



10-15-1998



09-23-1998

U.S. Patent & TMO/c/TM Mail Rcpt Dt. #22

100853280

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

Handwritten notes: "RE" at the top left, "9-23-98" and "MAG" written vertically on the left side.

1. Name of Conveying Party(ies):

Miami Heat Limited Partnership
One Southeast Third Avenue, Suite 2300
Miami, FL 33131

Type of Entity:

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

2. Name and Address of Receiving Party(ies):

Name: Citibank, N.A., Corporate Agency and Trust
Address Line 1: 111 Wall Street
Address Line 2: 5th Floor, Zone #2
City: New York State: NY Zip: 10043

Type of Entity:

Individual(s) Citizenship
 Association National banking association
 General Partnership
 Limited Partnership
 Corporation-State
 Other

If assignee is not domiciled in the United States, a domestic representative designation is attached: YES NO
(Designations must be separate document from Assignment)
Additional name(s) & address(es) attached? YES NO

3. Nature of Conveyance:

Assignment Merger
 Security Agreement Change of Name
 Other

Execution Date: May 20, 1998

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

A. Trademark Application Number(s):

See Attached.
[Reference ID: 100730235]

B. Trademark Registration No.(s):

See Attached.

Additional numbers attached? YES NO

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

Name: James P. Dugan, Esq.
Internal Address: Foster Pepper & Shefelman PLLC
1111 Third Avenue, Suite 3400
Seattle, Washington 98101

6. Total number of applications and registrations involved:

11

7. Total fee (37 CFR 3.41):

\$290.00

Enclosed
 Authorized to be charged to deposit account

8. Deposit account number:

06-1629

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

DO NOT USE THIS SPACE

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.

Robert Kunold, Jr.
Name of Person Signing

Robert Kunold, Jr.
Signature

9-22-98
Date

SCHEDULE 6
Copyrights, Patents and Trademarks

COPYRIGHTS AND COPYRIGHT LICENSES

N/A

TRADEMARKS AND TRADEMARK LICENSES

(a) Trademark Applications

75/340,930

75/178,499

74/426,378

73/678,053

(b) Trademark Registrations

1,987,199

1,982,703

1,962,650

1,771,918

2,151,548

1,485,606

1,485,605

MEMO 5-20-98

06-09-1998



100730235

ONLY

To the Honorable Commission

attached original documents or copy thereof.

1. Name of Conveying Party(ies):

Miami Heat Limited Partnership
One Southeast Third Avenue, Suite 2300
Miami, FL 33131

Type of Entity:

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

3. Nature of Conveyance:

Assignment Merger
 Security Agreement Change of Name
 Other

Execution Date:

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

A. Trademark Application Number(s):

See Attached.

2. Name and Address of Receiving Party(ies):

Name: Citibank, N.A., Corporate Agency and Trust
Address Line 1: 111 Wall Street
Address Line 2: 5th Floor, Zone #2
City: New York State: NY Zip: 10043

Type of Entity:

Individual(s) Citizenship
 Association National banking association
 General Partnership
 Limited Partnership
 Corporation-State
 Other

If assignee is not domiciled in the United States, a domestic representative designation is attached: YES NO
(Designations must be separate document from Assignment)
Additional name(s) & address(es) attached? YES NO

B. Trademark Registration No.(s):

See Attached.

Additional numbers attached? YES NO

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

Name: James P. Dugan, Esq.
Internal Address: Foster Pepper & Shefelman PLLC
1111 Third Avenue, Suite 3400
Seattle, Washington 98101

6. Total number of applications and registrations involved:

11

7. Total fee (37 CFR 3.41):

\$290.00

Enclosed
 Authorized to be charged to deposit account

8. Deposit account number:

06-1629

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

DO NOT USE THIS SPACE

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.

L. Jay Cross
Name of Person Signing

[Signature]
Signature

5/19/98
Date

RECEIVED
98 MAY 20 PM 4:45
ASSIGNMENT

629190 0000036
06/04/1998 JWB/KLS 0661/00/00 CH
198:33 10

SECURITY AGREEMENT

made by

MIAMI HEAT LIMITED PARTNERSHIP

and

Its Restricted Subsidiaries

in favor of

CITIBANK, N.A.
as Trustee

Dated as of May 20, 1998

TABLE OF CONTENTS

ARTICLE 1.	DEFINITIONS, INCORPORATION BY REFERENCE.....	1
Section 1.01	Incorporation by Reference.....	1
Section 1.02	Other Defined Terms.....	1
Section 1.03	Other Definitional Provisions.....	5
Section 1.04	Controlling Agreements.....	6
ARTICLE 2.	GRANT OF SECURITY INTEREST.....	6
Section 2.01	MHLP Security Agreement Collateral.....	6
Section 2.02	Power of Attorney.....	8
Section 2.03	Execution of Financing Statements.....	10
Section 2.04	Authority of Trustee.....	10
ARTICLE 3.	REPRESENTATIONS AND WARRANTIES.....	11
Section 3.01	Title; No Other Liens.....	11
Section 3.02	Perfected Liens.....	11
Section 3.03	Chief Executive Office.....	11
Section 3.04	Pledged Interests.....	11
Section 3.05	Intellectual Property.....	12
Section 3.06	Solvency.....	12
ARTICLE 4.	COVENANTS.....	12
Section 4.01	Delivery of Instruments and Chattel Paper.....	12
Section 4.02	Maintenance of Perfected Security Interest: Further Documentation.....	12
Section 4.03	Changes in Locations, Name, etc.....	13
Section 4.04	Intellectual Property.....	13
Section 4.05	Pledged Interests.....	14
Section 4.06	Registration.....	14
ARTICLE 5.	REMEDIAL PROVISIONS.....	14
Section 5.01	Certain Matters Relating to Assigned Agreements and Accounts.....	14
Section 5.02	Disbursements from Pledged Accounts.....	15
Section 5.03	Pledged Interests.....	15
Section 5.04	Code and Other Remedies.....	16
Section 5.05	Payment of Costs and Expenses.....	17
Section 5.06	Deficiency.....	17
Section 5.07	NBA Consent.....	17
ARTICLE 6.	MISCELLANEOUS.....	18
Section 6.01	Further Assurances.....	18
Section 6.02	Security Interest Absolute.....	18
Section 6.03	Termination.....	18
Section 6.04	No Subrogation.....	19
Section 6.05	No Waiver.....	19
Section 6.06	Notices.....	19

Section 6.07	Governing Law.	20
Section 6.08	Submission To Jurisdiction, Waivers.	20
Section 6.09	Successors and Assigns.....	21
Section 6.10	Severability.	21
Section 6.11	Counterpart Originals.....	22
Section 6.12	Table of Contents, Headings, etc.	22
Section 6.13	Amendments.	22
Section 6.14	Legal Expenses.	22
Section 6.15	Integration.	22
Section 6.16	Additional Grantors.	22
Section 6.17	NY MHLP Accounts.....	23

SCHEDULES:

Schedule 1	Notice Addresses of Grantors
Schedule 2	Description of Pledged Interests
Schedule 3	Filings and Other Actions Required to Perfect Security Interests
Schedule 4	Location of Jurisdiction of Organization and Chief Executive Office
Schedule 5	Location of Inventory and Equipment
Schedule 6	Copyrights and Trademarks
Schedule 7	Investment Procedures for New York Accounts

SECURITY AGREEMENT

This SECURITY AGREEMENT, dated as of May 20, 1998, is made by MIAMI HEAT LIMITED PARTNERSHIP, a Florida limited partnership ("MHLP"), HEAT STORE, LTD., a Florida limited partnership ("HSL") and each Additional Grantor (as defined below) which hereafter becomes a party to this Agreement as provided herein, in favor of CITIBANK, N.A., a national banking association, as Trustee (in such capacity, together with its successors and assigns the "Trustee") for the Holders (as defined below). MHLP, HSL and the Additional Grantors are referred to collectively in this Agreement as "Grantors." HSL is a Restricted Subsidiary of MHLP.

BPL has issued its 6.65% Senior Term Notes due 2025 (Series A-1-A) in the aggregate principal amount of \$90,200,000, its 6.65% Senior Term Notes due 2025 (Series A-1-B) in the aggregate principal amount of \$30,000,000, its 6.80% Senior Term Notes due 2025 (Series A-2) in the aggregate principal amount of \$50,000,000 and its 6.21% Senior Notes due 2005 (Series B) in the aggregate principal amount of \$14,697,000 (collectively, the "Notes") pursuant to that certain Indenture dated as of May 20, 1998 (the "Indenture"). The Notes and certain other obligations of BPL under the Indenture and the other Note Documents (as defined below) have been guaranteed by MHLP, on the terms set forth in the Indenture.

