

STATE OF GEORGIA
REQUEST FOR PROPOSAL
ISSUED BY THE STONE MOUNTAIN MEMORIAL ASSOCIATION
PROPOSAL OPENING: 2:00 PM, SEPTEMBER 8, 2021

Instructions to Offerors

All spaces below and in the attached "Proposal Letter" form are to be filled in with signatures supplied where indicated. Failure to sign Proposal Letter will cause rejection of the proposal.

Proposal of:

Name:

Address:

Telephone:

Facsimile (if applicable):

Email Address:

Submitted Proposal by Courier or by Hand to:

Chief Executive Officer's Office
Stone Mountain Memorial Association
2003 Robert E. Lee Blvd.
Confederate Hall Building
Stone Mountain, Georgia 30083

RFP Release Date: July 15, 2021

STATE OF GEORGIA

PROPOSAL LETTER

It is understood and agreed that this proposal constitutes an offer, which when accepted in writing by the Stone Mountain Memorial Association, and subject to the execution and delivery of a lease and/or management agreement by the Stone Mountain Memorial Association, will constitute a valid and binding proposal between the undersigned and the Stone Mountain Memorial Association.

It is understood and agreed that we have read the Stone Mountain Memorial Association's specifications shown or referenced in the Request for Proposals (RFP) and that this proposal is made in accordance with the provisions of such specifications. By our written signature on this proposal, we guarantee and certify that all items included in this proposal meet or exceed all such specifications. We further agree, if awarded a contract, to deliver goods and services which meet or exceed the specifications.

We understand and agree to abide by the provisions of Section 1.4 of the RFP regarding "Restrictions on Communications with Staff." We acknowledge that in accordance with Section 1.2 of this RFP, following the opening of Proposals discussions may be conducted by the Stone Mountain Memorial Association and/or their representatives with responsible offerors.

It is understood and agreed that this proposal shall be valid and held open for a period of one hundred twenty (120) days from proposal opening date.

PROPOSAL SIGNATURE AND CERTIFICATION

(Offeror must sign and return with proposal)

I certify that this proposal is made without prior understanding, agreement, or connection with any corporation, firm, or person submitting a proposal for the same materials, supplies, equipment, or services and is in all respects fair and without collusion or fraud. I understand collusive bidding is a violation of State and Federal Law and can result in fines, prison sentences, and civil damage awards. I agree to abide by all conditions of the proposal and certify that I am authorized to sign this proposal for the offeror. I further certify that the provisions of the Official Code of Georgia Annotated, Sections § 45-10-20 et. seq. has not been violated and will not be violated in any respect.

Authorized Signature

Date

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INTRODUCTION

1.1 Purpose of Requests for Proposals

To solicit proposals for consideration by the Stone Mountain Memorial Association to determine the interest of the private sector in connection with the potential agreement by the Stone Mountain Memorial Association to contract with a private vendor to operate the facilities, services and amenities described herein on a long-term lease basis and/or management contract. The Stone Mountain Memorial Association reserves the right to reject all proposals submitted in response to this request.

1.2 Basic Guidelines for this Request for Proposals

The Stone Mountain Memorial Association has determined that the use of competitive sealed bidding will not be practical or advantageous to the State in completing the acquisition of the services and/or commodities described herein. Competitive sealed proposals shall be submitted in response hereto in the same manner as competitive sealed bids and shall be opened in the same manner as competitive sealed bids.

The proposals shall be evaluated in accordance with the evaluation criteria set forth in this Request for Proposals (RFP). After the opening of the sealed proposals, discussions may be conducted by the Stone Mountain Memorial Association with responsible offerors who submit proposals determined to be reasonably susceptible of being selected for award for the purpose of clarification to assure full understanding of, and responsiveness to, the solicitation requirements. Offerors shall be accorded fair and equal treatment with respect to any opportunity for discussion and revision of proposals; and such revisions may be permitted after submissions and prior to award for the purpose of obtaining best and final offers.

In conducting any such discussions, there shall be no disclosure of any information derived from proposals submitted by competing offerors. All such discussions shall be jointly conducted by the Issuing Officers named below:

Bill Stephens Chief Executive Officer
Stone Mountain Memorial Association
2027 Old Hugh Howell Road
Stone Mountain, GA. 30083
Telephone: (770) 498-5611
FAX: (770) 498-5601
E-mail: b.stephens@stonemountainpark.org

R. Mark Woodworth
R.M. Woodworth & Associates, LLC
3372 Peachtree Road, Suite 115
Atlanta, GA 30326
Telephone: (678) 923-6007
E-mail: Mark@RMWoodworth.com

An award may be made to the responsible offeror whose proposal is determined in writing to be the most advantageous for the Stone Mountain Memorial Association, considering all the evaluation factors set forth in this RFP. The Stone Mountain Memorial Association reserves the right to reject all proposals submitted in response to this request.

1.3 Calendar of Events

Release of RFP	07/15/21
RSVP for On-Site Tour	2:00 PM – 07/22/21
Offerors' Conference / Site Tour	9:00 AM – 5:00 PM – 07/27/21
Question Deadline	2:00 PM – 08/10/21
Question Response Released	2:00 PM – 08/23/21
Proposal Due to SMMA	2:00 PM – 09/08/21
Ranking to be Completed	09/16/21
Ranking Order to be Released	09/17/21
Interview/Presentation of up to Top 3 finalist	09/24/21 – Schedule TBD
Finalist Announced	On or before 10/01/21

Contract negotiations with the top ranked offeror will begin ASAP.

We ask that you please call Duane Studdard at (770) 498-5679 or email d.studdard@stonemountainpark.org in advance if you require special arrangements when you visit SMMA's offices. Please try to give at least one day's notice. The Georgia Relay Center at 1-800-255-0056 (TDD Only) or 1-800-255-0135 (Voice) will relay messages for the speech and hearing impaired in strict confidence.

Offerors' written questions will be responded to in writing and distributed to all organizations that receive the RFP on or before 2:00 PM, August 23, 2021.

1.4 Restrictions on Communications with Staff

From the issue date of this RFP until an apparent successful offeror is selected and the selection is announced, offerors are not allowed to communicate for any reason with any SMMA board member or any staff member or other personnel associated with the State of Georgia, including the SMMA, except through the Issuing Officers named herein, or during the offeror's conference, or as provided by existing work agreement(s). For violation of this provision, the Stone Mountain Memorial Association shall reserve the right to reject the proposal of the offending offeror. All substantive questions concerning this RFP must be submitted in writing (facsimile or email may be used) to the Issuing Officers. No questions other than written will be accepted. No response other than written will be binding upon the Stone Mountain Memorial Association.

1.5 Definition of Terms

O.C.G.A. - Official Code of Georgia (State statutes)

Offeror - Respondent to this Request for Proposals

RFP - Request for Proposals

SMMA - Stone Mountain Memorial Association

BACKGROUND

2.1 Overview

In 1997, the SMMA solicited proposals to determine the interest of the private sector in leasing/contracting selected present and future amenities and activities at Stone Mountain Park. As a result of this proposal solicitation, the SMMA entered in a long-term lease with Silver Dollar City Stone Mountain Park, Inc. A complete copy of this lease and all subsequent amendments is included as Appendix A to this Request for Proposals. As noted therein, the initial thirty (30)-year lease term commenced on January 3, 1998. Per the lease, Silver Dollar City Stone Mountain Park, Inc. (SDCSMP) exercised their option to vacate the lease no later than August 1st, 2022. As such, this Request for Proposals is the initial effort on the part of SMMA to secure a replacement tenant/operator.

2.2 History

The Stone Mountain Memorial Association was formed in 1958 as an Act of the Georgia Legislature to purchase Stone Mountain and the surrounding land for a park to serve as a memorial to Southern history and a place of recreation for Georgia's citizens and visitors.

The SMMA, is the State authority that is responsible for Georgia's Stone Mountain Park. SMMA has nine board members appointed by the Governor for four-year terms (except for the Commissioner of the Department of Natural Resources who serves if he/she holds the position of Commissioner) or his/her designee. SMMA holds title to all the Park's land and determines overall policies and practices. An appointed Chief Executive Officer oversees the day-to-day operations of the Park.

As noted previously, the SMMA, in January 1998, entered a long-term public/private partnership with a wholly-owned subsidiary of Herschend Family Entertainment Corporation (HFEC) – Silver Dollar City/Stone Mountain Park (SDCSMP). SDCSMP is a private business enterprise with an established track record in operating entertainment and recreation venues. SDCSMP manages all commercial operations in the Park – lodging, attractions, retail food, merchandise, and special events. SDCSMP has contracted with Marriott International to manage the Evergreen Conference Center and the Stone Mountain Inn. Per the terms of the agreement with SDCSMP, SMMA continues to supervise the lease with SDCSMP and retains the right to review and approve any proposed new development to insure compatibility and consistency with the Park's goals and Master Plan. SMMA also provides public safety, public works, historical and environmental education services within the Park and maintains the Natural District.

SMMA's mission is to sustain, enhance, and protect Stone Mountain Park, its facilities, and environs, by striving for excellence through an enriching experience that addresses the area's historical, natural, cultural, and recreational resources for all our guests.

The Chairman of the SMMA, in late 2020, issued a directive to Bill Stephens, the CEO of the Stone Mountain Memorial Association, to lead the effort to review the various proposals, meet with state and community leaders, consulting with experts and historians and other parties regarding the development of a 21st century new vision for Stone Mountain Park.

Insights to some of the ideas that have been proffered for consideration by the Stone Mountain Action Coalition may be found in Appendix B to this Request for Proposals.

NOTE: During the SMMA Board meeting on May 24, 2021, four resolutions were adopted to begin implementing the 21st century new vision for SMP. See Appendix C to this RFP to review these resolutions.

It is expected that the successful bidder on this Request for Proposals will play a key role in the development and implementation of the repositioning strategy for the Park.

2.3 Facilities at Stone Mountain Park

Georgia's Stone Mountain Park is located 16 miles east of downtown Atlanta. The Park is comprised of approximately 3,400 acres of woodlands and features as its centerpiece, Stone Mountain, one of the world's largest exposed granite monadnock. Within the Park's boundaries there are also several lakes that cover a total of approximately 362 acres – Stone Mountain Lake is the largest at 323 acres. Often considered to be the State's greatest natural tourist attraction, several million people visit Stone Mountain Park every year, making it one of the highest attendance attractions in the United States.

In its role as a memorial, a large sculpture commemorating the Confederacy has been carved on the north face of the mountain overlooking a broad memorial lawn and adjacent museum in the center of the Park. Visitors can also tour a collection of antebellum period structures that have been relocated to the site and assembled into an interpretive/educational display depicting a typical homestead of that era. In its recreational role, the Park includes a wide range of activities such as sports activities, lodging, golf, museums and educational exhibits, and a series of festivals and special events venues. Several rides and attractions including a full-size excursion train, and a cable car to the top of the Mountain are also provided.

For a detailed inventory of the facilities, attractions, and events currently available at the Park, go to: <https://www.stonemountainpark.com/activities>

The map on the following page provides additional insight to the Park and its facilities.



2.4 Statutory Planning and Protection Requirements

2.4.1 Comprehensive Master Plan

In August 2005, the SMMA adopted an updated comprehensive master plan (which served to amend the 1992 Plan) to guide future decisions concerning any additional proposed development. Under this master plan, the Park is divided into four districts: Historic, Natural, Events and Recreation. The Master Plan Amendment Report is included as Appendix D to the Request for Proposals. Additional information concerning the protections surrounding the Natural District are available upon request. Adherence to the Master Plan is required by state law, O.C.G.A. § 12-3-194.2.

2.4.2 Privatization and the Long-Range Development Plan

As noted previously, the SMMA entered a long-term public/private partnership in 1998 with Silver Dollar City/Stone Mountain Park, Inc., a subsidiary of Herschend Family Entertainment Corporation a private business enterprise with an established track record in operating entertainment and recreation venues, to manage all commercial operations in the Park – lodging, attractions, retail food, merchandise, and special events. Per the terms of that agreement, SMMA now supervises the lease with SDCSMP and retains the right to review and approve any proposed new development to insure compatibility and consistency with the Park’s goals. SMMA also provides public safety, public works, historical and environmental education services within the Park and maintains the Natural District.

On September 18, 2000, SMMA approved the “Stone Mountain Park Long Range Plan” submitted by its Lessee. SMMA determined at that time that the SDCSMP plan was consistent with the 1992 Master Plan; however, some exceptions, guidance and comments were noted. That approved plan was made a part of the above-referenced 2005 Master Plan with a series of conditions (see Page 3-1 therein). Interested parties are encouraged to review the 2005 Master Plan in its entirety.

Particularly notable among the major investments by SDCSMP in the first five years of their lease included a \$35 million addition in Park Center called “Crossroads”, a themed entertainment, shopping, and food service/dining attraction modeled after an old Southern town; and an 85-room expansion of the Evergreen Conference Center and Resort at a cost of \$6 million. Additional ballroom and meeting space capacity has also been constructed at Evergreen. SMMA and the State of Georgia completed a \$15 million renovation of the guest rooms at Evergreen Conference Center in 2019 and is currently undertaking phase 2 of an \$8.5 million renovation of the Stone Mountain Park Campground.

2.5 Financial Information

See "Financial Summary" in Appendix E to this Request for Proposals which contains audited financial statements of the current lessee for the years 2018-2020. Select additional performance data is included as well.

REQUIREMENTS

3.1 Objectives of the Request for Proposals

The overall objectives of this Request for Proposals are as follows:

- i. To solicit proposals from private sector organizations to determine private sector interest in long-term lease or management agreement for selected present and future amenities and activities at Stone Mountain Park.
- ii. Consistent with protecting and preserving the unique resources at Stone Mountain Park, to provide the SMMA with sufficient revenues to:
 1. Provide appropriate management and oversight to the contractual relationship resulting from this procurement;
 2. Operate its assigned functions;
 3. Maintain its assets in good repair; and
 4. Substantially satisfy Stone Mountain Park's capital requirements.

3.2 Functions to be Continued by the SMMA

Protection and preservation of the natural and cultural resources at Stone Mountain Park are of paramount importance. To assure appropriate stewardship of these resources, the SMMA will retain control over certain functions, and those functions will not be leased out or assigned for management by the selected Offeror. Specifically, these functions are as follows:

- i. Management of preservation and protection of the natural areas (including the area north of the Stone Mountain Freeway) except for the present and future amenities and activities described in Sections 3.3 and 3.4. These lands will be maintained in accordance with the master plan, as amended.
- ii. Management of preservation and protection of the Mountain.
- iii. Management and preservation of the Park as provided for in O.C.G.A. Section §12-3-191.
- iv. Responsibility for the roads, sidewalks, trails, dams, lakes, non-fee picnic areas, roadside maintenance throughout the Park, and litter control for all properties that are not a subject of this RFP.
- v. Responsibility for security/law enforcement, fire protection, EMS, and rescue services in the Park.
- vi. Programs for the protection of on-site endangered species and archeological areas.
- vii. To assure the general public's access to and use of the Park, the current conditions for entry, including hours of operation and parking fees, will remain unchanged, unless and until a modification thereto is approved by the SMMA, with the reasonable concurrence of the lessee/manager. There will be no charge for entry into the Park by persons on foot or on non-motorized vehicles.

- viii. To assure the general public's access to and use of the sky lift, the conditions for entry, including hours of operation and fees, will remain unchanged, unless and until a modification thereto is approved by the SMMA, with the reasonable concurrence of the lessee.
- ix. Responsibility for continuously reviewing and enforcing the provisions of any lease or contract with the private sector awarded hereunder to manage and operate certain facilities and activities of the Park.

3.3 Amenities and Activities to Be Considered

Selected amenities and activities will be re-awarded on a long-term lease or management contract basis at SMMA's option, and other amenities and activities may be awarded and/or re-awarded on a management contract basis as a package to a single vendor or consortium of vendors.

3.3.1 Long-Term Lease

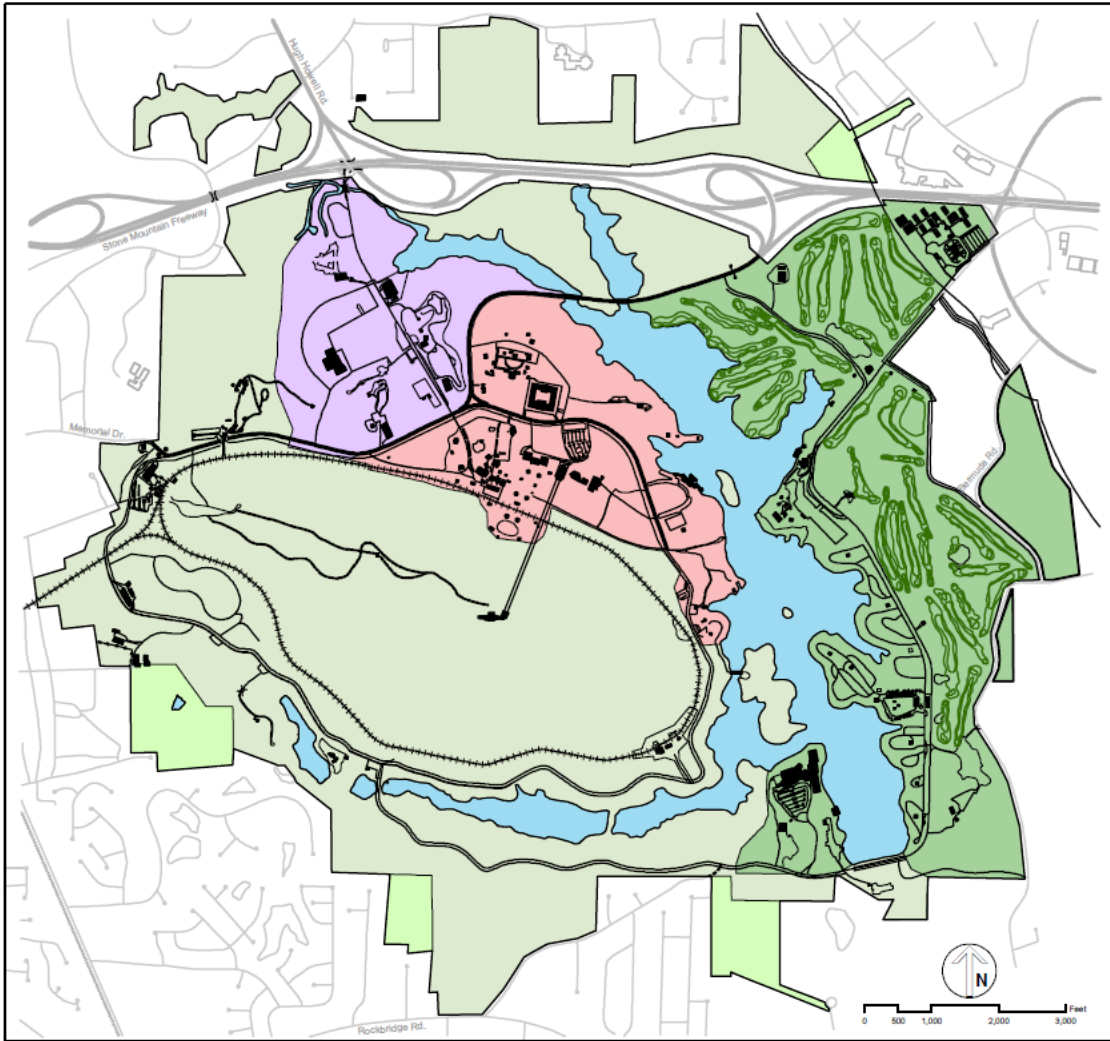
The following shall be leased for an initial term of 20 years with four 5-year renewal periods at the option of the lessee so long as the lessee is not in default of the lease.

- i The real property and all improvements thereon located within the areas designated as the "Recreation District," the "Historic District" and the "Events District" on the map on the following page (excluding the roads, lakes, dams, sidewalks/bike paths, trails, and non-fee picnic areas, for which the SMMA will continue to be responsible), and
- ii The following amenities and activities within the areas designated as the "natural district" on said map:
 - (A) The train
 - (B) The Skylift

The amenities and activities in the "Recreation District," the "Historic District" and the "Events District" include the following:

- Crossroads Village Complex
- Evergreen Lodge and Conference Center
- Stone Mountain Inn
- The campground
- The rental picnic pavilions
- The laser show
- All special events
- Miniature golf
- Golf
- Historic Square
- All food service activities
- All retail merchandise shops
- All other concession activities

NOTE: The maps contained herein are for reference purposes only and are not intended to, and do not constitute a representation as to the existence of or permissibility of any of the improvements shown thereon.



Legend

- Park Center District
- Events District
- Recreation District
- Natural District
- Newly Acquired Property
- Lakes

August 15, 2005

**GEORGIA'S STONE MOUNTAIN PARK
PARK DISTRICTS**

Robert and Company
Engineers, Architects, Planners
and Interior Design, 1110 Atlanta, Ga 30309

3.3.2 Management Contract

The SMMA strongly desires entering a long-range lease comparable to that which currently exists with SDCSMP. However, as an option for the SMMA's consideration, offerors who choose to propose a management agreement to operate the amenities and activities of the Park as set forth in Section 3.3.1 on a fee-only basis. Offerors should address, at a minimum, the following:

- Base Management Fee
- Incentive Fee
- Initial Length of Term
- Renewal Options
- SMMA Options to Terminate
- Performance Tests
- Management Company Options to Terminate
- Basic Terms and Conditions the Proposer would be willing to operate under
- Other Factors the Proposer Deems Relevant

3.4 Additional Private Sector Development

There are areas included in the leased property which are available for development that is in harmony with the Park's overall theme. In addition, there may be additional opportunities to enhance or improve existing facilities. Offerors shall prepare their proposals so that any such additional development can be accommodated under the current master plan for Stone Mountain Park. No changes to the master plan may be included in an offeror's proposal.

Any future changes proposed to the existing master plan must be made in accordance with the statutory requirements (O.C.G.A. Section 12-3-194.2) governing that process.

3.5 Standards of Performance

The SMMA and SDCSMP have earned the reputation of running a high-quality operation that is very customer service oriented. To continue a comparable or better level of service, the lessee/manager will be expected to meet certain performance standards as follows:

- Evergreen Conference Center and Resort lessee/manager to maintain or exceed AAA 3-Diamond rating or the equivalent rating from any successor or comparable agency.
- Stone Mountain Inn – lessee/manager to recommend a positioning strategy given the current design, positioning and markets available to the Inn.
- All Attractions and Retail Operations – lessee/manager is to present an operating plan for days and hours of operation for each attraction and retail operation by December 1 for the following year. Such plan is subject to reasonable amendment based on operating conditions. Subject to force majeure and any such amendments to such plan, lessee is to achieve the plan's hours of operation 95% of the time monthly and to provide monthly reports to the SMMA to demonstrate this compliance.
- Railroad – lessee/manager to comply with all applicable regulations of the Federal Railroad Administration.
- Food Service – lessee/manager to maintain a food service inspection rating of at least 90% from the DeKalb County Health Department.

- Golf Courses – lessee/manager will cause the Green Section of the Southeastern Region of the United States Golf Association to review the condition of the golf courses on an annual basis and report recommendations for their maintenance and improvement. Lessee/manager will provide this report to SMMA along with a report on what recommendations will be implemented and explanation for why any recommendations that are not to be implemented.

3.6 Other Requirements

- The SMMA intends to retain all reserves maintained by Silver Dollar City Stone Mountain Park, Inc.
- At the time of turnover to the successful offeror, the SMMA may turn over the Other Non-resale Inventories (china, flatware, bedding, etc.) and proposes to handle other accounts as follows:
 - Advanced Room and Other Deposits: SDCSMP will retain those funds that have been earned as of the turnover date. SDCSMP will turn over to the successful offeror those funds that have not been earned as of the turnover date.
 - As of the date of turnover, the sum of Trade Accounts Receivable (less historical bad debts) plus the cost of Resale Inventories (Including Food and Beverage, Soft Goods and Logo Items) plus Prepayments by SDCSMP for Future Goods and Services will be reduced by Trade Accounts Payable. The resulting differential if it is a positive number will be paid to SDCSMP. The resulting differential if it is a negative number will be paid to the successful offeror.
- Advertising/Media Deposits: SDCSMP has reserved advertising/media space for future dates. If assignable, do you desire to acquire such advertising/media space?
- The SMMA retains the sole authority to approve or disapprove the following:
 - Any specific development pursuant to the SMMA's master plan,
 - Any financing that pledges or mortgages the lease (if applicable) or any assets or properties covered by the lease, and
 - Any future assignments (including change in control of the company) and subleases.
- In calculating "Gross Annual Revenue" for purposes of determining lease payments to , or management fees from, the SMMA, the gross annual revenue of any sublessee shall be included.
- The successful offeror will provide the SMMA with the following relative to the Park's operations:
 - Unaudited financial statements monthly by the 20th of the following month,
 - Annual audited statements within 60 days of the end of the lease/operating year, and
 - Access to the successful offeror's records for the SMMA or its representatives to audit all relevant data and information necessary to verify gross annual revenue, as reported.

The SMMA encourages the successful offeror to provide a reasonable opportunity for the existing SDCSMP employees to apply for employment.

3.7 Insurance Requirements

Under the Lease Scenario, Offeror shall provide insurance coverage as follows:

- All buildings, other structures and improvements insured against loss or damage caused by fire, lightning, windstorm, hurricane, tornado, cyclone, hail, explosion, riot, civil commotion, aircraft, smoke, land vehicles, boiler explosion, collapse, vandalism, and sprinkler damage, and any other risks customarily included under either fire and extended coverage or so-called at-risk insurance policies, and loss of rents for up to twelve (12) months resulting from any insured

event, with responsible insurance companies, legally licensed and authorized to transact business in the State of Georgia. Such coverage is to be in the amount of the full insurable replacement value of said buildings, other structures, and improvements.

- Under either the lease scenario or management agreement scenario, the successful awardee will be responsible for:
 - A policy of commercial general liability insurance with respect to premises, with a combined single limit of liability of not less than \$10 million, subject to commercially reasonable deductible amounts, for bodily injury to or personal injury or death of any person and consequential damages arising therefrom, and for property damage, arising out of any one occurrence.
 - An umbrella general liability policy with a limit of not less than \$30 million, subject to commercially reasonable deductible amounts.

3.8 Replacement Reserve for Fixed Assets

The SMMA will require a minimum of 5% of Annual Gross Revenues to be placed in a replacement reserve and expended annually (unless the SMMA consents to the expenditure of a lesser amount each year with a carry-forward of any excess). Such reserve shall be for renovation and replacement of improvements, including furnishings, fixtures, and equipment.

3.9 Financial Requirements

Under the lease option, the SMMA will require a two-component rent structure: 1) a minimum annual fixed rent, and 2) an annual percentage rent. Offeror should submit the amounts and terms for the following:

1. Minimum annual fixed rent of \$___ million (subject to annual adjustment based upon the annual percentage increase, from time to time, in the Consumer Price Index, not to exceed ___%), payable monthly in advance on or before the first day of each month in equal monthly installments.
2. Annual percentage rent, to be calculated by multiplying Gross Annual Revenues (defined as all revenues generated by the operation of the amenities and activities leased/contracted to the vendor at Stone Mountain Park) more than \$__ million (adjusted annually in accordance with the corresponding adjustments in the minimum annual fixed rent) by an agreed upon percentage rate. Such annual percentage rent is payable on an annual basis within 30 days after the end of each lease year. Offerors should indicate the percentage rate they will be willing to pay on Gross Annual Revenues more than \$__ million as adjusted annually.

The SMMA will also require a commercially reasonable security deposit.

3.10 Information to Be Submitted by Offeror

3.10.1 Detailed Proposal Information

Stone Mountain Park is a unique natural resource within the State and is highly visible because of its location within Metropolitan Atlanta. It is visited each year by millions of people. Because the SMMA has a significant interest in understanding how an offeror would intend to operate the facilities, each offeror MUST provide information on the following which will be evaluated and assigned points as described in the Proposal Submission and Evaluation Section of this RFP:

Offeror Description and Background:

- Describe your organization's current structure, its business background and the range of services currently offered.
- How would the Stone Mountain Park amenities and activities fit within your portfolio of existing business(es)? If the offeror has a formal business plan and is willing to share it with the SMMA, that would be helpful.
- Describe your organization's experience in operating and developing facilities in environmentally sensitive areas.
- How large is your portfolio and what is your company's or principal's equity interest in each operation? How has your company expanded (or contracted) over the past five years?
- With what operations, and with what entities, have you had, and do you currently have, management relationships? Please provide the following for each:
 - Name of operation and description of facilities and services offered.
 - Date ownership and/or management began and date ownership and/or management ended (or date management agreement terminates, if applicable).
 - Name and address of owner and lender (if applicable); contact name and telephone number.
- Provide a list of operations and/or management contracts lost during the past five (5) years and the reason for each loss (if applicable).
- The SMMA expects a financially solvent entity acceptable to the SMMA to guarantee the lease. Please give the SMMA a detailed explanation of your organization's ownership structure and indicate which entity you anticipate providing the required guarantee. With respect to both the guarantor and the successful offeror, what continuing affirmative covenants would you offer in the following areas:
 - Minimum net worth,
 - Minimum working capital,
 - Debt,
 - Distributions, dividends, loans, and advances to the parent company,
 - Related party fee arrangements, and
 - Minimum insurance coverage.
- Revenue Generation and Marketing:
- What do you see as the appropriate market orientation of the Stone Mountain Park amenities and activities being offered for lease to maximize their revenue potential (if different from that which exists today)?
 - How would a re-imaging/re-positioning of the Park fit into this strategy?
- What marketing services would you employ to create that orientation?

