowered on behalf of and in the name of the Partnership to exclusively carry out those duties and functions specified in Section 2.1(d) and pursuant thereto to carry out any and all of the objects and purposes of the Partnership and to perform all acts and enter into and perform all contracts and other undertakings which it may in its sole discretion deem necessary or advisable or incident thereto. Notwithstanding the foregoing, at the request of any Partner, the General Partner shall reasonably inform and consult with any Partner about the business and affairs of the Partnership including those matters specified in Section 2.1(d) which are the responsibility of the General Partner to carry out, to the end that each Partner shall, to the extent it requests, be permitted to be informed of significant operational and strategic decisions; provided, however, such right to be informed shall not limit the rights of the General Partner set forth in Section 2.1(d).

(b) The "General Partner" shall be NAEL or a General Partner elected as such from time to time by a Partner or Partners holding more than 50% of the Percentage Interests.

(c) The Limited Partners shall take no part in the conduct or control of the Partnership business and shall have no authority or power to act for or bind the Partnership, and the Limited Partners shall not hold themselves out as general partners or take any action on behalf of the Partnership or in any way commit the Partnership to any agreement or contract and shall have no right or authority to do any of the foregoing. The liability of each Limited Partner shall be limited to the total contribution to the Partnership it is required to make under this Agreement plus its share of undistributed assets and profits of the Partnership.

(d) Without limiting the general powers and duties set forth elsewhere herein, and except as specifically limited by this Agreement or the Act, the General Partner is hereby authorized and empowered, on behalf of and in the name of the Partnership to exercise the following powers and duties:

- (i) generally to conduct the business and operations of the Partnership and to elect or appoint, delegate authority to, remove and terminate such agents and officers as it considers appropriate;
- (ii) to borrow money on a secured or unsecured basis and to pay, extend, renew, modify, adjust or compromise, upon such terms as it may determine, any obligation of the Partnership;
- (iii) to take all action required in connection with the management and operation of the New York Islanders professional hockey team, including, without limitation, establishing ticket prices and "Luxury Suite" rental rates for all hockey games (whether exhibition, regular season, play-off or otherwise); hiring, negotiating contracts of employment, trading and/or terminating the employment of hockey players, coaches, trainers, scouts and all other hockey and non-hockey personnel, including "front" office employees; except as set forth in Section 2.4 hereof, designating the Governor and all but one of the Alternate Governors to represent and vote on behalf of the Partnership at meeting of the Board of Governors of the NHL; negotiating and entering into agreements on behalf of the Partnership with the NHL and owners of other NHL franchises; negotiating and entering into all advertising and related agreements on behalf of the Partnership; and negotiating and entering into agreements with all media representatives on behalf of the Partnership;
- (iv) to collect and receive the Partnership's revenues and to pay its expenses to the extent permitted by this Agreement;
- (v) to negotiate, enter into and execute any and all contracts necessary or desirable with respect to the Partnership's business;
- (vi) to engage such independent agents, attorneys, managers and custodians as it deems necessary or advisable for the affairs of the Partnership;

- (vii) to receive, buy, sell, exchange, improve, trade and otherwise deal in and with the real and personal property of the Partnership;
- (viii) to open, maintain and close bank accounts, custodial accounts and all other accounts for the Partnership, to invest the excess cash of the Partnership in appropriate money market or time deposit accounts, U.S. government securities or other similar investments and to draw checks and other orders for the payment of money on behalf of the Partnership respecting the expenses of the Partnership;
- (ix) to file, on behalf of the Partnership, all appropriate local, state and federal tax and other returns relating to the Partnership (subject to the right of any Partner holding a 50% or greater Percentage Interest to reasonably approve such returns, such approval not to be withheld or delayed beyond thirty (30) days from delivery of such returns to such Partner);
- (x) to institute, prosecute, defend, settle, compromise and dismiss lawsuits or other judicial or administrative proceedings brought on or in behalf of, or against, the Partnership, or the partners of the Partnership in connection with the activities arising out of, concerned with or incidental to this Agreement or the Partnership, and to engage counsel or others in connection therewith;
- (xi) to enter into, make and perform contracts, agreements and other undertakings, and to perform any other acts as it deems necessary or advisable for, or as may be incidental to, the conduct of the business of the Partnership, including, without limiting the generality of the foregoing, contracts, agreements, undertakings and transactions with any person, firm, or corporation having a business, financial or other relationship with any Partner or the Partnership;
- (xii) to perform all administrative acts and duties relating to the payment of all indebtedness, and all taxes and assessments due or to become due with regard to the

Partnership, and to give and receive notices, reports and other communications in connection with the foregoing;

- (xiii) to cause the real property owned or leased by the Partnership to be maintained and operated in a manner which satisfies in all respects the obligations imposed with respect to such maintenance and operation by any assignment, mortgage or other security arrangement encumbering such real property, from time to time, and by any loan, lease or rental agreement pertaining to such real property;
- (xiv) to purchase from or through others contracts of liability, casualty or other insurance for the protection of the properties and affairs of the Partnership, the Partners of the Partnership or for any purpose beneficial to the Partnership, all in such amounts as the General Partner in its reasonable discretion shall deem appropriate; and
- (xv) to undertake and accomplish all measures which may be required to permit the Partnership to legally function in the State of New York and to protect the Partnership.

(e) From and after the date hereof, the Partnership shall indemnify and hold harmless, to the fullest extent permitted by law, each Partner, its officers, directors, partners and shareholders against any and all claims, actions, demands, lawsuits, costs, expenses (including attorneys' fees and expenses), damages, loss and threats of loss, as a result of any claim or legal proceeding related to any action taken or omitted to be taken on behalf of the Partnership; provided that in the event a Partner or any other person entitled to indemnification hereunder is ultimately determined to have acted in bad faith or to have been grossly negligent it shall not be entitled to the indemnification set forth herein. No person entitled to indemnity hereunder shall be liable to the Partnership or any Partner for any act or omission that is not ultimately determined to have been done in bad faith or to have been grossly negligent. The indemnification remedy contained herein shall not be deemed to be the exclusive remedy of the party entitled to indemnification hereunder in connection with or arising from this Agreement, nor shall such indemnification be deemed to prejudice or to operate as a waiver of any remedy to which such party may be entitled at law or in equity.