In connection with the Notes, MBIA Insurance Corporation, a New York stock insurance corporation ("MBIA"), is issuing the Note Insurance Policies, the County Payment Surety Bond and the Debt Service Reserve Surety Bond, each as defined in the Indenture.

Grantors agree as follows for the benefit of the Trustee and MBIA and for the equal and ratable benefit of the Holders:

ARTICLE 1. DEFINITIONS, INCORPORATION BY REFERENCE AND CONTROLLING AGREEMENTS

Section 1.01 Incorporation by Reference.

(a) Unless otherwise defined herein, the following terms which are defined in the Uniform Commercial Code as enacted in the State of Florida on the date hereof are used herein as so defined: Accounts, Chattel Paper, Documents, Equipment, Fixtures, Goods, Instruments and Inventory.

(b) Capitalized terms used in this Agreement and not otherwise defined shall have the meanings given to those terms in the Indenture.

Section 1.02 Other Defined Terms.

The following terms shall have the following meanings:

"Additional Grantor" means a Restricted Subsidiary of MHL P which becomes a party to this Agreement by executing and delivering to the Trustee a counterpart hereof or an agreement which is identical in substance to this Agreement.

"BPL" has the meaning specified in the preamble to the Agreement.

"Closing Date" means May 20, 1998.

"Copyright Licenses" means any written agreement naming any Grantor as licensor or licensee, granting any right under any Copyright, including, without limitation, the grant of rights to manufacture, distribute, exploit and sell materials derived from any Copyright.

"Copyrights" means (a) all copyrights arising under the laws of the United States, any other country or any political subdivision thereof whether registered or unregistered and whether published or unpublished (including, without limitation, all illustrations and recordings thereof and all applications in connection therewith, including, without limitation, all registrations, recordings and applications in the United States Copyright Office, and (b) the right to obtain all renewals thereof.

"General Intangibles" means all "general intangibles" as such term is defined in Section 9-106 of the UCC on the date hereof and, in any event including, with respect to any Grantor, all contracts, agreements and instruments in any form, and portions thereof, to which such Grantor is a party or under which such Grantor has any right, title or interest or to which such Grantor or any property of such Grantor is subject, as the same may from time to time be amended, supplemented or otherwise modified, including, without limitation, (i) all rights of such Grantor to receive money due and to become due to it thereunder or in connection therewith, (ii) all rights of such Grantor to damages arising thereunder and (iii) all rights of such Grantor to perform and to exercise all remedies thereunder.

"Governmental Authority" means any federal, state or local government, department, commission, board, bureau, agency, regulatory authority, instrumentality, judicial or administrative body, or other body (including the NBA) having the power to regulate or supervise the Project or any part thereof (or any of the uses thereof) or any Grantor.

"Grantors" has the meaning specified in the preamble to this Agreement.

"HSL" has the meaning specified in the preamble to this Agreement.

"Intellectual Property" means all rights, priorities and privileges relating to intellectual property, whether arising under United States, multinational or foreign laws or otherwise, including, without limitation, the Copyrights, the Copyright Licenses, the Trademarks and the Trademark Licenses, and all rights to sue at law or in equity for any infringement or other impairment thereof, including the right to receive all proceeds and damages therefrom.

"Investment Property" means, with respect to any Grantor, all such Grantor's right, title and interest in and to all of the following: (a) all securities (whether certificated or uncertificated),

stocks, bonds, mutual funds, securities accounts, commodity contracts and commodity accounts; (b) Permitted Investments (as defined in the Deposit and Disbursement Agreement); and (c) all other property of any kind or nature which may be included within any definition of the term "investment property" as the same may now or hereafter be defined in the UCC.

"*Issuer*" means any Person which is an issuer of any of the Pledged Interests.

"*MHLP*" has the meaning specified in the preamble to this Agreement.

"*MHLP Obligations*" means (a) all present and future obligations, liabilities and indebtedness of MHLP to the Holders or to the Trustee arising under the Indenture (including the guaranty contained in Article 9 thereof) and the other Note Documents; and (b) all obligations of Grantors under this Agreement and the other Note Documents.

"*MHLP Security Agreement Collateral*" has the meaning specified in Section 2.01(a).

"*NY MHLP Accounts*" means those of the Pledged Accounts maintained by the Trustee under the Deposit and Disbursement Agreement in the State of New York.

"*Payment*" has the meaning specified in Section 2.01(b) (iii).

"*Pledged Accounts*" means, collectively, all Grantors' right, title and interest in and to (i) the cash collateral accounts maintained from time to time by the Trustee pursuant to the Deposit and Disbursement Agreement (including Section 2.02 thereof) and all amounts from time to time on deposit therein, (ii) all investments of funds on deposit in such accounts, including all certificates and instruments from time to time representing or evidencing such investments and any account or accounts in which such investments may be held by, or in the name of, or on behalf of the Trustee, (iii) all notes, certificates of deposit, checks and other instruments and deposits and all Investment Property from time to time transferred to or otherwise under the control of or held in the name of any Person holding such accounts or investments therein for or on behalf of the Trustee in substitution for or in addition to any or all of the Pledged Accounts, (iv) all interest, dividends, cash, Instruments, Investment Property and other property from time to time received, receivable or otherwise distributed in respect of or in exchange for any or all of the foregoing and (v) to the extent not covered by the foregoing clauses (i) through (iv), Proceeds of any or all of the foregoing.

"*Pledged Interests*" means, collectively, the Pledged Notes, the Pledged Stock, the Pledged Partnership Interests and the Pledged LLC Interests.

"*Pledged LLC Interests*" means, with respect to any Grantor, as to any limited liability company (other than an Unrestricted Subsidiary) of which such Grantor may become a member, the membership interests of such Grantor in such limited liability company, including, without limitation, (a) all present and future rights of such Grantor to receive any payment of money or other distribution or payment arising out of or in connection with the membership interests in such limited liability company and the rights of such Grantor under the operating agreement or other organizational document relating to such limited liability company, including, without limitation, all

of such Grantor's right, title and interest in and to all (i) distributions of profits and income of such limited liability company, (ii) capital distributions by such limited liability company and (iii) distributions of cash flow by such limited liability company, and (b) such Grantor's interest in such limited liability company and all of such Grantor's rights under the operating agreement or other organizational document relating to such limited liability company and Applicable Law in its capacity as a member (including, without limitation, all of such Grantor's right, title and interest as a member to reports, accounting, and voting and any rights of such Grantor to participate in certain aspects of the operation or management of such limited liability company and all of such Grantor's right, title and interest to property, assets, membership interests and distributions under such operating agreement or other organizational document).

"Pledged Notes" means, with respect to any Grantor, all promissory notes and similar obligations now or hereafter issued by any Person in favor of, or held by, such Grantor.

"Pledged Partnership Interests" means, with respect to any Grantor, as to any limited or general partnership (other than an Unrestricted Subsidiary) of which such Grantor is or may become a partner, the partnership interests of such Grantor in such partnership including (a) all present and future rights of such Grantor to receive any payment of money or other distribution or payment arising out of or in connection with the limited partnership or general partnership interests in such partnership and the right of such Grantor under the partnership or general partnership interests in such partnership and the rights of such Grantor under the partnership agreement relating to such partnership, including, without limitation, all of such Grantor's right, title, and interest in, to and under all (i) distributions of profits and income of such partnership, (ii) capital distributions from such partnership and (iii) distributions of cash flow by such partnership; and (b) such Grantor's interest in such partnership and all of such Grantor's rights under the partnership agreement relating to such partnership and Applicable Law in its capacity as a limited partner or general partner, as the case may be (including all of such Grantor's right, title and interest as a limited or general partner to reports, accountings, information and voting and any rights of such Grantor to participate in the operation or management of such partnership and all of such Grantor's right, title and interest to property, assets, partnership interests and distributions under such partnership agreement).

"Pledged Stock" means, with respect to any Grantor, any shares, stock certificates, options or rights of any nature whatsoever in respect of the capital stock of any Person (other than an Unrestricted Subsidiary) that may be issued or granted to, or held by, such Grantor.

"Proceeds" means all "proceeds" as such term is defined in Section 9-306(1) of the UCC on the date hereof.

"Release Price" has the meaning specified in Section 2.01(b)(iii).

"Termination Date" has the meaning specified in Section 6.03.

"Trademark License" means any agreement, whether written or oral, providing for the grant by or to any Grantor of any right to use any Trademark.

“Trademarks” means (a) all trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, logos and other source or business identifiers, and all goodwill associated therewith, now existing or hereafter adopted or acquired, all registrations and recordings thereof, and all applications in connection therewith, whether in the United States Patent and Trademark Office or in any similar office or agency of the United States, any state thereof or any other country or any political subdivision thereof, or otherwise, and all common-law rights related thereto, and (ii) the right to obtain all renewals thereof.