- Discuss your company's or corporate personnel's familiarity and experience with operating projects of this size.
- If you are proposing to manage the asset of the SMMA as identified in Section 3.3.1 herein, please prepare a ten-year proforma for these operations (and incorporating your proposed management fee terms and conditions as a part of your proposal submittal).

Management

- From what office would you oversee the management of these facilities? What capabilities would you have on-site at Stone Mountain Park?
- What would be your organization's management structure to manage these amenities and activities at Stone Mountain Park?
- Describe your plan of transition, including any transition plan for dealing with current SDCSMP employees and their related fringe benefits, in assuming responsibility for the amenities and activities described in this RFP.
- Stone Mountain Park and SDCSMP have a reputation of providing exceptional service in its dealings with its visitors. What steps would you take to ensure that visitors receive excellent service and that any complaints are handled promptly and courteously? Describe the measurable standards that you would recommend be included in regular reports to SMMA to assure SMMA that this is being accomplished.
- It is important that the offeror's management and staff work in harmony with SMMA's Chief Executive Officer and staff. Explain what specific steps you propose to achieve and maintain a good working relationship with SMMA's managers and staff.

Proposed Approach

- The existing assets at the Park are attractive and in good condition. Describe how your organization proposes to maintain at a comparable or improved level the assets associated with the amenities and activities being leased. Also, describe the measurable standards that you would recommend be included in regular reports to SMMA to assure SMMA that assets (including fixtures, furnishings, equipment, and other leased non-resale inventories) are being properly maintained.
- If you are proposing a lease structure, how do you intend to finance your proposed capital improvement plan?
- The SMMA is committed to serving the needs of the citizens of Georgia and tries to be a responsible steward of the natural resources present in the Park. Recognizing that the priorities of a private sector firm may be different, there is a critical need for the future lessee/manager and the SMMA to work cooperatively at the Park for both parties to achieve their overall missions. This has been successfully achieved with SDCSMP since 1998. If awarded the lease/management agreement, how would your firm propose to establish and maintain a harmonious and mutually supportive relationship with the SMMA Board and its staff?

3.10.2 General Information to Be Provided by Offeror

- Name, address and telephone number of the individual(s), partnership(s) and/or company(ies) submitting the proposal. Identify names of the principal(s) who will conduct negotiations with the SMMA on this procurement.
- A description of the nature of the organization proposed to enter a lease/contract with the SMMA. If the entity proposed is newly created, there must be assurances that its actions and agreements can be fully supported.
- Identification of any employees, partners, company officials, legal counsel or major stockholders who are state employees or State or local elected officials.
- Information on the nature of any work performed by the offeror or any component of the offeror's team (if appropriate) for the State, its agencies, or public authorities, including the contact person at the State with whom the offeror interacted.
- If applicable, a list showing the exact case, the number and court of all lawsuits, and a general description of all arbitrations to which the offeror, and/or a member of the offeror's team, has been party for the last 10 years. State whether each proceeding is pending or resolved, along with any amounts paid. Describe all settlements and all judgements of liability.
- Detailed information on any sub-lease, subcontractor, or other organization the offeror may utilize in the day-to-day operation of any portion of the leased and/or managed property and not conflict with Section 5.5 below.

PROPOSAL SUBMISSION AND EVALUATIONS

4.1 Economy of Presentation

Each proposal shall be prepared simply and economically, providing straight forward, concise delineation of offeror's capabilities to satisfy the requirements of this RFP. Fancy bindings, colored displays, and promotional material are not desired. Emphasis in each proposal must be on completeness and clarity of content. To expedite the evaluation of proposals, it is essential that offerors follow the format and instructions contained herein.

4.2 Required Organization of Offeror Proposals

An offeror's proposal in response to this RFP must include two components – a technical component and a financial component. The content of the proposal must be organized as follows:

- i. Table of Contents
- ii. Administrative Requirements:
 - a. Signed Proposal Letter
- iii. General Information
- iv. Offeror Description and Background
- v. Revenue Generation and Marketing
- vi. Management
- vii. Proposed Approach
- viii. Financial Proposal
- ix. Appendices:
 - a. Any Exceptions to the Form of Lease attached as Appendix A
 - b. Other Supporting Materials

4.3 Submission of Proposals

Proposals must be submitted at the location specified no later than the date and time specified in Section 1.3. The proposal packages must be identified as follows:

Proposals for Stone Mountain Park

An original, twelve (12) printed copies, and one electronic copy on a flash drive of the proposal are required. The Proposal Letter, included as page two of this package, must be included, and must be signed by a person authorized to legally bind the company. **FAILURE TO INCLUDE THIS SIGNED PROPOSAL LETTER WILL RESULT IN THE REJECTION OF YOUR RESPONSE.**

4.4 Evaluation Criteria and Process

4.4.1 Initial Review of Proposals

All proposals received will be reviewed by the Issuing Officers to ensure that all administrative requirements of the RFP package have been met by the offerors. Each proposal will be reviewed to ensure that all documents requiring a signature have been signed. Failure to meet these requirements will be cause for rejection of a proposal. All proposals that meet the administrative requirements will then be turned over to the evaluation team members for further evaluation.

4.4.2 Evaluation Team

The evaluation team, consisting of representatives from the Stone Mountain Memorial Association and other state agencies as appropriate and selected private sector organizations, will review all proposals received and determine a ranking.

4.4.3 Remaining Evaluation Process

For all proposals that pass SMMA's administrative review, the process of evaluation and selection will be conducted in the following two (2) phases:

Phase 1

The evaluation team will screen each proposal for completeness to ensure that all mandatory requirements are addressed satisfactorily. All proposals that satisfy these requirements will be evaluated in Phase 2.

Phase 2

In this Phase, the evaluation team will evaluate the quality and completeness of each proposal as it addresses each requirement of the RFP. A maximum of 1,000 points may be awarded to each proposal; 800 points for the technical component and 200 points for the financial component.

Technical Component: The technical component of proposals will be evaluated and scored in four (4) categories. Each category is assigned a maximum point value. Only proposals that receive 600 points (75%) or more will be considered further.

For these proposals that receive 600 or more points, their scores will be adjusted to maintain the balance between the technical and financial components. The proposal with the highest technical score will be adjusted up to 800 points. All other proposals with 600 or more points will receive a prorated technical score calculated using the following formula:

$$P/H \times 600 = V$$

Where: P = Technical score of the proposal being adjusted

H = Original technical score of the highest-ranking proposal

V = Assigned points for proposal being adjusted

A. Offeror's Description and Background

Offeror will be evaluated on, but not limited to, the following types of information presented in the technical proposal:

- The offeror's history of successful operation of mixed-use recreation facilities including hotel and conference center operating experience and mixed-use development experience.
- The offeror's experience in operating and developing facilities in environmental sensitive areas.

- The offeror's experience in working with governmental agencies or other private companies jointly on projects.

Maximum number of points is 200.

B. Revenue Generation and Marketing

Offerors will be evaluated on, but not limited to, the following types of information presented in the technical proposal.

- Quality of marketing strategy.
- Offeror's experience in marketing operations of a similar nature and size.
- Degree of compatibility of marketing strategy with Park's overall theme and resources.
- Conceptual thinking relating to re-imaging/re-positioning of the Park.

Maximum number of points is 150

C. Management

Offerors will be evaluated on, but not limited to, the following types of information presented in the technical proposal:

- Appropriateness of proposed organizational structure to the facilities being offered for lease/management.
- Quality of proposed plan of transition.
- Quality of proposed approach to providing continued good service to Park visitors and to receiving and handling complaints.
- Approach to establishing and maintaining an effective and cooperative working relationship with SMMA Board of Directors, management, and staff.

Maximum number of points is 200

D. Proposed Approach

Offerors will be evaluated on, but not limited to, the following types of information presented in the technical proposal:

- The quality and comprehensive of the offeror's plans for managing and developing those areas leased/managed.
- The degree to which the offeror's proposal is compatible with, complements and enhances Stone Mountain Park's current efforts in repositioning the Park.
- The extent to which the offeror's proposal displays sensitivity to protecting and preserving the Park's natural and historical resources.
- The quality of the offeror's plans to work cooperatively with the SMMA's on-site staff to jointly provide visitors with a positive experience.

Maximum number of points is 250

Financial Component: The financial component of each proposal will be evaluated with a maximum of 200 points awarded to the proposal with the largest financial return over the term of the lease. All other proposals deemed to be acceptable will receive a prorated score calculated using the following formula:

$$R/L \times 200 = Z$$

Where: R = Net present value of the proposal being ranked.

L = Net present value of the proposal with the largest financial return.

Z = Assigned points.

The offerors with the highest ranked proposals may be called in to make an oral presentation to the evaluation team and to answer questions.

Once the evaluation scores for the technical component and financial component of each proposal have been combined and the associated documentation finalized, the apparent successful offeror will be identified.

4.5 Final Evaluation and Interview

The apparent successful offeror will then be required to submit the following financial statements and other associated documents to a CPA firm designated by the SMMA to make an independent review of such records for purposes of final evaluation:

- Audit finalized statements (10K and 10Q, if any) for the offeror and each of its predecessor and affiliated entities for the previous five (5) years, or for each of the years in operation, if fewer than five years;
- Organizational structure of the offeror, including legal structure and level of ownership held by each shareholder or partner more than 5%;
- Analysis of financial performance of the offeror on similar projects;
- Bank balances and lines of credit (outstanding and available balances);
- Financial covenants and maturities of long-term liabilities;
- Description of any prior or current bankruptcy proceedings involving the offeror, its predecessors, its affiliates, or its principals;
- Description of any prior or current SEC or other securities investigations involving the offeror, its predecessors, its affiliates, or its principals, including any prior convictions arising from any such investigations;
- Description of any prior or current criminal or regulatory investigations involving the offeror, its predecessors, its affiliates, or its principals; and
- The plan of financing the offeror intends to employ for this project, as applicable.

The apparent successful offeror will be required, when requested by the SMMA, to meet with SMMA and other State policy-level officials. The purpose of this oral interview will be to:

- Verify the offeror's understanding of the terms of the RFP; and
- Verify offeror's ability to finance the project as proposed (as applicable).

Based upon the evaluation of the financial information and upon the interview, if it is determined that the apparent successful offeror has demonstrated its ability to finance and/or to operate the facilities contemplated herein and as proposed in such offeror's proposal, then the SMMA may enter contract

negotiations with the apparent successful offeror as provided for in Section 5.4. If it is determined that the offeror has failed to so demonstrate its ability, then at the discretion of the SMMA such offeror's proposal may be rejected and the SMMA may either consider the offeror with the next highest ranked proposal via the same final evaluation and interview process or elect to reject all proposals.

TERMS AND CONDITIONS

5.1 RFP Amendments

The SMMA reserves the right to amend the RFP prior to the date of proposal submission. Amendments will be sent to all offerors who originally received a copy of the RFP.

5.2 Proposal Withdrawal

Prior to the proposal due date, a submitted proposal may be withdrawn by the offeror by submitting a written request to the Issuing Officers named herein. All such requests must be signed by a person authorized to sign for the offeror.

5.3 Cost for Preparing Proposals

The cost for developing the proposal is the sole responsibility of the offeror. The SMMA will not provide reimbursement for such costs.

5.4 Lease

The form of the lease which the SMMA intends to use with the successful offeror follows that which currently exists with SDCSMP which is attached to this RFP and identified as Appendix A. Prospective offerors are urged to carefully read this document prior to making their offers. No signature is required.

Any exceptions to the lease must be clearly identified and accompany the offeror's proposal.

The SMMA reserves the right to add provisions consistent with the successful offeror's offer and to negotiate with the successful offeror other additions to, deletions from, and/or changes in the language in the lease, provided that no such addition, deletion or change in lease language would, in the sole discretion of the SMMA affect the evaluation criteria set forth herein.

Prior to award, the apparent successful offeror will be required to enter discussions with the SMMA to resolve any contractual differences before an award is made. These discussions are to be finalized and all exceptions resolved within one (1) week of notification; if not, this could lead to rejection of the offeror's proposal and discussions initiated with the second most highly rated offeror.

Offeror will not retype the lease enclosed herewith as alterations will be difficult to detect.

PLEASE NOTE: If the offeror intends to propose to enter into a management agreement with the SMMA, please submit a standard form management agreement that would propose to operator under, as available.

5.5 Single Vendor Responsibility

Should a vendor partner with one or more other vendors in submitting a proposal in response to this RFP, the proposal must designate one vendor as lead contractor with whom the SMMA will negotiate. No award will be made unless the proposal includes single vendor responsibility.

5.6 Conflict of Interest

If an offeror has any existing client relationship(s) that involve the State of Georgia that would prevent their being objective, the offeror must disclose such relationship(s).

5.7 Disclaimer

Information contained in any exhibit, table, or appendix of this Request for Proposals is provided for information purposes only and is not warranted as accurate by the SMMA. Each offeror making a proposal should exercise its own due diligence to ascertain the information on which it chooses to base its proposal.

5.8 Policy on Drug-Free Workplace

The final award of a contract is contingent upon the contractor certifying to the State that a drug-free workplace will be provided for the Contractor's employees during the performance of the contract as required by the "Drug-Free Workplace Act" (O.C.G.A. 50-24-1).

APPENDIX A

**LEASE BETWEEN
STONE MOUNTAIN MEMORIAL ASSOCIATION
Lessor**

And

**SILVER DOLLAR CITY
STONE MOUNTAIN PARK, INC.
Lessee**

Including: AMENDMENTS 1 – 9

LEASE

between

STONE MOUNTAIN MEMORIAL ASSOCIATION,
Lessor

and

SILVER DOLLAR CITY
STONE MOUNTAIN PARK, INC.
Lessee

Dated: As of January 3, 1998

Location: Stone Mountain Park
Stone Mountain, DeKalb County, Georgia

0105959.12

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 - EXHIBIT "J" - NEAR TERM CAPITAL IMPROVEMENTS PLAN
- SCHEDULE 1

AGREEMENT OF LEASE

THIS LEASE ("Lease"), made and entered into as of January 3, 1998, by and between STONE MOUNTAIN MEMORIAL ASSOCIATION, a body corporate and politic created and existing under the laws of the State of Georgia, as lessor ("Lessor") and SILVER DOLLAR CITY STONE MOUNTAIN PARK, INC., a Georgia corporation, as lessee ("Lessee");

WITNESSETH:

WHEREAS, Lessor is the owner of certain property in DeKalb County, Georgia and Gwinnett County, Georgia, commonly known as "Stone Mountain Park"; and

WHEREAS, Lessor has determined, in the exercise of the authority vested in it by law, that a lease of certain portions of Stone Mountain Park is the appropriate means to achieve the objectives of the Lessor; and

WHEREAS, Lessee is experienced in the operation of such recreational developments and desires to enter into a lease of such portions of said property from Lessor; and

WHEREAS, Lessor has determined that it is in the best interests of the Lessor and the State of Georgia for Lessor to enter into such lease with Lessee;

NOW, THEREFORE, for and in consideration of the premises recited above, the covenants and agreements hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Lessor and Lessee do hereby covenant and agree as follows:

1. Basic Provisions and Definitions.

This Paragraph 1 is an integral part of this Lease and all of the terms hereof are incorporated into this Lease in all respects. In addition to the other terms which are defined in this Lease, the following capitalized terms, whenever used in this Lease, shall have the meanings set forth in this Paragraph 1, and only such meanings, unless such meanings are expressly contradicted, limited or expanded elsewhere herein:

1.1 Date of Lease: As of January 3, 1998.

1.2 Lessor: STONE MOUNTAIN MEMORIAL ASSOCIATION.

1.3 Address of Lessor: Stone Mountain Memorial Association
East Gate Highway 78
P. O. Box 778
Stone Mountain, Georgia 30086
Attn: Chairman

With a Copy to: Chief Executive Officer
Stone Mountain Memorial Association
East Gate, Highway 78
P. O. Box 778
Stone Mountain, Georgia 30086

1.4 Lessee: Silver Dollar City Stone Mountain Park, Inc.

1.5 Address of Lessee: Silver Dollar City Stone Mountain Park, Inc.
2800 West Highway 76
Branson, Missouri 65616
Attn: Mr. Mike Miller

1.6 Lessee's Trade Name: Stone Mountain Park or such other trade name approved by Lessor and used by Lessee to describe the Premises.

1.7 Permitted Use: To the extent consistent with the Master Plan, as the same may be modified as provided by law, and subject to the use restrictions set forth in Exhibit "E", as the same may be modified as provided herein, the Premises shall be used for public park and recreational purposes, including, without limitation, any combination of the following: hotels and related uses, vacation services, sports and entertainment uses, retail stores, restaurants and related uses, office and other ancillary uses relating to operations on the Premises, theme attractions, and docks, moorings, wharves, and other similar facilities, which may be located on the waters of the lakes at Stone Mountain Park within the areas permitted by the Master Plan and this Lease.

1.8 Commencement Date: The date of commencement of the Term shall be January 3, 1998.

1.9 Expiration Date: The Expiration Date shall be the day before the thirtieth (30th) anniversary of the Commencement Date, as the same may be amended, renewed or extended, subject to earlier termination as provided in this Lease.

1.10 Impositions: All taxes, assessments, use and occupancy taxes, transit taxes, water and sewer charges, rates and rents, charges for public utilities, excises, levies, license and permit fees and other charges, general and special, ordinary and extraordinary, foreseen and unforeseen, of any kind and nature whatsoever, which shall or may during the Term (as hereinafter defined)

be assessed, levied, charged, confirmed or imposed upon or accrue or become due or payable out of or on account of or become a lien on the Premises or any portion thereof, the appurtenances thereto, or the rent and income [including rents and other income received by or for the account of Lessee from any subtenants or for any use or occupation of the Premises or any portion thereof, and such franchises, licenses and permits as may be appurtenant to the use of the Premises or any portion thereof, or any documents to which Lessee is a party (which documents create or transfer any interest or estate in the Premises or any portion thereof, payable to any governmental body)]. Except as hereinafter provided with respect to certain taxes that may hereafter be levied upon rents from real property, Impositions shall not include any taxes or assessments levied or assessed against or upon the reversionary fee title or interest of Lessor in and to the Premises in the event and to the extent that Lessor or any successor thereto shall not or shall no longer be exempt from real property and personal property ad valorem taxes and assessments or any of them. Impositions shall not include any income taxes, capital levy, estate, succession, inheritance or transfer taxes or similar tax of Lessor, or any franchise taxes imposed upon any owner of the fee of the Premises or any income, profits or revenue tax, assessment or charge imposed upon the rent or other benefit received by Lessor under this Lease, by any municipality, county or state, the United States of America or any governmental body; provided, however, that if at any time during the Term, the present method of taxation or assessment shall be so changed that the whole or any part of the taxes, assessments, levies, impositions or charges now levied, assessed or imposed on real estate and the improvements thereon shall be discontinued and as a substitute therefor, taxes, assessments, levies, impositions or charges shall be levied, assessed and/or imposed wholly or partially as a capital levy or otherwise on the rental received from said real estate or the rents reserved herein or any part thereof, then such substitute taxes, assessments, levies, impositions or charges, to the extent so levied, assessed or imposed, shall be deemed to be included within the term "Impositions" to the extent that such substitute tax would be payable if the Premises were the only property of Lessor subject to such tax.

1.11 Annual Basic Rent Rate: Nine Million Five Hundred Thousand and No/100 Dollars (\$9,500,000.00) per annum (\$791,666.67 per month) during the Term, subject to adjustment as set forth in Paragraph 4 hereof.

1.12 Security Deposit: As defined in Paragraph 5 hereof.

1.13 Insurance Requirements: All requirements of any insurance policy covering or applicable to any part of the Premises or the use thereof; all requirements of the issuer of any such policy, and all orders, rules, regulations, recommendations and other requirements of the Association of Fire Underwriters, Factory Mutual Insurance Companies, the Insurance Services Organization, and any other body exercising the same or similar functions and having jurisdiction or cognizance of any part of the Premises.

1.14 Legal Requirements: All laws, statutes and ordinances (including building codes and zoning regulations and ordinances) and the orders, rules, regulations, directives and requirements of all federal, state, county and city departments, bureaus, boards, agencies, offices, commissions and other subdivisions thereof, or of any official thereof, or of any other

governmental, public or quasi-public authority, whether now or hereafter in force, which may be applicable to the Premises, or any part thereof, all requirements, obligations and conditions of all instruments of record as of the date hereof affecting the Premises and all requirements, obligations and conditions of all future instruments of record entered into or consented to by Lessee.

1.15 Guarantor: Silver Dollar City, Inc., a Missouri corporation

1.16 Address of Guarantor: Silver Dollar City, Inc.
2800 West Highway 76
Branson, Missouri 65616
Attn: Mr. Mike Miller

1.17 Premises: Those certain premises consisting of (a) those certain tracts or parcels of land located in DeKalb County, Georgia and Gwinnett County, Georgia, and being more particularly described on Exhibit "A" attached hereto and made a part hereof, together with the improvements thereon (the "Property"), being part of the park and recreation development commonly known as Stone Mountain Park, expressly excluding the Retained Property, and (b) the following activities and amenities outside the property described in clause (a) above and delineated on the survey described in Exhibit "A" hereto: (i) the railroad train, railroad track, train maintenance facility and ghost town, (ii) the sky lift, (iii) the wildlife preserve/petting farm, (iv) the fishing hut and (v) the Whistlestop Restaurant. Lessor is also granting to Lessee for the Term of this Lease non-exclusive access easements (x) over, through and across the roads, sidewalks/bicycle paths and trails now or hereafter established and maintained by Lessor within the Natural District, and the "Access Easement Area" (as defined in that certain Amended and Restated Easement Agreement dated October __, 1997, by and between J. M. Williams, Jr. and Virgil R. Williams, Mountain East Investors, Dayton Hudson Corporation, Stone Mountain Memorial Association, and Stone Mountain-Britt Memorial Airport, Inc., hereinafter called "Amended and Restated Easement Agreement"), together with the right to impose restrictions upon the use of the "Access Easement Area" as reserved to the Lessor in the Amended and Restated Easement Agreement, and in all cases subject to the other terms and provisions of this Lease, for ingress and egress to and from the Premises in connection with the maintenance, repair, renovation, improvement, operation and replacement of the Premises, (y) for use of the lakes at Stone Mountain Park for fishing, showboats, boating and related recreational uses in accordance with this Lease and (z) for use of the Retained Property for the purposes for which the same was designed, in accordance with and subject to the terms and provisions of this Lease (the "Appurtenant Easements").

1.18 Retained Property: The assets, property and rights described on Exhibit "B" attached hereto.

1.19 Existing Title Exceptions: The matters set forth on Exhibit "C" attached hereto.

1.20 SMMA: Stone Mountain Memorial Association, a body corporate and politic created and existing under the laws of the State of Georgia.

1.21 Lease Year: As defined in Exhibit "D" hereto.

1.22 Master Plan: Lessor's 1992 Comprehensive Master Plan.

1.23 Stone Mountain Park: The park and recreational development depicted on the maps attached hereto as "Exhibit A-1."

1.24 Affiliate: Any corporation, partnership, limited liability company or other legal entity controlling, controlled by, or under common control with, Lessee.

2. Premises.

2.1 Lessor hereby demises and leases to Lessee and Lessee hereby rents and hires from Lessor, the Premises, and Lessor hereby grants the Appurtenant Easements to Lessee, for the Term of this Lease, subject, however, to the Existing Title Exceptions and the terms and conditions of this Lease.

3. Term.

3.1 The term of this Lease (the "Term") shall commence on the Commencement Date, as set forth in Paragraph 1.8 hereof, and shall end at midnight on the Expiration Date, as set forth in Paragraph 1.9 hereof, unless sooner terminated or extended pursuant to the terms and conditions of this Lease or pursuant to law.

3.2 Lessee shall have the option to extend the Term for four (4) successive, consecutive renewal terms of five (5) years each upon the same terms and conditions as set forth herein for the original Term; provided that no Event of Default has occurred and remains uncured as of the date of exercise of any such renewal option or the date on which any such renewal term shall commence, and provided further that Lessee shall give notice to Lessor of Lessee's exercise of each such renewal option not more than twenty-four (24) months, and not less than twelve (12) months, prior to the date of commencement of each such renewal term.

4. Rent.

4.1 Lessee shall pay to Lessor during the Term, in lawful money (by good check evidencing immediately available funds) of the United States, without any prior demand therefor and without any offsets or deductions whatsoever except as may be otherwise expressly provided herein, the following sums (collectively, "Rent"):

(a) fixed rent ("Basic Rent") at the Annual Basic Rent Rate for the Term commencing on the Commencement Date and ending on the Expiration Date, subject to adjustment as set forth in Paragraph 4.2;

(b) percentage rent ("Percentage Rent") at the rate specified in, and on the terms and conditions set forth in, the Percentage Rent Rider attached hereto as Exhibit "D"; and

(c) additional rent ("Additional Rent") consisting of all other sums of money as shall become due from and be payable by Lessee hereunder (for default in the payment of which Lessor shall have the same remedies as for a default in the payment of Basic Rent). Basic Rent, Percentage Rent and Additional Rent are sometimes collectively referred to herein as "Rent".

4.2 On the first day of the second full Lease Year (as defined in Paragraph 1 (a) of Exhibit "D") and then on the first day of each successive Lease Year thereafter (each of such dates being herein referred to as an "Adjustment Date"), the Annual Basic Rent Rate shall be increased to an amount equal to the Annual Basic Rent Rate applicable for the first full Lease Year (and any initial Partial Lease Year) of the Term as set forth in Paragraph 1.11 hereof, plus an amount equal to the product of the percentage increase in the "CPI-U" (as hereinafter defined) for the month preceding the applicable Adjustment Date as compared to the "CPI-U" for the month during which this Lease is fully-executed by Lessor and Lessee, multiplied by the Annual Basic Rent Rate applicable for the first full Lease Year of the Term as set forth in Paragraph 1.11 hereof. Notwithstanding the foregoing, in no event shall the Annual Basic Rent Rate for any Lease Year be increased by more than four percent (4%) of the Annual Basic Rent Rate for the prior Lease Year.

As used herein, the term "CPI-U" shall mean the United States Department of Labor, Bureau of Labor Statistics Consumer Price Index for all Urban Consumers (U.S. City Average; Base 1982-84 = 100), published by the Bureau of Labor Statistics of the United States Department of Labor. If at any time during the Term the "CPI-U" shall be discontinued or published less frequently, Lessor and Lessee shall mutually and reasonably agree to substitute an existing official index published by the aforesaid Bureau of Labor Statistics or a successor other, similar governmental agency, which index is most nearly equivalent to the "CPI-U" or to a substitute procedure which reasonably reflects and monitors consumer prices.

4.3 Except as expressly provided in Paragraph 4.1 hereof, Basic Rent shall be payable in advance in equal monthly installments beginning on the Commencement Date and continuing on the first day of each calendar month thereafter during the Term.

4.4 In the event that the Commencement Date shall occur on a day other than the first day of a calendar month, the monthly installment of Basic Rent for the unexpired portion of the month in which the Commencement Date occurs shall be prorated on the basis of the actual number of days in such month. In the event the Expiration Date shall occur on a day other than the last day of a calendar month, then the amount of the monthly installment of the Basic Rent

for the last month or portion thereof in which the Expiration Date occurs shall be prorated on the basis of the actual number of days in such month, and any excess prepaid Basic Rent and Additional Rent shall be refunded by Lessor to Lessee on the Expiration Date.

4.5 If Lessee shall fail to pay any rents, charges or other sums after the same become due and payable, such unpaid amounts shall bear interest at the per annum rate of one percent (1%) in excess of the rate from time to time announced by NationsBank, N.A. (or any successor thereto) as its "prime rate" ("Late Payment Interest Rate"), calculated on the basis of actual days elapsed, based on a three hundred sixty (360) day year, from the fifth (5th) day following the due date of such rents, charges or other sums to the date of payment; except that such interest shall never exceed the maximum legal rate from time to time permitted by applicable law; provided, however, if the payment is more than thirty (30) days late, the Late Payment Interest Rate, from and after such thirtieth (30th) day, shall be increased by three (3) percentage points, except that such interest shall never exceed the maximum legal rate from time to time permitted by applicable law. The provisions herein for Additional Rent shall not be construed to extend the date for payment of any sums required to be paid by Lessee hereunder or to relieve Lessee of its obligation to pay all such sums at the time or times herein stipulated. Notwithstanding the imposition of such Additional Rent, Lessee shall be in default under this Lease if any or all payments required to be made by Lessee are not made within ten (10) days following written notice that any such amounts are past due.