2.2. Major Decisions.

(a) Notwithstanding the provisions of Section 2.1 hereof, the General Partner shall take action on any Major Decision (as defined in subsection (b) below) only if such Major Decision is consented to by a Partner or Partners (including, but not limited to, the General Partner) holding more than 50% of the Percentage Interests held by all Partners.

(b) "Major Decisions" shall mean the following:

- (A) approval of any business plan for each fiscal year of the Partnership (a "Business Plan"), provided that, if the Partners are unable to agree on a Business Plan for any fiscal year the Business Plan for such year shall be any plan reasonably prepared by the General Partner that is substantially in accordance with the Financial Projections (as defined in the Credit Agreement) delivered to Fleet pursuant to Section 9.16 of the Credit Agreement, and such plan shall not be a Major Decision;
- (B) the incurrence or payment of expenses, for a fiscal year other than those provided in the then-current fiscal year's Business Plan (it being agreed that payments owed in the future pursuant to long-term contracts entered into in one fiscal year pursuant to that fiscal year's Business Plan are deemed approved and need not be approved as part of each subsequent fiscal year's Business Plan);
- (C) termination of retention of the Partnership's existing accountants or engagement of new accountants for the Partnership;
- (D) the incurrence of any indebtedness for borrowed money, other than purchase money indebtedness or draws on the line(s) of credit for expenses provided in, and within the limits set by, the then-current Business Plan;
- (E) the renegotiation, refinancing, amendment or other modification of the terms and provisions governing the Credit Agreement, and of that certain lease between Nassau County and the Partnership;

- (F) the entering into of any agreement or arrangement, whether written or oral, on behalf of the Partnership with any Affiliate of any Partner;
- (G) except as provided in Section 4.2(b), the distribution of any cash or property to the Partners or the redemption in whole or in part of any Partner's Partnership Interest;
- (H) subject to Section 5.1 the admission of any new partner to the Partnership in a manner that dilutes the Percentage Interests of any other Partner, provided that subject to Article V, nothing herein shall be deemed to affect the right of any Partner to transfer its Partnership Interest in accordance with Article VI of this Agreement;
- (I) the making of any Capital Calls (as hereinafter defined) and of additional capital contributions to the Partnership;
- (J) commencement of any litigation by the Partnership against any Partner;
- (K) subject to Section 2.10 any amendment to the License Agreement;
- (L) the dissolution and winding up of the Partnership;
- (M) the merger or consolidation of the Partnership, or the sale of all or substantially all of the assets of the Partnership;
- (N) the amendment of this Agreement, other than as provided in Section 8.4 hereof; and
- (O) any other action of a material nature that is not contemplated by the then-current Business Plan (if applicable) and is not part of the normal and ordinary operation of the business of the Partnership, and which, if the Partnership were a corporation, would generally not be taken by the Chief Executive Officer thereof without the prior approval of the Board of Directors (or any committee thereof) and/or shareholders;

provided, however, that at any time that the General Partner and its Affiliates hold Percentage Interests in excess of 50% of the Percentage Interests of all Partners and WG and FLI each hold Percentage Interests equal to at least 5.0% then (i) the General Partner shall take action on the items set forth in Section 2.2(b)(A), (D), (E), (F) (K), (L), (M) and (N) only if the prior consent of either WG or FLI to such action has been obtained and (ii) the General Partner and its Affiliates shall not, without the prior consent of either WG or FLI, transfer a portion of its Partnership Interest to any Person (other than an Affiliate of the General Partner) in a transaction with respect to which WG and FLI would not have the right to exercise the "tag-along" rights under Section 5.6(b) hereof if, as a result of such transfer, a Person other than John O. Pickett, Jr. or an Affiliate of his would hold the general partnership interest in the Partnership or have primary management responsibilities with respect to the operation of the New York Islanders professional hockey team.

(c) The General Partner shall give notice to each Partner of any Major Decision to be considered, which notice shall contain a description of the nature or substance of such decision. The Partners shall notify the General Partner and each other of their approval or rejection of the proposed Major Decision as soon as is reasonably practicable after receipt of the Partner's notice, but in no event shall the notice of approval or rejection be later than ten business days after receipt of a written notice proposing the Major Decision for consideration. A Partner's failure to notify the other Partners of its approval or rejection of a proposed Major Decision within the foregoing time period shall be deemed the rejection by the Partner of such Major Decision. If the proposed Major Decision is not approved by Partners holding the requisite Percentage Interests as set forth in Section 2.2(a), the action proposed with respect to such Major Decision shall not be taken.

2.3. NHL Representation. The General Partner shall appoint the Governor and all Alternate Governors to serve on the Board of Governors of the NHL.

2.4. Expenses and Compensation of General Partners. The General Partner and its Affiliates shall be entitled to receive reasonable management fees from the Partnership not to exceed \$500,000 per annum. No Partner, other than the General Partner, may receive compensation for services rendered to the Partnership. The General Partner and its Affiliates shall also be reimbursed by the Partnership for all reasonable out-of-pocket expenses hereafter incurred by it for services in connection with the Partnership's business.