“UCC” means the Uniform Commercial Code as from time to time in effect under the law specified in Section 6.07.

Section 1.03 Other Definitional Provisions.

Unless the context otherwise requires:

- (a) a term has the meaning assigned to it;
- (b) an accounting term not otherwise defined has the meaning assigned to it in accordance with GAAP;
- (c) words in the singular include the plural, and in the plural include the singular;
- (d) provisions apply to successive events and transactions;
- (e) references to sections of or rules under the Securities Act, UCC and other statutes shall be deemed to include substitute, replacement or successor sections or rules adopted by the SEC or any other applicable Governmental Authority from time to time;
- (f) the words “hereof,” “herein” and “hereunder” and words of similar import when used in this Agreement shall, unless otherwise expressly specified, refer to this Agreement as a whole and not to any particular provision of this Agreement, and all references to Sections and Schedules shall be references to Sections of, and Schedules to, this Agreement unless otherwise expressly specified;
- (g) unless otherwise expressly specified, any agreement, contract or document defined or referred to herein shall mean such agreement, contract or document in the form (including all amendments, schedules, exhibits, appendices, attachments, clarification letters and the like relating thereto) delivered to the Trustee on the Closing Date, if so delivered, as the same may thereafter be amended, supplemented or otherwise modified from time to time in accordance with the terms of such agreement, contract or document, this Agreement and the other Note Documents;
- (h) unless otherwise stated, any reference in this Agreement to any Person shall include its permitted successors and assigns and, in the case of any Governmental Authority, any Person succeeding to its functions and capacities;

(i) whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms;

(j) the words "include," "includes" and "including" shall not be limiting, and shall be deemed in all instances to be followed by the phrase "without limitation"; and

(k) references to "days" shall mean calendar days, unless otherwise indicated.

Section 1.04 Controlling Agreements.

Subject to the Consent and Agreement dated as of May 20, 1998 among the County, BPL and MHLP, in the event the observance or performance by a Grantor of any provision of this Agreement would operate to create a breach of any obligation of either Company to the County under any provision of the County Agreements, the provision in the County Agreements shall be deemed to control the obligations of the Grantors, provided, however, that subject to (a) the County having no liability for any indebtedness of BPL or MHLP to the Trustee or the Holders and (b) the County Payments under the Management Agreement (which for purposes hereof consist solely of the Operating Cost Payments and the Municipal Services Payment as defined therein) being paid to the manager and operator of the Arena (i) for so long as the manager or operator is operating the Arena in accordance with the Management Agreement, and (ii) not for payment of the Notes, neither the foregoing nor any other provision in the County Agreements shall be interpreted to impair the right of the Holders to payment of principal of and interest on and the Yield Maintenance Amount with respect to the Notes or the right of the Trustee or the Holders to exercise all remedies available to them to enforce and realize on the collateral securing the Notes and the Note Documents. The rights of the Trustee, MBIA and the Holders are subject in their entirety to the provisions of Section 10.03 of the Indenture and the Trustee, MBIA and the Holders will not take any action with respect to the MHLP Security Agreement Collateral contrary to the terms of the Indenture. The rights of the Trustee, MBIA and the Holders hereunder are further subject to the provisions of Section 5.07 hereof.

ARTICLE 2.
GRANT OF SECURITY INTEREST

Section 2.01 MHLP Security Agreement Collateral.

(a) As collateral security for the due and punctual payment, performance and observance (whether at the stated maturity, by acceleration or otherwise) of all the MHLP Obligations, each Grantor hereby pledges to the Trustee, and grants to the Trustee, for the benefit of the Trustee and MBIA and for the equal and ratable benefit of the Holders but subject to the rights of the County under the County Agreements, a first-priority security interest in and lien upon all right, title and interest of the Grantor in all of the following property of such Grantor, whether now owned or hereafter acquired (collectively the "MHLP Security Agreement Collateral"):

- (i) all Accounts;
- (ii) all Assigned Agreements;
- (iii) all Chattel Paper;
- (iv) all Documents;
- (v) all Equipment;
- (vi) all Fixtures;
- (vii) all General Intangibles;
- (viii) all Instruments;
- (ix) all Intellectual Property;
- (x) all Inventory;
- (xi) all Investment Property;
- (xii) all Permits;
- (xiii) all Plans and Specifications;
- (xiv) all Pledged Accounts;
- (xv) all Pledged Interests;
- (xvi) all Goods;
- (xvii) all other property and assets of any kind or nature;
- (xviii) all books and records pertaining to the MHLP Security Agreement

Collateral; and

(xix) all Proceeds (including insurance proceeds) and products of any and all of the foregoing and of such Grantor's right, title and interest in and to all collateral security and guaranties given by any Person with respect to any of the foregoing.

(b) Notwithstanding the foregoing or any provision herein to the contrary:

(i) the MHLP Security Agreement Collateral under this Agreement (but without limiting the effect of any other document or agreement) shall not include (A) any Equity Interest in BPL owned by MHLP (B) any Equity Interest of any Grantor in, or any property of, any Unrestricted Subsidiary or (C) the County's Arena Distributable Net Cash Flow Payment and the County's share of Net Proceeds;

(ii) the B Loan Documents and the Loan Disbursement Account (and all funds and investments therein) shall secure only MHLP's guaranty of the Series B Notes and not the other MHLP Obligations;

(iii) the maximum amount of MHLP Obligations secured pursuant to this Agreement and the other MHLP Security Documents shall at no time exceed \$60,000,000 in the aggregate (the "Release Price"); provided, however, that no payment or other amount credited against the MHLP Obligations (in either case, a "Payment") shall reduce the Release Price below \$60,000,000 unless: (a) the aggregate balance of the principal, interest and all other amounts owing on the MHLP Obligations has been paid down to an amount equal to or less than \$60,000,000, in which case all subsequent Payments made while such balance is less than \$60,000,000 shall reduce the Release Price by the amount of such Payments; (b) an Approved Purchaser (as defined in the NBA Consent) makes a payment as provided in Section B.3(c) of the NBA Consent in which case the amount so paid shall be credited against the Release Price; or (c) the Trustee Forecloses (as defined in the NBA Consent) on the Team Collateral (as defined in the NBA Consent) or the Ownership Interests (as defined in the NBA Consent) in accordance with the NBA Consent, in which case the Release Price shall be reduced by an amount equal to the net proceeds of the Foreclosure which are credited against the MHLP Obligations; and

(iv) the first-lien security interest of the Trustee in MHLP's share of the revenues derived by MHLP from network, national and international television contracts, together with all other security interests held by all parties (other than the NBA) in such revenues, shall at all times remain limited in the aggregate to a maximum of 85% of such revenues.

Section 2.02 Power of Attorney.

(a) Each Grantor hereby irrevocably constitutes and appoints the Trustee and any officer or agent thereof with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of such Grantor and in the name of such Grantor or in its own name, for the purpose of carrying out the terms of this Agreement, to take any and all appropriate action and to execute all documents and instruments which may be necessary or appropriate in the reasonable judgment of the Majority Holders to accomplish the purposes of this Agreement, and, without limiting the generality of the foregoing, each Grantor hereby gives the Trustee the power and right, on behalf of such Grantor, without further notice to or assent by such Grantor, to do any or all of the following:

(i) in the name of such Grantor or its own name, or otherwise, take possession of and indorse and collect any checks, drafts, notes, acceptances or other instruments for the payment of moneys due under any Account, Assigned Agreement, General Intangible or any other MHLP Security Agreement Collateral and file any claim or take any other action or proceeding in any court of law or equity or otherwise deemed appropriate by the Trustee for the purpose of collecting any and all such moneys due under any of the foregoing whenever payable;

(ii) in the case of any Intellectual Property, execute and deliver, and have recorded or filed, any and all agreements, instruments, documents and papers as the

Trustee may request to evidence the Trustee's security interest in such Intellectual Property and the goodwill and General Intangibles of such Grantor relating thereto or represented thereby, subject in all instances to the rights and requirements of the NBA, NBA Properties, Inc. and other applicable NBA Entities;

(iii) pay or discharge taxes and Liens levied or placed on or threatened against the MHLP Security Agreement Collateral, effect any repairs or any insurance called for by the terms of this Agreement or the other Note Documents and pay all or any part of the premiums therefor and the costs thereof;

(iv) execute, in connection with any sale of MHLP Security Agreement Collateral permitted by this Agreement or Applicable Law, any endorsements, assignments or other instruments of conveyance or transfer with respect to the MHLP Security Agreement Collateral; and