4.6 (a) For purposes of this Paragraph 4.6, a "Major Event" shall mean any of the following events: (i) Lessee is prevented from charging such prices, rates and charges as it chooses in its sole discretion for products and services on the Premises (subject to Paragraphs 7.1 and 7.2) because of the relationship of Lessor to the Premises, or by reason of legal requirements specifically applicable only to the Premises or applicable solely to properties or assets such as the Premises which have been privatized by the State of Georgia; (ii) Lessee fails to obtain liquor licenses in accordance with the terms of Paragraph 37 hereof (Lessee having otherwise complied in all respects with all of the terms and conditions set forth therein) due to (A) the nonexistence of Lessor, (B) Lessor's failure or refusal to issue such liquor licenses for any reason other than Lessee's failure to comply with the usual and customary requirements of Lessor, or failure to comply with the terms of Paragraph 37 hereof, which failure Lessee fails to cure within thirty (30) days after receipt of written notice that any such liquor license will not be issued, which notice shall set forth in reasonable detail the reason that such liquor license will not be issued and any action required to satisfy the objections of Lessor, or (C) the lack of authority of Lessor to issue liquor licenses; (iii) the State of Georgia (or any other agency or instrumentality thereof) levies any tax or other assessment or imposes any other Legal Requirement solely against the Premises or any portions thereof, or solely against properties or assets such as the Premises which have been privatized by the State of Georgia; (iv) failure or refusal of Lessor to maintain, or a competitive or incompatible use of, the Natural District (including without limitation a reduction of lake levels below the level at which showboats can feasibly and safely be operated in a commercially productive manner) or the Retained Property; (v) failure or refusal of Lessor to perform its obligations under this Lease to the extent such obligations cannot be performed by Lessee or the cost of performance by Lessee cannot be set-off against the Rent hereunder; or (vi)

inability of Lessor to cause the power of eminent domain to be exercised if necessary in order to secure for Lessee the benefits intended to be conferred upon Lessee as set forth in Paragraph 21, notwithstanding Lessor's reasonable efforts to cause such power to be exercised in accordance with law.

(b) The parties agree that the occurrence of a Major Event may damage Lessee, and that a reduction in the rental paid by Lessee to Lessor under this Lease will be appropriate. Lessor and Lessee agree that in the event of the occurrence of any Major Event, Lessee shall be entitled to a reduction of Basic Rent and Percentage Rent in an amount equal to the losses, costs, damages and expenses incurred by Lessee by reason of such Major Event, including, without limitation, start-up costs, marketing and promotional costs and expenses, and lost profits and returns on investment opportunities eliminated by reason of the occurrence of such Major Event (the total amount of such losses, costs, damages and expenses is hereinafter referred to collectively as the "Rent Reduction"). The parties will use good faith efforts to reach an agreement as to the amount of the Rent Reduction and amend this Lease to reduce the Rent by the amount of the Rent Reduction. Upon the occurrence of any Major Event, and until the amendment of this Lease to effect the Rent Reduction, or the termination of this Lease as hereinafter provided, all Basic Rent and Percentage Rent under this Lease shall be tolled in full commencing on the expiration of one hundred twenty (120) days after the date of such occurrence, provided that the inability of the parties to reach an agreement as to the amount of the Rent Reduction and to amend this Lease as provided above is not the result of any challenge by Lessee of the enforceability of any of the provisions of this Paragraph 4.6(b). Any Rent which is determined to be payable by Lessee during any period in which the rent is tolled pursuant to the provisions of the preceding sentence shall be paid in full by Lessee within ten (10) days after the date of determination of the amount of the Rent Reduction. The Rent Reduction shall be retroactive to the date of the occurrence of the Major Event. Any Rent which is determined not to be payable by Lessee with respect to the period after the date of occurrence of a Major Event but which has been previously paid by Lessee shall be refunded by Lessor within ten (10) days after the date of determination of the amount of the Rent Reduction and, if not so refunded by Lessor within such ten (10) day period, Lessee shall have a right of offset against the Rent subsequently payable hereunder with respect to the amount not refunded. In determining the amount of the Rent Reduction, the parties and the appraisers to be appointed pursuant to Paragraph 4.6(c) below, shall take into account any capital expenditures made by Lessee, and its permitted assignees and sublessees, to the time of determination of such loss.

(c) If the parties are unable to reach agreement as to the amount of the Rent Reduction, the Rent Reduction, and the amount of the losses, costs, damages and expenses incurred by Lessee by reason of such occurrence, shall be determined by the following appraisal process: Lessor and Lessee shall each appoint one appraiser to determine the Rent, and each shall promptly notify the other of such appointment. If either party shall fail or refuse so to appoint an appraiser and give notice thereof within thirty (30) days after written request from the other party, the appraiser appointed by such other party shall within an additional thirty (30) days thereafter individually make any such appraisal. If the parties have each so appointed an appraiser, the two appraisers thus appointed shall make such determination within thirty (30)

days after the date of the later notice of appointment. If such two appraisers are unable to agree on such determination within said thirty (30) days, they shall, within an additional ten (10) days thereafter, jointly appoint a third appraiser; if they fail so to appoint such third appraiser within said ten (10) days, the third appraiser shall, within an additional ten (10) days thereafter, be appointed jointly by Lessor and Lessee (or upon their inability to agree, by the American Institute of Real Estate Appraisers, or its successor). The three appraisers so appointed shall then, within thirty (30) days after the appointment of the third appraiser, make such determination by majority vote. Any determination made pursuant to this Paragraph 4.6(c) shall be binding and conclusive upon Lessor and Lessee, without any right of appeal. All appraisers appointed hereunder shall be competent, qualified by training and experience, disinterested, independent, and members in good standing of the American Institute of Real Estate Appraisers, or its successor. All appraisal reports shall be rendered in writing and signed by the appraiser or appraisers making the report. Each party shall pay all fees and expenses charged or incurred by the appraiser appointed by such party; fees and expenses charged or incurred by the third appraiser and fees and expenses which cannot be reasonably attributed to any one appraiser shall be borne equally by Lessor and Lessee.

(d) In the event that any Major Event terminates or ceases to occur, the Rent payable hereunder prior to any Rent Reduction shall be reinstated as of the date on which such Major Event terminates or ceases to occur.

(e) Upon any such occurrence, if the amount of the Rent Reduction is insufficient to compensate Lessee for all losses, costs, damages and expenses incurred and to be incurred by Lessee by reason of such occurrence, Lessee shall have the further right to terminate this Lease by providing written notice of termination to Lessor within one hundred eighty (180) days after receipt by Lessee of written notice of the final determination of the amount of the Rent Reduction, in which event this Lease shall terminate on the date set by Lessee for termination in such notice of termination, which date shall be not earlier than sixty (60) days after the date of such notice and not later than (1) year after the date of such notice.

(f) If Lessee elects to terminate this Lease pursuant to Paragraph 4.6(e) above, Lessee shall be entitled to receive from Lessor reimbursement for the unamortized costs (based on depreciation of the original historical capital costs and using the straight-line method of depreciation, based upon useful lives used by Lessee for tax purposes) of all buildings, structures and improvements constructed upon the Premises by Lessee or its sublessees. Proof of such unamortized costs must be provided to Lessor prior to reimbursement. In addition, all items of income and expense under this Lease or otherwise with respect to the Premises shall be prorated as of midnight of the day prior to the effective date of termination, consistent with the manner in which such items of income and expense were prorated between Lessor and Lessee contemporaneously with the Commencement Date.

5. Security Deposit. Lessee agrees to deposit with the Lessor on the date of the execution of this Lease by Lessor, and to thereafter maintain at all times with the Lessor, as security for the faithful performance of the undertakings, duties and obligations of Lessee under this Lease, such

bonds or other security in such amounts (hereinafter referred to as "Security Deposit") as is hereinafter provided for in this Paragraph 5.

5.1 The form of the Security Deposit shall be:

(a) recognized valid bonds of the United States Government, the State of Georgia or any of the bond issuing authorities, agencies or commissions of the State of Georgia having a then aggregate par value equal to the Security Deposit required hereunder;

(b) an irrevocable, unconditional letter of credit, in form and substance satisfactory to Lessor, from a financial institution satisfactory to Lessor, subject to reduction as provided hereinbelow, which Lessee shall renew for each year of the Term of this Lease; or

(c) such other security as may be acceptable to the Lessor.

5.2 On the date of the execution of this Lease by Lessor and thereafter until the expiration or earlier termination of this Lease, the Security Deposit shall be equal to \$8,500,000.00. Notwithstanding the foregoing, Lessee shall have the right to reduce the amount of the Security Deposit by One Dollar (\$1.00) for each Two Dollars (\$2.00) that Lessee expends for capital improvements to the Premises (excluding capital expenditures from the "Reserve Account," as defined in Paragraph 9.2); provided that the Security Deposit shall not be reduced below \$5,000,000.00. In the event the Security Deposit shall have been reduced pursuant to the preceding sentence, Lessee shall restore the Security Deposit to \$8,500,000.00 upon the occurrence of any of the following: (i) the Guarantor's minimum tangible net worth shall be less than \$35,000,000.00 as determined by generally accepted accounting principles; (ii) the Guarantor's debt to total assets ratio shall exceed 50%; or (iii) the Guarantor's debt service coverage ratio shall have been less than 1.50 for two out of the past three calendar years during the Term. If any such condition shall occur and thereafter be eliminated, then Lessee may again reduce the Security Deposit to the extent permitted by the second sentence of this Paragraph 5.2.

5.3 In the event any monthly installment of Rent or any other sum(s) owed by Lessee to Lessor under this Lease is (are) not paid to Lessor within ten (10) days from the due date thereof, then, and in that event, Lessor may, upon first giving notice to Lessee and without declaring this Lease to be in default, secure the amount of the then due Rent or other sum(s), plus any late charge and/or default interest to which Lessor is entitled under this Lease, from the Security Deposit. If Lessor secures the amount of the then due Rent or other sum(s), plus any late charge and/or default interest to which Lessor is entitled under this Lease from the Security Deposit, Lessee hereby agrees upon notice from Lessor to Lessee that Lessor has taken the aforesaid action in regard to the Security Deposit, immediately to replace the amount taken from the Security Deposit by Lessor so that the amount of the Security Deposit on file with the Lessor will be in the amount required of Lessee by this Paragraph 5.

5.4 If at any time after the date of the execution of this Lease by Lessor, Lessor shall determine that the security deposited and maintained pursuant to subparagraph (a) of Paragraph

5.1 is inadequate due to market value fluctuations, Lessee shall, within thirty (30) days following written notice by Lessor of such inadequacy, make good said deficiency by the deposit of other or additional bonds or such other security as the Lessor may reasonably require.

5.5 Lessee, in good faith and after depositing the initial Security Deposit with Lessor, shall, with the written approval of the Lessor being first had and obtained, have the right and privilege of changing and interchanging the Security Deposit from time to time.

5.6 Lessee, having fully complied with all of the foregoing subparagraphs of this Paragraph 5, shall have the right to collect and receive any and all interest that may accumulate on the Security Deposit, other than on any cash that may have been so deposited by Lessee. No interest shall be paid by Lessor to Lessee on the Security Deposit.

5.7 If, upon the expiration of the Term, Lessee shall have well and truly performed all of the undertakings, duties and obligations required of Lessee under this Lease including, but not limited to, the payment of the Rent and all other sums owed by Lessee to Lessor hereunder, then the Security Deposit shall be returned by Lessor to Lessee.

6. Tax Payments.

6.1 As Additional Rent during the Term, Lessee will pay or cause to be paid all Impositions, before the same shall become delinquent, except that all Impositions for the fiscal year or tax year in which this Lease expires shall be apportioned so that Lessee shall pay the portions of the Impositions that are applicable to the period prior to the Expiration Date of this Lease and Lessor shall pay the portion thereof applicable thereafter. Lessee shall pay all such Impositions directly to the taxing authority, and as soon as possible thereafter deliver to Lessor satisfactory evidence of such payment. The certificate, advice, bill or statement issued or given by the appropriate officials authorized or designated by law to issue or give the same or receive payment of any of the Impositions, of the existence, nonpayment or amount of such Impositions shall be prima facie evidence of the existence, payment, non-payment and amount of such Impositions.

6.2 Lessee, if Lessee shall so desire, may contest the validity or amount of any Impositions, in which event Lessee may defer payment thereof during the pendency of such contest provided that, prior to the date the same shall have become delinquent, Lessee shall have deposited with the applicable governmental authority the amount required thereby, or if no such sum is required by such authority, Lessee shall have deposited with Lessor an amount sufficient to pay such contested item, together with the interest and penalties thereon, which amount shall be applied to the payment of such item when the amount thereof shall be finally fixed and determined. In lieu of such deposit with Lessor, Lessee may deliver to Lessor a surety company bond in an amount, in a company and in substance approved by Lessor. Nothing herein contained, however, shall be construed to allow such items to remain unpaid for such length of time as shall permit the Premises, or any part thereof, to be sold by any governmental or quasi-governmental authority or a lien with respect thereto foreclosed for the non-payment of the

same. If at any time, in the judgment of Lessor, it shall become necessary to reasonably protect Lessor's interest, Lessor after notice to Lessee may use the funds deposited with Lessor to pay or apply on the contested Impositions. If the amount of deposited funds shall exceed the amount of such payment, the excess shall be paid to Lessee. In case there shall be any deficiency, the amount of such deficiency shall be promptly paid on demand by Lessee to Lessor. If such deficiency is not paid by Lessee to Lessor and if Lessor pays the amount of such deficiency on the contested Impositions, Lessee shall pay to Lessor the amount of such deficiency as additional rent with interest thereon as described in Paragraph 4.5.

6.3 Lessee shall render and return the Premises for taxing to all taxing jurisdictions and may, if Lessee shall so desire, endeavor at any time or times to obtain a lowering of the assessed valuation upon the Premises, for any year for the purpose of reducing Impositions thereon. In such event, and provided that Lessor's interests would not be adversely affected thereby, Lessor will offer no objection, and, at the request of Lessee, will cooperate with Lessee, but without expense to Lessor, in effecting such a reduction. Lessee shall be authorized to collect any tax refund payable as a result of any proceeding Lessee may institute for that purpose and any such refund shall be the property of Lessee to the extent to which it may be based on a payment made by Lessee, subject, however, to any apportionment between Lessor and Lessee with respect to taxes paid or contributed by Lessor in the year in which this Lease expires, after deducting from such refund the reasonable costs and expenses, including reasonable legal fees, incurred in connection with obtaining such refund.

6.4 Lessor shall not be required to join in any action or proceeding referred to in Paragraphs 6.2 or 6.3 unless required by law or any rule or regulation in order to make such action or proceeding effective, in which event any such action or proceeding may be taken by Lessee in the name of, but without expense to, Lessor. Lessee shall save Lessor harmless from all costs, expenses, claims, losses or damages by reason of, in connection with, on account of, growing out of or resulting from any such action or proceeding.

6.5 Lessee agrees to pay prior to delinquency any and all taxes and assessments levied, assessed or imposed during the Term upon or against (i) all furniture, fixtures, signs and equipment and any other personal property installed or located within the Premises, (ii) all alterations, additions, betterments or improvements of whatsoever kind or nature made by or on behalf of Lessee to the Premises, as the same may be separately levied, taxed and assessed against or imposed directly upon Lessee by the tax authorities, and (iii) the rentals payable hereunder by Lessee to Lessor (other than Lessor's Federal, State and local income taxes thereon, if any), provided such taxes are not duplicative hereunder.

6.6 Should any governmental authority require that a tax, other than the Impositions above mentioned, be paid by Lessee, but collected by Lessor, for and on behalf of said governmental authority, and from time to time forwarded by Lessor to said governmental authority, the same shall be paid by Lessee to Lessor payable in advance.

6.7 With respect to any Impositions for which Lessee is responsible hereunder, the official tax bill shall be conclusive evidence of the amount of Impositions levied, assessed, or imposed, as well as of the items taxed. A copy of such tax bill shall, upon request of Lessee, be submitted by Lessor to Lessee annually.

7. Use.

7.1 Lessee shall use the Premises solely for the Permitted Use, as set forth in Paragraph 1.7 hereof, and shall at all times during the Term (except as prevented by a "Major Event") continuously conduct and operate the Premises for the Permitted Use, in a first class manner, under Lessee's Trade Name, as defined in Paragraph 1.6 hereof; provided that the portion of the Premises designated as the "Airport District" on Exhibit "A-1" shall only be used for vehicle parking until Lessor shall have amended the Master Plan to permit other uses therefor. Lessee will not use or permit, or suffer the use of the Premises for any other business or purpose or in any manner or for any use which would violate or contravene the terms and conditions of the Master Plan or the restrictions set forth on Exhibit "E" attached hereto, and Lessee shall comply with its obligations set forth on Exhibit "F" attached hereto. In order to assure the general public's access to and use of the Stone Mountain Park, the conditions for entry into the Stone Mountain Park existing as of the Commencement Date, including hours of operation and parking or other access fees and charges, shall not be modified, unless and until the Lessor initiates and approves a modification thereof, with the reasonable concurrence of the Lessee. There will be no charge for entry to the Stone Mountain Park by persons on foot or on non-motorized vehicles. Lessee shall not commit waste, perform any acts or carry on any practice which may injure the Premises. Without limiting Lessor's other rights and remedies at law, in equity, under this Lease or otherwise, if Lessee violates the terms of this Paragraph 7, Lessor shall have the right to injunctive or other equitable relief and, if Lessor is unsuccessful, to recover from Lessee any direct or consequential damages caused by Lessee's breach. Notwithstanding any provision hereof to the contrary, Lessor's right to control conditions for entry, including hours of operation or other access fees and charges, and charges for entry by persons or on non-motorized vehicles, shall not apply to attractions or events within the Premises, other than the skylift and laser show.

7.2 Lessee shall operate the Premises for the Permitted Use during the entire Term with sound business practice, due diligence and efficiency so as to produce the maximum, consistent with Lessee's profit objectives, gross receipts which may be produced by such manner of operation. Lessee shall provide, install and at all times maintain in the Premises all suitable furniture, fixtures, equipment and other personal property necessary for the conduct of Lessee's business therein in a businesslike manner. Without limiting the generality of the foregoing, except as prevented by a Major Event, Lessee shall during the Term of this Lease (a) operate the skylift in accordance with fees and hours of operation established by Lessor with the reasonable concurrence of Lessee and (b) operate the laser show or suitable alternative multi-media presentation at Stone Mountain approved by Lessor, at no charge to the public, from Memorial Day through Labor Day Weekend of each year within the Term. Except as prevented by a Major Event, Lessee agrees to occupy the Premises for the Permitted Use, directly or indirectly, and not

vacate or abandon the same at any time during the Term of this Lease or materially modify the operation of the activities and amenities leased hereunder within the "Natural District" without the prior written consent of Lessor. If Lessee vacates or abandons the Premises, or is dispossessed by process of law, any personal property or trade fixtures belonging to Lessee and left on the Premises shall, at the option of the Lessor, be deemed to be abandoned by the Lessee and henceforth the title to (and the ownership of) said personal property or trade fixtures shall immediately vest in Lessor. In the event Lessee ceases operations of the Premises for the Permitted Use (either pursuant to this Paragraph or otherwise), unless due to a Major Event, casualty, condemnation or remodeling [which remodeling may not last for more than ninety (90) days, unless a longer period is reasonably required for remodeling], Lessor may, at any time while Lessee is not operating, in addition to any other rights of Lessor, whether pursuant to this Lease, at law or in equity, notify Lessee of Lessor's election to terminate this Lease, in which event this Lease shall terminate on the date so selected by Lessor in Lessor's notification to elect to terminate this Lease, and on the date so set forth in Lessor's notification, this Lease shall terminate and come to an end as if the last day of the natural expiration of the Term and neither party shall have any further obligation to the other hereunder except for obligations accruing up until the date of expiration hereof; provided, however, Lessee may rescind Lessor's election by (a) notifying Lessor, within ten (10) days thereof, that Lessee will reopen the Premises for the Permitted Use, and (b) in fact, so do within sixty (60) days thereafter.

7.3 Lessee, at its sole cost and expense, shall comply with all Legal Requirements and all Insurance Requirements relating to or affecting the Premises, or respecting work performed by Lessee, and shall procure all permits necessary for the Permitted Use and otherwise comply with all such requirements aforesaid respecting Lessee's manner of use or occupancy of the Premises.

7.4 Lessee shall not do or permit any act or thing to be done which constitutes waste or a public or private nuisance.

7.5 Intentionally omitted.

7.6 Subject to Paragraph 4.6 Lessee acknowledges that in the exercise of the authority vested in Lessor by the State of Georgia, Lessor has established and may from time to time establish, modify and enforce ordinances, rules and regulations for Stone Mountain Park. Lessee covenants and agrees to comply with and observe all such ordinances, rules and regulations. Notwithstanding anything hereinabove or elsewhere in this Lease to the contrary, in the event of any conflict between The Code of the Stone Mountain Memorial Association, 1986, as heretofore or hereafter modified or amended, and the rights, benefits and privileges conferred upon Lessee in this Lease, the terms and provisions of this Lease shall control in each instance.

Lessee further acknowledges that Lessor has retained all rights to develop, operate, manage and maintain the Retained Property. Except as set forth in Exhibit "B" hereto, Lessee shall not alter, move or obstruct any of the roads, sidewalks, trails, and non-fee picnic areas included within the Retained Property without the prior written consent of Lessor, which consent

may be granted or withheld in Lessor's sole discretion. Lessee further acknowledges that the dams and lakes within the Park are deemed to be within the "Natural District" as shown on Exhibit "A-1," and are not included within the Premises, subject to Lessee's right to the use and enjoyment of said lakes as otherwise set forth in Paragraph 1.17 hereof.

Lessor will provide, or cause to be provided, at Lessor's cost, the services and facilities described on Schedule 1 attached hereto and by this reference incorporated herein.

7.7 Lessee will meet certain performance standards, as follows:

(a) Evergreen Conference Center and Resort - Lessee shall maintain or exceed AAA 4-Diamond rating or the equivalent rating from any successor or comparable agency, or the equivalent rating based upon standards applied at the commencement of the Term if standards for AAA 4-Diamond rating are raised.

(b) Stone Mountain Inn - Lessee shall maintain or exceed AAA 3-Diamond rating or the equivalent rating from any successor or comparable agency, or the equivalent rating based upon standards applied at the commencement of the Term if standards for AAA 3-Diamond rating are raised. Notwithstanding the foregoing, Lessor hereby waives the foregoing requirement for up to thirty-six (36) months in order to allow Lessee the opportunity to formulate its plans for refurbishment or renovation of the Stone Mountain Inn or for replacement thereof with a new hotel. If Lessee elects to refurbish the Stone Mountain Inn, then within eighteen (18) months thereafter Lessee must achieve and maintain the standard hereinbefore set forth. If Lessee elects to completely renovate or replace the Stone Mountain Inn, then within forty-eight (48) months thereafter Lessee must achieve and maintain the standard hereinbefore set forth.

(c) All Attractions and Retail Operations - Lessee shall present an operating plan for days and hours of operation for each attraction and retail operation by December 1 for the following year. Such plan is subject to reasonable amendment based on operating conditions. Subject to force majeure and any such amendments to such plan, Lessee is to achieve the plan's hours of operation 95% of the time on a monthly basis and to provide monthly reports to Lessor to demonstrate this compliance. Lessee's performance standards shall not fall below those standards existing at the commencement of the Term.

(d) Railroad - Lessee shall comply with all applicable regulations of the Federal Railroad Administration.

(e) Wildlife Preserve and Petting Farm - Lessee shall correct within 10 days any noncompliant items noted in the regular inspections by the Department of Agriculture on the Animal Care Inspection Report.

(f) Food Service - Lessee shall maintain a food service inspection rating of at least 85% from the DeKalb County Health Department or such lower rating that exists at the commencement of the Term.

(g) Golf Courses - Lessee will cause the Green Section of the Southeastern Region of the United States Golf Association to review the condition of the golf courses on an annual basis and report recommendations for their maintenance and improvement. Lessee will provide this report to Lessor along with a report on what recommendations will be implemented and an explanation of why any other recommendations are not to be implemented.

8. Alterations and Improvements.

8.1 Except for exterior alterations which do not materially change the appearance of the affected improvements and except for interior, non-structural improvements, alterations, changes or additions, which do not cost more than \$25,000.00, any improvements, alterations, changes or additions shall be made only with the prior written consent of Lessor, which consent may be granted or withheld in Lessor's sole discretion. Lessee covenants and agrees that Lessee shall make the capital improvements described in Exhibit "J" attached hereto and by this reference made a part hereof, with such modifications as may be approved by Lessor, within the calendar year 1998, and Lessee shall expend an amount equal to \$7,000,000.00, less the amount actually expended by Lessee for the improvements described in Exhibit "J" attached hereto, on additional capital improvements to be approved by Lessor (which approval shall not be unreasonably withheld, delayed or conditioned, provided the same are consistent with Lessee's Near Term Plan submitted to Lessor with Lessee's Proposal, as defined in Paragraph 32), and completed within first twenty-seven (27) months of the Term. Lessor hereby approves the improvements described in concept on Exhibit "J" hereto, subject to Lessee's compliance with the other terms and conditions of this Paragraph 8.

8.2 The approval process for improvements to be constructed by Lessee shall be as follows: Prior to commencing the construction of improvements on the Premises, Lessee shall deliver to Lessor, for its approval, an architect's rendering, showing in perspective all elevations of the proposed improvements and, if available, a reduced scale model of the proposed improvements, all in accordance with the Master Plan (hereinafter referred to as "Preliminary Plans"). Thereafter, or simultaneously with the submission to Lessor of the Preliminary Plans but in any event prior to commencing the construction of any improvements on the Premises, Lessee shall deliver to Lessor, for its approval, architect's structural, architectural, mechanical, electrical and plumbing drawings and specifications (herein referred to as "Final Plans"). Lessee agrees to furnish such detailed plans of other portions of such improvements as may be requested by Lessor. Lessee, after submitting to Lessor the Preliminary Plans and the Final Plans and after having both of the same approved in writing by Lessor, may without the consent or approval of Lessor, order, authorize or perform any change, substitute work or materials in prosecuting the construction of the improvements ("Change Order"), provided that any such Change Order does not result in a "substantial change in the Plans" approved by Lessor in accordance with this Paragraph 8.2. For the purpose of this Lease, a "substantial change in the Plans" shall be a change or substitution of materials which results (i) in a decrease in the cost of construction of the improvements in excess of \$25,000.00 or (ii) in a change of the ultimate concept or the use for which the improvements are designed in accordance with the Preliminary Plans and Final

Plans approved by Lessor or (iii) in a change that is not in compliance with the Master Plan. Any Change Order which results in a "substantial change in the Plans" shall be made only with the written approval of Lessor. Lessor's approval of any alterations proposed by Lessee which require a modification of the Master Plan shall be subject to the statutory requirements governing the process for modifications of the Master Plan. After Lessor's approval of the Preliminary Plans and the Final Plans has been obtained, Lessee may proceed to build the improvements in accordance with the plans and specifications; provided, however, that Lessee shall, prior to commencing construction of any improvements on the Premises:

(a) deliver to Lessor a payment bond, having a good and solvent corporate surety acceptable to Lessor, guaranteeing to Lessor as a beneficiary thereof (i) payment of all labor and materials incorporated in such work, and (ii) payment of all fees and other costs and expenses incurred in connection with such work; or such other assurance satisfactory and acceptable to Lessor for the due payment of the full cost of all such work; and

(b) deliver to Lessor such other assurances as are satisfactory and acceptable to Lessor guaranteeing the completion of all such work.

8.3 Except as may be waived by Lessor in writing, as soon as practicable (however, in no event to exceed two (2) calendar months) after the substantial completion of any improvements in excess of Seven Hundred Fifty Thousand Dollars (\$750,000.00), (increased annually by the percentage increase in the CPI-U in the same way as the Annual Basic Rent Rate), Lessee will furnish to Lessor, at Lessee's own cost and expense, (A) one complete set of final "as-built" plans and specifications of the completed improvements, (B) a current, accurate, properly labeled, and certified plat of survey prepared by a Georgia registered land surveyor or professional engineer depicting to scale the exact location of the completed improvements, and any other physical objects, as the same have been constructed and (C) a full and complete appraisal (discussing the known and accepted approaches to value) of the then current fair market value of the completed improvements prepared for Lessor by an appraiser, who shall be a member in good standing of the American Institute of Real Estate Appraisers, or its successor. The term "substantial completion" as used in this Lease shall be deemed to mean such completion as will make the improvements sufficient, suitable and ready for immediate occupancy and for the use intended.

8.4 Lessee shall complete the construction of the proposed improvements substantially in accordance with the Preliminary Plans and strictly in accordance with the Final Plans approved by Lessor, subject to any Change Orders approved by Lessor or permitted without Lessor's approval as hereinabove set forth.