2.5. Other Activities. Nothing in this Agreement shall limit or restrict the right of any General Partner, any Limited Partner or any of their respective Affiliates, agents or employees to engage in business ventures and investments other than the Partnership, of any nature whatsoever, except that no General Partner or Affiliate may engage in the operation of a hockey team other than that operated by the Partnership and no Partner (or any Affiliate thereof) may have a direct or indirect ownership interest in any other NHL franchise. For purposes of this Agreement the term "**Affiliate**", when used with respect to any Person,

means (A) any other Person which, directly or indirectly, controls or is controlled by or is under common control with such Person; (B) any Person that is an officer of, partner in or trustee of, or serves in a similar capacity with respect to, such Person or of which such person is an officer, partner or trustee, or with respect to which such Person serves in a similar capacity; (C) any Person that, directly or indirectly, is the beneficial owner of 10% or more of any class of equity securities of such Person or which such Person is directly or indirectly the beneficial owner of 10% or more of any class of equity securities; and (D) any relative or spouse of such Person who makes his or her home with that of such Person. For purposes of this definition, (i) "control" (including the correlative terms "controlling", "controlled by" and "under common control with"), with respect to any Person, shall mean possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities or by contract or otherwise, (ii) the term "Person" means an individual, corporation, partnership, firm, association, joint venture, trust, unincorporated organization, government, government body, agency, political subdivision or other entity, and (iii) Barrett N. Pickett shall be deemed to be an Affiliate of the General Partner.

2.6. Tax Elections. All elections required or permitted to be made by the Partnership under the Internal Revenue Code of 1986, as amended (the "Code"), shall be made as the General Partner may, in its sole discretion, determine.

2.7. Books and Records; Method of Accounting; Fiscal Year. The Partnership's books and records shall be maintained by the General Partner at the Partnership's principal office and each Partner shall have access thereto at all reasonable times. The Partnership shall use the accrual method of accounting. The Partnership's fiscal year shall be such fiscal year as the General Partner shall determine.

2.8. Reports. Within 120 days of the end of each fiscal year of the Partnership, the General Partner shall furnish to each Partner audited financial statements of the Partnership prepared by independent, certified public accountants of recognized standing chosen by the General Partner (subject to Section 2.2). In addition, the General Partner shall, as soon as is reasonably practical after the end of each calendar year, deliver to each Partner all information necessary for the preparation of such Partner's income tax returns. In addition, the General Partner shall furnish to each Partner within a reasonable period after the end of each of the Partnership's first three fiscal quarters, unaudited quarterly statements of cash flow.

2.9. Rights of WG and FLI Partners to Information. Each Partner shall be entitled to reasonable advance notice by the General Partner of any transaction specified in Section 2.2(b)(E), (F) and (K), and each Partner who makes a request of the General Partner shall be entitled to a report of all significant business transacted at any meeting of the Board of Governors of the NHL.

ARTICLE III

CAPITAL CONTRIBUTIONS; CAPITAL ACCOUNTS;
ALLOCATION OF PARTNERSHIP PROFITS
AND LOSSES; RETURN OF CAPITAL

3.1. Capital Contributions and Opening Capital Accounts.

(a) For Partnership accounting purposes, the respective capital accounts of the Partners shall as of the date hereof have the following values:

NAEL	\$44,717,062
NAE	451,688
WG	4,915,625
FLI	4,915,625

(b) No Partner shall be required to make any additional contributions to the capital of the Partnership.

(c) No General Partner shall be personally liable for the return of the capital contribution of any Limited Partner or General Partner or for the repayment of any loans made to the Partnership by any Partner, it being expressly understood that any such return shall be made solely from Partnership assets in accordance with this Agreement.

(d) No Partner shall have the right to demand a return of its capital contribution. No Partner shall have the right to demand or to receive property other than cash in return of its capital contribution. No Partner shall receive interest on its capital contribution or Capital Account (as hereinafter defined).

3.2. Adjustments to Capital Accounts.

(a) The Partnership shall maintain a separate capital account ("Capital Account") on the books of the Partnership for each Partner in accordance with the following provisions:

(b) A Partner's Capital Account shall be increased with: (i) any capital contributions made by such Partner after the date hereof pursuant to the provisions of this Agreement, (ii) the Percentage Interest of Partnership Profits (as hereinafter defined) allocated to such Partner, and (iii) amounts specifically allocated to a Partner pursuant to Section 3.3 hereto. A Partner's Capital Account shall be decreased with: (i) the Percentage

Interest of Partnership Losses (as hereinafter defined) allocated to such Partner, and (ii) distributions made to such Partner.

(c) Anything in this Agreement to the contrary notwithstanding, if any Partner is required by the NHL to pay any debt or expense of the Partnership, to advance funds to the Partnership or to indemnify the NHL for any such amounts, such payment, advance or indemnity shall be deemed to be a loan to the Partnership, not subject to Section 2.2, to be repaid with such interest and such priority over other distributions to Partners as WG or FLI, and NAEL, may reasonably agree upon in light of then prevailing circumstances.

(d) In addition, Capital Accounts shall be increased or decreased to reflect any adjustment that should be reflected in accordance with the rules of Section 704(b) of the Code and the Treasury Regulations, (including Section 1.704-1(b)(2)(iv)), thereunder.

(e) Partnership Profits and Losses shall mean an amount equal to the Partnership's federal taxable income or loss for such taxable year, including without limitation each item of the Partnership's income, gain, loss or deduction, adjusted as follows:

- (i) all income of the Partnership that is exempt from federal income tax under the Code shall increase Partnership Profit or reduce Partnership Losses,
- (ii) unrealized appreciation or depreciation shall be taken into account as provided in Section 3.3,
- (iii) in calculating gain or loss resulting from any disposition of Partnership property with respect to which gain or loss is recognized for federal income tax purposes, the basis of such property shall be its Asset Value (as defined in Section 3.3(e)(i)) rather than its basis for federal income tax purposes,
- (iv) the depreciation, amortization or other cost recovery deductions shall be computed in accordance with Section 3.3(e)(ii),
- (v) in the event the Asset Value of any Partnership asset is adjusted pursuant to this Agreement, the amount of such adjustment shall be taken into account as gain or loss from the distribution of such asset for purposes of computing Partnership Profits and Losses,

- (vi) such profit or loss shall be reduced by expenditures, if any, of the Partnership described in Section 705(a)(2)(B) of the Code (or so treated).

3.3. Allocation of Profits and Losses.

(a) The Partnership's Profits and Losses shall be allocated to each Partner in accordance with the following percentage interest (the "Percentage Interest") of each Partner.