(v) (A) direct any party liable for any payment under any of the MHLP Security Agreement Collateral to make payment of any and all moneys due or to become due thereunder directly to the Trustee or as the Trustee shall direct; (B) ask or demand for, collect, and receive payment of and receipt for, any and all moneys, claims and other amounts due or to become due at any time in respect of or arising out of any MHLP Security Agreement Collateral; (C) sign and indorse any invoices, freight or express bills, bills of lading, storage or warehouse receipts, drafts against such Grantor, assignments, verifications, notices and other documents in connection with any of the MHLP Security Agreement Collateral; (D) commence and prosecute any suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect the MHLP Security Agreement Collateral or any portion thereof and to enforce any other right in respect of any MHLP Security Agreement Collateral; (E) defend any suit, action or proceeding brought against such Grantor with respect to any MHLP Security Agreement Collateral; (F) settle, compromise or adjust any such suit, action or proceeding and, in connection therewith, give such discharges or releases as the Trustee may in its reasonable judgment deem appropriate; (G) assign any Copyright or Trademark (along with the goodwill of the business to which any such Copyright or Trademark pertains), throughout the world for such term or terms, on such conditions, and in such manner as the Trustee shall determine in its reasonable judgment; and (H) generally, sell, transfer, pledge and make any agreement with respect to or otherwise deal with any of the MHLP Security Agreement Collateral as fully and completely as though the Trustee were the absolute owner thereof for all purposes, and do, at the Trustee's option and such Grantor's expense, at any time, or from time to time, all acts and things which the Trustee in its reasonable judgment deems necessary to protect, preserve or realize upon the MHLP Security Agreement Collateral and the Trustee's security interests therein and to effectuate the intent of this Agreement, all as fully and effectively as such Grantor might do;

(vi) execute any financing statements and other filings with any Governmental Authority as may be necessary or appropriate to perfect the security interests and Liens granted under this Agreement or the other Security Documents.

(b) The Trustee agrees that it will not exercise any rights under the power of attorney provided for in clauses (i), (iii), (iv) or (v) of subsection (a) of this Section 2.02 unless an Event of Default shall have occurred and shall be continuing; provided, however, that at any time the Trustee may exercise the rights provided for (i) in the foregoing clause (a)(i) as provided in the Deposit and Disbursement Agreement; and (ii) in the foregoing clause (a)(iii) if necessary or appropriate in the reasonable judgment of the Trustee to protect its security interests in the MHLP Security Agreement Collateral if a Grantor has failed to timely perform its obligations under the Note Documents with respect to the matters contemplated by such clause (a)(iii).

(c) If any Grantor fails to perform or comply with any of its agreements contained herein, the Trustee at its option, but without any obligation so to do, may perform or comply, or otherwise cause performance or compliance, with such agreement.

(d) Each Grantor hereby ratifies all that said attorneys shall lawfully do or cause to be done by virtue hereof. All powers, authorizations and agencies contained in this Agreement are coupled with an interest and are irrevocable until the Termination Date.

Unless an Event of Default has occurred and is continuing, each Grantor shall be free to use, or exercise its rights with respect to, the MHLP Security Agreement Collateral or any portion thereof in the normal course of its business so long as such use or exercise does not violate the express provisions of the Note Documents governing such use or exercise.

Section 2.03 Execution of Financing Statements.

To the extent provided in Section 2.02(c), each Grantor authorizes the Trustee (at the Grantors' expense) to file or record financing statements and other filing or recording documents with respect to the MHLP Security Agreement Collateral without the signature of such Grantor in such form and in such offices as the Trustee reasonably determines appropriate to perfect the security interests of the Trustee under this Agreement. Notwithstanding the foregoing, in no event shall the Trustee file or record this Agreement or a copy hereof in any public office in the state of Florida; provided, however, that the Trustee may file this Agreement or a copy hereof in a judicial proceeding seeking the enforcement of this Agreement.

Section 2.04 Authority of Trustee.

Each Grantor acknowledges that the rights and responsibilities of the Trustee under this Agreement with respect to any action taken by the Trustee or the exercise or non-exercise by the Trustee of any option, voting right, request, judgment or other right or remedy provided for herein or resulting or arising out of this Agreement shall, as among the Trustee, MBIA and the Holders, be governed by the Note Documents and by such other agreements with respect thereto as may exist from time to time among them, but as between the Trustee and the Grantors, the Trustee shall be conclusively presumed to be acting as agent for the Holders with full and valid authority so to act or refrain from acting, and no Grantor shall be under any obligation, or entitlement to make any inquiry respecting such authority.

ARTICLE 3.
REPRESENTATIONS AND WARRANTIES

Each Grantor hereby represents and warrants that:

Section 3.01 Title; No Other Liens.

None of the MHLP Security Agreement Collateral is subject to any Lien other than Permitted Liens. No financing statement or other public notice with respect to all or any part of the MHLP Security Agreement Collateral is on file or of record in any public office, except (a) such as have been filed in favor of the Trustee pursuant to this Agreement or as are permitted by the Note Documents; (b) such as to which termination statements executed and delivered on behalf of the secured parties named therein have been delivered to the Trustee or the Trustee's agent on or before the Closing Date; or (c) such as have been filed with respect to Permitted Liens.

Section 3.02 Perfected Liens.

The security interests granted pursuant to this Agreement (a) upon completion of the filings and other actions specified on Schedule 3 (which, in the case of all filings and other documents referred to on said Schedule, have been delivered to the Trustee in completed and duly executed form) will constitute valid, perfected security interests in all of the MHLP Security Agreement Collateral which is in existence on the date hereof in favor of the Trustee, as collateral security for the MHLP Obligations, enforceable in accordance with the terms hereof against all creditors of such Grantor and any Persons purporting to purchase any MHLP Security Agreement Collateral from such Grantor and (b) are prior to all other Liens on the MHLP Security Agreement Collateral in existence on the date hereof except for Permitted Liens which have priority over the Liens on the MHLP Security Agreement Collateral.

Section 3.03 Chief Executive Office.

On the date hereof such Grantor's jurisdiction of organization and the location of such Grantor's chief executive office or sole place of business are specified on Schedule 4.

Section 3.04 Pledged Interests.

Schedule 2 sets forth all Pledged Interests owned by such Grantor as of the date hereof. Except as indicated on Schedule 2, none of such Pledged Interests are represented by certificates or Instruments. Such Pledged Interests consisting of Pledged Stock, Pledged Partnership Interests or Pledged LLC Interests have been duly and validly issued and are fully paid and nonassessable. On the date hereof, such Grantor is the record and beneficial owner of, and has good and marketable title to, the Pledged Interests pledged by it hereunder, free of any and all Liens or options in favor of or claims of, any other Person, except Permitted Liens and restrictions on transferability created by Applicable Law or the organizational documents governing the Issuer of any such Pledged Interests.

Section 3.05 Intellectual Property

(a) Schedule 6 sets forth all registered Intellectual Property, and Intellectual Property for which there is a pending application for registration, owned by such Grantor in its own name as of the date hereof.

(b) On the date hereof, all material Intellectual Property is valid, subsisting, unexpired and enforceable, has not been abandoned and (to such Grantor's knowledge) does not infringe the intellectual property rights of any other Person.

(c) Except as set forth in Schedule 6, on the date hereof, none of the Intellectual Property is the subject of any licensing or franchising agreement pursuant to which such Grantor is the licensor or franchisor.

(d) To the knowledge of such Grantor, no action or proceeding is pending or threatened in writing on the date hereof (i) seeking to limit, cancel or question the validity of any Intellectual Property or such Grantor's ownership interest therein, or (ii) which, if adversely determined, would have a Material Adverse Effect.

Section 3.06 Solvency

Based upon financial projections, MHLP expects to be able to pay its financial obligations as they become due.

ARTICLE 4.
COVENANTS

Each of the Grantors agrees that:

Section 4.01 Delivery of Instruments and Chattel Paper.

All Pledged Notes, Instruments and Chattel Paper which are a part of the MHLP Security Agreement Collateral shall be delivered to the Trustee within three Business Days after receipt thereof by Grantor, duly indorsed in a manner satisfactory in the Trustee to be held by the Trustee in the State of Florida as MHLP Security Agreement Collateral pursuant to this Agreement.

Section 4.02 Maintenance of Perfected Security Interest: Further Documentation.

Such Grantor will maintain the security interest created by this Agreement as a perfected security interest subject to no other Liens except Permitted Liens and shall, subject to Section 4.04, defend such security interest against the claims and demands of all Persons.

Section 4.03 Changes in Locations, Name, etc.

Such Grantor will not, except upon 30 days' prior written notice to the Trustee and delivery to the Trustee of all additional executed financing statements and other documents reasonably requested by the Trustee to maintain the validity, perfection and priority of the security interests provided for herein, (a) change the location of its chief executive office or principal place of business from that referred to in Section 3.03 or (b) change its name, identity or organizational structure to such an extent that any financing statement filed by the Trustee in connection with this Agreement would become incorrect or misleading.