8.5 The fee title to all improvements, alterations, changes and additions constructed by Lessee or its permitted assignees or sublessees on the Premises from and after the Commencement Date, shall be vested in Lessee or its permitted assignees or sublessees, as the case may be, until the termination or expiration of this Lease, or until such time as Lessee vacates or abandons the Premises or is dispossessed by process of law, at which time all title to

and ownership of said improvements shall automatically and immediately be surrendered with the Premises and vest (without the necessity of any further action being taken by Lessee or Lessor or any instrument being executed and delivered by Lessee to Lessor) in Lessor. In the event that title to any improvements, alterations, changes or additions shall be vested in a sublessee of Lessee, such title shall automatically and immediately be surrendered to and vest (without the necessity of any further action being taken by Lessee or such sublessee or any instrument being executed and delivered by such sublessee to Lessee) in Lessee upon the termination or expiration of such sublease until the termination or expiration of this Lease, at which time such title shall vest in Lessor in accordance with the provisions of the preceding sentence. All permanent (non-trade and/or non-movable) fixtures installed in the Premises during the period from and after the Commencement Date shall be treated in the same manner as improvements constructed by Lessee, as described in the first sentence of this Paragraph 8.5. Lessee shall have only leasehold title to all improvements, alterations, changes and additions currently existing on the Premises as of the Commencement Date for the Term of this Lease, and upon the termination or expiration of this Lease, such leasehold title shall terminate automatically without the necessity of any further action being taken by Lessee or Lessor or any instrument being executed and delivered by Lessee to Lessor. All improvements and fixtures surrendered to Lessor on the termination or expiration of this Lease shall be surrendered subject to normal wear and tear, damage by fire or other casualty not required to be restored by Lessee under the provisions of Paragraph 15 below, condemnation, and damage caused by the gross negligence or willful misconduct of Lessor, its agents, contractors and employees.

8.6 Any removal of Lessee's personal property and trade fixtures from the Premises shall be accomplished in a manner which will minimize any damage or injury to the Premises and any such damage or injury shall be promptly repaired by Lessee at its sole cost and expense. Any personal property of Lessee not removed by Lessee prior to the Expiration Date or date of sooner termination of this Lease shall, at Lessor's option, either become the property of Lessor or shall be disposed of or stored by Lessor at Lessee's sole risk and expense.

8.7 No approval of plans or specifications by Lessor or consent by Lessor allowing Lessee to make improvements, alterations, changes or additions to the Premises shall in any way be deemed to be an agreement by Lessor that the contemplated work complies with any Legal Requirements or Insurance Requirements or the certificate of occupancy for the Premises, or deemed to be a waiver by Lessor of any of the provisions of this Lease. Notice is hereby given that neither Lessor, nor Lessor's agents, shall be liable for any labor or materials furnished or to be furnished to Lessee upon credit, and that no mechanic's or other claims for such labor or materials shall attach to or affect any estate or interest of Lessor or any other such party in and to the Premises.

8.8 While any construction (which term as used throughout this Lease shall also include any alteration, renovation, demolition, reconstruction, repair, maintenance, restoration or replacement) is being done on or to the Premises, Lessee shall protect such property and all adjacent property. In connection with such protection, Lessee agrees that it will obtain, or require the general or prime contractor retained to perform such construction to obtain, or in the event there is no general or prime contractor retained to perform such construction then require the person(s) or entity(ies) performing such construction to obtain, and keep in force at all times

during the performance of such construction, in addition to the insurance required to be carried pursuant to Paragraph 10 of this Lease, insurance coverage under a policy or policies of builder's risk and comprehensive liability insurance covering the operations of such construction. Such policy or policies of liability insurance shall have combined single limits of not less than \$2,000,000.00, except that for any construction project involving construction costs in excess of \$5,000,000.00, such policy or policies of liability insurance shall have combined single limits of not less than \$5,000,000.00, as such limits shall be increased from time to time by the percentage increase of the CPI-U in the same way as the Annual Basic Rent Rate.

8.9 Lessee covenants and agrees to pay, currently as they become due and payable, all bills for labor, materials, insurance, and bonds, and all fees of architects, engineers, contractors, and subcontractors and all other costs and expenses incident to any construction in or on the Premises; provided, however, that Lessee may, in good faith, at its sole cost and expense and in its own name, dispute and contest any such bill, fee, cost or expense, and in such event, any such item need not be paid until adjudged to be valid; provided, however, Lessee shall first notify Lessor in writing of such dispute and contest and shall furnish to Lessor, if requested in writing by Lessor, reasonable security for the payment of any such item so contested. Unless so contested by Lessee, all such items shall be paid by Lessee within the time provided by law, and if contested, any such item shall be paid before the issuance of an execution on a final judgment with respect thereto.

8.10 Lessee's rights, as well as the rights of anyone else, including, but not limited to, any mortgagee, architect, engineer, contractor, assignee, sublessee, subcontractor, independent contractor, prime or general contractor, mechanic, laborer, materialman or other lien or claim holder, shall always be and remain subordinate, inferior, and junior to Lessor's reversionary title, interest and estate in the Premises.

8.11 Lessee covenants and agrees that in the event Lessee abandons or fails to complete the construction of improvements undertaken by Lessee upon the Premises in accordance with all the requirements of this Lease, Lessor may, at its option (but without any obligation so to do and without prejudice to any other rights Lessor may have under this Lease) complete the construction of the improvements undertaken by Lessee at the cost and expense of Lessee and, as nearly as practicable and proper, according to the Preliminary Plans and Final Plans previously approved by Lessor. Lessee shall, at the time of submission of the Final Plans to Lessor for approval, present to Lessor, in form and content acceptable to Lessor, a written agreement of the architect, who created the Preliminary Plans and the Final Plans for the Lessee, to furnish to Lessor and to permit Lessor to use the Preliminary Plans and the Final Plans, without charge to Lessor, in the event Lessor elects to complete the construction of the improvements undertaken by Lessee or any part or parts thereof.

8.12 In the event that, at any time during the Term of this Lease, any alteration, demolition, renovation, repair, replacement or maintenance of any building, other structure or improvement in or on the Premises or any other work of any nature whatsoever shall be required or ordered, or becomes necessary on account of any law, ordinance or governmental regulation now in effect or hereafter adopted, Lessee shall be solely liable for the entire cost and expense thereof, regardless of when the same shall be incurred or become due, and in no event shall

Lessor be required to contribute thereto, participate therein, or do or pay for any work performed, materials furnished, or obligations incurred by Lessee.

9. Repairs and Maintenance.

9.1 Except to the extent services are to be provided by Lessor expressly pursuant to Paragraph 7.6 of this Lease, Lessee shall, at all times during the Term of this Lease, totally at Lessee's own cost and expense, keep and maintain the Premises, and appurtenances and every part thereof, and any and all buildings, other structures or improvements that may exist on, in, or be made a part of the Premises, in good and sanitary order, condition and repair. Lessee's obligation to repair shall include the obligation to maintain, service and replace.

9.2 Lessee will, at its sole cost and expense, establish and maintain a segregated, interest bearing capital expenditure reserve account (the "Reserve Account"). Commencing with the first payment of Rent due under this Lease and simultaneously with the making of such payment and on the date of each Rent payment due thereafter, Lessee shall pay into the Reserve Account an amount equal to five percent (5%) of Lessee's Gross Revenue (as defined in Exhibit "D" hereto) for the preceding month (each a "Reserve Deposit" and collectively the "Reserve Deposits"), which will be held in the Reserve Account to be used as a reserve for repairs, renovation and replacement of improvements, including fixtures, furnishings and equipment, at the Premises; provided that except for the capital expenditures described in Exhibit "J", and the additional capital improvements to be made by Lessee within the first twenty-seven months of the Term in accordance with Paragraph 8.1, any amount Lessee has expended (subject to Lessor's approval as and to the extent required under Paragraph 8 and subject to the limitations on non-capital repairs and renovations set forth hereinbelow) for repairs, renovation and replacement of improvements, including fixtures, furnishings and equipment, at the Premises, other than amounts previously credited against a Reserve Deposit or expended from the Reserve Account, may be credited against the Reserve Deposits required to be made from Lessee's Gross Revenue for that calendar year. All interest earned on the Reserve Deposits will be added to and become a part of the Reserve Deposits. Lessee may make withdrawals from the Reserve Account, with Lessor's prior written approval, in order to make such expenditures with respect to the Premises from time to time in accordance with the terms of this Paragraph 9.2 and such procedures as Lessor and Lessee may reasonably establish; provided, however, that, unless Lessor agrees otherwise in writing in connection with a five or ten year plan for hotel or motel renovation or otherwise, during each calendar year of the Term Lessee shall expend a minimum of four percent (4%) of Lessee's annual Gross Revenue during the preceding calendar year for capital repairs, renovations and replacement of improvements, including furniture, fixtures and equipment, and up to one percent (1%) of such Gross Revenue may be used for non-capital repairs and renovations of improvements, including furniture, fixtures and equipment, provided that the cost of each single item of such non-capital repairs and renovations shall not be less than \$50,000.00 in each instance, and provided further that, unless Lessor agrees otherwise in writing in connection with a five or ten year plan for hotel or motel renovation or otherwise, a total of five percent (5%) of Lessee's annual Gross Revenue during the

preceding calendar year shall be so expended, except as hereinbelow provided. Within sixty (60) days from the commencement of each calendar year during the Term of this Lease, Lessee shall submit to Lessor for its review and approval (which approval shall not be unreasonably withheld, delayed or conditioned) a budget for expenditures of the Reserve Deposits equal to five percent (5%) of Lessee's annual Gross Revenue for the preceding calendar year. Any portions of any such annual budget which, with Lessor's consent, which shall not be unreasonably withheld, delayed or conditioned, are not expended in the current calendar year shall be retained in the Reserve Account until expended in accordance with a subsequent budget approved by Lessor. Lessor shall not unreasonably withhold, delay or condition its approval of Lessee's five or ten year plans for hotel or motel renovations, as the same may be revised by Lessee from year to year and reasonably approved by Lessor. Lessor shall permit accumulation of reserves relative to such hotels or motels pursuant to any such five or ten year plans so approved by Lessor. Lessor or its designee shall be a required signatory for any and all withdrawals from the Reserve Account in excess of Two Thousand Five Hundred Dollars (\$2,500.00); (increased annually by the percentage increase in the CPI-U in the same way as the Annual Basic Rent Rate); provided that Lessee shall deliver to Lessor an accounting of all withdrawals from the Reserve Account, which Lessor or its designee did not co-sign, on a monthly basis and not later than the 20th day of the each following month. Any balance remaining in the Reserve Account at the expiration or other termination of this Lease shall be paid to Lessor on account of Lessor's assumption of responsibility for deferred capital expenditure requirements; provided that Lessor shall thereafter apply any such amount to the cost of future capital repairs, renovations and replacements at Stone Mountain Park.

10. Insurance and Indemnity.

10.1 Throughout the Term, Lessee shall have all buildings, other structures and improvements insured against any loss or damage caused by fire, lightning, windstorm, hurricane, tornado, cyclone, hail, explosion, riot, civil commotion, aircraft, smoke, land vehicles, boiler explosion, collapse, vandalism and sprinkler leakage, and any other risks customarily included under either fire and extended coverage or so-called all-risk insurance policies, and loss of rents for up to twelve (12) months resulting from any insured event, with responsible insurance companies, legally licensed and authorized to transact business in the State of Georgia, said insurance to be in the amount of the full insurable replacement value [one hundred percent (100%)] of said buildings, other structures and improvements. The contracts of insurance required by this subparagraph 10.1 shall contain standard loss payable clauses in favor of Lessee and Lessor, as their respective interests may appear. The phrase "full insurable replacement value" shall mean the actual replacement cost at the time in question (excluding costs of excavations, foundations, footings, underground pipes, conduits, flues and drains) without diminution of such costs for depreciation or obsolescence. The costs to Lessee of all such required insurance under this Paragraph 10.1 are hereinafter called the "Insurance Costs". From and after the Commencement Date, Lessee shall pay the Insurance Costs prior to the due date thereof and provide Lessor a statement showing the total amount thereof and a receipted invoice or other reasonable evidence of payment thereof. The policy shall name Lessor and any person,

firms or corporations reasonably designated by Lessor and Lessee as additional insureds, and shall contain a clause that the insurer will not cancel or change the insurance with respect to the Premises without first giving Lessor thirty (30) days prior written notice. An original certificate of insurance evidencing such coverage shall be delivered to Lessor. If Lessee fails to secure and maintain insurance policies complying with the provisions of this Paragraph 10.1, then Lessor may, but shall not be required to, secure and maintain such insurance policies and Lessee shall pay the cost thereof to Lessor, as Additional Rent, upon demand. Lessor may require increases in the aforesaid coverage to reflect inflation.

10.2 Lessee shall, at all times during the Term and during any period of holding over thereafter, keep in full force and effect a policy of insurance upon Lessee's fixtures, equipment and other personal property against loss or damage by hazards insured under either a fire and extended coverage policy or a so-called all-risk policy, including collapse, vandalism and sprinkler leakage, in an amount equal to one hundred percent (100%) of the full replacement cost thereof. Notwithstanding the foregoing, Lessee shall have the right to self-insure against the foregoing risks with respect to Lessee's fixtures, equipment and other personal property so long as Lessee maintains a plan of self-insurance adequate to provide coverage equal to such policy and shall furnish Lessor with an affidavit by a principal officer of Lessee to such effect.

10.3 Lessee shall, at all times during the Term and during any period of holding over thereafter, keep in full force and effect a policy of commercial general liability insurance with respect to the Premises, and the business conducted by Lessee and any subtenants of Lessee in the Premises, with a combined single limit of liability of not less than Five Million Dollars (\$5,000,000.00), subject to commercially reasonable deductible amounts, for bodily injury to or personal injury or death of any person and consequential damages arising therefrom, and for property damage, arising out of any one occurrence. Lessee shall also keep in full force and effect an umbrella general liability policy with a limit of not less than \$20,000,000.00, subject to commercially reasonable deductible amounts. The policies shall name Lessor and any person, firms or corporations reasonably designated by Lessor and Lessee as additional insureds, and shall contain a clause that the insurer will not cancel or change the insurance with respect to the Premises without first giving Lessor thirty (30) days prior written notice. An original certificate of insurance evidencing such coverage shall be delivered to Lessor. If Lessee fails to secure and maintain insurance policies complying with the provisions of this Paragraph 10.3, then Lessor may, but shall not be required to, secure and maintain such insurance policies and Lessee shall pay the cost thereof to Lessor, as Additional Rent, upon demand. Lessor may require increases in the aforesaid coverage to reflect inflation.

10.4 Lessee agrees that it will not keep, use, sell or offer for sale in or upon the Premises any article which may be prohibited by Lessee's fire insurance policy. Lessee agrees to pay any increase in premiums for fire and extended coverage or so-called all-risk insurance that may be charged during the Term on the amount of such insurance which may be carried by Lessor on Lessor's equipment and other personal property in the Premises, resulting from Lessee's use or manner of use of the Premises. In determining whether increased premiums are

the result of Lessee's use of the Premises, a schedule, issued by the organization establishing the insurance rate for the Premises, showing the various components of such rate, shall be conclusive evidence of the several items and charges which make up the fire insurance rate on the Premises.

10.5 Subject to Paragraph 10.7 and except for the gross negligence or willful misconduct of Lessor or its agents or employees, or breach of this Lease by Lessor, Lessee, as a material part of the consideration to be rendered to Lessor in this Lease, agrees to be responsible for, to indemnify Lessor against, and to save and hold harmless Lessor from, any and all liability, damages, expense, claims, actions or demands for any injury or death of any person(s) or damages to any property(ies) if such injury, death or damage to property arises from or in any manner grows out of, any act or neglect on or about the Premises by Lessee or Lessee's sublessees, subtenants, assignees, licensees, concessionaires, partners, agents, servants, employees, invitees, trespassers, contractors and subcontractors, or their partners, representatives, agents or employees, or which arises from or in any manner grows out of, any defect in any undertaking hereunder by Lessee or any failure of Lessee to comply with the provisions of this Lease.

10.6 Each of the insurance coverages required by this Paragraph 10 shall be issued by a company licensed by the Insurance Commissioner of the State of Georgia to transact the business of insurance in the State of Georgia for the applicable line of insurance and having a Best Policyholders Rating of "A-" or better and a financial size rating of Class V or larger. Any insurance provided for in this Paragraph 10 may be effected by a blanket policy or policies of insurance, provided that the amount of the total insurance available shall be at least the protection equivalent to separate policies in the amounts herein required, and provided further that in other respects any such policy or policies shall comply with the provisions of this Paragraph 10.

10.7 Lessor and Lessee hereby waive any claim each may have against the other by way of subrogation or otherwise from any and all liability for any loss or damage to property, whether caused by the negligence or fault of the other party, to the extent such loss or damage would be covered by a fire and extended coverage policy or so-called all-risk policy with respect to risks which would be insured against under such policies, notwithstanding the failure to obtain such policies. For purposes of this Paragraph 10.7, the amount of any deductible or co-insurance payment shall be deemed as having been covered under the applicable property damage insurance policy. Each of Lessor and Lessee shall cause any fire insurance and extended coverage or so-called all-risk policies which it maintains in respect of the Premises to contain a provision whereby the insurer waives any rights of subrogation against the other party.

10.8 Lessee agrees and covenants that it will not do or permit to be done in, to, or about the Premises any act or thing which will invalidate any insurance pertaining to any buildings, other structures or improvements now located thereon or therein or hereafter constructed and located thereon or therein; and, further, that Lessee will not permit any buildings, other structures or improvements at any time to be put, kept or maintained on the

Premises in such condition that the same cannot be insured in the amount of the full insurable replacement value [one hundred percent (100%)] thereof.

10.9 Lessee shall at once furnish to the Lessor duplicate receipts or satisfactory evidence of the payment of all premiums on any and all insurance required to be carried by Lessee in accordance with this Lease.

11. Utilities.

11.1 Lessee shall be solely responsible for and shall promptly pay all charges for heat, water, gas, electricity or any other utility used or consumed in the Premises. In no event shall Lessor be liable for an interruption or failure in the supply of any such utilities to the Premises.

12. Assignment, Mortgaging and Subletting.

12.1 Lessee shall not (a) assign or otherwise transfer this Lease or the Term and estate hereby granted, (b) sublet all or part of the Premises or allow the same to be used or occupied by others or in violation of Paragraph 7 hereof, or (c) mortgage, pledge or encumber this Lease or all or any part of the Premises in any manner by reason of any act or omission on the part of Lessee, without the prior written consent of Lessor in each instance, which consent may be granted or withheld in Lessor's sole discretion.

The transfer of any voting capital stock of Lessee or Guarantor or the voting capital stock of any corporate entity which directly or indirectly controls Lessee or any interest in any non-corporate entity which directly or indirectly controls Lessee, which transfer results in a change in the direct or indirect voting control of Lessee or Guarantor (whether such transfer occurs at one time or at intervals so that, in the aggregate, such a transfer shall have occurred) shall be deemed an assignment governed by the terms and provisions of this Paragraph 12. The preceding sentence shall not apply to, and Lessee shall not be in default under this Paragraph 12 as a result of any of the following transfers of the voting capital stock or other control of Lessee or Guarantor or any entity which directly or indirectly controls Lessee: an offering of voting stock to the public pursuant to a registered securities offering, the transfer of voting stock on a national securities exchange or through the NASDAQ national market system, the conversion of Lessee or Guarantor or such other corporate entity which controls Lessee from a public company to a private company, the transfer of voting stock to employees pursuant to a bona fide employee stock ownership plan or other bona fide arrangement with one or more employees, or any transfer of voting stock by gift, bequest or inheritance.

Notwithstanding any provision hereof to the contrary, Lessee may assign this Lease without Lessor's consent to an entity (a "Permitted Assignee"), and Lessor shall release Lessee from all liability thereafter arising with respect to this Lease upon assumption of such liability by the Permitted Assignee, so long as the majority beneficial ownership of the Permitted Assignee is

held by Jack Herschend, Pete Herschend or any of their respective direct lineal descendants, adopted children and spouses, and employees of the Guarantor or an Affiliate.

12.2 Should Lessee desire to assign this Lease or sublet the Premises or any portion thereof, Lessee shall give Lessor written notice of such desire, which notice shall contain (1) the name and address of the proposed assignee or sublessee and its form of organization, (2) the material terms and conditions of the proposed sublease or assignment (including, without limitation, the financial terms of such proposed assignment or subletting and the proposed commencement date of the proposed assignment or sublease), and (3) financial statements for the three (3) most recently completed fiscal years of the proposed assignee or sublessee and such other financial information as Lessor shall reasonably request (or if the proposed assignee or sublessee has not been extant for at least three [3] years, such financial statements as are available), together with the request that Lessor approve such assignment or sublease. Lessor shall have a period of sixty (60) days following receipt of such written notice within which to notify Lessee in writing that Lessor elects (A) to deny Lessee the right to consummate such assignment or sublease, or (B) permit Lessee to assign this Lease or sublet the Premises.

12.3 If this Lease be assigned, whether or not in violation of the terms of this Lease, Lessor may collect rent from the assignee. If the Premises or any part thereof be sublet or be used or occupied by anybody other than Lessee, whether or not in violation of this Lease, Lessor may, after default by Lessee and expiration of Lessee's time to cure such default, if any, collect rent from the subtenant or occupant. In either event, Lessor may apply the net amount collected to the Rent herein reserved. The consent by Lessor to an assignment, transfer, encumbering or subletting pursuant to any provision of this Lease shall not in any way be considered to relieve Lessee from obtaining the express prior consent of Lessor to any other or further assignment, transfer, encumbering or subletting. Neither any assignment of this Lease nor any subletting, occupancy or use of the Premises or any part thereof by any person other than Lessee, nor any collection of rent by Lessor from any person other than Lessee, nor any application of any such rent as provided in this Paragraph 12 shall, under any circumstances, be deemed a waiver of any of the provisions of Paragraph 12.1 hereof, or relieve, impair, release or discharge Lessee of its obligations fully to perform the terms of this Lease on Lessee's part to be performed and Lessee shall remain fully and primarily liable therefor. Lessor shall have no liability for brokerage commissions arising out of a transfer by Lessee and Lessee shall and does hereby indemnify Lessor and hold it harmless from any and all liability for brokerage commissions arising out of any such transfer.

12.4 Any assignment or subletting, if permitted hereunder or consented to, shall be further subject to and conditioned upon the following: (a) at the time of any proposed subletting or assignment, Lessee shall not be in default beyond any applicable grace period under any of the terms, provisions or conditions of this Lease; (b) the sublessee or assignee shall occupy only the Premises and conduct its business strictly in accordance with the Permitted Use or, if applicable, such use as was approved in writing by Lessor; (c) prior to occupancy, Lessee and its assignee or sublessee shall execute, acknowledge and deliver to Lessor a fully-executed counterpart of a

written assignment of lease or sublease, as the case may be (consented to by any Guarantor of this Lease), by the terms of which: (i) in case of an assignment, Lessee will assign to such assignee Lessee's entire interest in this Lease, together with any Security Deposit, and all prepaid rents hereunder, and the assignee will accept said assignment and assume and agree to perform as the obligation of such assignee directly to and for the benefit of Lessor and enforceable by Lessor, all of the terms, covenants and conditions of this Lease on Lessee's part to be performed; or (ii) in case of a subletting, the sublease in all respects will be subject and subordinate to all of the terms, covenants and conditions of this Lease and the sublessee thereunder will agree to be bound by and to perform all of the terms, covenants and conditions of this Lease on Lessee's part to be performed, except the payment of rents, charges and other sums reserved hereunder, which Lessee shall continue to be obligated to pay and shall pay to Lessor; (d) notwithstanding any such assignment or subletting under the terms of this Paragraph, both Lessee and any Guarantor will acknowledge that, except as set forth in Paragraph 12.1, notwithstanding any such assignment or subletting and the consent of Lessor thereto, neither Lessee nor said Guarantor, if any, is released or discharged from any liability whatsoever under this Lease and both shall continue liable with the same force and effect as though no assignment or sublease has been made; and (e) Lessee shall pay to Lessor Lessor's administrative costs and reasonable attorney's fees in connection with such assignment or subletting.

12.5 Lessee, and every successor and assign of Lessee shall have the right in addition to any other rights granted in this Lease to encumber its interest in this Lease, with Lessor's prior written consent, under a Leasehold Mortgage (as hereinafter defined), upon the condition that all rights acquired under the Leasehold Mortgage shall be subject to each of the provisions set forth in this Lease and to all rights and interest of the Lessor therein. In connection with Lessor's approval of any new improvements proposed by Lessee pursuant to Paragraph 8.2, Lessee may concurrently seek Lessor's pre-approval of a future Leasehold Mortgage encumbering such improvements, upon the terms and conditions set forth in this Paragraph 12.5 or otherwise approved in writing by Lessor. If, from time to time, Lessee or Lessee's successors and assigns shall encumber this Lease with a Leasehold Mortgage, and if the Leasehold Mortgagee (as hereinafter defined) registers with Lessor by delivering to Lessor a copy of such recorded Leasehold Mortgage certified by the Clerk or any Deputy Clerk of the Superior Court of DeKalb County, Georgia, together with written notice specifying the name and address of the Leasehold Mortgagee and the pertinent recording data with respect to the Leasehold Mortgage, Lessor agrees that, anything in this Lease to the contrary notwithstanding, from and after the date of receipt by Lessor of such notice and for the term (duration) of such Leasehold Mortgage, the following provisions shall apply:

- (A) The term "Leasehold Mortgage," as used in this Lease shall mean and refer to any encumbrance of this Lease as security for any indebtedness Lessee, or Lessee's successors and permitted assigns, may incur, whether by deed to secure debt, mortgage, deed of trust, or other security instrument; provided that such indebtedness shall be applied to the cost of improvements, alterations, changes or additions to the Premises in accordance with Paragraph 8 hereof. The term "Leasehold Mortgage" shall mean and refer to the

holder of the indebtedness secured by any Leasehold Mortgage; provided, however, that such Leasehold Mortgagee must be a national bank, insurance company, pension fund, real estate investment trust, or other like institutional lender.

- (B) There shall be no cancellation, surrender or modification of this Lease by Lessor and/or Lessee without the prior written consent of any Leasehold Mortgagee. Nothing herein contained shall be deemed to prohibit Lessor from terminating this Lease for default of Lessee as provided in this Lease.
- (C) Lessor, upon serving Lessee with any notice of default, shall simultaneously serve a copy of such notice on any Leasehold Mortgagee. The Leasehold Mortgagee shall then have the same period after service of the notice on it to remedy or cause to be remedied the default complained of, and Lessor shall accept performance by or at the instigation of any Leasehold Mortgagee as if it has been done by Lessee. Any notice required to be given to any Leasehold Mortgagee shall be posted in the United States Mail, postage prepaid, certified (return receipt requested) and addressed to the Leasehold Mortgagee at the address and to the attention of the person designated to Lessor by such Leasehold Mortgagee to receive copies of such notices and shall be deemed to have been served as of the date said notice is postmarked by the United States Postal Service or its successor.
- (D) In addition to the rights granted to any Leasehold Mortgagee under subsection (C) of this Paragraph 12.5, a Leasehold Mortgagee shall have an additional period of thirty (30) days to remedy or cause to be remedied any default complained of, provided such Leasehold Mortgagee shall reimburse Lessor, at the time of so remedying the default, for all costs and expenses to Lessor of maintaining, protecting, insuring and operating the Premises during the additional thirty (30) day period.
- (E) If Lessor shall elect to terminate this Lease by reason of any default of Lessee, the Leasehold Mortgagee shall also have the right to postpone and extend the date of termination as fixed by the provisions of this Lease for a period of not more than three (3) months from the expiration of the cure period specified in subsection (D) of this Paragraph 12.5, provided that the Leasehold Mortgagee shall have cured or shall have caused to be cured any then existing defaults and meanwhile shall pay the Rent and other charges required to be paid under this Lease; and provided, further, that the Leasehold Mortgagee shall forthwith take steps necessary to acquire or sell Lessee's interest and estate in this Lease by foreclosure of its Leasehold Mortgage, or otherwise, and shall prosecute such action to completion with due diligence. If at the end of the three (3) month period, the Leasehold Mortgagee shall be actively engaged in steps to acquire or sell Lessee's interest in this Lease, all defaults having been cured, the time for Leasehold Mortgagee to comply with the provisions of this sub-section (E) of this Paragraph 12.5 shall be extended for such period as shall be reasonably necessary to complete these steps with reasonable diligence and continuity.