<u>Name of Partner</u>	<u>Percentage Interest</u>
NAEL	81.125%
NAE	1.000%
FLI	8.9375%
WG	8.9375%

Notwithstanding the foregoing, to the extent that a distribution is made to NAEL under Section 4.2(d) in any year, Profits shall first be allocated to NAEL to the extent of such distribution.

(b) Allocations of Partnership Profits and Losses shall be made as of the last day of each taxable year of the Partnership or at such other times as determined by the General Partner. Except as set forth in this Section 3.3(b), in determining a Partner's share of Partnership Profits and Losses, the General Partner shall allocate to a Partner a share of Partnership Profits and Losses commencing on the first day in which such Partner is admitted to the Partnership (pro rated for any partial period in which such Partner was admitted to the Partnership). All Partnership Profits and Losses accruing prior to the date of this Agreement shall be allocated in accordance with the provision of this Agreement prior to its amendment and all Profits and Losses accruing on or after the date of this Agreement will be allocated in accordance with the provisions of this Agreement. The Percentage Interests of the Partners may be adjusted only in conjunction with capital contributions by new or continuing Partners, redemptions by the Partnership of Partnership Interests and transfers of Partnership Interests made in accordance with this Agreement.

(c) The Partnership's items of income, gain, loss and deduction shall be allocated for Federal, state and local income tax purposes among the Partners proportionately to the allocation among the Partners of Gross Income and of Profits and Losses as set forth in Section 3.3(a) above except to the extent otherwise required by Section 704(c) of the Code.

(d) In accordance with Section 704(c) of the Code and the Treasury Regulations thereunder, items of income, gain, loss and deduction with respect to any property contributed to the capital of the Partnership, and partnership property revalued pursuant to Section 3.3(e)(i) hereof shall, solely for federal income tax purposes, be allocated to the Partners so as to take into account any variation between the adjusted basis of such property to the Partnership for federal income tax purposes and its Asset Value under any permitted method under Treasury Regulations Section 1.704-3 and Treasury Regulations Section 1.704-3T chosen by the General Partner.

(e) The following terms referred to in this Section 3.3 are defined as follows:

(i) "Asset Value" shall mean, with respect to any of the Partnership's assets, such asset's adjusted basis for federal income tax purposes except that:

- (A) the initial Asset Value of any asset contributed by a Partner to the Partnership shall be the gross fair market value of such asset, as determined by the agreement of the Partners at the time of its contribution;
- (B) the fair market value of the Partnership's assets on the date of this Agreement shall equal to the value set forth in Section 3.1(c);
- (C) the Asset Values of all of the Partnership's assets shall be adjusted to equal their respective fair market values, as determined in the reasonable discretion of the General Partner, as of (x) the acquisition of any additional Partnership Interest (or increase in its Partnership Interest) by any new or existing Partner, (y) the distribution of more than a *de minimis* amount of the Partnership's property to a Partner as consideration for all or a portion of an interest in the Partnership, or (z) the liquidation of the Partnership within the meaning of Treasury Regulations Section 1.704-1(b)(2)(ii)(g);
- (D) the Asset Values of any Partnership property distributed to any Partner shall be adjusted to equal the gross fair market value of such asset on the date

of distribution as determined by the General Partner in good faith; and

- (E) to the extent that the Asset Value is determined under Sections 3.3(e)(i)(A), (B) or (C), the Asset Value of such property shall be adjusted by the amount of Depreciation (as computed pursuant to Section 3.3(e)(ii)) taken into account with respect to such asset for purposes of computing Profits or Losses.

(ii) "Depreciation" shall mean, for each Fiscal Year, an amount equal to the depreciation, amortization, and other cost recovery deductions allowable with respect to an asset for such period, except that if the Asset Value of an asset differs from its adjusted basis for federal income tax purposes at the beginning of such year, Depreciation shall be an amount which bears the same ratio to such beginning Asset Value as the federal income tax depreciation, amortization and other cost recovery deduction for such year or other period bears to such beginning adjusted tax basis.

ARTICLE IV

DISTRIBUTIONS TO PARTNERS

4.1. No Right to Withdraw. No Partner shall have the right to withdraw or demand distribution of any asset of the Partnership or of any portion of the Partner's Capital Account, except as expressly provided in this Agreement.

4.2. Non-liquidating Distributions.

(a) The Partners acknowledge that on April 7, 1997, the Partnership made distributions to the Partners (each an "April 7 Distribution" and, collectively, the "April 7 Distributions") of the following amounts:

NAE	\$13,430,682
WG	3,297,431
FLI	<u>3,297,431</u>
	\$20,025,544

(b) The Partners also acknowledge that on April 7, 1997 the Partnership distributed the sum of \$10,000,000 (net of a \$3,500 fee payable to the Escrow Agent) to the Escrow Agent and that said \$10,000,000 (plus accrued interest earned thereon) is presently held in the Escrow Account. The Partners also acknowledge that \$10,000,000 in the Escrow Account will be deposited in an account or accounts (collectively, the "Fleet Account") pursuant to the Amended Credit Agreement to provide a source of funding for interest payments due under the Amended Credit Agreement and working capital deficits incurred by the Partnership.

(c) It is the intention of the Partners that they should ultimately share in the April 7 Distributions, in distributions from the Partnership and in distributions from the Fleet Account (collectively, the "Team Distributions") in accordance with their Percentage Interests so that NAEL and NAE receive 82.125% collectively of all Team Distributions, WG receives 8.9375% of all Team Distributions and FLI receives 8.9375% of all Team Distributions. To this end, the Partners acknowledge and agree that NAEL should receive the first \$16,868,789 of distributions from the Partnership, the Escrow Account and/or the Fleet Account so that, when combined with the \$13,430,682 April 7 Distributions received by NAE, the aggregate Team Distributions made to all Partners will be in accordance with their respective percentages as set forth above. The Partners further acknowledge and agree that NAEL should receive simple interest on the amount of any portion of such \$16,868,789 that has not been distributed to NAEL at a rate of 8% per annum from April 7, 1997.