Section 4.04 Intellectual Property.

Subject to any superior rights of the NBA, NBA Properties, Inc. and any other NBA Entities, as applicable:

(a) Such Grantor (either itself or through licensees) will (i) use each material Trademark with the appropriate notice of registration and all other notices and legends required by Applicable Law and (ii) not (and not permit any licensee or sublicensee thereof to) do any act or knowingly omit to do any act whereby such Trademark may become invalidated or impaired in any way.

(b) Such Grantor (either itself or through licensees) will not (and will not permit any material licensee or sublicensee thereof to) do any act, or knowingly omit to do any act whereby any material portion of the Copyrights may become invalidated or otherwise impaired.

(c) Such Grantor (either itself or through licensees) will not do any act that knowingly uses any material Intellectual Property to infringe the intellectual property rights of any other Person.

(d) Whenever such Grantor shall file an application for the registration of any Intellectual Property with the United States Patent and Trademark Office or the United States Copyright Office, such Grantor will report such filing to the Trustee promptly following the filing thereof. Upon request of the Trustee, such Grantor shall execute and deliver, and have recorded or filed, any and all agreements, instruments, documents, and papers that the Trustee may request to evidence the Trustee's security interest in any Copyright or Trademark and the goodwill and General Intangibles of such Grantor relating thereto or represented thereby.

(e) Such Grantor will take all reasonable and necessary steps, including without limitation, in any proceeding before the United States Patent and Trademark Office or the United States Copyright Office to maintain and pursue each application (and to obtain the relevant registration) and to maintain each registration of its material Intellectual Property, including filing of applications for renewal, affidavits of use and affidavits of incontestability.

(f) In the event that any material Intellectual Property is infringed, misappropriated or diluted by a third party, such Grantor shall take appropriate actions to protect such material Intellectual Property.

Notwithstanding the foregoing, no Grantor shall be in default hereunder if compliance with the foregoing is prohibited under any agreement with or rights of the NBA, NBA Properties, Inc. or any other NBA Entities, or if such action is otherwise subject to control by the foregoing.

Section 4.05 Pledged Interests

If such Grantor becomes entitled to receive or receives any stock certificate or other certificate (including, without limitation, any certificate representing a stock dividend or a distribution in connection with any reclassification, increase or reduction of capital or any certificate issued in connection with any reorganization), option or rights in respect of any Pledged Interest, whether in addition to, in substitution of, as a conversion of, or in exchange for any Pledged Interests, or otherwise in respect thereof, such Grantor will accept the same as the agent of the Trustee, hold the same in trust for the Trustee and deliver the same promptly after receipt thereof to the Trustee in the exact form received, duly indorsed by such Grantor to the Trustee (or in the case of any stock certificate, together with an undated stock power covering such certificate duly executed in blank by such Grantor) and with, if the Trustee so requests, signature guaranteed, to be held by the Trustee in the State of Florida subject to the terms hereof as additional MHLP Security Agreement Collateral for the MHLP Obligations. Any sums paid upon or in respect of the Pledged Interests upon the recapitalization, liquidation or dissolution of any Issuer thereof shall be paid over to the Trustee to be applied by it under the terms and conditions of the Deposit and Disbursement Agreement. Such Grantor will, until such money or property is paid or delivered to the Trustee, hold such money or property in trust for the Trustee, as additional MHLP Security Agreement Collateral for the MHLP Obligations.

Section 4.06 Registration

Concurrently with the execution and delivery of this Agreement, each Grantor shall cause each Issuer of the Pledged Partnership Interests to register in its Partnership records the security interest and pledge granted under this Agreement.

ARTICLE 5. REMEDIAL PROVISIONS

Section 5.01 Certain Matters Relating to Assigned Agreements and Accounts.

(a) At any time after the occurrence and during the continuance of an Event of Default, the Trustee may notify obligors on the Accounts, any parties to the Assigned Agreements that are not already making payment directly to the Trustee and payors under any other General Intangibles that such Accounts, Assigned Agreements and General Intangibles

have been assigned to the Trustee and that payments in respect thereof shall be made directly to the Trustee.

(b) Anything herein to the contrary notwithstanding, each Grantor shall remain liable under each of the Accounts, Assigned Agreements and General Intangibles to observe and perform all the conditions and obligations to be observed and performed by it thereunder, all in accordance with the terms of any agreement giving rise thereto. Neither the Trustee, MBIA nor any Holder shall have any obligation or liability under any Account or General Intangible (or any agreement giving rise thereto) or any Assigned Agreement by reason of or arising out of this Agreement or the receipt by the Trustee of any payment relating thereto. The Trustee shall not be obligated in any manner to perform any of the obligations of any Grantor under or pursuant to any Account or General Intangible (or any agreement giving rise thereto) or any Assigned Agreement, to make any payment, to make any inquiry as to the nature or the sufficiency of any payment received by it or as to the sufficiency of any performance by any party thereunder, to present or file any claim, to take any action to enforce any performance or to collect the payment of any amounts which may have been assigned to it or to which it may be entitled at any time or times; provided, however, that notwithstanding the foregoing, the Trustee will notify the Grantors of any claim that the Trustee receives and the Trustee will cooperate with Grantor's reasonable request to take action to permit the Grantors to collect any monies that have been assigned hereunder to the Trustee.

Section 5.02 Disbursements from Pledged Accounts

If an Event of Default shall occur and be continuing, the Trustee may cease making disbursement pursuant to the Deposit and Disbursement Agreement from any of the Pledged Accounts except for disbursements for payment of Arena Operating Expenses, as defined in the Management Agreement.

Section 5.03 Pledged Interests

(a) Unless an Event of Default shall have occurred and shall be continuing, each Grantor shall be permitted to exercise all voting and corporate/partnership/limited liability company rights with respect to the Pledged Interests; provided, however that no vote shall be cast or corporate/partnership/limited liability company right exercised or other action taken which would result in a violation of any provision of any of the Note Documents.

(b) If an Event of Default shall occur and shall be continuing, any or all of the Pledged Interests may be registered in the name of the Trustee or its nominee and the Trustee or nominee may thereafter exercise (i) all voting, corporate/partnership/limited liability company and other rights pertaining to such Pledged Interests at any meeting of shareholders (or equity holders) of the relevant Issuer or Issuers or otherwise and (ii) any and all rights of conversion, exchange and subscription and any other rights, privileges or options pertaining to such Pledged Interests as if it were the absolute owner thereof (including, without limitation, the right to exchange at its discretion any and all of the Pledged Interests upon the consolidation, reorganization, recapitalization or other fundamental change in the corporate/partnership/limited liability company structure of any Issuer, or upon the exercise by any Grantor or the Trustee of

any right to deposit and deliver any and all of the Pledged Interests with any committee, depositary, transfer agent, or other designated agency upon such terms and conditions as the Trustee may determine), all without liability except to account for property actually received by it, but the Trustee shall have no duty to the Grantors to exercise any such right, privilege or option and shall not be responsible for any failure to do so or delay in doing so.

(c) Each Grantor hereby authorizes and instructs each Issuer of any Pledged Interests pledged by such Grantor hereunder to (i) comply with any instruction received by it from the Trustee in writing that (x) states that an Event of Default has occurred and is continuing and (y) is otherwise in accordance with the terms of this Agreement, without any other or further instructions from such Grantor, and each Grantor agrees that each Issuer shall be fully protected in so complying, and (ii) pay any dividends, distributions or other payments with respect to the Pledged Interests directly to the Trustee.

Section 5.04 Code and Other Remedies

If an Event of Default shall occur and be continuing:

(a) The Trustee, on behalf of the Holders and the Trustee may exercise, in addition to all other rights and remedies granted to them in this Agreement and in any other instrument or agreement securing, evidencing or relating to the MHLP Obligations, all rights and remedies of a secured party under the UCC or any other Applicable Law. Without limiting the generality of the foregoing, the Trustee will exercise any remedies in accordance with Applicable Law and in accordance with Section 10.03 of the Indenture. The Trustee, may in such circumstances forthwith collect, receive, appropriate and realize upon the MHLP Security Agreement Collateral, or any part thereof, and/or may forthwith sell, lease, assign, give options to purchase, or otherwise dispose of and deliver the MHLP Security Agreement Collateral or any part thereof (or contract to do any of the foregoing), in one or more parcels at one or more public or private sales, at any exchange, broker's board or office of the Trustee or elsewhere at such prices and upon such other terms and conditions as it may deem commercially reasonable, for cash or on credit or for future delivery without assumption of any credit risk. Each Grantor further agrees, at the Trustee's request, to assemble the MHLP Security Agreement Collateral and make it available to the Trustee at places which the Trustee shall reasonably select, whether at such Grantor's premises or elsewhere. The Trustee shall apply the net proceeds of any action taken by it pursuant to this Section 5.04, after deducting all reasonable costs and expenses of every kind incurred in connection therewith or incidental to the care or safekeeping of any of the MHLP Security Agreement Collateral or in any way relating to the MHLP Security Agreement Collateral or the rights of the Trustee and the Holders hereunder, including, without limitation, reasonable attorneys' fees and disbursements, to the payment in whole or in part of the MHLP Obligations, in the order provided in the Indenture. If any notice of a proposed sale or other disposition of MHLP Security Agreement Collateral shall be required by Applicable Law, such notice shall be deemed reasonable and proper if given at least 10 days before such sale or other disposition and shall contain such information as is required by the UCC.