- (F) Lessor agrees that in the event of any foreclosure under any Leasehold Mortgage, either by judicial proceedings or under power of sale contained therein, all right, title and interest encumbered by such Leasehold Mortgage may, without the consent of Lessor, be assigned to and vested in the purchaser at such foreclosure sale or an assignee from such purchaser of the Lease subject and subordinate, however, to the rights, title and interests of Lessor and further subject and subordinate to the rights, title and interest of Lessee.
- (G) Lessor agrees that in the event of a termination of this Lease by reason of any default by Lessee, and subject to the rights herein granted to the Leasehold Mortgagee, Lessor will enter into a lease (hereinafter referred to as a "Mortgagee Lease") of the Premises with the Leasehold Mortgagee for the remainder of the term effective as of the date of termination, at the same Rent and upon the same terms, provisions, covenants and agreements as contained in this Lease and to no additional exceptions or encumbrances other than those set forth in Exhibit "C" hereof and to the rights, if any, of the parties then in possession (actual or constructive) of any part of the Premises; provided:
- (1) The Leasehold Mortgagee shall make written request upon Lessor for the execution of such a Mortgagee Lease within thirty (30) days after the date of termination and the written request is accompanied by payment to Lessor of all sums then due to Lessor under this Lease.
 - (2) The Leasehold Mortgagee shall pay to Lessor at the time of the execution and delivery of the Mortgagee Lease any sums that at the time of its execution and delivery would be due pursuant to this Lease but for the termination, and, in addition, all reasonable attorney's fees which Lessor shall have incurred by reason of the default.
 - (3) The Leasehold Mortgagee shall perform and observe all covenants contained in the Mortgagee Lease on Lessee's part to be performed during such period of time commencing with the date of execution of the Mortgagee Lease and terminating upon the abandonment or surrender of possession of the Premises under the said Mortgagee Lease and shall further remedy any other conditions that Lessee was obligated to perform under the terms of this Lease.
 - (4) The Lessor shall not warrant possession or quiet enjoyment of the Premises to the lessee (Leasehold Mortgagee) under the Mortgagee Lease.
 - (5) The Mortgagee Lease shall be expressly made subject to the rights, if any, of the Lessee under this Lease.
 - (6) The lessee (Leasehold Mortgagee) under the Mortgagee Lease shall have the same right, title and interest in and to the Premises and the right to use the buildings and improvements thereon as Lessee had under this Lease.

- (H) Lessor, upon request, shall execute, acknowledge and deliver to any Leasehold Mortgagee an agreement, in form reasonably satisfactory to Leasehold Mortgagee and Lessor, by and between Lessor, Lessee and Leasehold Mortgagee (provided the same has been previously executed by Lessee and Leasehold Mortgagee) agreeing to all of the provisions of this Paragraph 12.5 of this Lease. Lessee agrees to pay all costs and expenses incurred by Lessor in connection with the preparation and/or execution of said agreement.
- (I) The rights granted a Leasehold Mortgagee under this Paragraph 12.5 shall not extend to more than one (1) such Leasehold Mortgagee at any one time.
- (J) Lessor agrees that any Leasehold Mortgagee permitted under this Lease shall in no manner or respect whatsoever be liable or responsible for any of Lessee's obligations or covenants under this Lease, unless and until such Leasehold Mortgagee becomes the owner of said leasehold estate by foreclosure, sale in lieu of foreclosure or otherwise, in which event such Leasehold Mortgagee shall remain liable for such obligations and covenants only so long as it remains the owner of said leasehold estate.

12.6 Without further approval by Lessor but subject to the terms and conditions set forth below in this Paragraph 12.6 and elsewhere in this Paragraph 12, Lessee shall have the right to assign this Lease or to sublease all or portions of the Premises to any Affiliate of Lessee. Any such sublease of all or portions of the Premises to an Affiliate without the further consent or approval of Lessor shall be subject to the following terms and conditions:

- (i) such sublease shall be in compliance with the Master Plan or modifications thereof approved by Lessor; and (ii) such sublease shall provide for use of the subleased portion of the Premises in accordance with the Permitted Use or, if applicable, such use as shall be approved in writing by Lessor.
- (ii) Lessee shall provide to Lessor, prior to the execution of a sublease under this Paragraph 12.6, written notice of Lessee's intention to execute such sublease and evidence reasonably satisfactory to Lessor that the terms and conditions set forth above have been satisfied.

13. Access.

Lessor, its authorized representatives, agents, employees and attorneys may, but shall be under no duty to, enter all parts of the Premises at reasonable times and hours, subject to the rights of tenants in possession, if any, to inspect the Premises in order to determine whether Lessee is complying with its undertakings, duties and obligations under this Lease, and to enforce or carry out any provision of this Lease, including, without limitation, any access necessary for carrying out any of Lessor's obligations pursuant to Paragraph 7.6 of this Lease; provided, however, that in the event of an emergency, Lessor may enter the Premises for such purposes at any time, upon such notice to Lessee, if any, as shall be feasible under the circumstances and provided further that, except in case of an emergency, Lessor shall give reasonable advance notice to Lessee prior to Lessor's entry into any special secured areas reasonably designated by Lessee.

14. Lessee's Property.

Subject to Paragraph 10.7, neither Lessor nor Lessee shall be liable for any damage to property of the other party or of others located in Stone Mountain Park, nor for the loss of or damage to any property of the other party or of others by theft or otherwise, unless the result of the sole negligence or willful misconduct of Lessor or Lessee or their respective agents or employees. Lessor shall not be liable for any latent or patent defect in the Premises. All property of Lessee or Lessor kept or stored on the Premises shall be so kept or stored at the risk of the owner thereof only, to the extent set forth in Paragraph 10.7.

15. Casualty Damage.

15.1 Should any building, other structures or improvements constructed and located on or within the Premises be damaged or destroyed by fire or any other casualty whatsoever during the term of this Lease, Lessee, except as hereinafter provided in this Paragraph 15.1, shall promptly commence the work of repair, reconstruction, restoration, or replacement and shall prosecute the same with all reasonable dispatch, so that as soon as reasonably practicable, such buildings, other structures or improvements shall have been repaired, reconstructed or restored as nearly as practicable to their value, architectural condition and character as existed immediately prior to said damage or destruction. In the event that for any reason whatsoever Lessee shall not have completed the repair, reconstruction, restoration or replacement of such buildings, other structures or improvements by the end of the Term of this Lease, Lessee's obligation to complete such repair, reconstruction, restoration or replacement shall survive the expiration or termination of this Lease, except as hereinafter provided in this Paragraph 15.1. Lessor and Lessee specifically agree that, except as otherwise provided in this Lease, damage to or destruction of any buildings, other structures or improvements on or within the Premises at any time during the Term of this Lease, by fire or any other casualty whatsoever, shall not work a termination of this Lease or authorize Lessee or those claiming by, through or under Lessee to quit or surrender possession of the Premises or any part thereof, and shall not release Lessee in any way from its

liability to pay Lessor the Rent herein provided for, or from any of the provisions of this Lease. However, if any buildings, other structures or improvements constructed and located by Lessee on or within the Premises shall be damaged or destroyed at any time within the last two (2) years of the term of this Lease, Lessee shall be relieved of any obligation to repair, reconstruct, restore, or replace the said damaged or destroyed buildings, other structures or improvements, and Lessee may terminate this Lease upon payment by Lessee to Lessor, in a single total payment, of the sum of (i) the full insurable replacement value [One Hundred Percent (100%)] of said damaged or destroyed buildings, other structures or improvements; plus (ii) the total amount of Rent for the remainder of the unexpired term of this Lease. The release of Lessee from Lessee's obligation to repair, reconstruct, restore, or replace the said damaged or destroyed buildings, other structures or improvements shall be conditioned, in addition to the payment by Lessee of the sums herein enumerated, upon the clearing by Lessee (totally at Lessee's own cost and expense and without any cost to Lessor) of the Premises of any debris or remains of the said damaged or destroyed buildings, other structures or improvements and upon delivery by Lessee to Lessor of an instrument releasing, demising, conveying and transferring to Lessor all of Lessee's rights, title and interest in and to the Premises.

15.2 If the repair, reconstruction, restoration or replacement of damaged or destroyed buildings, other structures, or improvements, is not substantially completed in accordance with Paragraph 15.1 hereof (if such completion date is prior to the end of the Term of this Lease and if Lessee is under the affirmative requirement of Paragraph 15.1 of this Lease to commence the repair, reconstruction, restoration, or replacement), Lessee hereby agrees to pay to Lessor monthly thereafter, as fixed and liquidated damages and not as a penalty, an amount per day equal to the quotient derived by dividing the then current annual Rent by the number 365 until the said repair, reconstruction, restoration or replacement is substantially complete or until the end of the Term of this Lease, whichever is earlier.

15.3 At all times prior to the termination of this Lease during any construction in or on the Premises, Lessee agrees, at its own cost and expense, to obtain and maintain workman's compensation insurance as required by law.

15.4 The proceeds of all insurance obtained in accordance with Paragraph 10.1 of this Lease shall be used for the repair, reconstruction, restoration, or replacement of buildings, other structures or improvements located on or within the Premises unless Lessee shall be relieved of Lessee's obligation to so repair, reconstruct, restore, or replace such damaged or destroyed buildings, other structures or improvements pursuant to Paragraph 15.1 of this Lease. The proceeds of such insurance, if not required to be used for the repair, reconstruction, restoration or replacement of the Premises, shall, unless Lessee is in default hereunder, be paid over or assigned to Lessee or as Lessee may direct. All sums necessary to effect such repair, reconstruction, restoration or replacement over and above the amount available from said insurance proceeds shall be at the sole cost and expense of Lessee.

15.5 In the event of the termination of this Lease before the expenditure of the full amount of such insurance proceeds in the repair, reconstruction, restoration or replacement of such damaged or destroyed buildings, other structures or improvements, any unexpended balance thereof, including any interest previously earned by such balance, shall inure to and become the sole property of Lessor, unless Lessee shall be continuing the repair, reconstruction, restoration or replacement of such buildings, other structures or improvements.

16. Eminent Domain.

16.1 (a) If all of the Premises, or such portion thereof as renders the operation of the residue of the Premises of no substantial commercial value, is so condemned, this Lease shall, at the option of Lessee, terminate on the date title to the Premises or the condemned portion thereof vests in the condemnor; provided, however, that such termination shall not benefit the condemnor and shall be without prejudice to the rights of either Lessor or Lessee to recover just and adequate compensation from any such condemnor.

(b) In the event the operation of the residue of the Premises is of substantial commercial value, then the Rent otherwise payable throughout the remainder of the term of this Lease shall be reduced as follows: the percentage which the rental value of the residue of the Premises (including all structures and improvements thereon) after condemnation bears to the rental value of the Premises (including all structures and improvements thereon) immediately prior to such condemnation shall be determined by appraisal as hereinafter provided, and the percentage determined by said appraisal shall be multiplied by the amount of Basic Rent otherwise payable under the provisions of Paragraph 4 of this Lease and the product thereof shall thereafter be payable as the Basic Rent hereunder; and in such event, Lessee shall forthwith repair or rebuild the improvements remaining on such residue of the Premises to the extent that it is economically feasible for Lessee to do so. In such event the percentage determined by said appraisal shall also be multiplied by the Annual Sales Base (as defined in Exhibit "D" hereto), and the product thereof shall thereafter be deemed to be the Annual Sales Base for purposes of the terms and provisions of Exhibit "D" hereto. If the percentage which the rental value of the residue of the Premises (including all structures and improvements thereon) after condemnation bears to the rental value of the Premises (including all structures and improvements thereon) immediately prior to such condemnation is determined (by appraisal as hereinafter provided) to be greater than or equal to twenty-five percent (25%), the residue of the Premises will, for purposes of this Paragraph 16.1, be considered to be of substantial commercial value.

16.2 The court in such condemnation proceeding shall, if not prohibited by law, be requested to make separate awards to Lessor and Lessee, and Lessor and Lessee agree to request such action by the court. This Paragraph 16 of this Lease shall be construed as superseding and being hereby substituted for any statutory provisions now in force or hereafter enacted concerning condemnation proceedings to the extent permitted by law.

16.3 Lessor and Lessee hereby agree to petition the court in any condemnation proceeding to make separate awards to Lessor and Lessee, if said separate awards are not prohibited by law. In the event such court is prohibited by law from making separate awards to Lessor and Lessee or declines to do so and if all of the Premises or such portion is condemned as to render the remaining portion thereof to be of substantially no commercial value, the award shall be divided between Lessor and Lessee so that each party shall receive that portion of the award which bears the same proportion of the total award as the value of such party's interests in the Premises bears to the total value of all interests in the Premises, determined by appraisal as hereinafter provided. The value of Lessor's interests shall include the value of the land (reduced by the value of Lessee's leasehold interest in the land); the value of Lessor's interest in this Lease had the Premises not been condemned, including the right to receive payment of all sums required to be paid by Lessee to Lessor hereunder for the remainder of the Term; and the value of Lessor's residual right to the buildings and improvements upon termination of this Lease. The value of the Lessee's interests shall include: the value of any trade fixtures, equipment and personal property owned by Lessee so taken; the value of the buildings and improvements reduced by the value of Lessor's reversionary interest therein; and the value of Lessee's leasehold estate hereunder had the Premises not been condemned, including the right to use and occupy the Premises for the remainder of the Term subject to the obligation of Lessee to pay Rent hereunder.

In the event such court is prohibited by law from making separate awards to Lessor and Lessee or declines to do so and the remaining portion of the Premises after such condemnation is of some commercial value, the award shall be divided between Lessor and Lessee as follows: Lessor shall receive such portion of the award as shall represent the value of the part of the land so taken (reduced by the value of Lessee's leasehold interest in the land); and the Lessor's reversionary interest in the buildings and improvements. Lessee shall receive such portion of the award as shall represent the value of the improvements so taken reduced by the value of Lessor's reversionary interest therein, and the value of Lessee's leasehold interest in the land.

16.4 That portion of the award for any condemnation attributable to the value of the buildings and improvements on the Premises shall be applied first to the repair or restoration of the improvements damaged by such condemnation, provided that any amount of such award not so applied shall be applied pursuant to the second grammatical paragraph of Paragraph 16.3.

16.5 For the purpose of determining the appropriate reduction in the Rent payable hereunder in the event of a partial condemnation of the Premises as set forth in Paragraph 16.1 and for the purpose of determining any value or amount which is to be determined by appraisal pursuant to Paragraph 16.3, Lessor and Lessee shall each appoint one appraiser to determine the applicable value(s) or amount(s), and each shall promptly notify the other of such appointment. If either party shall fail or refuse so to appoint an appraiser and give notice thereof within thirty (30) days after written request from the other party, the appraiser appointed by such other party shall within an additional thirty (30) days thereafter individually make any such appraisal. If the parties have each so appointed an appraiser, the two appraisers thus appointed shall make such

determination within thirty (30) days after the date of the later notice of appointment. If such two appraisers are unable to agree on such determination within said thirty (30) days, they shall, within an additional thirty (30) days thereafter, jointly appoint a third appraiser; if they fail so to appoint such third appraiser within said thirty (30) days, the third appraiser shall be appointed jointly by Lessor and Lessee (or upon their inability to agree, by the presiding judge of the Superior Court of DeKalb County, Georgia). The three appraisers so appointed shall then promptly make such determination by majority vote. Any determination made pursuant to this Paragraph 16.5 shall be binding and conclusive upon Lessor and Lessee, without any right of appeal. All appraisers appointed hereunder shall be competent, qualified by training and experience, disinterested, independent, and members in good standing of the American Institute of Real Estate Appraisers, or its successor. All appraisal reports shall be rendered in writing and signed by the appraiser or appraisers making the report. Each party shall pay all fees and expenses charged or incurred by the appraiser appointed by such party; fees and expenses charged or incurred by the third appraiser and fees and expenses which cannot be reasonably attributed to any one appraiser shall be borne equally by Lessor and Lessee.

16.6 Except as provided in Paragraph 16.5, and for the specific limited purpose set forth therein, nothing herein contained to the contrary shall be deemed to prohibit Lessor or Lessee from introducing into any such condemnation proceeding or proceedings such appraisals or other estimates of value, loss and damage as each of them may see fit.

16.7 Subject to the foregoing provisions of this Paragraph 16, Lessor and Lessee agree that upon any condemnation of the Premises or any portion thereof or any interest of Lessee therein, this Lease and all of Lessee's covenants, agreements, obligations, duties, rights, powers and privileges created thereby shall automatically be deemed to be apportioned and to apply to and affect solely that portion of the Premises or that interest of Lessee in and to the Premises or any portion thereof which is owned by Lessee under this Lease following any such condemnation.

This Paragraph 16 of this Lease shall not constitute an acknowledgement by Lessor or Lessee or either or both of them that Lessor's rights as a Sovereign in and to the reversionary fee simple estate in the Premises are in any manner subject to any power of eminent domain vested in any government or other legal entity.

17. Events of Default.

17.1 The occurrence of any one or more of the following events and the continuation thereof beyond the applicable grace period herein provided, if any, shall constitute an "Event of Default":

(a) if Lessee shall default in the payment of (i) Basic Rent or Percentage Rent, if any, and such default shall continue for a period of ten (10) days after written notice from

Lessor of such default or (ii) any item of Additional Rent and such default shall continue for a period of twenty (20) days after written notice from Lessor of such default; or

(b) if Lessee shall default in the observance or performance of any of its covenants or obligations under this Lease (other than the payment of Basic Rent, Percentage Rent and Additional Rent), and shall not have cured such default within thirty (30) days after written notice from Lessor of such default, or, if such default is of such a nature that it can be cured but cannot be completely remedied within said thirty (30) days, Lessee shall not (i) have promptly, upon the giving by Lessor of such notice, advised Lessor of Lessee's intention to institute all steps necessary to remedy such situation, (ii) promptly institute and thereafter diligently prosecute to completion all steps necessary to remedy the same, and (iii) complete such remedy within a reasonable time after the date of the giving of said notice by Lessor and in any event prior to such time as would either subject Lessor or Lessor's agents to prosecution for a crime; or

(c) if any event shall occur or any contingency shall arise whereby this Lease or the estate hereby granted or the unexpired balance of the Term would, by operation of law or otherwise, devolve upon or pass to any person other than Lessee except as is expressly permitted under Paragraph 12 hereof; or

(d) if the Premises shall become vacated, deserted or abandoned for a period of ten (10) consecutive days or if Lessee shall fail to take occupancy of the Premises for the Permitted Use and open for business to the public on the Commencement Date; or

(e) if Lessee shall file a voluntary petition in bankruptcy or insolvency, or commence a case under the Federal Bankruptcy Code, or shall be adjudicated a bankrupt or insolvent, or shall file any petition or answer seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under the present or any future federal bankruptcy act or any other present or future applicable federal, state or other statute or law (foreign or domestic), or shall make an assignment for the benefit of creditors or shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of Lessee or of all or any part of Lessee's personal property; or

(f) if, within ninety (90) days after the commencement of any proceeding against Lessee, whether by the filing of a petition or otherwise, seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future federal bankruptcy act or any other present or future applicable federal, state or other statute or law (foreign or domestic), such proceeding shall not have been dismissed, or if, within ninety (90) days after the appointment of any trustee, receiver or liquidator of Lessee or of all or any part of Lessee's personal property, without the consent or acquiescence of Lessee, such appointment shall not have been vacated or otherwise discharged, or if any execution or attachment shall be issued against Lessee or any of Lessee's personal property pursuant to which the Premises, or any part thereof, shall be taken or occupied or attempted to be taken or occupied.

17.2 If, at any time, (a) Lessee shall be comprised of two or more persons, or (b) Lessee's obligations under this Lease shall have been guaranteed by any person, or (c) Lessee's interest in this Lease shall have been assigned, "Lessee", as used in subdivisions (e) and (f) of Paragraph 17.1 hereof, shall mean any one or more of the persons primarily, co-primarily or secondarily liable for Lessee's obligations under this Lease. Any monies received by Lessor from or on behalf of Lessee during the pendency of any proceeding of the types referred to in subdivisions (e) and (f) of Paragraph 17.1 hereof shall be deemed paid as compensation for the use and occupation of the Premises and the acceptance of any such compensation by Lessor shall not be deemed an acceptance of Rent or a waiver on the part of Lessor of any rights under this Lease.

18. Lessor's Remedies.

18.1 In the case of any Event of Default as hereinabove provided (not cured within the applicable cure period, if any, set forth in this Lease), Lessor shall have the immediate right, without terminating this Lease, to reenter the Premises and to dispossess Lessee and all other occupants therefrom and remove and dispose of all property therein or, at Lessor's election, to store such property in a public warehouse or elsewhere at the cost and for the account of Lessee, and without Lessor being deemed guilty of trespass or becoming liable for any loss or damage which may be occasioned thereby. Upon the occurrence of any such Event of Default, Lessor shall also have the right, at its option, in addition to and not in limitation of any other right or remedy, to terminate this Lease by giving Lessee notice of such termination and upon the giving of such notice, this Lease, and the Term shall cease and terminate as fully and completely as if the date of termination were the Expiration Date and thereupon, unless Lessor shall have theretofore demanded possession of the Premises, Lessor shall have the immediate right of possession, in the manner aforesaid, and Lessee and all other occupants shall quit and surrender the Premises to Lessor, but Lessee shall remain liable as hereinafter mentioned.

18.2 If by reason of the occurrence of any such Event of Default, the Term shall end before the Expiration Date, or Lessor shall take lawful possession of the Premises, or Lessee shall be ejected, dispossessed, or removed therefrom by summary proceedings or in any other lawful manner, whether or not specifically enumerated in this Lease, or if the Premises become vacant, deserted or abandoned in violation of Paragraph 17.1(d) above, Lessor at any time thereafter may relet the Premises, or any part or parts thereof, either in the name of Lessor or as agent for Lessee, for a term or terms which may, at Lessor's option, be less than or exceed the period of the remainder of the Term, and at such rent or rentals and upon such other conditions, which may include concessions and free rent periods, as Lessor, in its sole discretion, shall determine. Lessor shall receive the rents from such reletting and shall apply the same first, to the payment of such expenses as Lessor may have incurred in connection with reentering, ejecting, removing, dispossessing, reletting, altering, repairing, redecorating, subdividing or otherwise preparing the Premises for reletting, including brokerage and attorneys' fees and expenses; second, to the payment of any indebtedness other than Rents, charges and other sums due

hereunder from Lessee to Lessor; and the residue, if any, Lessor shall apply to the fulfillment of the terms, covenants and conditions of Lessee hereunder and Lessee hereby waives all claims to the surplus, if any. Lessee shall be and hereby agrees to be liable for and to pay Lessor any deficiency between the Rents, charges and other sums reserved hereunder and the net rentals, as aforesaid, of reletting, if any, for each month of the period which otherwise would have constituted the balance of the Term. Lessee hereby agrees to pay such deficiency in monthly installments on the rent payment days specified in this Lease, and any suit or proceeding brought to collect the deficiency for any month, either during the Term or after any termination thereof, shall not prejudice or preclude in any way the rights of Lessor to collect the deficiency for any subsequent month by a similar suit or proceeding. Lessor shall in no event be liable in any way whatsoever for the failure to relet the Premises or in the event of such reletting, for failure to collect the rents reserved thereunder; however, in the event of termination of Lessee's rights of possession due to an Event of Default, and provided Lessee has vacated the Premises and is not contesting Lessor's right to possession of the Premises, Lessor agrees to use reasonable efforts to relet the Premises so as to minimize the damages suffered by Lessor and payable by Lessee. Lessee agrees that Lessor's agreement to use reasonable efforts to relet the Premises shall not be deemed to impose any obligation on Lessor to relet the Premises to any lessee who is not reputable or who is not financially capable of performing the duties and obligations imposed upon such lessee under the applicable lease or who does not have experience in successfully operating a business of the type and size which such lessee proposes to conduct in the Premises. Lessee further agrees that the agreement by Lessor to use reasonable efforts to relet the Premises shall not impose any obligation on Lessor to relet the Premises in preference to the leasing by Lessor of any other property or premises of Lessor. Lessor is hereby authorized and empowered to make such repairs, alterations, decorations, subdivision or other preparations for the reletting of the Premises as Lessor shall deem advisable, without in any way releasing Lessee from any liability hereunder, as aforesaid.

18.3 No such reentry or taking possession of the Premises by Lessor shall be construed as an election on its part to terminate this Lease unless Lessor gives written notice to Lessee of such intention. Notwithstanding any such reletting without termination, Lessor may at any time thereafter elect to terminate this Lease for such previous default.

18.4 In the event this Lease is terminated pursuant to the foregoing provisions of this Paragraph 18, Lessor may recover from Lessee all damages it may sustain by reason of Lessee's default, including the cost of recovering the Premises and attorneys' fees and expenses and, upon so electing Lessor shall be entitled to recover from Lessee, as and for agreed upon liquidated damages, and not as a penalty, an amount equal to the difference between (i) the Rent, charges and other sums reserved hereunder for the period which otherwise would have constituted the balance of the Term from the latest of the date of termination of this Lease, the date of reentry or the date through which monthly deficiencies shall have been paid in full and (ii) the rental value of the Premises at the time of such election, for such period, both discounted to present worth at the then rate of interest applicable to a United States treasury bill or note, as the case may be, maturing as close as possible to what otherwise would have been the natural date of expiration of

this Lease, all of which shall immediately be due and payable by Lessee to Lessor. In determining the rental value of the Premises the rental realized by any reletting, if such reletting be accomplished by Lessor within a reasonable time after the termination of this Lease or within a reasonable time after Lessor regains possession of the Premises, shall be deemed prima facie to be the rental value. Nothing herein contained, however, shall limit or prejudice the right of Lessor to prove and obtain as liquidated damages by reason of such termination an amount equal to the maximum allowed by any statute or rule of law in effect at the time when, and governing the proceedings in which, such damages are to be proved, whether or not such amount be greater, equal to, or less than the amounts referred to in this Paragraph 18.4.

18.5 Lessee hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event Lessee shall be evicted or dispossessed from the Premises for any cause, or Lessor reenters the Premises following the occurrence of any Event of Default hereunder, or this Lease is terminated before the Expiration Date.

18.6 In the event of any breach or threatened breach by Lessee of any of the terms and provisions of this Lease, Lessor shall have the right to injunctive relief and declaratory relief as if no other remedies were provided herein for such breach.

18.7 The rights and remedies herein reserved by or granted to Lessor and Lessee are distinct, separate and cumulative, and the exercise of any one of them shall not be deemed to preclude, waive or prejudice Lessor's or Lessee's right to exercise any or all others. Whether or not specifically enumerated in this Lease, Lessor and Lessee hereby reserve all rights and remedies at law and in equity and nothing contained in this Lease shall be construed as a limitation of any such rights or remedies.

18.8 Lessor and Lessee hereby expressly waive any right to assert a defense based on merger and agree that neither the commencement of any action or proceeding, nor the settlement thereof nor the entry of judgment therein shall bar Lessor or Lessee from bringing any subsequent actions or proceeding.

18.9 The words "reenter", "reentry" and "reentered" as used in this Lease shall not be deemed to be restricted to their technical legal meanings.

18.10 In the event Lessor commences any summary proceeding or action for nonpayment of Rent, Lessee covenants and agrees that it will not interpose, by consolidation of actions or otherwise, any non-compulsory counterclaim or other claim seeking affirmative relief of whatsoever nature or description in any such proceeding.

19. Curing Defaults.

19.1 If Lessee shall default in the performance of any term of this Lease on Lessee's part to be performed, Lessor, without thereby waiving such default, may, but shall not be

obligated to, perform the same for the account and at the expense of Lessee, without notice in case of emergency and upon twenty (20) days' prior notice in all other cases. Lessor may enter the Premises at any time to cure any default without thereby incurring any liability to Lessee or anyone claiming through or under Lessee. Bills for any expenses incurred by Lessor in connection with any such performance or involved in collecting or endeavoring to collect Rent or enforcing or endeavoring to enforce any rights against Lessee under or in connection with this Lease or pursuant to law, including any cost, expense and disbursement involved in instituting and prosecuting summary proceedings (so long as Lessor prevails therein), as well as bills for any property, material, labor or services provided, furnished or rendered, including reasonable, actual attorneys' fees and expenses, shall be paid by Lessee as Additional Rent on demand. In the event that Lessee is in arrears in payment of Rent, Lessee waives Lessee's right, if any, to designate the items against which any payments made by Lessee are to be credited and Lessor may apply any payments made by Lessee to any items Lessor sees fit, irrespective of and notwithstanding any designation or requests by Lessee as to the items against which any such payments shall be credited.

19.2 If Lessor shall default in the performance of any term of this Lease on Lessor's part to be performed, Lessee, without thereby waiving such default, may, but shall not be obligated to, perform the same for the account and at the expense of Lessor, without notice in case of emergency and upon twenty (20) days' prior written notice in all other cases. Bills for any expenses incurred by Lessee in connection with any such performance as well as bills for any property, material, labor or services provided, furnished or rendered, including reasonable actual attorneys' fees and expenses incurred in connection with such performance or enforcement of Lessee's remedies for Lessor's default, shall be paid by Lessor. Lessee may offset against any Rent payable under this Lease the amount, if any, to be paid by Lessor under this paragraph and not paid within thirty (30) days after notice thereof from Lessee to Lessor.

20. Surrender.

On the Expiration Date or sooner termination of the Term or upon reentry by Lessor upon the Premises, Lessee shall surrender, vacate and deliver to Lessor the Premises, including all buildings, other structures and improvements thereon, and any and all additions, alterations and replacements thereto, "broom clean" and in good order, condition and repair except for ordinary wear and damage by fire or other casualty, subject to Paragraph 10.7 and otherwise except as Lessee was not required to restore the same pursuant to Paragraph 15 hereof, and except for uninsured damage caused by the negligence or willful misconduct of Lessor or its agents, contractors or employees. If the Premises are not surrendered upon the Expiration Date or sooner termination of the Term, such holding over shall not be deemed to extend the Term or renew this Lease or to have created or be construed as a tenancy. However, Lessee shall pay, until such time as Lessee complies with this Paragraph 20, in monthly installments in advance, on the first day of each and every month of such holding over, (a) one and one-half (1-1/2) times the monthly installment of Basic Rent payable during the last month of the Term; and (b) all other Percentage Rent and Additional Rent due under this Lease. In addition to such monthly

installments to be paid by Lessee during such holdover, to the extent Lessee holds over more than one (1) month, Lessee hereby indemnifies Lessor against liability resulting from delay by Lessee in so surrendering the Premises, including any claims made by any succeeding tenant or prospective tenant founded upon such delay. Lessee's obligations under this Paragraph 20 shall survive the expiration or sooner termination of the Term.