(d) Accordingly, the Partners agree that NAEL shall be entitled to receive first from the date of this Agreement all distributions from the Partnership, the Escrow Account and the Fleet Account until the aggregate amount of all such distributions equals \$16,868,789 plus an amount equal to the interest described in subsection (c) above (the amount due under this subsection (d) being the "NAEL's Preferred Distribution").

(e) Except as set forth above with respect to NAEL's Preferred Distribution and subject to Section 4.2(g), all distributions other than distributions upon dissolution and liquidation of the Partnership shall be made to each Partner in accordance with its Percentage Interest. If a distribution of property is made, such distributions shall, to the extent practicable, be made so that each Partner receives a pro rata portion of each item of property being distributed, subject to the NAEL Preferred Distribution.

(f) Subject to any restrictions contained in any loan agreement, debenture, promissory note or other agreement by which the Partnership is bound, and subject to the NAEL Preferred Distribution, the General Partner shall make distributions of Available Cash as often as practicable (but such distributions need not be more often than monthly and shall not be less often than quarterly) provided that any Partner may require, within 105 days following any calendar year, so long as funds are available in the reasonable judgment of the General Partner, that distributions be made to all Partners, in accordance with the Percentage

Interests, in an amount sufficient to permit the Partners to pay, if the distributions made in such calendar year were insufficient to permit them to pay, any Federal, State or local taxes imposed on them (or the persons or entities controlling any such Partner), on their respective shares of the Combined Income.

(g) Anything in the Escrow Agreement or the 1997 Amended and Restated Agreement of Limited Partnership of the Partnership to the contrary notwithstanding, the Partners agree that the Fleet Account may be registered in the name of NAEL; that until such time as NAEL's Preferred Distribution has been satisfied, all distributions from the Fleet Account which are not required to be made to or for the account of the Partnership pursuant to the Amended Credit Agreement shall be made to NAEL; and that after NAEL's Preferred Distribution has been satisfied, all distributions from the Fleet Account which are not required to be made to or for the account of the Partnership pursuant to the Amended Credit Agreement shall be made to the Partners in accordance with their Percentage Interests.

4.3. Liquidating Distribution. Upon dissolution and liquidation of the Partnership, the assets of the Partnership shall be applied and/or distributed by the General Partner in one or more installments in the following order of priority:

- (i) first, to the payment and discharge of the Partnership's outstanding liabilities to all persons who are not Partners (or the provision of adequate reserves therefor as determined by the General Partner), and to the expenses of the dissolution and winding up of the Partnership;
- (ii) second, to the establishment of such reserves as the General Partner may deem reasonably necessary for contingent or unforeseen liabilities or obligations of the Partnership, which reserves shall be held in escrow for a reasonable period of time and then distributed as herein provided;
- (iii) third, to the payment and discharge of the Partnership's outstanding liabilities, if any, to all persons or entities who are Partners in the order of priority set forth in the terms and provisions of any instruments evidencing such liabilities;
- (iv) fourth, to NAEL to the extent of the difference between NAEL's Preferred Distribution and any amounts previously distributed to NAEL pursuant to Section 4.2(d); and

- (v) fifth, to the Partners in accordance with their respective Capital Accounts as adjusted to reflect any gain or loss realized or deemed realized as a result of the dissolution of the Partnership and the distribution of its assets.

4.4. Form of Distributions. Distributions of the assets of the Partnership made pursuant to this Article IV may be made in cash or in kind. Distributions in kind, to the extent practicable and subject to the NAEL Preferred Distribution, shall be made so that each Partner receives a pro rata share of each item of property distributed. The General Partner shall determine the value of any distribution in kind, in good faith based on the fair market value thereof. Payments of principal or interest with respect to any loans made by a Partner to the Partnership shall not be deemed distributions to the Partner receiving such payments.

4.5. Equalizing Payments. For clarification, in the event that NAEL's Preferred Distribution is not paid in full, no Partner nor any of their affiliates shall have any obligation to pay to, or share with NAE or NAEL, any portion of any April 7 Distribution received by it or any portion of the \$3,000,000 paid to certain affiliates of WG and FLI on April 7, 1997 as consideration for the termination of a Management Agreement between such affiliates and the Partnership.

ARTICLE V

PREEMPTIVE RIGHTS; ASSIGNMENTS OF PARTNERSHIP INTERESTS; TAG ALONG RIGHTS

5.1. Additional Partners: Additional Capital Contributions.

(a) If a determination is made in accordance with this Agreement that the operation of the business of the Partnership requires a specified amount of additional equity capital or convertible debt in order to proceed in a profitable manner (such amount referred to herein as the "Capital Call"), each of the Partners, for a period of 60 days following the determination of the Capital Call, shall have the right to contribute up to an amount (the "Capital Call Share") equal to the product of its Percentage Interest (expressed as a decimal) and the Capital Call. A Partner shall have the right, in lieu of making its full Capital Call Share, to cause an amount which, together with the amount contributed by such Partner, equals such Capital Call Share, to be contributed by a third party reasonably acceptable to the other Partners, in which case such third party shall be permitted to make such contribution and shall be admitted as an additional Limited Partner to the Partnership. If a Partner (together with such third party) fails to contribute its full Capital Call Share, the other Partner(s) and/or one or more third parties designated by such other Partner(s) who is

reasonably acceptable to the Partner failing to contribute its full Capital Call may contribute additional amounts, on a pro rata basis, up to the amount not contributed by the other Partner to equal its Capital Call Share, in addition to such Partner's own Capital Call Share.

5.2. Death, Incompetency or Bankruptcy of a Partner. If a Partner shall die, his executor, administrator or trustee, or, if he shall be adjudicated insane or incompetent, his committee, conservator or representative, or if it shall be dissolved, merged or consolidated, its successor in interest, or upon his or its bankruptcy, his or its legal representative shall have the same rights as an assignee of a Partnership Interest.