(b) Each Grantor recognizes that the Trustee may be unable to effect a public sale of any or all the Pledged Interests otherwise permitted by Section 5.04(a) by reason of

certain prohibitions contained in the Securities Act and applicable state securities laws or otherwise, and may be compelled to resort to one or more private sales thereof to a restricted group of purchasers which will be obliged to agree, among other things, to acquire such securities for their own account for investment and not with a view to the distribution or resale thereof. Each Grantor acknowledges and agrees that any private sale so compelled to be made may result in prices and other terms less favorable than if such sale were a public sale and, notwithstanding such circumstances, agrees that any such private sale shall be deemed to have been made in a commercially reasonable manner. The Trustee shall be under no obligation to delay a sale of any of the Pledged Interests for the period of time necessary to permit the Issuer thereof to register such securities for public sale under the Securities Act, or under applicable state securities laws, even if such Issuer would agree to do so.

Section 5.05 Payment of Costs and Expenses.

The Grantors will reimburse the Trustee upon written demand, with interest thereon at the highest rate of interest borne by any of the Notes from the date of such demand until paid, for any and all reasonable expenditures by the Trustee for (a) the maintenance, protection and preservation of the MHLP Security Agreement Collateral or the Trustee's security interests in the MHLP Security Agreement Collateral, including taxes, levies, insurance and repairs; (b) the collection, repossession, holding, preparation and sale or other disposition of or realization upon the MHLP Security Agreement Collateral; and (c) costs and expenses incurred by the Trustee in taking (or otherwise in connection with) any action which any Grantor is required, but fails, to take under the terms of this Agreement or the other Note Documents. In no event shall the Trustee, MBIA or any Holder have any obligation to make any such expenditures, or take such actions, nor any liability for failing to do any of the foregoing. All amounts payable by the Grantors under this Section 5.05 shall be secured hereby.

Section 5.06 Deficiency.

MHLP shall remain liable for any deficiency if the proceeds of any sale or other disposition of the MHLP Security Agreement Collateral are insufficient to pay the MHLP Obligations.

Section 5.07 NBA Consent.

Each of the provisions of the Note Documents shall be subject to the provisions of the NBA Consent, which the Credit Parties, the Trustee, MBIA and the Holders have accepted as reasonable and appropriate. Without limiting the generality of the preceding sentence, the Trustee shall not exercise, enforce or attempt to exercise or enforce any of its rights or remedies under any of the Note Documents except in accordance with and subject to the NBA Consent. Each Holder by its acceptance of a Note and MBIA shall be deemed irrevocably to authorize the Trustee to execute, deliver and perform on its behalf the NBA Consent and all amendments, modifications, extensions, waivers and other acts in connection with the NBA Consent as the Trustee shall deem appropriate, and all third parties shall be entitled to rely on the Trustee's taking of any such action or execution of any such document as conclusive evidence of its authority to do so on behalf of the Holders and MBIA.

ARTICLE 6.
MISCELLANEOUS

Section 6.01 Further Assurances.

The Grantors shall, upon the written request of the Trustee, duly execute and deliver, or cause to be duly executed and delivered, to the Trustee such further instruments and take and cause to be taken such further actions as may be necessary or proper in the reasonable opinion of the Trustee to carry out more effectually the provisions and purposes of this Agreement.

Section 6.02 Security Interest Absolute.

All rights of the Trustee and security interests and liens hereunder, and all obligations of the Grantors hereunder, shall be absolute and unconditional irrespective of:

- (a) any lack of validity or enforceability of any of the Note Documents;
- (b) any change in the time, manner or place of payment of, or in any other term of, all or any of the MHLP Obligations or any other amendment or waiver of or any consent to any departure from the Note Documents;
- (c) any exchange, release or non-perfection of any other collateral for, or any release or amendment or waiver of or consent to any departure from any guaranty of, all or any of the MHLP Obligations; or
- (d) to the extent permitted by Applicable Law, any other circumstance that might otherwise constitute a defense available to, or a discharge of, any Grantor.

Section 6.03 Termination.

This Agreement shall terminate on the date (the "Termination Date") which is the earlier of (i) the Team Guaranty Release Date or (ii) the date there are no Notes Outstanding; provided, however, that the foregoing shall not be deemed to extend the time at which the Trustee is obligated to release the lien on the Management Fee and the proceeds of the Series B Notes in accordance with the Assignment of Management Fee and the Deposit and Disbursement Agreement, respectively. Upon the occurrence of the Termination Date, all obligations of each Grantor and the security interests and liens granted or provided for hereunder shall cease and be of no further force or effect. The Trustee will promptly execute and deliver to each Grantor the proper instruments (which may include UCC termination statements on Form UCC-3) acknowledging the termination of this Agreement and will promptly duly assign, transfer and deliver to each Grantor free from any security interest or any other right, title or interest of the Trustee, any Holder or MBIA and free from any other right, title or interest of any Person created by, through or under the Trustee, any Holder or MBIA, such of the MHLP Security Agreement Collateral as may be in the possession or control of the Trustee or any of its agents, together with

such notices to third parties as may be necessary to countermand any notices previously sent to them pursuant hereto.

Section 6.04 No Subrogation.

Notwithstanding any payment or payments made by any Grantor hereunder, or any setoff or application of funds of any Grantor by the Trustee, MBIA or any Holder, or the receipt of amounts by any of such parties with respect to any of the MHLP Security Agreement Collateral, until the Termination Date, the Grantors shall not be entitled to be subrogated to any of the rights of the Trustee or MBIA against any Grantor (including a Grantor in its role as debtor or guarantor) or against any other collateral security held by the Trustee for payment of the MHLP Obligations, nor shall any Grantor seek any reimbursement from any other Grantor in respect of payments made by a Grantor in connection with the MHLP Security Agreement Collateral, or amounts realized by the Trustee in connection with the MHLP Security Agreement Collateral. If any amount shall be paid to a Grantor on account of such subrogation rights at any time when all of the MHLP Obligations shall not have been paid in full, such amount shall be held by such Grantor in trust for the Trustee, segregated from other funds of such Grantor, and shall forthwith upon receipt by such Grantor, be turned over to the Trustee in the exact form received by such Grantor (duly endorsed by such Grantor to the Trustee, if required) to be applied against the MHLP Obligations, whether matured or unmatured.

Section 6.05 No Waiver.

No act, omission or delay by the Trustee or course of dealing between the Trustee and the Grantors shall constitute a waiver of the rights and remedies of the Trustee, MBIA or any Holder under this Agreement or Applicable Law. No single or partial waiver by the Trustee, MBIA or any Holder of any Default, Event of Default, right or remedy shall operate as a waiver of any other Default, Event of Default, right or remedy or of the same Default, Event of Default, right or remedy on a future occasion. Each Grantor hereby waives presentment, notice of dishonor and protest of all instruments included in or evidencing any of the MHLP Obligations or MHLP Security Agreement Collateral.

Section 6.06 Notices.

Any notice, request, instruction, order or other communication by the Grantors or the Trustee to the other is duly given only if in writing and directed to the other's address as follows:

If to the Grantors, as set forth on Schedule 1: and

If to Trustee:

Citibank, N.A.
111 Wall Street
5th Floor, Zone #2
New York, New York 10043
Attention: Structured Finance Team

Telecopier: (212) 657-3862 or (212) 657-3872
Telephone: (212) 657-6342

With a copy to:

MBIA Insurance Corporation
113 King Street
Armonk, New York 10504
Attention: Insured Portfolio Management – PF
Telecopier: (914) 765-3799
Telephone: (914) 273-4545

Grantors or the Trustee by notice to the other may designate additional or different addresses for subsequent notices or communications.

All notices and other communications under this Agreement shall be deemed to have been duly given when (a) delivered by hand (with written confirmation of receipt); (b) sent by telecopier (with written or electronic confirmation of receipt), provided that a copy is also sent on the same day by hand-delivery or by a nationally-recognized overnight delivery service (such as Federal Express) guaranteeing delivery on the next Business Day; or (c) received by the addressee, if sent by a nationally-recognized overnight delivery service (such as Federal Express) guaranteeing delivery on the next Business Day.