21. Quiet Enjoyment.

Subject to the terms of the Lease, Lessor covenants and agrees to take all steps necessary or reasonably required by Lessee, including without limitation exercise of all reasonable efforts to cause the power of eminent domain to be exercised in accordance with law, and the defense of any legal action in a manner reasonably satisfactory to Lessee, at Lessor's expense, to secure and maintain for the benefit of Lessee the quiet and peaceful possession and use of all of the Premises for the Permitted Use without hindrance, claim or molestation by Lessor or any other person, including without limitation, by, through or under any restrictive covenant or reversionary interest or other encumbrance, whether or not an Existing Title Exception or set forth in any recorded instrument. This covenant shall be a covenant running with the land and a personal covenant and obligation of Lessor, not limited to the extent of Lessor's interest in this Lease, notwithstanding any provision of this Lease to the contrary. Lessee acknowledges that no representation or warranty as to the condition of the Premises has been made to it by Lessor, or any agent, employee, representative or attorney of Lessor. Lessee acknowledges that it has fully inspected the Premises and that the same is in satisfactory condition for the use intended to be made of the same by Lessee. Except as expressly agreed by Lessor, Lessor shall not be required, during the term of this Lease, to make any repair or alteration to the Premises or in any manner to supply any services, utilities or maintenance to or for the Premises.

22. Estoppel Certificates.

22.1 Lessee at any time or from time to time at the request of Lessor will execute, acknowledge and deliver to the party so requesting, a certificate by Lessee certifying:

(a) that this Lease has not been modified, changed, altered or amended in any respect and is in full force and effect (or, if there have been modifications, stating the modifications and that this Lease is in full force and effect as modified);

(b) that this Lease is the only Lease between Lessor and Lessee affecting the Premises;

(c) to the extent true, that Lessee has accepted the Premises (or part thereof), is in occupancy of the Premises, or part thereof, and is paying Rent hereunder, for which it is then liable on a current basis;

(d) that there are then existing no credits, offsets or defenses against the enforcement of any provisions of this Lease (or, if so, specifying the same);

(e) the dates, if any, to which the Rent or other charges due hereunder have been paid in advance and that there has been no prepayment of Rent other than as provided for in this Lease;

(f) that there are no existing defaults by Lessee, or to the best of Lessee's knowledge, by Lessor under this Lease (or, if so, specifying such default);

(g) that, to the best of Lessee's knowledge, there are no actions, whether voluntary or otherwise, pending against Lessee under the bankruptcy laws of the United States or any state thereof; and

(h) such further information with respect to this Lease or the Premises as Lessor may reasonably request.

Any such certificate may be relied upon by any prospective purchaser of the Premises or of the interest of Lessor in any part thereof, or by any lessee or prospective lessee thereof. The failure of Lessee to execute, acknowledge and deliver to Lessor a statement in accordance with the provisions of this Paragraph 22 within thirty (30) days after request therefor shall constitute an acknowledgment by Lessee, which may be relied on by any person who would be entitled to rely upon any such statement, that such statement as submitted by Lessor is true and correct.

22.2 Lessor at any time or from time to time at the request of Lessee will execute, acknowledge and deliver to the party so requesting, a certificate by Lessor certifying:

(a) that this Lease has not been modified, changed, altered or amended in any respect and is in full force and effect (or, if there have been modifications, stating the modifications and that this Lease is in full force and effect as modified);

(b) that this Lease is the only Lease between Lessor and Lessee affecting the Premises;

(c) to the extent true, that Lessee has accepted the Premises (or part thereof), is in occupancy of the Premises, or part thereof, and is paying Rent hereunder, for which it is then liable on a current basis;

(d) that, to the best of Lessor's knowledge, there are then existing no credits, offsets or defenses by Lessee against the enforcement of any provisions of this Lease (or, if so, specifying the same);

(e) the dates, if any, to which the Rent or other charges due hereunder have been paid in advance and that there has been no prepayment of Rent other than as provided for in this Lease;

(f) that there are no existing defaults by Lessor or, to the best of Lessor's knowledge, by Lessee under this Lease (or, of so, specifying such default);

(g) that, to the best of Lessor's knowledge, there are no actions, whether voluntary or otherwise, pending against Lessor under the bankruptcy laws of the United States or any state thereof; and

(h) such further information with respect to this Lease or the Premises as Lessee may reasonably request.

Any such certificate may be relied upon by any prospective purchaser or mortgagee of the Lessee's interest in the Premises or any part thereof. The failure of Lessor to execute, acknowledge and deliver to Lessee a statement in accordance with the provisions of this Paragraph 22 within thirty (30) days after request therefor shall constitute an acknowledgement by Lessor, which may be relied on by any person who would be entitled to rely upon any such statement, that such statement as submitted by Lessee is true and correct.

23. Lessor's Liability.

In the event of any default or breach by Lessor with respect to any of the terms, covenants and conditions of this Lease to be observed and performed by Lessor, Lessee shall look solely to the estate and property of Lessor in the Premises and the rents therefrom for the collection of any sum of money on a judgment, or for the payment or expenditure of any money under any decree of specific performance, injunctive relief or other equitable relief (or other judicial process) requiring performance by Lessor of any obligation under this Lease. No other property or asset of Lessor shall be subject to levy, execution or other enforcement procedure for the satisfaction of Lessee's remedies.

24. Memorandum of Lease.

Neither Lessor nor Lessee shall record this Lease or any amendment to this Lease (although a memorandum of this Lease may be recorded) without the prior written consent of the other party and in the event such consent is given the party requesting such consent shall pay all transfer taxes, recording fees and other charges in connection with such recording notwithstanding any provision of law imposing liability therefor upon the other party. In the event Lessee records a memorandum of lease, same shall be in the form attached hereto and made part hereof as Exhibit "G" and shall also be in substance reasonably satisfactory to Lessor.

25. Notices.

Except as otherwise expressly set forth herein all notices, requests, demands, approvals or consents required hereunder or by law (collectively, "Notices") shall be in writing and shall be given by mailing the same, certified or registered mail, return receipt requested, postage prepaid, or by a reliable overnight courier service providing for delivery against receipt (such as Federal Express) addressed to Lessor at the address of Lessor, as set forth in Paragraph 1.3 hereof and a copy to Attorney General, State of Georgia, 40 Capitol Square, S.W., Atlanta, Georgia 30334-1300, and if to Lessee, at the address of Lessee, as set forth in Paragraph 1.5 hereof and a copy to Kilpatrick Stockton LLP, Suite 2800, 1100 Peachtree St., Atlanta, Georgia 30309-4530, Attn: Wyck Knox, Esq. Notices shall be deemed given upon the day received or rejected, as evidenced by return receipt. The persons designated for the receipt of Notices, and the addresses to which Notices may be given or made by either party, may be changed or supplemented by Notice given by such party to the other.

26. Brokers.

Lessor and Lessee each warrant to the other that it has not employed nor had any dealings or discussions with any broker or agent in connection with the negotiation or execution of this Lease. Lessor and Lessee each agree to indemnify the other party and hold such other party harmless from and against any and all liability for commissions or other compensation or charges and all costs and expenses incurred in defense of the claim if this warranty is breached. In the event of a suit on any such claim, Lessor shall notify and implead Lessee, or Lessee may intervene.

27. Miscellaneous.

27.1 No agreement to accept a surrender of this Lease shall be valid unless in writing signed by Lessor. The delivery of keys or possession to Lessor or any agent or employee of Lessor shall not operate as a termination of this Lease or surrender of the Premises.

27.2 No provision of this Lease shall be deemed to have been waived by Lessor or Lessee unless such waiver be in writing signed by the party making such waiver. The failure of Lessor or Lessee to seek redress for violation of, or to insist upon strict performance of, any covenant or condition of this Lease shall not be deemed a waiver thereof or prevent a subsequent act, which would have originally constituted a violation, from having all the force and effect of an original violation.

27.3 The receipt by Lessor of Basic Rent and/or any items of Additional Rent or Percentage Rent, if any, with knowledge of the breach of any covenant of this Lease shall not be deemed a waiver of such breach. No payment by Lessee or receipt by Lessor of a lesser amount than the Basic Rent, Additional Rent or Percentage Rent, if any, herein stipulated shall be deemed to be other than on account of the earliest Basic Rent, Additional Rent or Percentage Rent, if any, reserved hereby which is due and owing at the time such payment is received by

Lessor. No endorsement or statement on any check or any letter accompanying any check or payment of any such rent shall be deemed an accord and satisfaction, and Lessor may accept such check or payment without prejudice to Lessor's rights and remedies provided in this Lease.

27.4 The captions used in this Lease are for convenience only and do not in any way limit or amplify the terms and provisions hereof. Whenever herein the singular number is used, the same shall include the plural, and words of any gender shall include each other gender.

27.5 Exhibits "A" through "J", all attached hereto, are hereby incorporated into this Lease and made a part hereof as if fully set forth herein.

27.6 This Lease and all other agreements and instruments signed contemporaneously herewith contain the entire agreement between the parties, and no agreement, representation or inducement shall be effective to change, modify or terminate this Lease in whole or in part unless such agreement, representation or inducement is in writing and signed by both parties hereto.

27.7 If any provision of this Lease should be held to be invalid or unenforceable, the validity and enforceability of the remaining provisions of this Lease shall not be affected thereby.

27.8 The terms, provisions and covenants contained in this Lease shall apply to, inure to the benefit of, be enforceable by and against, and be binding upon the parties hereto and their respective heirs, personal representatives, successors and permitted assigns.

27.9 Lessee hereby expressly waives any and all rights granted by or under any present or future laws to redeem Lessor's reversionary interest in the Premises. In addition, in the event of any lawful termination of the Term or any repossession of the Premises by reason of Lessee's default hereunder, Lessee waives (i) any notice of reentry or of the institution of legal proceedings to that end, (ii) any right of redemption, reentry or repossession, and (iii) the benefit of any laws now or hereafter in force exempting property from liability for rent or otherwise. The provisions of this Paragraph shall survive the expiration or sooner termination of the Term.

27.10 This Lease shall be deemed to be made under and shall be construed in accordance with and governed by the internal laws of the State of Georgia, without regard to principles of conflicts of laws.

27.11 Lessee expressly acknowledges that neither Lessor nor Lessor's agents have made or are making, and Lessee, in executing and delivering this Lease, is not relying upon, any warranties, representations, promises or statements, except to the extent that the same are expressly set forth in this Lease or any other documents executed and delivered by Lessor concurrently herewith, and no rights, easements or licenses are or shall be acquired by Lessee by implication or otherwise unless expressly set forth in this Lease.

27.12 The parties agree that neither party shall be deemed to have drafted this Lease; accordingly, ambiguities shall not be interpreted against either Lessee or Lessor.

28. Guarantor.

As a material inducement for Lessor's agreeing to enter into this Lease with Lessee, Lessee shall cause Guarantor to execute the guaranty attached hereto as Exhibit "H" contemporaneously with the execution of this Lease, failing which this Lease shall automatically be rescinded nunc pro tunc.

29. Time of the Essence.

Time is of the essence with respect to all time periods set forth herein.

30. Lessor's Lien.

In addition to Lessor's statutory landlord's lien, Lessee hereby grants to Lessor a security title in and lien on all improvements owned by Lessee and all equipment and other property on the Premises at the time of any default by Lessee, to secure the performance of Lessee's obligations under this Lease. Lessor agrees to subordinate such contractual landlord's lien and any statutory landlord's lien (but not Lessor's rights, title and interest in the Premises) to the lien of any Leasehold Mortgage approved by Lessor pursuant to Paragraph 12.5.

31. Force Majeure. For the purposes of any of the provisions of this Lease, except such provisions as require or concern the payment of monies, neither Lessor nor Lessee, as the case may be, shall be considered in breach of, or default in, the obligations thereof with respect to this Lease in the event of enforced delay in the performance of such obligations due to unforeseeable causes beyond the control and without the fault or negligence thereof, including, but not restricted to, acts of God, acts of the public enemy, acts of the federal government, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes and unusually severe weather or delays due to such causes; it being the purpose and intent of this Paragraph 31 that in the event of the occurrence of any such enforced delay, the time or times for performance of the obligations of Lessor or Lessee, as the case may be, with respect to this Lease shall be extended for the period of the enforced delay. The party seeking the benefit of the provisions of this Paragraph 31 shall, within seven (7) days after the beginning of any such enforced delay, advise the other party of such enforced delay by notice in accordance with this Lease, and of the cause or causes thereof, provided that the failure of such party to so advise the other party shall not be deemed to be a condition to the applicability of this Paragraph 31.

32. Proposal. Lessee hereby represents and warrants to Lessor that all of the information, statements, data and representations contained in that certain Proposal for Stone Mountain Park ("Proposal") submitted to Lessor by Lessee dated July 11, 1997, and all other information, statements, data and representations submitted in writing by Lessee to Lessor prior to the date

hereof, are true and correct and are incorporated herein by this reference. In the event of any conflict or inconsistency between the terms and provisions of this Lease and the terms and provisions of the Proposal, the terms and provisions of this Lease shall control in each instance.

33. Due Authorization, Execution and Delivery of Lease.

33.1 Lessor acknowledges and agrees that the Lease (i) is within the powers granted to Lessor by the State of Georgia, (ii) has been duly authorized, executed and delivered by Lessor, (iii) constitutes the binding agreement of Lessor, and (iv) is enforceable against Lessor in accordance with its terms. Lessor has the right to enter into and perform the Lease.

33.2 Lessee acknowledges and agrees that the Lease (i) is within the powers granted to Lessee, (ii) has been duly authorized, executed and delivered by Lessee, (iii) constitutes the binding agreement of Lessee, and (iv) is enforceable against Lessee in accordance with its terms. Lessee has the right to enter into and perform the Lease

34. Liquor Licenses. It is understood and agreed that alcoholic beverage service is an extremely important factor in the delivery of the various services and products which Lessee plans for the Premises and a very important factor in the generation of revenues from which Rent and, particularly, Percentage Rent is paid to Lessor. Subject to the terms and provisions of this Paragraph 34, Lessor agrees that it will continue to issue liquor licenses for the Premises during the Term of this Lease, both for locations covered by existing liquor licenses, and for such other and additional locations as may be proposed by Lessee from time to time; provided that Lessor's approval shall be required for such other and additional locations. Liquor licenses will be issued to Lessee and to its sublessees and assignees upon request of such parties provided such parties comply with all requirements of general application for the issuance of liquor licenses by the State of Georgia, and comply with the procedures and requirements of Lessor set forth on the Liquor License Requirements attached hereto as Exhibit "I" and made a part hereof. Lessee acknowledges that the liquor licenses issued by Lessor relate to what would otherwise be a county or municipal license and that Lessee is also required and will continue to be required to obtain an additional and separate license from the State of Georgia.

35. Early Termination Option. Provided that no Event of Default by Lessee has occurred and remains uncured, Lessee shall have the right to terminate this Lease on the first day of any calendar month (the "Early Termination Date") after the 36th month of the Term (the "Termination Option"). The Termination Option may only be exercised in strict accordance with the terms and conditions hereinafter set forth:

(a) In order to exercise the Termination Option, Lessee shall provide Lessor with irrevocable written notice of Lessee's exercise of the Termination Option not later than twelve (12) months prior to the Early Termination Date.

(b) Lessee shall pay to Lessor as Additional Rent, together with the notice of exercise of the Termination Option, an amount equal to the sum of (i) the Basic Rent for the Lease Year prior to the Lease Year in which such notice is given and (ii) an amount equal to the average Percentage Rent, if any, paid by Lessee for the three (3) Lease Years prior to the Lease Year in which such notice is given.

(c) All of the terms and provisions of this Lease shall continue in full force and effect, including without limitation, Lessee's obligation to pay all Rent as it becomes due and payable hereunder, until the Early Termination Date.

(d) Any improvements commenced by Lessee prior to the Early Termination Date shall be completed in accordance with Paragraph 8 prior to the Early Termination Date.

[SIGNATURES BEGIN ON NEXT PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Lease as of the day, month and year first above written.

Lessor: STONE MOUNTAIN MEMORIAL ASSOCIATION

Carol H. Willis
Witness

By: [Signature]
Title: Chairman

(CORPORATE SEAL)

Lessee: SILVER DOLLAR CITY STONE MOUNTAIN PARK, INC.

[Signature]
Witness

By: [Signature]
Title: PM / CEO

(CORPORATE SEAL)

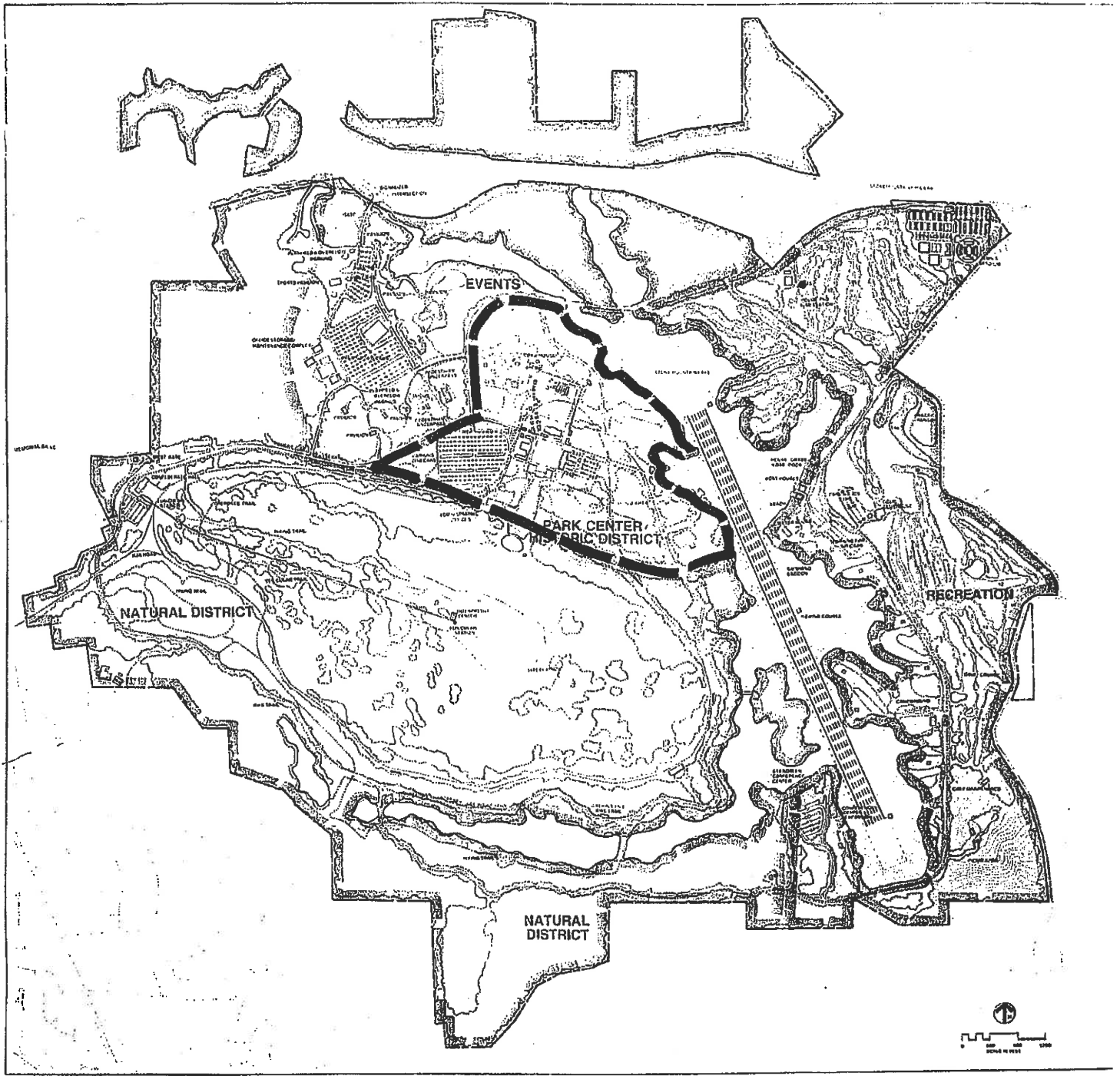


EXHIBIT "A"

ALL THAT TRACT OR PARCEL OF LAND lying and being in Land Lots 33, 78, 79, 84, 85, 86, 87, 127, 128, 129, 130, 132, 133, 134 and 135 of the 18th District of DeKalb County, Georgia, surveyed on the Boundary Survey for Stone Mountain Park Leased Area dated January 2, 1998, prepared by Moreland Altobelli Associates, Inc. under the seal and certification of Ben D. Trail, Georgia Registered Land Surveyor No. 1718 (the "Survey") less and except the fifty foot (50') right-of-way of Bermuda Road until it is abandoned by DeKalb County, Georgia;

TOGETHER WITH all that tract or parcel of land lying and being in Land Lot 60 of the 6th District of Gwinnett County, Georgia bounded by the land described hereinabove and the rights-of-way of Bermuda Road, U.S. Highway 78 East and West Park Place; and

TOGETHER WITH all that tract or parcel of land in Land Lots 84 and 131 of the 18th District of DeKalb County, Georgia, and Land Lot 59 of the 6th District of Gwinnett County, Georgia surveyed as Parcel 11 on the Survey for Stone Mountain Memorial Association & Isakson/Barnhart Development Co. LLC & Chicago Title Insurance Company dated March 7, 1996, last revised October 6, 1997, prepared by Survey Concepts, Inc. under the seal and certification of O. Eugene Kay, Georgia Registered Land Surveyor No. 1943.

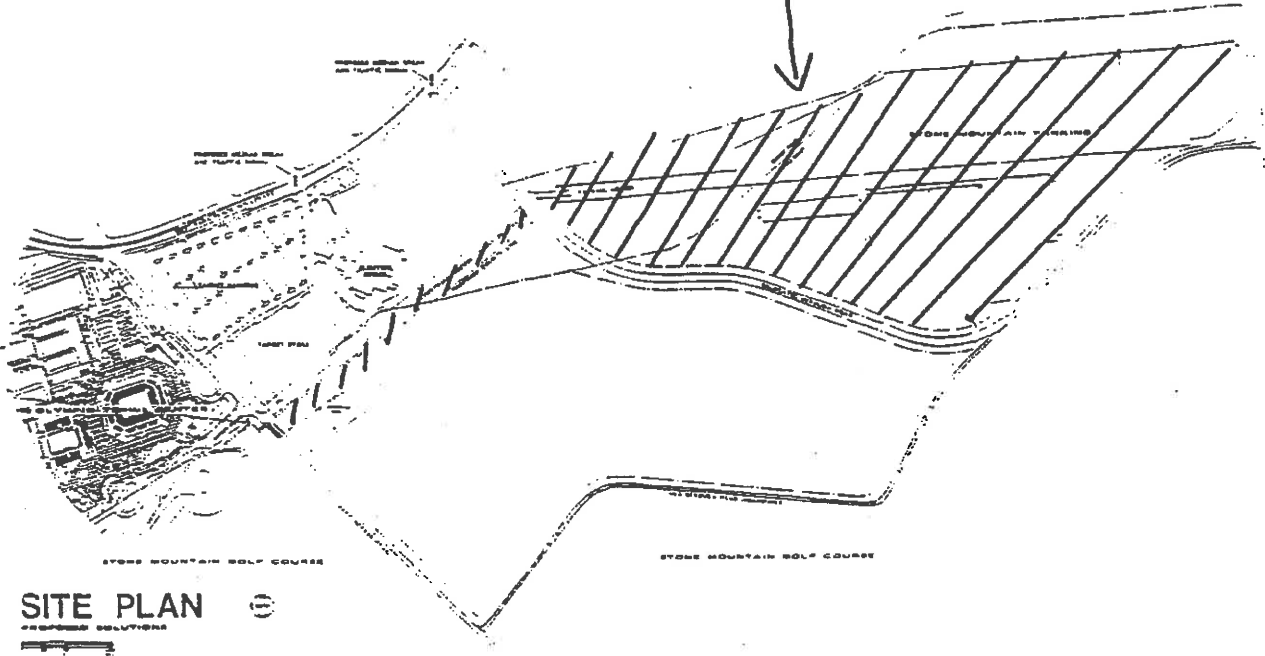


MASTER PLAN - PARK DISTRICTS
3 LEGACIES: NATURE, RECREATION & HISTORY

GEORGIA'S STONE MOUNTAIN PARK

Robert and Company
 A full service
 design architecture, interior
 planning, landscape architecture,
 historic preservation, and
 construction management firm

PARK PROPERTY



SITE PLAN ⊕
PROPOSED SOLUTIONS

EXHIBIT At

EXHIBIT "B"

DESCRIPTION OF RETAINED PROPERTY

The roads, sidewalks/bicycle paths, trails and non-fee picnic areas within the areas designated as the "Recreation District," the "Historic District," the "Airport District" and the "Events District" on the maps attached as Exhibit "A-1" to this Lease, together with the right, privilege and easement, at no charge to Lessor, of vehicular and pedestrian access thereto over, through and across the Premises. Lessor also reserves (i) the contents of the Discovering Stone Mountain Museum in Memorial Hall, (ii) the Grist Mill area as delineated on the survey described in Exhibit "A" hereto, and (iii) the building formerly known as the "Ice Chalet," as delineated on the survey described in Exhibit "A" hereto, for Lessor's use for offices or other purposes in connection with Lessor's provision of the services described in Schedule 1 attached to this Lease. Lessor shall reasonably consider in good faith any future request by Lessee for re-location of any of the non-fee picnic areas to other locations within the Premises, in which event the former non-fee picnic areas shall become part of the Premises, and the new non-fee picnic areas shall become part of the Retained Property.

EXHIBIT "C"

EXISTING TITLE EXCEPTIONS

1. Ad valorem taxes for 1997, not yet due and payable.
2. All matters shown on the Boundary Survey for Stone Mountain Park Leased Area dated January 2, 1998, prepared by Moreland Altobelli Associates, Inc. under the seal and certification of Ben D. Trail, Georgia Registered Land Surveyor No. 1718 and the Survey for Stone Mountain Memorial Association & Isakson/Barnhart Development Co. LLC & Chicago Title Insurance Company dated March 7, 1996, last revised October 6, 1997, prepared by Survey Concepts, Inc. under the seal and certification of O. Eugene Kay, Georgia Registered Land Surveyor No. 1943.
3. Any customary easements for access, ingress and egress, for construction, installation, use, maintenance, repair and replacement of utilities and water drainage and retention facilities or for other purposes granted in connection with the development of the Premises shown on Exhibit "A".
4. Rights of tenants under written leases and licenses.
5. Those matters set forth in Schedule B-2 of Lawyers Title Insurance Corporation Commitment No. 2-10300.

EXHIBIT "D"

PERCENTAGE RENT RIDER

1. As used herein:

(a) A Lease Year shall be the 52-53 week period ending on the last Sunday in April. That period from the Commencement Date until the beginning of the first full Lease Year shall be a Partial Lease Year. In the event this Lease shall terminate on any date other than the last day of a Lease Year, that period from the last day of the preceding Lease Year to the Expiration Date shall be a Partial Lease Year. For the calculation of Percentage Rent, the sales for any Partial Lease Year shall be added to the sales from the first full Lease Year, or the last full Lease Year, as the case may be, with an appropriate proportional increase in the Annual Sales Base.

(b) "Percentage Rent Rate" shall mean Three Percent (3%).

(c) "Annual Sales Base" shall mean Forty-Four Million and No/100 Dollars (\$44,000,000.00); subject to annual adjustment in proportion to the corresponding percentage increase or decrease in the Annual Basic Rent Rate pursuant to Paragraph 4.2 of this Lease, but in no event shall the Annual Sales Base ever be less than \$44,000,000.00.