5.3. Assignment of Interests; Assignee's Rights.

(a) Subject to Section 5.6, Partners may assign their Partnership Interests to other Partners or third parties on such terms and conditions as the assigning Partner may determine. An assignee of any Partnership Interest shall be entitled to distributions from the Partnership and to allocations of Profit and Loss of the Partnership attributable to such Partnership Interest after the effective date of the assignment. The "effective date" of an assignment of a Partnership Interest under the provisions of this Section shall be that date specified in the written instrument whereby the assignment is effected.

(b) The Partnership and the General Partner shall be entitled to treat the record owner (on the books of the Partnership) of any Partnership Interest as the absolute owner thereof in all respects, and shall incur no liability for distributions of cash or other property made in good faith to such owner until such time as a written assignment of such Partnership Interest has been received and approved by the General Partner and recorded on the books of the Partnership.

(c) Each Limited Partner agrees, upon the request of the General Partner, to execute such certificates or other documents and perform such acts as the General Partner deems appropriate to preserve the limited liability status of the Partnership after the completion of such assignment under applicable law. For purposes of this Section, any transfer of a Partnership Interest, whether voluntary or by operation of law, shall be considered an assignment, provided that this Section shall apply only to assignments permitted by this Agreement.

5.4. Substitute Partner. The assignee of any Partnership Interest may only become a substituted Partner in place of his assignor if the assignment or transfer is expressly permitted by the provisions of this Agreement. Unless waived by the General Partner, the following conditions are to be satisfied in connection with such assignment:

(a) A duly executed and acknowledged written instrument of assignment, being either a certificate evidencing the Partnership Interest owned by the

assignor prior to such assignment or some other instrument reasonably acceptable to the General Partner, is filed with the Partnership setting forth the intention of the assignor that the assignee become a substituted Partner in his place;

(b) The assignee executes an irrevocable power of attorney appointing the General Partner as the assignee's lawful attorney-in-fact in the form and for the purposes specified in Section 8.7;

(c) The assignor executes and acknowledges such other instruments as the General Partner in its reasonable judgment may deem necessary or desirable to effect such substitution;

(d) Prior to the substitution, the substituted Limited Partner pays all reasonable expenses, including attorneys' fees, incurred by the Partnership in connection with such assignment and substitution; and

(e) An opinion from counsel (which counsel and opinion shall be satisfactory to counsel for the Partnership) to the assignee is obtained stating that, in the opinion of said counsel, such substitution would not jeopardize the status of the Partnership as a partnership for federal income tax purposes, would not cause a termination of the Partnership for the purposes of the then applicable provisions of the Code, and would not violate, or cause the Partnership to violate, any applicable laws or governmental rules or regulations, including without limitation, any applicable federal or state securities laws.

By executing this Agreement, each Limited Partner shall be deemed to have consented to any substitution of an assignee in the place and stead of an assigning Limited Partner permitted by the terms of this Agreement.

(f) The effective date of a substitution shall be the date on which the above conditions have been satisfied.

(g) The General Partner shall cause the Partnership's Certificate of Limited Partnership to be amended, if and when appropriate or required by law, to reflect the substitution or addition of Limited Partners.

5.5. Effect of Assignment. To the extent permitted by applicable law, upon the transfer of all or any part of the Partnership Interest of a Partner as hereinabove provided, items of income, gain, deduction, loss or credit for tax purposes shall be allocated between the assignor and assignee based upon the number of days during the applicable fiscal year of the Partnership that the Partnership Interest so transferred was held by each of them, without regard to the results of the Partnership activities during the period in which each was the holder.

5.6. Tag Along Rights.

(a) If a Partner proposes to sell all or any portion of its Partnership Interest (other to an Affiliate of such Partner), then such Partner (for purposes of this Section 5.6, the "Proposed Seller") shall deliver to the other Partners (for purposes of this Section 5.6, the "Other Partners") a written notice (a "Notice of Sale") describing such proposal, including the Partnership Interest to be offered and the price and other terms at which the Proposed Seller proposes to sell such Partnership Interest. Such of the Other Partners who wish to participate in such proposed sale shall notify the Proposed Seller in writing (a "Tag Along Notice") of their wishes within 10 days of receipt of the Notice of Sale. The Proposed Seller shall use its good faith efforts to interest any potential buyer of the Proposed Seller's Partnership Interest in purchasing such Partnership Interests as the Other Partners have specified that they desire to sell in their respective Tag Along Notices, as well as the Partnership Interest proposed to be sold by the Proposed Seller. If a buyer does not wish to purchase all of the Partnership Interests specified in the Tag Along Notices and the Partnership Interest proposed to be sold by the Proposed Seller, then such Other Partners and the Proposed Seller shall sell in the transaction a portion of their Partnership Interest equal to the ratio that each such Partner's Percentage Interest bears to the total of the Percentage Interests of the Proposed Seller and all such Other Partners who have given Tag Along Notices. If none of the Other Partners gives a Tag Along Notice by the end of the 10-day period specified above that it desires to sell any of its Partnership Interest in such sale, then the Proposed Seller may sell the Partnership Interest specified in its Notice of Sale on terms no more favorable to the buyer than those set forth in the Notice of Sale free of any restriction in this Section 5.6.

(b) If a Partner proposes to sell all or any portion of its Partnership Interest (other than to an Affiliate of such Partner) in one or more transactions that would be deemed integrated under U.S. federal securities law, and the Partnership Interest proposed to be sold represents more than 50% of all Percentage Interests, then such Proposed Seller shall deliver to the Other Partners a Notice of Sale describing such proposal, including the Partnership Interest to be offered and the price and other terms at which the Proposed Seller proposes to sell such Partnership Interest. Each of such Other Partners shall have the right to require the potential buyer of the Proposed Seller's Partnership Interest to purchase all of such Other Partner's Partnership Interest at a price such that the values to be received by the Proposed Seller and any such Other Partner are proportionate to their Percentage Interests (after taking into account the value of NAEL's Preferred Distribution if it is a participant in such sale) and on the terms at which the Proposed Seller proposes to sell its Partnership Interest. To exercise such right, such Other Partner shall, within 10 days of its receipt of the Notice of Sale, deliver a Tag Along Notice indicating its intent to exercise such right under this Section 5.6(b). If none of the Other Partners gives a Tag Along Notice by the end of the 10-day period specified above that it desires to sell its Partnership Interest in such sale, then the Proposed Seller may sell during the 180-day period after the end of such 10-day period

the Partnership Interest specified in its Notice of Sale on terms no more favorable to the buyer than those set forth in the Notice of Sale, free of any restriction in this Section 5.6. The provisions of this Section 5.6(b) shall apply to any sale of an interest in any entity (such as NAEL) that holds a Partnership Interest if such proposed sale represents an indirect sale or sales of control of more than 50% of all Percentage Interests and if the Percentage Interests held by such entity constitute more than 50% of the assets of such entity.