Section 6.07 Governing Law.

THE INTERNAL LAW OF THE STATE OF FLORIDA SHALL GOVERN AND BE USED TO CONSTRUE THIS AGREEMENT, EXCEPT TO THE EXTENT THAT APPLICABLE LAW PROVIDES THAT THE CREATION, ATTACHMENT, OR PERFECTION OF, OR REALIZATION UPON, ANY SECURITY INTEREST, PLEDGE OR LIEN GRANTED HEREIN IS GOVERNED BY THE LAW OF ANOTHER JURISDICTION, AND PROVIDED THAT THE INTERNAL LAW OF THE STATE OF NEW YORK SHALL GOVERN AND BE USED TO GOVERN THE CREATION, ATTACHMENT AND PERFECTION OF ANY SECURITY INTEREST, PLEDGE OR LIEN UPON THE NY MHLF ACCOUNTS.

Section 6.08 Submission To Jurisdiction, Waivers.

EACH GRANTOR HEREBY IRREVOCABLY AND UNCONDITIONALLY:

(A) SUBMITS FOR ITSELF AND ITS PROPERTY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR THE OTHER NOTE DOCUMENTS, OR FOR RECOGNITION AND ENFORCEMENT OF ANY JUDGMENT IN RESPECT THEREOF, TO THE NON-EXCLUSIVE GENERAL JURISDICTION OF THE COURTS OF THE STATE OF FLORIDA, THE COURTS OF THE UNITED STATES OF

AMERICA FOR THE SOUTHERN DISTRICT OF FLORIDA, AND APPELLATE COURTS FROM ANY THEREOF.

(B) CONSENTS THAT ANY SUCH ACTION OR PROCEEDING MAY BE BROUGHT IN, OR TRANSFERRED TO, SUCH COURTS AND WAIVES ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE VENUE OF ANY SUCH ACTION OR PROCEEDING IN ANY SUCH COURT OR THAT SUCH ACTION OR PROCEEDING WAS BROUGHT IN AN INCONVENIENT COURT AND AGREES NOT TO PLEAD OR CLAIM THE SAME;

(C) AGREES THAT SERVICE OF PROCESS IN ANY SUCH ACTION OR PROCEEDING MAY BE EFFECTED BY MAILING A COPY THEREOF BY REGISTERED OR CERTIFIED MAIL (OR ANY SUBSTANTIALLY SIMILAR FORM OF MAIL), POSTAGE PREPAID, TO SUCH GRANTOR AT ITS ADDRESS REFERRED TO IN SECTION 6.06 OR AT SUCH OTHER ADDRESS OF WHICH THE TRUSTEE SHALL HAVE BEEN NOTIFIED PURSUANT THERETO;

(D) AGREES THAT NOTHING HEREIN SHALL AFFECT THE RIGHT TO EFFECT SERVICE OF PROCESS IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW OR SHALL LIMIT THE RIGHT OF THE TRUSTEE TO SUE IN ANY OTHER JURISDICTION;

(E) WAIVES, TO THE MAXIMUM EXTENT NOT PROHIBITED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO CLAIM OR RECOVER IN ANY LEGAL ACTION OR PROCEEDING REFERRED TO IN THIS SECTION ANY SPECIAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES; AND

(F) WAIVES ALL RIGHT OF TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER SOUNDING IN CONTRACT OR IN TORT, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR ANY MATTER ARISING HEREUNDER.

Section 6.09 Successors and Assigns.

All agreements of the Grantors or the Trustee in this Agreement shall bind, and inure to the benefit of, their respective successors and assigns.

Section 6.10 Severability.

In case any provision in this Agreement shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions, or of such provision in any other jurisdiction, shall not in any way be affected or impaired thereby.

Section 6.11 Counterpart Originals.

The parties may sign any number of copies of this Agreement. Each signed copy shall be an original but all of them together represent the same agreement.

Section 6.12 Table of Contents, Headings, etc.

The Table of Contents and headings of the Articles and Sections of this Agreement have been inserted for convenience of reference only, are not to be considered a part of this Agreement and shall in no way modify or restrict any of the terms or provisions hereof.

Section 6.13 Amendments.

No waiver, amendment, modification or termination of any provision of this Agreement, or consent to any departure by any Grantor therefrom, shall in any event be effective without the written concurrence of the Trustee and the Majority Holders and none of the MHLP Security Agreement Collateral shall be released without the written consent of the Trustee and the Majority Holders. Any such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

Section 6.14 Legal Expenses.

In the event that the Trustee prevails in any dispute relating to the interpretation, enforcement or performance of this Agreement, or in the event the Trustee retains counsel to protect or enforce its rights under this Agreement or any of the other Note Documents or to protect its rights in the MHLP Security Agreement Collateral, the Trustee shall be entitled to collect from the Grantors, jointly and severally, on written demand all reasonable fees and expenses reasonably incurred in connection therewith, including reasonable fees of attorneys, accountants, appraisers, environmental inspectors, consultants, expert witnesses, arbitrators, mediators and court reporters. Without limiting the generality of the foregoing, Grantors shall pay all such costs and expenses incurred in connection with bankruptcy or other insolvency proceedings of any Grantor.

Section 6.15 Integration.

This Agreement and the other Note Documents represent the final expression of the entire agreement of the Grantors and the Trustee with respect to the subject matter hereof and thereof, and there are no promises, undertakings, representations or warranties by the Trustee, MBIA or any Holder relative to the subject matter hereof and thereof not expressly set forth herein or in the other Note Documents.

Section 6.16 Additional Grantors.

Each Restricted Subsidiary of MHLP that is required to become a party to this Agreement pursuant to the terms of the Indenture, including Section 8.01 thereof, shall become a Grantor for

all purposes of this Agreement upon execution and delivery by such Restricted Subsidiary of a counterpart of this Agreement or an agreement which is identical in substance to this Agreement.

Section 6.17 NY MHLP Accounts.

The Trustee shall make all investments in Permitted Investments (as defined in the Deposit and Disbursement Agreement) in the NY MHLP Accounts in accordance with the procedures set forth in Schedule 7 hereto, or as may otherwise be agreed upon by the parties hereto to insure that the Trustee has a perfected security interest therein.

IN WITNESS WHEREOF, each of the undersigned has caused this Security Agreement to be duly executed and delivered as of the date first above written.

MIAMI HEAT LIMITED PARTNERSHIP, a Florida limited partnership

By: Florida Basketball Associates, Inc., a Florida corporation, its general partner

By *E.S. Winkler*
Its *Vice president*

By: FBA II, Inc., a Delaware corporation, its general partner

By *E.S. Winkler*
Its *Vice president*

HEAT STORE, LTD., a Florida limited partnership

By: Heat Store, Inc., a Florida corporation, its general partner

By *E.S. Winkler*
Its *Vice president*

Signature Page for
MHL P Security Agreement

MHL P SECURITY AGREEMENT 5-DISK#6

TRADEMARK
REEL: 1801 FRAME: 0298

SCHEDULE 1
Notice Addresses of Grantors

Miami Heat Limited Partnership
One Southeast Third Avenue, Suite 2300
Miami, Florida 33131
Attention: Chief Financial Officer
Telecopier: (305) 372-0802
Telephone: (305) 577-4328

Heat Store, Ltd.
One Southeast Third Avenue, Suite 2300
Miami, Florida 33131
Attention: Chief Financial Officer
Telecopier: (305) 372-0802
Telephone: (305) 577-4328

SCHEDULE 2
Description of Pledged Interests

PLEDGED STOCK

None

PLEDGED PARTNERSHIP INTERESTS

- (a) A ninety-nine percent (99%) limited partnership interest in HSL.

PLEDGED LLC INTERESTS

None

PLEDGED NOTES

- (a) Promissory Note dated April 8, 1997 in the principal amount of \$3,407,065.22 executed by Patrick J. Riley in favor of MHLP and the other B Loan Documents (as defined in the Indenture).
- (b) Promissory Note dated July 29, 1997 executed by Patrick J. Riley in favor of MHLP and the other B Loan Documents.
- (c) Promissory Note dated August 1, 1996 in the principal amount of \$800,000 executed by L. Jay Cross in favor of MHLP.