(d) "Gross Revenue" shall mean, for the period in question, the dollar aggregate of (i) the entire amount of the price charged for all goods, wares and merchandise sold, leased, licensed or delivered and all charges for all services sold or performed from all business conducted at, upon or from the Premises, including any portion of the Premises subleased to third parties (excluding those existing subleases, licenses and concession agreements transferred by Lessor to Lessee as of the Commencement Date; and also excluding any future subleases, licenses and concession agreements with parties that are not Affiliates of Lessee or Guarantor, or Affiliates of any Affiliate of Lessee or Guarantor, and in which neither Lessee nor Guarantor, nor any Affiliate of either of them, has any direct or indirect ownership, control or beneficial interest, provided that such future subleases, licenses and concession agreements do not require the sublessee, licensee or concessionaire to report its revenues generated at or from the Premises or to pay any rent based upon a percentage of such revenues and are for a term (including any renewals or extensions thereof) of sixty (60) days or less), whether made for cash, by check, on credit, charge accounts or otherwise, without reserve or deduction for inability or failure to collect the same including, but not limited to, transactions (A) where the orders therefor originate from or are accepted by Lessee at the Premises, but delivery or performance thereof is made from or at any other place (all sales made and orders received in or at the Premises shall be deemed made and completed therein, even though the payment or account may be transferred to another office for collection, and all orders which result from solicitation outside the Premises where such solicitation is conducted by personnel operating from or reporting to or under the control or supervision of Lessee shall be deemed part of Gross Revenue); (B) pursuant to mail, telephone, telegraph or other similar device whereby orders are received at or billed from the Premises;

(C) for the sale of gift certificates, whether or not redeemed at the Premises; (D) by means of mechanical or other vending devices; and (E) originating from whatever source, and which Lessee in the normal and customary course of Lessee's operations would credit or attribute to Lessee's business conducted from the Premises, and (ii) all monies or other things of value received by Lessee from Lessee's operations at, upon, or from the Premises which are neither included in, nor excluded from, Gross Revenue by the other provisions of this definition, but without any duplication, including, without limitation, all deposits not refunded to customers, but excluding the rents or other amounts paid to Lessee by any of Lessee's subtenants, concessionaires or licensees, whose revenues generated at or from the Premises are included in Gross Revenue for purposes of this definition. Each charge or sale upon installment or credit shall be treated as a sale for the full price in the month during which such charge or sale is made, irrespective of the time when Lessee shall receive payment (whether full or partial) therefor. For the purpose of ascertaining the amount of Gross Revenue upon which the payment of Percentage Rent is to be computed hereunder, the following items (provided they were included in Gross Revenue) may be deducted from Gross Revenue: (i) discounts to customers; (ii) returns to shippers or manufacturers; (iii) sales of trade fixtures after use thereof, which are not part of Lessee's stock in trade and not sold in the regular course of Lessee's business; (iv) cash or credit refunds made upon transactions included within Gross Revenue but not exceeding the selling price of the merchandise returned by the purchaser and accepted by Lessee; and (v) the amount of any local, county, State or Federal sales, luxury or excise tax on such sales provided such tax is both added to the selling price (or absorbed therein) and paid to the taxing authority by Lessee (but not by any vendor of Lessee); provided, however, no franchise or capital stock tax and no income or similar tax based upon income, profits, or gross sales as such, shall be deducted from Gross Revenue in any event whatsoever. For the purposes of this Paragraph, the term "Lessee" shall be deemed to include any of Lessee's subtenants, concessionaires, licensees, or any other occupant of the Premises. Notwithstanding anything in this Lease to the contrary, also excluded from Gross Revenue are the following: (i) insurance proceeds; (ii) bulk sales as defined by the Uniform Commercial Code; (iii) tax rebates; and (iv) amounts allowed upon trade-in.

2. (a) In addition to the Basic Rent, Lessee shall pay to Lessor, as percentage rent (hereinafter referred to as "Percentage Rent"), in lawful money of the United States, an amount equal to the product of (i) the amount, if any, by which Gross Revenue for each Lease Year exceeds the Annual Sales Base and (ii) the Percentage Rent Rate; provided, however, that the Percentage Rent shall in no event be less than \$600,000.00 per Lease Year in Lease Years 1 through 10 inclusive.

(b) Percentage Rent shall be determined and paid within thirty (30) days after the end of each Lease Year, including the last Partial Lease Year hereof, as to which Lessee's obligation shall survive the Expiration Date or date of sooner termination of the Term.

3. Lessee shall prepare and keep for a period of not less than twenty-four (24) months following the end of each Lease Year, true and accurate books of account and records, conforming to generally accepted accounting principles consistently applied including, but not

limited to, sales tax and other reports filed with governmental agencies, all purchases and receipts of merchandise, and all sales and other transactions by Lessee from which Gross Revenue at, upon, or from the Premises can be determined for such Lease Year(s) or Partial Lease Year(s). Wherever electricity is available in the Premises, Lessee agrees to record all sales, at the time each sale is made, whether for cash or credit, in a cash register or registers containing locked-in cumulative tapes with cumulation capacity, as used in a majority of Lessee's other comparable projects.

4. (a) Lessee agrees to submit to Lessor the following detailed and analytical financial reports, in form and substance acceptable to Lessor:

(i) as soon as practicable, and in any event within twenty (20) days after the end of each four (4)-week period, interim unaudited financial statements of Lessee for its operations at the Premises, including a balance sheet, income statement and statement of cash flow, prepared in accordance with generally accepted accounting principles consistently applied ("GAAP"), consistent with the past practice of Lessee, and certified as to truth and accuracy thereof by an officer of Lessee, showing the amount of Gross Revenue derived from the business conducted at, upon, or from the Premises by Lessee (and, to the extent required under Section 1 of this Exhibit "D," all subtenants, concessionaires, licensees or any other occupant of the Premises) during the preceding four (4)-week period; and

(ii) as soon as available, and in any event within seventy-five (75) days after the end of each Lease Year or Partial Lease Year (including the last Partial Lease Year hereof, as to which Lessee's obligation shall survive the Expiration Date), audited financial statements of the Lessee for its operations at the Premises, including a balance sheet, statement of income and expenses and statement of cash flow for the fiscal year then ended, prepared in accordance with GAAP, in comparative form and accompanied by the unqualified opinion of a nationally recognized firm of independent certified public accountants regularly retained by Lessee and acceptable to the Lessee, and showing in detail the amount of Gross Revenue during the preceding Lease Year or Partial Lease Year and an itemization of all permissible deductions therefrom, together with a copy of the rent roll of the Premises as of the last day of the immediately preceding Lease Year showing, with respect to each Lease, the following: (i) name of subtenant; and (ii) amount of all subrents actually received by Lessee.

The statements referred to in this Paragraph shall be in such form and style and shall contain such details and information as Lessor may reasonably require. The acceptance by Lessor of payments of Percentage Rent or reports thereof shall be without prejudice and shall in no event constitute a waiver of Lessor's right to claim a deficiency in the payment of Percentage Rent or to audit Lessee's books and records, as hereafter set forth. At any time and from time to time, Lessee shall deliver to Lessor such other financial data as Lessor shall reasonably request with respect to the ownership, maintenance, use and operation of the Premises.

(b) If Lessee's Gross Revenue is required to be reported on any Federal, State or local sales tax or similar tax return and Gross Revenue as so reported on any of said returns shall exceed the Gross Revenue as reported by Lessee then the Gross Revenue shall be taken at the highest figure so reported [after adjustment as permitted pursuant to subparagraph 1(d) of this Exhibit "D"]. If any governmental authority shall increase the Gross Revenue reported by Lessee on any such tax return, after audit, for any Lease Year or Partial Lease Year for which such sales have been reported, then Lessee shall notify Lessor promptly of such increase, supply to Lessor a true copy of such audit and pay at that time any additional Percentage Rent due.

5. Upon fifteen (15) days' prior written notice (once per Lease Year), Lessor shall have the right, at any reasonable time and from time to time, to cause a complete audit of any one or more or all statements of Gross Revenue and in connection with such audit, to examine Lessee's books of account and records (including all supporting data and any other records from which Gross Revenue may be tested or determined) of Gross Revenue disclosed in any statement given to Lessor by Lessee; and Lessee shall make all such books of account and records available for such examination at the office where same are regularly maintained (which must be in the continental United States). Lessor shall have the right to copy and duplicate such information as Lessor may require. If any such audit discloses that the actual amount of Gross Revenue exceeds the amount reported, then Lessee shall pay Lessor all additional Percentage Rent due Lessor and if the excess of Gross Revenue so disclosed shall be more than three percent (3%), Lessee shall also then pay the cost of such audit and examination.

If any such audit discloses that the actual amount of Gross Revenue exceeds the amount reported by Lessee as a result of intentional underreporting of Gross Revenue [same being defined to be an understatement of Gross Revenue by ten percent (10%) or more] shall constitute an incurable Event of Default under this Lease and Lessor shall be entitled to exercise such remedies therefor as are provided for Events of Default under this Lease. If any audit shall be commenced by Lessor, or if there shall arise a difference or dispute concerning Gross Revenue, then and in any such event, Lessee's books of account and records (including all supporting data and any other records from which Gross Revenue may be tested or determined) shall be preserved and retained by Lessee until such audit has been completed or a final resolution or final determination of such difference or dispute or any related litigation in respect thereof has occurred. Any information obtained by Lessor as a result of such audit shall be treated as confidential (unless generally available to the public), except in any litigation or proceeding between the parties and, except further that Lessor may disclose such information to the Internal Revenue Service, or other governmental agency or pursuant to any subpoena or judicial process or where otherwise required by law. If Lessor shall fail to audit any such statement within twenty-four (24) months after the same has been received by Lessor, then any such report shall be deemed conclusively true and correct, except as to any fraudulent statement. In addition, Lessor and Lessor's authorized representative shall have the right during regular business hours, upon five (5) days' prior written notice, to examine at Lessee's headquarters Lessee's books of account and records and procedures for keeping same, including control features affecting the determination of Gross Revenue.

6. In determining the Percentage Rent which would be payable by Lessee for any period when Lessee is no longer in possession of the Premises following an Event of Default, the same shall be deemed to be for each Lease Year during the remainder of the Term, or the period equivalent thereto which otherwise would have constituted the balance of the Term, equal to the greater of the following sum: (i) one-tenth (1/10th) of the Basic Rent reserved for such period, or (ii) the average annual Percentage Rent paid or payable by Lessee from the Commencement Date to the end of the Lease Year or Partial Lease Year immediately preceding the occurrence of such Event of Default, or during the immediately preceding three (3) full Lease Years, whichever period is shorter.

7. Lessor shall not, in any way for any purpose, be deemed a partner of Lessee in the conduct of its business, or otherwise, or in joint enterprise with Lessee. The provisions of this Lease relating to the Percentage Rent are included solely for the purpose of providing a method whereby a component of the Rent is to be measured and ascertained.

EXHIBIT "E"

USE RESTRICTIONS

1. Use of Premises. In addition to and not in limitation of any of the provisions of the Lease respecting prohibited uses of the Premises and Lessee's covenant not to use the Premises for any purpose other than the Permitted Use, Lessee shall not use the Premises for the following:

- (i) Any use which is a public or private nuisance;
- (ii) Any operation primarily used as a warehouse operation (which shall not include storage incidental to a retail operation conducted on the same premises or storage of boats and vehicles for use on the Premises), any manufacturing operation (except for such manufacturing which is incidental to predominantly retail use), a factory, any industrial operation, any processing or rendering plant, or any lumber yard;
- (iii) The storage of explosives or other unusually hazardous materials, other than fireworks stored for use on the Premises;
- (iv) Any mobile home park, trailer court, labor camp, junkyard, or stockyard (except that this provision shall not prohibit the temporary use of construction trailers during periods of construction, reconstruction, or maintenance, or facilities to be used by recreational vehicles, or campgrounds with hookups for trailers, or recreational vehicles made available for use on the Premises);
- (v) Any dumping, disposing, incineration, or reduction of garbage (exclusive of garbage compactors which are screened from public view);
- (vi) Any fire sale, bankruptcy sale (unless pursuant to a court order) or auction house operation;
- (vii) Any central laundry, dry cleaning plant, or laundromat except as shall be ancillary to a Permitted Use and intended for the use or benefit of occupants or users of the Premises;
- (viii) Any automobile and/or service station or car wash, or any automobile, truck trailer (other than boat trailers), mobile home or R.V. sales, leasing (except for use on the Premises), display (except in connection with corporate sponsorships) or repair facility, including any tire, battery and accessory facility, except as shall be ancillary to a Permitted Use and intended for the use or benefit of occupants or users of the Premises;

- Use;
- (ix) Any veterinary hospital, except as shall be ancillary to a Permitted Use;
 - (x) Any funeral parlor or mortuary;
 - (xi) Any adult book store or establishment selling or exhibiting pornographic materials;
 - (xii) Any massage parlor or so-called "head shop";
 - (xiii) Any thrift store, liquidation outlet, flea market, shooting gallery, or off-track betting parlor or other gambling establishment prohibited by law, except that such prohibition on gambling establishments shall be inapplicable to the legal sale of lottery tickets;
 - (xiv) Any church or other house of worship (except for non-functioning, historic re-creations thereof), or similar place of general public assembly;
 - (xv) Any residential uses (other than temporary or transient lodging facilities incidental to the nature of the Premises as a recreational resort development);
 - (xvi) Any other use or operation which is not in keeping with the operation of a first-class recreation development;
 - (xvii) A school of any nature, except for non-functioning, historic re-creations thereof and except for educational programs incidental to a Permitted Use; or
 - (xviii) Offices (other than for administrative offices incidental to an otherwise permitted operation conducted on the same premises).

2. Water Recreation Restrictions. Except for the riverboats operated by Lessee or its sublessees or licensees, no boats shall be operated on the lakes during the period from one-half hour after sunset until one-half hour before sunrise. No jetskis or other such motorized personal water craft shall be permitted, except for authorized water rescue purposes.

3. Signage Restrictions. Without the consent of Lessor's chief executive officer, no exterior identification signs attached to buildings within the Premises (and no interior signs that are located within any windows or doors) shall be of the type set forth below:

- (i) Painted on the surface of any building (other than historic re-creations);

(ii) Flashing, moving, rotating or audible signs or markers of any type, or signs advertising businesses other than those carried on within the Premises, other than historic re-creations or in connection with corporate sponsorships of limited duration; or

(iii) Cloth, paper or cardboard signs, or moveable signs (e.g. mounted on a trailer), other than historic re-creations or in connection with corporate sponsorships of limited duration.

EXHIBIT "F"

HAZARDOUS WASTES RIDER

1. If Lessee receives any notice of the happening of any event involving the use or storage of any hazardous or toxic substance or waste in violation of this Rider, or any spill, discharge or cleanup of any hazardous or toxic substance or waste, or any oil or pesticide on or about the Premises or into the sewer, septic system or waste treatment system exclusively servicing the Premises (any such event is hereinafter referred to as a "Hazardous Discharge") or of any complaint, order, citation, or notice with regard to air emissions, water discharges, noise emissions or any other environmental, health or safety matter affecting Lessee (an "Environmental Complaint") from any person or entity, including the Department of Environmental Protection of Georgia ("DEP") and the United States Environmental Protection Agency ("EPA"), then Lessee shall give immediate oral and written notice of same to Lessor.

2. Without limitation of the foregoing, Lessor shall have the right, but not the obligation, to exercise any of its rights as provided in Paragraph 19 of this Lease (on prior notice to Lessee, as may be provided in Paragraph 19 of this Lease) or to enter onto the Premises (on prior notice to Lessee, as may be provided in Paragraph 13 of this Lease) or to take such actions as it deems necessary or advisable to cleanup, remove, resolve or minimize the impact of or otherwise deal with any Hazardous Discharge or Environmental Complaint upon its receipt of any notice from any person or entity including, without limitation, the DEP and EPA, asserting the occurrence of a Hazardous Discharge or an Environmental Complaint on or pertaining to the Premises. All costs and expenses incurred by Lessor in the exercise of any such rights shall be deemed to be Additional Rent hereunder and shall be payable by Lessee to Lessor upon demand if such condition was the result of Lessee's actions.

3. Lessee hereby agrees to defend, indemnify, and hold Lessor harmless from and against any and all claims, losses, liabilities, damages and expenses (including, without limitation, cleanup costs, engineering and reasonable attorney's fees arising by reason of any of the aforesaid or any action under this indemnity) arising directly or indirectly from, out of or by reason of any Hazardous Discharge or Environmental Complaint occurring either (i) during or attributable to the Term and any other period of possession of the Premises by Lessee, other than an Environmental Complaint (A) attributable to the period prior to the Commencement Date or (B) arising with respect to a Hazardous Discharge first occurring prior to the Commencement Date (provided that, notwithstanding the foregoing, Lessee does assume responsibility for the environmental conditions disclosed in that certain Phase I Environmental Assessment on the Stone Mountain Park by United Consulting Group, Ltd. dated October 24, 1997, except for the responsibilities and obligations of Lessor set forth in Section 5(N) of that certain Lease Closing Memorandum between Lessor and Lessee dated December 10, 1997) or (ii) by reason of or attributable to Lessee's operations.

4. (a) Lessee covenants, represents and warrants that its operation of the Premises shall not involve any hazardous or toxic substances or wastes other than as customary

in the operation of similar premises (e.g. motor fuels, swimming pool compounds and cleaning solvents and agents) and in accordance with all Legal Requirements.

(b) Lessee shall be responsible for any environmental cleanup costs, penalties or damages arising from its introduction of hazardous or toxic substances onto the Premises. The provisions of this Paragraph shall survive the expiration or sooner termination of the Term.

5. In the event of Lessee's failure to comply in full with this Rider, Lessor may, at its option, perform any or all of Lessee's obligations as aforesaid and all costs and expenses incurred by Lessor in exercise of this right shall be deemed to be Additional Rent payable on demand.

6. This Rider shall survive the expiration or sooner termination of the Term.

EXHIBIT "G"

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE, made and entered into as of the ____ day of _____ 199_ by and between STONE MOUNTAIN MEMORIAL ASSOCIATION (hereinafter referred to as "Lessor"), having a principal office at _____, and _____, a _____ (hereinafter referred to as "Lessee"), having a principal office at _____, _____, _____.

WITNESSETH:

WHEREAS, Lessor and Lessee have entered into that certain Lease dated as of _____, 199_ (the "Lease"); and

WHEREAS, the parties hereto desire to file this Memorandum of Lease for record in the property records of DeKalb County, Georgia to provide record notice of the Lease and the terms and conditions contained therein with respect to the Premises (as hereinafter defined).

NOW, THEREFORE, for and in consideration of the mutual covenants contained herein and in the Lease, Lessor and Lessee hereby agree as follows:

1. Demise. Lessor hereby demises and leases to Lessee and Lessee hereby rents and hires from Lessor, subject to and with the benefit of the terms, covenants, conditions and provisions of the Lease, those certain premises (the "Premises") consisting of approximately _____ acres and being more particularly described on Exhibit "A" attached hereto and by reference made a part hereof, subject, however, to the terms and conditions of the Lease.

2. Term of Lease. The initial term of the Lease shall be for the period commencing on _____, 199_ ("Commencement Date") and unless sooner terminated or extended under the terms and conditions contained in the Lease, shall continue thereafter until 12:00 midnight on the day before the thirtieth (30th) anniversary of the Commencement Date. Lessee shall have the option to extend the Term for four (4) successive, consecutive renewal terms of five (5) years each upon the same terms and conditions as set forth herein for the original Term; provided that no Event of Default has occurred and remains uncured as of the date of exercise of any such renewal option or the date on which any such renewal term shall commence, and provided further that Lessee shall give notice to Lessor of Lessee's exercise of each such renewal option not more than twenty-four (24) months, and not less than twelve (12) months, prior to the date of commencement of each such renewal term.

3. Incorporation of Lease. The provisions set forth in the Lease are hereby incorporated into this Memorandum of Lease as if set out in full herein. Nothing contained

herein is intended to or does change or modify any of the terms or provisions of the Lease or the rights, duties, obligations, conditions and agreements created thereby, all of which shall remain in full force and effect. In the event of any conflict or inconsistency between the terms of this Memorandum of Lease and the terms of the Lease, the terms of the Lease shall govern and control for all purposes.

4. Cancellation of Memorandum of Lease. Upon the request of Lessor following the expiration or termination of the Lease, Lessee shall promptly execute and deliver to Lessor an appropriate release and/or cancellation instrument acknowledging the expiration or termination of the Lease and releasing any and all right, title and interest of Lessee in and to the Premises under the Lease and this Memorandum of Lease. The release and/or cancellation instrument contemplated herein shall be executed in proper form for recordation in the DeKalb County, Georgia records.

IN WITNESS WHEREOF, the parties hereto have caused this Memorandum of Lease to be executed the day, month and year first above written.

"Lessor":

Signed, sealed and delivered
in the presence of:

STONE MOUNTAIN MEMORIAL
ASSOCIATION

Notary Public

By: _____
Its: _____

My Commission Expires:

Attest: _____
Its: _____

[NOTARY SEAL]

"Lessee":

Signed, sealed and delivered
in the presence of:

Notary Public

By: _____
Its: _____

My Commission Expires:

Attest: _____
Its: _____

[NOTARY SEAL]

EXHIBIT "H"

GUARANTY

In consideration of, and as an inducement for the granting, execution and delivery of the lease, dated as of [_____], ("Lease"), by STONE MOUNTAIN MEMORIAL ASSOCIATION, Lessor therein named ("Lessor", which term shall be deemed to include the named Lessor and its successors and assigns) to [_____], Lessee therein named ("Lessee", which term shall be deemed to include the named Lessee and its successors and assigns), and in further consideration of the sum of One Dollar (\$1.00) and other good and valuable consideration paid by Lessor to the undersigned, the receipt and sufficiency of which are hereby acknowledged, the undersigned, [_____], ("Guarantor", which term shall be deemed to include the named Guarantors and their heirs, executors, fiduciaries, successors and assigns), hereby guarantees, absolutely and unconditionally, to Lessor the full and prompt payment of "Rent" (as defined in Paragraph 4 of the Lease) (including, without limitation, Lessor's legal expenses and reasonable attorneys' fees and disbursements actually incurred) payable by Lessee under the Lease, and hereby further guarantees the full and timely performance and observance of all the covenants, terms, conditions and agreements therein provided to be performed and observed by Lessee; and Guarantor hereby covenants and agrees to and with Lessor that if default shall at any time be made by Lessee in the payment of any Rent, or if Lessee should default or be deemed in default under the Lease or in the performance and observance of any of the terms, covenants and conditions contained in the Lease, after any applicable grace or cure period, Guarantor shall and will forthwith faithfully perform and fulfill all of such terms, covenants and conditions and will forthwith pay to Lessor all damages that may arise in consequence of any such default by Lessee under the Lease, including, without limitation, all reasonable attorneys' fees actually incurred, and disbursements incurred by Lessor or caused by any such default or the enforcement of this Guaranty.

This Guaranty is an absolute and unconditional guaranty of payment (and not of collection) and of performance. The liability of Guarantor is coextensive with that of Lessee and any other guarantor of Lessee's obligations under the Lease and this Guaranty shall be enforceable against Guarantor without the necessity of any suit or proceeding on Lessor's part of any kind or nature whatsoever against Lessee or any other guarantor and without the necessity of any notice of nonpayment, nonperformance or nonobservance or of any notice of acceptance of this Guaranty or of any other notice or demand to which Guarantor might otherwise be entitled, all of which Guarantor hereby expressly waives. Guarantor hereby expressly agrees that the validity of this Guaranty and the obligations of Guarantor hereunder shall in no way be terminated, affected, diminished or impaired by reason of (a) the assertion or the failure to assert by Lessor against Lessee of any of the rights or remedies reserved to Lessor pursuant to the terms, covenants and conditions of the Lease, or (b) any non-liability of Lessee under the Lease, whether by insolvency, discharge in bankruptcy, or any other defect or defense which may now or hereafter exist in favor of Lessee and not arising with respect to this Lease.

This Guaranty shall be a continuing guaranty, and the liability of Guarantor hereunder shall in no way be affected, modified or diminished by reason of (a) any assignment, renewal modification, amendment or extension of the Lease or sublease of all or part of the Premises, or (b) any modification or waiver of or change in any of the terms, covenants and conditions of the Lease by Lessor and Lessee, or (c) any extension of time that may be granted by Lessor to Lessee, or (d) any consent, release, indulgence or other action, inaction or omission under or in respect of the Lease or any other guaranty, or (e) any dealings or transactions or matter or thing occurring between Lessor and Lessee, or (f) any bankruptcy, insolvency, reorganization, liquidation, arrangement, assignment for the benefit of creditors, receivership, trusteeship or similar proceeding affecting Lessee or any other guarantor, whether or not notice thereof or of any thereof is given to Guarantor.

Should Lessor be obligated by any bankruptcy or other law to repay to Lessee or to Guarantor or to any trustee, receiver or other representative of either of them, any amounts previously paid, this Guaranty shall be reinstated in the amount of such repayments. Lessor shall not be required to litigate or otherwise dispute its obligations to make such payments if it in good faith believes that such obligation exists.

No delay on the part of Lessor in exercising any right, power or privilege under this Guaranty or failure to exercise the same shall operate as a waiver of or otherwise affect any such right, power or privilege, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

No waiver or modification of any provision of this Guaranty nor any termination of this Guaranty shall be effective unless in writing, signed by Lessor; nor shall any such waiver be applicable except in the specific instance for which given.

All of Lessor's rights and remedies under the Lease and under this Guaranty or any other guaranty, now or hereafter existing at law or in equity or by statute or otherwise, are intended to be distinct, separate and cumulative and no exercise or partial exercise of any such right or remedy therein or herein mentioned is intended to be in exclusion of or a waiver of any of the others.

Guarantor agrees that whenever at any time or from to time Guarantor shall make any payment to Lessor or perform or fulfill any term, covenant or condition hereunder on account of the liability of Guarantor hereunder, Guarantor will notify Lessor in writing that such payment or performance as the case may be, is for such purpose. No such payment or performance by Guarantor pursuant to any provision hereof shall entitle Guarantor by subrogation or otherwise to the rights of Lessor to any payment by Lessee or out of the property of Lessee, except after payment of all sums or fulfillment of all covenants, terms, conditions or agreements to be paid or performed by Lessee.

Guarantor agrees to submit to Lessor as soon as available, and in any event within seventy-five (75) days after the end of each Lease Year or Partial Lease Year (as such terms are defined in the Lease) (including the last Partial Lease Year hereof, as to which Guarantor's

obligation shall survive the Expiration Date (as defined in the Lease), audited financial statements of the Guarantor, including a balance sheet, statement of income and expenses and statement of cash flow for the fiscal year then ended, prepared in accordance with GAAP, in comparative form and accompanied by the unqualified opinion of a nationally recognized firm of independent certified public accountants regularly retained by Guarantor and acceptable to the Lessee.

Guarantor agrees that it will, at any time and from time to time, within ten (10) business days following written request by Lessor, execute, acknowledge and deliver to Lessor a statement certifying that this Guaranty is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as modified and stating any such modifications). Guarantor agrees that such certificate may be relied on by anyone holding or proposing to acquire any interest in the "Premises" (as such term is defined in the Lease) from or through Lessor.

As a further inducement to Lessor to make and enter into the Lease and in consideration thereof, Lessor and Guarantor covenant and agree that in any action or proceeding brought on, under or by virtue of this Guaranty, Lessor and Guarantor shall and do hereby waive, to the fullest extent permitted by applicable law, trial by jury. Without regard to principles of conflicts of laws, the validity, interpretation, performance and enforcement of this Guaranty shall be governed by and construed in accordance with the internal laws of the State of Georgia. Guarantor hereby consents to in personam jurisdiction in any jurisdiction and in the courts thereof where Lessor obtains such jurisdiction over Lessee, such jurisdiction to be conferred upon notice thereof to Guarantor by certified mail, return receipt requested, to the above address (and Guarantor hereby consents to such jurisdiction and venue in any court, state or federal, in the State of Georgia, as selected by Lessor).

Guarantor warrants and represents to Lessor that it has the legal right and capacity to execute this Guaranty. In the event that this guaranty shall be held ineffective or unenforceable by any court of competent jurisdiction, then Guarantor shall be deemed to be a Lessee under the Lease with the same force and effect as if Guarantor were expressly named as a joint Lessee therein.

As used herein, the term "successors and assigns" shall be deemed to include the successors in interest to Guarantor, by operation of law or otherwise, and the successors and assigns of Lessee, as the case may be. If there is more than one Guarantor, the liability hereunder shall be joint and several. All terms and words used in this Guaranty, regardless of the number or gender in which they are used, shall be deemed to include any other number and any other gender as the context may require.

If Guarantor fails to pay any amount payable under this Guaranty when due, interest on such amount shall accrue at the lesser of (i) six percent (6%) above the prime rate as announced by NationsBank, N.A. (or any successor thereto), or (ii) the highest legal rate chargeable to Guarantor in the State of Georgia.

IN WITNESS WHEREOF, the undersigned has duly executed and sealed this instrument through its authorized officer as of the ____ day of _____, 199__.

GUARANTOR:

By: _____

Title: _____

[CORPORATE SEAL]

SALE OF DISTILLED SPIRITS, MALT BEVERAGES AND WINES

§9-101 DEFINITIONS

As used in this Chapter, the following terms shall have the following meanings or definitions:

Alcoholic Beverages. The term “alcoholic beverages” shall mean and include all alcohol, distilled spirits, beer, malt beverage, wine and fortified wine, as such terms are defined in the Georgia Alcoholic Beverage Code.

Charter Boat. The term “charter boat” shall mean a boat, vessel, or other watercraft, while operating within and upon waters under the jurisdiction and control of the Association, (A) not less than 25 feet in length, (B) used, maintained and held out by the operator to visitors to Stone Mountain Park and to the Association to be used in transportation under the owner’s charge for the user’s account, including but not limited to sight-seeing, fishing, or recreation, for a period of time certain, (c) with dockage space provided on Stone Mountain Lake.