5.7. Drag Along Obligation.

(a) If NAEL proposes to sell all or any portion of its Partnership Interest in one or more transactions that would be deemed integrated under U.S. federal securities laws (the "Proposed Transaction"), and the terms of the Proposed Transaction contemplate that the aggregate amount of cash consideration to each of WG and FLI would be not less than \$4,915,625 plus interest thereon from and after April 7, 1997 at a simple rate of interest of 8% per annum, and that, after NAEL's Preferred Distribution has been subtracted from the aggregate cash consideration, the values to be received by NAEL (other than such NAEL Preferred Distribution), WG and FLI in such transaction will be proportionate to their respective Percentage Interests, then NAEL may require WG and FLI to sell their respective Partnership Interests pursuant to the Proposed Transaction. To exercise this right, NAEL must deliver to WG and FLI a written notice describing the terms and conditions of the Proposed Transaction and stating that NAEL elects to require WG and FLI to sell their respective Partnership Interests in connection therewith. If NAEL makes such an exercise and delivers such a notice, WG and FLI shall be obligated to sell all of their respective Partnership Interests pursuant to the Proposed Transaction.

(b) If NAEL and either WG or FLI (collectively, the "Selling Partners") propose to sell all or any portion of their respective Partnership Interests in a Proposed Transaction, then the Selling Partners may require the other Partner to sell its Partnership Interest pursuant to the Proposed Transaction, regardless of the values to be received in such Proposed Transaction. To exercise this right, the Selling Partners must deliver a written notice describing the terms and conditions of the Proposed Transaction and stating that the Selling Partners elect to require such other Partner to sell its respective interest in connection therewith. If the Selling Partners make such an exercise and deliver such a notice, such other Partner shall be obligated to sell its Partnership Interest pursuant to the Proposed Transaction so long as that the values to be received by NAEL (other than such NAEL Preferred Distribution), WG and FLI in such transaction will be proportionate to their respective Percentage Interests.

ARTICLE VI

TERMINATION AND WINDING UP

6.1. Termination. The Partnership shall dissolve upon the happening of the earliest of (a) the expiration of the term of this Agreement as provided in Section 1.5 hereof, (b) the retirement, death or insanity of a General Partner unless the remaining General Partners elect to continue the business of the Partnership or if there are no remaining General Partners unless all remaining Partners consent to the continuation of the Partnership's business, (c) the written agreement thereto of all of the Partners, or (d) the sale of all or substantially all of the assets of the Partnership.

6.2. Distributions. Upon the dissolution of the Partnership as provided in this Article, the assets of the Partnership shall be distributed in the manner and order provided in Section 4.3 hereof.

6.3. Winding Up. After dissolution, the winding up of the affairs of the Partnership and the distribution of its assets and property shall be performed by the General Partner or, if there is no General Partner, any person selected to perform such distribution by written consent of holders of a majority of the Partnership Interests.

ARTICLE VII

DEFINITIONS

For the purposes of this Partnership Agreement, the following terms shall have the following meanings.

(a) "Amended Credit Agreement" shall mean the Amendment No. 1 and Waiver to the Credit Agreement, dated July 25, 1997.

(b) "Available Cash" shall mean the cash generated by the Partnership's operations after payment of all expenses and debt service provided that, in the event that the Business Plan indicates working capital needs over and above the funds available from any revolving credit facility available to the Partnership, or in the event that a probable contingent liability exists, Available Cash shall not include a reasonable reserve for such excess working capital needs or probable contingency.

(c) "Credit Agreement" shall mean the Credit Agreement dated as of March 31, 1997 among New York Islanders Hockey Club, L.P., as Borrower, Fleet

National Bank, Societe Generale, Bank Hapoalim B.M., Mellon Bank, N.A. and Comerica Bank-Texas, as the Lenders, as the same may be amended from time to time.

(d) "Escrow Account" shall mean the account established pursuant to the Escrow Agreement dated as of April 7, 1997, by and among the Escrow Agent, the National Hockey League, NAE, WG and FLI.

(e) "Escrow Agent" shall mean IBJ Schroder Bank & Trust Company, as escrow agent under the Escrow Agreement.

(f) "License Agreement" shall mean the Amended and Restated License Agreement, dated as of July 1, 1996, between New York Islanders Hockey Club, L.P. and SportsChannel Associates, as amended.

(g) "NAEL's Preferred Distribution" shall have the meaning set forth in Section 4.2(d) of this Agreement.

(h) "Percentage Interest" shall have the meaning set forth in Section 3.4.

ARTICLE VIII

MISCELLANEOUS PROVISIONS

8.1. Notices. Any notice or other communication required or permitted to be given by this Agreement shall be in writing and shall be delivered personally, or sent by first class mail (with a copy also to be sent by telecopy, provided that delivery by telecopy shall not be required for a notice or other communication to be effective hereunder) to the address of the General Partner or of any Limited Partners, or to such other address as the General Partner or any Limited Partner concerned may designate (with copies to such other persons as may be so designated). Any such notice shall be deemed to have been received or delivered for purposes of this Agreement upon personal delivery, or 48 hours after being sent by first class mail. The Limited Partners shall, within 15 days, notify the General Partner of changes in their addresses.

8.2. Captions and Section Headings. The captions and section headings in this Agreement are inserted for convenience and identification and are not intended to have any effect upon the interpretation of construction of this Agreement.