SCHEDULE 3
Filings and Other Actions Required to Perfect Security Interests

UNIFORM COMMERCIAL CODE FILINGS

- 1) Secretary of State of the State of Florida

COPYRIGHT AND TRADEMARK FILINGS

- 1) Security interest recorded with U.S. Patent and Trademark Office

ACTIONS WITH RESPECT TO PLEDGED INTERESTS

- 1) Instruction to Issuer to register pledge and acknowledgement by Issuer

OTHER ACTIONS

- 1) Delivery of all Pledged Notes to the Trustee with indorsements thereof

SCHEDULE 4
Location of Chief Executive Office and Jurisdiction of Organization

LOCATION OF CHIEF EXECUTIVE OFFICE

Miami Heat Limited Partnership
One Southeast Third Avenue, Suite 2300
Miami, Florida 33131

Heat Store, Ltd.
One Southeast Third Avenue, Suite 2300
Miami, Florida 33131

JURISDICTION OF ORGANIZATION

Miami Heat Limited Partnership – Florida

Heat Store, Ltd. – Florida

SCHEDULE 5
Location of Inventory and Equipment

- 1) Heat Store at Bayside Marketplace
- 2) LaSalle High School, Coconut Grove, Florida
- 3) One Southeast Third Avenue, Suite 2300, Miami Florida
- 4) Miami Arena, Miami FL

SCHEDULE 6
Copyrights, Patents and Trademarks

COPYRIGHTS AND COPYRIGHT LICENSES

N/A

TRADEMARKS AND TRADEMARK LICENSES

(a) Trademark Applications

75/340,930

75/178,499

74/426,378

73/678,053

(b) Trademark Registrations

1,987,199

1,982,703

1,962,650

1,771,918

2,151,548

1,485,606

1,485,605

INVESTMENT PROCEDURES FOR NEW YORK ACCOUNTS

SECTION 1. Definitions.

(a) Specific Definitions. The following terms used in this Schedule shall have the following meanings:

“Broker-Dealer” means a person registered as a broker or dealer under the Securities Exchange Act of 1934, as amended.

“Code” shall mean the Uniform Commercial Code as in effect in the State of New York.

“Entitlement Order” shall have the meaning specified in Section 8-102 of the Code.

“Suspension Period” means any period during which the Trustee has asserted in writing that an Event of Default has occurred and is continuing.

(b) General Provisions. Capitalized terms used but not defined herein shall have the meanings given to such terms in the Security Agreement or in the Indenture referred to therein. Unless otherwise defined herein, terms used in Articles 8 and 9 of the Code are used herein as therein defined.

SECTION 2. Establishment and Operation of the New York Accounts.

(a) Establishment of New York Accounts. All NY BPL Accounts in or through which Permitted Investments are to be made shall be established with Citibank, N.A. (acting hereunder in such capacity, the “Securities Intermediary”), at its office in New York City (the “Account Office”), in the name of, and under the sole dominion and control of, the Trustee for the benefit of the Holders and MBIA in accordance with the terms of the Security Agreement and the Deposit and Disbursement Agreement. All such NY BPL Accounts shall be referred to collectively in this Schedule 7 as the “Collateral Account.” For purposes of Section 8-110(e)(1) of the Code, New York shall be the jurisdiction of the Securities Intermediary with respect to the Collateral Account.

(b) Operations of the Collateral Account. The Collateral Account shall be operated in accordance with the terms of the Security Agreements and the Deposit and Disbursement Agreement, subject to the restrictions and limitations of this Schedule 7.

SECTION 3. Mechanics of Holding Permitted Investments.

(a) **Holding of Collateral.** All Permitted Investments held in the Collateral Account shall be held for the benefit of the Trustee in the following manner:

(i) Permitted Investments shall be held in such manner that Citibank, N.A. is the registered or legal holder thereof and is entitled to directly receive payments of interest on and principal of such Permitted Investments, or is the entitlement holder with respect to the securities entitlement thereto, in the case of Permitted Investments held through a securities intermediary.

(ii) Permitted Investments in the form of Certificated Securities shall be held by the Securities Intermediary for the Trustee in physical form at its office, or at a bailee acting on behalf of the Securities Intermediary, located in the State of New York or, in the case of Certificated Securities held through a securities intermediary, by credit to a securities account with such securities intermediary for which Citibank, N.A. is the entitlement holder (or which is otherwise under its exclusive control). Collateral in the form of securities in book-entry form held by the Depository Trust Company ("DTC Securities") shall be held by the Depository Trust Company for the account of Citibank, N.A., which shall identify on its books that such DTC Securities are being held for the account of the Trustee and shall send confirmation to the Trustee that Citibank, N.A. is holding such DTC Securities for the account of the Trustee. Collateral in the form of government or government agency securities in book-entry form through the Federal Reserve System shall be held by Citibank, N.A. (which shall identify on its books that such securities are held for, and shall confirm to the Trustee that such securities are held for the account of, the Trustee) through the Federal Reserve Bank of Boston or the Federal Reserve Bank of New York.

(b) **Adverse Claims.** Neither the Trustee nor the Securities Intermediary shall accept for credit to the Collateral Account any Permitted Investments as to which a Responsible Officer of either has actual knowledge of an adverse claim thereto.

SECTION 4. Transfers of Amounts in the Collateral Account.

(a) **Strict Compliance.** Credit balances held in the Collateral Account shall not be (i) invested or reinvested, (ii) sold or redeemed, or

(iii) transferred from the Collateral Account, in either case except as provided in this Section 4.

(b) Right to Direct Investment. Except during any Suspension Period, the Trustee shall give instructions and/or follow the instructions given to it (by Grantors and others) from time to time in accordance with the Deposit and Disbursement Agreement and the Security Agreement.

(c) Actions of the Securities Intermediary on Purchase or Acquisition of Collateral. Promptly upon the purchase, acquisition or transfer for credit of the Collateral Account of any Permitted Investments, the Securities Intermediary shall take all steps that it customarily takes in the ordinary course of its business to ensure that such Permitted Investments are credited on its books to the Collateral Account. The Securities Intermediary shall treat any Permitted Investments credited to, or held for the credit of, the Collateral Account as "financial assets" as that term is defined in Section 8-103(a)(9)(iii) of the Code (the "Financial Assets").

(d) Control Over Collateral Amount. Notwithstanding anything to the contrary contained herein or in the Security Agreement or the Deposit and Disbursement Agreement, in order to provide the Trustee with "control" (as defined in the Code) over the Collateral Account, the Securities Intermediary will comply, and is authorized and instructed to comply, with all Entitlement Orders issued or otherwise originated by the Trustee without the further consent of any Grantor or any other Person.

SECTION 5. Covenant Against Creation of Other Interests. Except as expressly provided in this Schedule or with the written consent of the Holders in accordance with the Indenture, the Securities Intermediary shall not agree to or acknowledge (i) any right by any other Person to control the Collateral Account, or (ii) any limitation on the Trustee's right to originate instructions or give Entitlement Orders with respect to or to direct the transfer of any collateral credited to the Collateral Account.

SECTION 6. Trustee Maintenance of the Collateral Account.

(a) Risk of Investments and Transactions. It is not the intention of the parties that the Trustee should bear any investment risk associated with Permitted Investments acquired for the credit of the Collateral Account in accordance with Section 4. Any losses or gains realized on such investments shall be charged or credited to the Collateral Account, as appropriate.

(b) Use of Intermediaries and Nominees. The Trustee may at any time and from time to time appoint, and may at any time remove, any bank,

trust company, clearing corporation, or Broker-Dealer as its agent to carry out such of the provisions of the Security Agreement and the Deposit and Disbursement Agreement. The appointment or use of any intermediary, or the appointment of any such agent, shall not give rise to any additional responsibility or liability on the part of the Trustee under the Security Agreements unless and except to the extent such intermediary or agent is not selected with due care.

SECTION 7. Representations and Warranties By Securities

Intermediary. The Securities Intermediary shall at all times be a “securities intermediary” (as that term is defined in Section 8-102(a)(14) of the Code) and be acting in such capacity with respect to the “Financial Assets” contained in the Collateral Account, and with respect to Financial Assets credited thereto, the Securities Intermediary will maintain the Collateral Account as a “securities account” as defined under the Code. The Securities Intermediary shall not be a “clearing corporation” (as that term is defined in Section 8-102(a)(5) of the Code). The Securities Intermediary shall agree that any claim it has in or against the Collateral Account (or in or against the Permitted Investment credited thereto) shall be subject and subordinate to the prior interests of the Trustee therein.

4. A. TRADEMARK APPLICATIONS

75/340,930

75/178,499

74/426,378

73/678,053

4. B. TRADEMARK REGISTRATIONS

1,987,199

1,982,703

1,962,650

1,771,918

2,151,548

1,485,606

1,485,605

4. A. TRADEMARK APPLICATIONS

75/340,930

75/178,499

74/426,378

73/678,053

4. B. TRADEMARK REGISTRATIONS

1,987,199

1,982,703

1,962,650

1,771,918

2,151,548

1,485,606

1,485,605