8.3. Choice of Law. This Agreement shall be governed and construed in accordance with the laws of the State of New York, without regard to conflict of law principles thereof.

8.4. Amendment. This Agreement may be amended at any time by written agreement of those Partners necessary to take action with respect to a Major Decision at such time as provided in Section 2.2; provided, however, that without the consent of WG or FLI, no amendment shall (i) be made to the proviso at the end of Section 2.2(b), (ii) without the consent of the Partner so affected, decrease the participation of any Partner in, or the amount to which it is entitled under, the allocations and distributions provided in Articles III, IV and VI except in connection with the issuance of additional Partnership Interests where all Partnership Interests existing prior to such issuance are affected pro rata by the new issuance, (iii) amend this Agreement in any way to permit the economic benefits or proceeds of disposition of the License Agreement to be received by any person other than the Partnership, or (iv) amend the provisions of Sections 2.9, 3.1(b), 5.1 or 5.6 or this Section 8.4 and provided, however, the General Partner may amend and supplement this Agreement to reflect substitutions of Partners or the addition of Partners made in accordance with this Agreement without being required to obtain such agreement of other Partners.

8.5. Execution in Counterparts. This Agreement may be executed in various original or facsimile counterparts, each of which shall be deemed an original, with the same effect as if all parties hereto had signed the same document.

8.6. Confidentiality. Except as otherwise required by law or consented to by the General Partner, the Limited Partners agree not to disclose, or permit any of their agents to disclose, any information which the General Partner distributes or conveys to such Limited Partners relating to the business, operations, financial condition or prospects of the Partnership.

8.7. Power of Attorney. Each Partner, by its execution and delivery of this Agreement, severally consents to be bound by the terms of this Agreement and irrevocably constitutes and appoints the General Partner, with full power of substitution, as his true and lawful agent and attorney-in-fact in his name, place and stead to execute, acknowledge and file the original certificate of limited partnership and all certificates and other instruments necessary to qualify or continue the Partnership as a limited partnership or any form of partnership wherein the Limited Partners have limited liability in the states or countries where the Partnership may do business. The Partners agree that the power of attorney herein granted shall be deemed to be coupled with the Partner's interest and shall survive the death of incapacity of the Partner. In the event of any conflict between this Agreement and any instruments executed by any one of said agents or attorneys-in-fact pursuant to the power of attorney granted in this paragraph, this Agreement shall control.

8.8. Tax Matters Partner. The General Partner is hereby designated as Tax Matters Partner for the purposes of Section 6231(a)(7) of the Code.

8.9. Separability. In case one or more of the provisions contained in this Agreement or any application thereof shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein and other applications thereof shall not in any way be affected or impaired thereby.

8.10. No Breach of Duty to Other Partners. The General Partner and each other Partner shall cooperate reasonably with each other to permit, to the extent requested, each other Partner the right to participate in the formulation of significant operational and strategic decisions as provided in Section 2.1(a) provided that no Partner shall be permitted to allege that the General Partner is in breach of its obligation to permit such participation as to any specific matter unless such Partner has informed the General Partner of its desire to partake in the decision making with respect to such matter and has made itself reasonably available to consult with the General Partner as to such matter.

8.11. NHL Consent. The transfer, pledge or other disposition of Partnership Interests may be subject to the prior approval or consent of the National Hockey League pursuant to the NHL Constitution and By-Laws and an agreement or agreements entered into with the NHL pursuant thereto.

National Hockey League policy prohibits any direct or indirect sale, transfer, assignment, pledge, hypothecation, encumbrance or other disposition of, or with respect to, the New York Islanders franchise or any direct or indirect therein without the prior consent of the National Hockey League. Please contact the National Hockey League, League Counsel, 1251 Avenue of the Americas, 47th Floor, New York, New York 10020-1198 to determine the applicable requirements.

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

NAE SPORTS LLC

By: _____
Name:
Title:

N.A.E. Inc.

By: _____
Name:
Title:

WG ISLANDERS, L.P.

By: Walsh, Greenwood & Co.,
its general partner

By: _____
Name:
Title:


FLI ISLANDERS, L.P.

By: First Long Island Investors,
Inc., its general partner

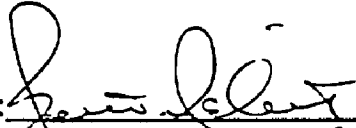
By: _____
Name:
Title:

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

NAE SPORTS LLC

By: 
Name: Barrett N. Pickett
Title: Vice President

N.A.E. Inc.

By: 
Name: Barrett H. Pickett
Title: VP

WG ISLANDERS, L.P.

By: Walsh, Greenwood & Co.,
its general partner

By: _____
Name:
Title:

FLI ISLANDERS, L.P.

By: First Long Island Investors,
Inc., its general partner

By: _____
Name:
Title:

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

NAE SPORTS LLC

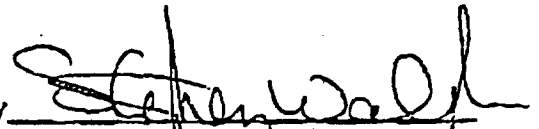
By _____
Name:
Title:

N.A.E. Inc.

By _____
Name:
Title:

WG ISLANDERS, L.P.

By: Walsh, Greenwood & Co.,
its general partner

By 
Name: Stephen Walsh
Title: Managing Partner

FLI ISLANDERS, L.P.

By: First Long Island Investors,
Inc., its general partner

By _____
Name:
Title:

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

NAE SPORTS LLC

By _____
Name:
Title:

N.A.E. Inc.

By _____
Name:
Title:

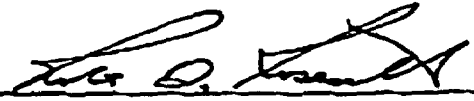
WG ISLANDERS, L.P.

By: Walsh, Greenwood & Co.,
its general partner

By _____
Name:
Title:

FLI ISLANDERS, L.P.

By: First Long Island Investors,
Inc., its general partner

By  _____
Name:
Title:

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