Clubhouse Restaurant. The term “clubhouse restaurant” shall mean a building or other structure kept, used and maintained and held out to the public as a place where food is prepared, served and consumed, having an area designated for the seating of customers, with a seating capacity for at least 25 people, and where food is made available for sale to the public for at least 2 meals a day at least 6 days a week for at least 11 months a calendar year and is located adjacent to or within a building or other structure separately kept, used and maintained and held out to the public as a place for golf, sport and athletic activities and containing an area for the storage of golf and sport and athletic equipment and locker rooms.

Convention Center. The term “convention center” shall mean each building or other structure kept, used, maintained, advertised and held out to the public to be used for meetings, conferences, forums and seminars and related activities, with a seating capacity in one room of at least 200 persons, which structure contains no sleeping accommodations and where no food is regularly served.

Distilled Spirits. The term “distilled spirits” shall have the meaning given the term by O.C.G.A. § 3-1-2(8).

In-Room Service. The term “in-room service” shall have the meaning given the term in O.C.G.A. § 3-9-10(2), as that section is written at the time of the adoption of this Ordinance and as that section may from time to time be amended by the General Assembly of Georgia.

License Year. The term “license year” shall mean that period of time for which licenses under this resolution shall be issued. Each “license year” shall begin on January 1st of each year and end on the 31st day of December of each year.

Lounge. The word “lounge” shall mean a separate room within, connected, or adjacent to a motel or its public dining room with all booths, stools, and tables being unobstructed and open to view.

Malt Beverage. The term “malt beverage” shall have the meaning given the term by O.C.G.A. § 3-1-2(13).

Marina. The word “marina” shall mean a permanent dock or basin located within the boundaries of Stone Mountain Park, providing secure moorings for boats, motorboats, and yachts and offering or supplying repairs, fuel, refreshments and other facilities.

Motel. The word “motel” shall mean every building or other structure kept, used, maintained, advertised and held out to the public as a place having fifty (50) or more rooms with sleeping accommodations for lease, rent or hire to travelers and guests, whether transient, permanent or residential, and having a public dining room with sanitary kitchen and a seating capacity of at least fifty (50) people with at least two (2) meals per day being served for not less than six (6) days a week, at least eleven (11) months each calendar year. Sleeping accommodations and dining rooms may be either in the same building or in separate buildings or structures provided that such separate buildings or structures are a part of the motel operation. Hotels meeting the qualifications set out herein for motels shall be classified in the same category as motels.

Off Premise Catered Functions. The term “off premise catered functions” shall mean a function at which alcoholic beverages may be served by a licensed alcoholic beverage caterer, as that term is defined by O.C.G.A. § 3-11-1(2), which caterer also holds an off-premise license from the Association pursuant to O.C.G.A. § 3-11-2.

Premises. The word “premises” shall mean the definite closed or partitioned-in locality, whether room, shop, building or outdoor location, wherein alcoholic beverages are sold.

Restaurant. The word “restaurant” shall mean every building, boat or other structure kept, used, maintained, advertised and held out to the public to be a place where food is actually prepared, served and consumed, and having one or more public dining rooms, with sanitary kitchen and a seating capacity of at least sixty (60) people, where meals are served to such guests at least two (2) meals per day at least six (6) days a week and at least eleven (11) months each calendar year, such

dining rooms being in a separate building or structure and not used in connection with any other business.

Retail Liquor Dealer. The term "Retail Liquor Dealer" shall mean any individual, partnership or corporation engaged in the sale of distilled spirits at retail within the boundaries of Stone Mountain Park.

Retail Malt Beverage Dealer. The term "Retail Malt Beverage Dealer" shall mean any individual, partnership or corporation engaged in the sale of malt beverages at retail within the boundaries of Stone Mountain Park.

Retail Wine Dealer. The term "Retail Wine Dealer" shall mean any individual, partnership or corporation engaged in the sale of wines at retail within the boundaries of Stone Mountain Park.

Riverboat Restaurant. The term "riverboat restaurant" shall mean a boat operating on Stone Mountain Lake kept, used, maintained, advertised and held out to the public to be a place where food is actually served and consumed, and having one or more public dining rooms and a seating capacity of at least sixty (60) people, where meals are served to such guests at least one (1) meal per day at least six (6) days a week and at least eleven (11) months each calendar year.

Tennis Stadium. The term "tennis stadium" shall mean the stadium court complex within the International Tennis Center at Stone Mountain Park.

Wine. The word "wine" shall have the meaning given the term by O.C.G.A. § 3-1-2(25).

§9-102 LICENSING REQUIREMENT

The privilege of engaging in the business of a retail alcoholic beverage dealer shall not be granted other than by the issuance of a license as provided herein, and the privilege provided for herein shall be held and enjoyed by the licensee only so long as he shall fully comply with all requirements of this Chapter, including the prompt payment of all fees or taxes required herein, and all applicable provisions of the Georgia Alcoholic Beverage Code and the regulations promulgated thereunder.

§9-103 PROCEDURE FOR OBTAINING LICENSE

1. Before a retail alcoholic beverage license shall be issued the applicant shall file a written application therefor with the Chief Executive Officer of the Association. The form of the application shall be as specified by the Association. Each application shall be filed together with a certified check in payment of the initial license fee required by Section 9-105 and which application shall contain the following information:

- A. Full name and address of the applicant and whether the applicant is an individual, partnership or corporation. If the applicant is a partnership, the name and address of each partner must be shown. If the applicant is a corporation, the name and address of each officer and of the agent for service of process must be shown.
 - B. Identify and describe in detail the location or address of the place of business at which applicant will engage in the retail alcoholic beverage business if and when permission to do so is granted by the Association and license is issued;
 - C. Whether the applicant has had (1) an alcoholic beverage license suspended or revoked; (2) an application for such license denied, or (3) a renewal of such license denied;
 - D. Whether the applicant has been found guilty of a violation of a felony, misdemeanor, or municipal ordinance, or forfeited bond as to such charges in any state or federal court of the United States within the last five (5) years, not including traffic violations other than driving under the influence of intoxicants or drugs;
 - E. Such other information as the Chief Executive Officer of the Association under the direction of the Association may from time to time require.
2. All applications filed with the Chief Executive Officer of the Association, after investigation of the fitness of the applicant and the fitness of the location of the particular business, shall be approved or disapproved. In the cases where applications are disapproved, the Chief Executive Officer of the Association shall return the check submitted with the application to the applicant. In cases where such applications are approved by the Association the Chief Executive Officer of the Association shall issue a proper license to the applicant authorizing the applicant to engage in the particular business and at the particular location applied for.
 3. A licensee desiring to continue in business during a subsequent calendar year shall make a new application for such year on or before November 1 of the preceding year.
 4. Any untrue, misleading or omitted statement or information contained in such application shall be cause for the denial thereof, and if the license has been granted, shall be cause for revocation of the same.

§9-104 QUALIFICATIONS FOR LICENSING

1. Any individual, partnership or corporation may apply to the Association for a license to sell distilled spirits, malt beverages and wines at retail within the boundaries of Stone Mountain Park. Each application shall be accompanied by the fee set out below, shall be made upon a form to be furnished by the Chief Executive Officer of the Association and shall set forth in detail, under oath, all required information.
2. Licenses for retail sale of distilled spirits, for consumption on the premises only, shall be issued only to those applicants whose places of business qualify under the definitions of a motel, lounge, convention center, restaurant, clubhouse restaurant, riverboat restaurant, tennis stadium or charter boat.
3. Licenses for retail sale of malt beverages and wine, for consumption on the premises only, shall be issued only to those applicants whose places of business qualify under the definitions of a motel, lounge, convention center, restaurant, clubhouse restaurant, riverboat restaurant, tennis stadium or charter boat.
4. Licenses for retail sale of malt beverages only, for consumption on the premises only, shall be issued only to those applicants whose places of business qualify under the definitions of motel, lounge, convention center, restaurant, clubhouse restaurant, riverboat restaurant, tennis stadium or charter boat.
5. Licenses for retail sale of malt beverages and wine by the drink off premises and in connection with an authorized catered function shall be issued only to an applicant who is a licensed alcoholic beverage caterer.
6. Licenses for retail sale of distilled spirits by the drink off premises and in connection with an authorized catered function shall be issued only to an applicant who is a licensed alcoholic beverage caterer.
7. Licenses for retail sale of malt beverages only by the drink off premises and in connection with an authorized catered function shall be issued only to an applicant who is a licensed alcoholic beverage caterer.
8. Licenses for in-room service shall be issued only to the holder of a license to sell alcoholic beverages by the drink within a motel.
9. In the event more than one (1) license shall be issued for retail sale of alcoholic beverages for consumption on the premises of a convention center only, the Chief Executive Officer of the Association shall designate the time, and the licensee who shall be entitled to use a convention center, as defined herein, and his decision shall be final and conclusive.

§9-105 FEES

No person, firm, partnership or corporation shall engage in the sale of alcoholic beverages within the boundaries of Stone Mountain Park without a license. Each duly licensed person, firm, or corporation who shall engage in the business of selling alcoholic beverages at either wholesale or retail within the boundaries of Stone Mountain Park shall be subject to the rules and regulations hereinafter set forth, and all licensees shall for each calendar year or any fraction thereof pay the following license fees;

1. License for retail sale of distilled spirits for consumption on the premises only -- As may from time to time be established by the Stone Mountain Memorial Association.
2. License for retail sale of distilled spirits for consumption on the premises of a convention center only -- As may from time to time be established by the Stone Mountain Memorial Association.
3. License for retail sale of malt beverages and wines for consumption on the premises only -- As may from time to time be established by the Stone Mountain Memorial Association.
4. License for retail sale of malt beverages and wine for consumption on the premises of a convention center only -- As may from time to time be established by the Stone Mountain Memorial Association.
5. Licenses for retail sale of malt beverages and wine by the drink off premises and in connection with an authorized catered function -- As may from time to time be established by the Stone Mountain Memorial Association.
6. Licenses for retail sale of distilled spirits by the drink off premises and in connection with an authorized catered function -- As may from time to time be established by the Stone Mountain Memorial Association.
7. Licenses for retail sale of malt beverages only by the drink off premises and in connection with an authorized catered function -- As may from time to time be established by the Stone Mountain Memorial Association.
8. Licenses for in-room service -- As may from time to time be established by the Stone Mountain Memorial Association.

§9-106 FEE RETURNED UPON DENIAL OF APPLICATION

If the Association shall deny the application for license, the fee for license shall be returned to the applicant.

§9-107 ASSOCIATION DETERMINATION EXCLUSIVE AND FINAL

The Association shall have full power to determine whether the applicant for a license under the provisions of this ordinance is a fit and proper person to operate the type of business involved, and whether the location of such business is proper and in the best interest of Stone Mountain Park, and the Association's determination of these requirements shall be final.

§9-108 CONDITIONS NECESSARY TO OBTAIN AND MAINTAIN LICENSE

1. No one other than the holder of the license for consumption on the premises only, his manager or agent in charge of the licensed premises, shall carry into or have in his possession on any licensed premises any distilled spirits in the original package, the seal of which has been broken or the original package opened.
2. The sale of distilled spirits by the drink for consumption by persons in any room or place which is not open to general public use is prohibited, except that private parties or conventions, scheduled in advance may be served in private dining rooms or meeting rooms and, except further, when such distilled spirits are sold by the holder of a license to provide in-room service.
3. The holders of licenses for consumption on the premises only shall not permit the sale of distilled spirits by the bottle or package, but the licensee shall have the right to sell wines, champagnes or malt beverages to the public by the bottle or package for consumption on the premises.
4. It shall be a violation of this ordinance to add to the contents of a bottle or container or refill empty bottles or containers, or to in any other manner misrepresent the quantity, quality or brand name of any alcoholic beverages.

§9-109 Term of and Revocation of License

All licenses shall issue for not more than and not less than the license year and in case of revocation or surrender of such license before the expiration of the licensed year, the holder thereof shall not be entitled to receive any refund whatsoever, provided, however that in the event of the death of the licensee, or if the licensee ceases to exercise the business privilege conferred by his license, he may at the sole discretion of the Association have his license fee refunded on a pro rate basis.

§9-110 LICENSE LIMITATIONS

Operations pursuant to any license shall be confined to the location designated on the same and shall not be transferable to any other person, partnership or other entity.

§9-111 COMPLIANCE WITH APPLICABLE LAWS NECESSARY

Each licensee shall comply with all applicable rules, regulations, laws and statutes of the State of Georgia, and shall in addition thereto or in furtherance thereof:

1. Prohibit the sale or serving of alcoholic beverages in automobiles or other vehicles, or anywhere outside the main building or accessory thereto which the business of such licensee is operated.
2. Strictly adhere to the laws of the State of Georgia respecting the sale of alcoholic beverages to minors, intoxicated persons, habitual drunkards or other prohibited persons, including but not limited to persons prohibited by Ga. Laws 1980, p. 1206.
3. Shall keep the premises, surrounding grounds, and beach areas, free and clear of cans, bottles, paper and other debris.

§9-112 STANDARDS FOR ISSUANCE

1. Prohibited Locations

[Reserved]

2. Persons Prohibited

Qualifications: If the applicant is an individual or partnership, licenses shall not be issued to:

- A. A person who has not been a resident of the State of Georgia for a period of twelve (12) months immediately prior to making his application.
- B. A person who is not a resident of either DeKalb or Gwinnett County, Georgia.
- C. A person who is not a full-time employee of the establishment for the benefit of which application is made, except with respect to a retail license for consumption on the premises only, (i) where the applicant is a corporation, the license shall be issued jointly to the corporation and an officer or agent of the corporation who meets the requirements of this section and other applicable provisions of this Chapter, and who shall hold such license for the benefit of the corporation and (ii) where the applicant is a partnership, the license shall be issued jointly to the partnership and one of the partners who meets the requirements of this section and other applicable provisions of this Article II, and who shall hold such license for the benefit of the partnership.

- D. A person who is not a citizen of the United States, or is not an alien lawfully admitted to the United States for permanent residence.
- E. A person who has in a Georgia or any other jurisdiction been convicted of a misdemeanor or a violation of a municipal ordinance, not including traffic offenses other than driving under the influence of intoxicants or drugs, or who has pled Nolo Contendere or forfeited bond in connection with any charge of the same within two (2) years.
- F. A person who has in Georgia or any other jurisdiction been convicted of a felony, or who has pled Nolo Contendere or forfeited bond in connection with any charge of the same within five (5) years.
- G. A person who has been convicted of any violation of a law or ordinance pertaining to the sale of alcoholic beverages within ten (10) years.
- H. A person whose place of business is managed or operated by a person who could not acquire a license hereunder, except as to the residence requirements hereinabove provided.
- I. Any person whose license to sell alcoholic beverages has been revoked by any licensing authority, in Georgia or elsewhere, within the last ten (10) years.
- J. Any official or employee of the State of Georgia or its authorities.

If the applicant is a corporation, licenses shall not be issued if the corporation is not properly registered to do business in the State of Georgia, or does not have a registered agent in Georgia, or is not properly registered to do business in the State of Georgia and does not have a registered agent in Georgia.

§9-113 DAYS AND HOURS OF SALE REGULATED

The days and hours of sale of alcoholic beverages shall be the same as allowed by the county within which the licensed site is located. If the county within which the licensed site is located does not allow for the sale of distilled spirits, malt beverages or wines, or any combination thereof, then the days and hours of sale of such beverage, the sale of which is not allowed by the county, shall be governed by the applicable laws of the State of Georgia.

§9-114 EMPLOYEES MINGLING WITH CUSTOMERS

Employees of motels or lounges shall not dance or sit with customers on the premises, and shall not be permitted to accept food or drink from customers while on the premises.

§9-115 SALE TO MINORS OR INCAPACITATED PERSONS PROHIBITED

Licensees shall not sell to, give away, or permit the consumption of alcoholic beverages by any minor as defined by State Law, by any person who is mentally incompetent, or by any person who is physically or mentally incapacitated due to the consumption of such beverages.

§9-116 EMPLOYMENT OF MINORS RESTRICTED.

No licensee hereunder shall employ any minor in his establishment; provided, however, that persons eighteen (18) years of age or below may be employed where their duties are not in any way involved with the preparation of or the sale or service of any alcoholic beverages; provided that musicians and other entertainers eighteen (18) years of age or below may provide professional entertainment in the premises with permission of the Chief Executive Officer.

§9-117 REVOCATION, HEARING

Each license issued pursuant to this resolution is granted as a mere privilege and not a right. Upon violation of any provision of this ordinance or of any law or regulation of the State relating to alcoholic beverages the Association at a regular or specially called meeting, after notice to the licensee and an opportunity to be heard, may revoke or suspend the license. When a license is revoked or suspended no portion of the license tax or fee shall be refundable.

§9-118 SAME, REVOCATION, CAUSES, HEARING.

Upon proof of disorderly conduct at any place holding a license under the provisions of this Article, or upon any such place becoming in the opinion of the Association, a nuisance, the Association may revoke such license after notice to licensee and opportunity to be heard.

§9-119 HEARING

Before the Association shall deny any application for a license or for the transfer of any license, or shall revoke any license then in existence, the applicant or licensee, as the case may be, shall be given notice in writing from the Chief Executive Officer to show cause before the Association at a time and place specified therein, not less than three (3) days nor more than ten (10) days from the date of service of the notice, why such application for license should not be denied, or why such license should not be revoked, as the case may be. Such notice shall state the grounds for the denial or revocation.

The hearing herein provided for need not be at a regular meeting but may be at a specially called meeting. At such hearing the applicant or licensee shall have an opportunity to show cause, if any exist, why such application should be denied or such license revoked. At such hearing both the Association and the party afforded the hearing shall have the opportunity to present evidence and to examine the opposing witnesses. All decisions approving, denying, suspending or revoking any license or application shall be in writing with the reasons for the determination stated. Such writing shall be mailed or delivered to the licensee or applicant within three business days after the hearing.

§9-120 TIME LIMIT TO OPEN FOR BUSINESS AFTER LICENSING

All holders of licenses hereunder must within six (6) weeks after the issuance of said license open the establishment referred to in the license for business and exercise the privilege granted by the license. Failure to exercise the privilege provided for by the license within this period shall work an automatic forfeiture and cancellation of the unused license without the necessity of any further action of the Association and no refund of license fees or taxes shall be made.

§9-121 FORFEITURE OF LICENSE FOR NONUSE

Any licensee who shall, for a period of two (2) consecutive months, fail to exercise the business privilege conferred by his license may have his license canceled by the Association.

EXHIBIT J

1998 CAPITAL PLAN **ESTIMATE**

PLANTATION

Add Five Demonstrating Crafts	50,000
Repair and Repaint Existing Facilities	150,000
Add Food Operation to an Existing Building	65,000
Site Furniture	5,000
Theme and Atmosphere	150,000
Landscape	45,000
Sub-total	465,000
Contingency 20%	93,000
Fees - Permits @ 10%	46,500
TOTAL	604,500

BEACH UPGRADE

Repair Existing Slides	25,000
Concession and Bathhouse Upgrade	50,000
Site Furniture	5,500
Landscape	10,000
Sign Package	10,000
Walkways and Decks	50,000
Sub-total	150,500
Contingency 20%	30,100
Fees and Permits 10%	15,050
TOTAL	195,650

EXHIBIT J (cont'd.)

RAILROAD

Upgrade Pullman Cars	100,000
Upgrade Cabooses	10,000
Upgrade Ghost Town	20,000
Landscape	15,000
Depot Area Theme and Atmosphere	100,000
Sub-total	245,000
Contingency 10%	24,500
Fees and Permits 10%	24,500
TOTAL	294,000

RESTAURANT FACILITIES UPGRADE

Landscaping	20,000
Sign Package	15,000
Upgrade Outside Dining Areas	30,000
Repair and Replacement	50,000
Theme and Atmosphere	40,000
Sub-total	155,000
Contingency 20%	31,000
Fees and Permits 10%	15,500
TOTAL	201,500

EXHIBIT J (cont'd.)

WILDLIFE PRESERVE

Upgrade Entrance Area	10,000
Landscape	10,000
Interpretive Display & Signs	15,000
Upgrade Fencing and Enclosures	35,000
Improve Walkways and Bridges	25,000
Upgrade Animal Petting Area	10,000
Ecological Demonstration Area	100,000
Repair and Replacement	10,000
Sub-total	215,000
Contingency 10%	21,500
Fees and Permits 5%	10,750
TOTAL	247,250

RIVER BOATS

Upgrade Vessel	200,000
Upgrade Restaurant	50,000
Contingency	25,000
Fees and Permits	25,000
TOTAL	300,000

Children's Festival
Christmas Festival
Add Food Components to Existing Festivals

TOTAL 300,000

GEN. MGR. MISC. (START-UP COSTS) 150,000
GOLF COURSE IMPROVEMENTS 500,000
TOTAL 1998 CAPITAL 2,792,900 *

* Excluding Christmas 1998 - to be presented by August 1998

SCHEDULE 1

Road and Roadside Maintenance - Lessor shall maintain, repair and replace in good condition throughout the Term of this Lease all roads and sidewalks within 10 feet of back of curb and perform all roadside maintenance in the Premises and within the Natural District and the Retained Property. However, roadside maintenance on Stonewall Jackson Drive from the East Gate to the main dam shall be limited to that area between the back of curb and the back of the existing fence. Roads to be maintained are Jefferson Davis Drive, Robert E. Lee Drive, Stonewall Jackson Drive, John B. Gordon Drive, and Old Hugh Howell Road. Roads do not include service drives or driveways. Roads shall include, without limitation, bridges, guttering and curbs. Roadside maintenance shall include, without limitation, maintaining fences and stone walls and directional signage, and mowing grass, within 10 feet of back of curb in good condition, as well as maintaining, repairing and replacing all road lighting facilities and lighting the roads as lighted at the commencement of the Term. Lessor shall maintain, repair and replace parking lots in the Natural District and the Retained Property in good condition. Lessor shall maintain all dam improvements in the Premises, the Natural District and the Retained Property in good condition. Lessor shall provide litter control within the Natural District and the Retained Property. Notwithstanding anything elsewhere in this Lease to the contrary, Lessor shall not provide litter control within the Premises.

Police Services - To the extent currently provided and subject to reasonable modification from time to time, Lessor shall provide or cause to be provided local police services with arrest powers within the Premises and the remainder of Stone Mountain Park for the enforcement of State law and SMMA ordinances. Lessor shall give Lessee reasonable prior notice of any material modifications in Lessor's staffing and procedures for the provision of such police services. Such police services are not intended to supplant or obviate the need for Lessee's private security services within the Premises; provided, however, that Lessee's security services shall not apply or be provided with respect to the Retained Property. Lessor and Lessee shall endeavor in good faith to coordinate Lessor's police services with Lessee's private security services.

Fire Protection Services - To the extent currently provided, Lessor shall provide or cause to be provided fire protection services within the Premises and the remainder of Stone Mountain Park. Lessor shall give Lessee reasonable prior notice of any material modifications in Lessor's staffing and procedures for the provision of such fire protection services.

EMS and Mountain Rescue Service - To the extent currently provided, Lessor shall make available to Lessee, on call, Lessor's EMS technicians on an as-needed basis. Lessor provides no ambulance service and transportation of patients to medical facilities is not Lessor's responsibility.

STATE OF GEORGIA,
COUNTY OF DEKALB.

FIRST AMENDMENT TO
AGREEMENT OF LEASE

BETWEEN

STONE MOUNTAIN MEMORIAL ASSOCIATION

AND

SILVER DOLLAR CITY
STONE MOUNTAIN PARK, INC.

DATED AS OF JANUARY 3, 1998

THIS FIRST AMENDMENT to that certain January 3, 1998, Agreement of Lease between the Stone Mountain Memorial Association and Silver Dollar City Stone Mountain Park, Inc., is made and entered into as of the ____ day of _____, _____, by and between the STONE MOUNTAIN MEMORIAL ASSOCIATION, a body corporate and politic created and existing under the laws of the State of Georgia, as lessor ("Lessor") and SILVER DOLLAR CITY STONE MOUNTAIN PARK, INC., a Georgia Corporation, as lessee ("Lessee").

WITNESSETH:

WHEREAS, Lessor is the owner of certain property in DeKalb and Gwinnett Counties of Georgia, which property is commonly known as "Stone Mountain Park;" and

WHEREAS, as of January 3, 1998, Lessor leased approximately one-third (1/3) of the area of Stone Mountain Park to the Lessee after determining that such a lease was an appropriate means to achieve the objectives of the Lessor with respect to Stone Mountain Park; and

WHEREAS, in the 1998 Lease the Lessor retained the responsibility of maintaining the dam which impounds Stone Mountain Lake, but leased to Lessee, as part of the recreation district, much of the property at the outfall of the dam; and

WHEREAS, the Lease of such premises makes it difficult for the Lessor to properly maintain the dam, as it is required to do under the Lease, without entering upon land at the outfall of the dam which land has been leased to Lessee; and

WHEREAS, Lessor and Lessee have jointly determined that it is in the best interest of both parties to remove approximately 13.92 acres, more or less, from the Recreation District and add that land to the Natural District of Stone Mountain Park and simultaneously therewith delete the property from the description of the lands within the boundaries of Stone Mountain Park which are leased to the Lessee.

NOW, THEREFORE, for and in consideration of the premises recited above, the covenants and agreements hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor and Lessee do hereby covenant and agree as follows:

1. Paragraph 2.1 of the Agreement of Lease dated as of January 3, 1998, is amended by adding thereto, between the word "Lease" and the period at the end of said paragraph, the following:

"; LESS AND EXCEPT all that certain tract or parcel of land lying and being in Land Lots 78 and 33 of the 18th District of DeKalb County, Georgia and being more particularly described as follows:

"To find the point of beginning, commence at the point of intersection of Land Lots 32, 33, 78 and 79 of the 18th District of DeKalb County, Georgia, said point being POINT OF BEGINNING.

"From the POINT OF BEGINNING, thence, South 00 degrees 00 minutes 01 seconds West a distance of 348.84 feet to a point; thence South 86 degrees 48 minutes 26 seconds West a distance of 725.89 feet to a point; thence North 00 degrees 01 minutes 18 seconds East a distance of 220.78 feet to a point; thence North 72 degrees 53 minutes 43 seconds West a distance of 604.32 feet to a point; thence North 39 degrees 41 minutes 35 seconds East a distance of 236.13 feet to a point; thence along a curve to the left having a radius of 109.03 feet and an arc length of 64.22 feet being subtended by a chord of North 86 degrees 32 minutes 38 seconds East a distance of 63.29 feet to a point; thence North 70 degrees 01 minutes 29 seconds East a distance of 70.19 feet to a point; thence North 78 degrees 09 minutes 20 seconds East a distance of 282.66 feet to a point; thence North 81 degrees 07 minutes 51 seconds East a distance of 256.29 feet to a point; thence along a curve to the left having a radius of 255.17 feet and an arc length of 131.16 feet being subtended by a chord of North 66 degrees 24 minutes 21 seconds East a distance of 129.72 feet to a point; thence South 45 degrees 24 minutes 57 seconds East a distance of 524.53 feet to a point, said point being THE POINT OF BEGINNING.

"Said property contains 13.92 acres, more or less."

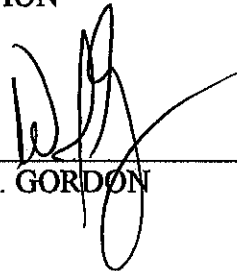
2. Except as amended herein, the January 3, 1998, Agreement of Lease between the Stone Mountain Memorial Association and Silver Dollar City Stone Mountain Park, Inc., remains of full force and effect, unchanged by this Amendment.

IN WITNESS WHEREOF, the Parties hereto have executed this First Amendment as of the day, month and year first above written.

Lessor: STONE MOUNTAIN MEMORIAL ASSOCIATION

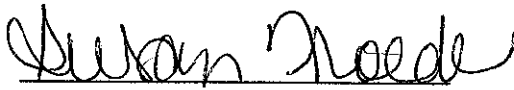
Witness:


CAROL H. WILLIAMS
Secretary


WALTER J. GORDON
Chairman

Lessee: SILVER DOLLAR CITY STONE MOUNTAIN PARK, INC.

Witness:


Name:
Secretary


Name:
President/Chief Executive Officer

STATE OF GEORGIA,
COUNTY OF DEKALB.

SECOND AMENDMENT TO
AGREEMENT OF LEASE

BETWEEN

STONE MOUNTAIN MEMORIAL ASSOCIATION

AND

SILVER DOLLAR CITY
STONE MOUNTAIN PARK, INC.

DATED AS OF JANUARY 3, 1998

THIS SECOND AMENDMENT to that certain January 3, 1998, Agreement of Lease between the Stone Mountain Memorial Association and Silver Dollar City Stone Mountain Park, Inc., is made and entered into as of the 16th day of April, 2001, by and between the STONE MOUNTAIN MEMORIAL ASSOCIATION, a body corporate and politic created and existing under the laws of the State of Georgia, as lessor ("Lessor") and SILVER DOLLAR CITY STONE MOUNTAIN PARK, INC., a Georgia Corporation, as lessee ("Lessee").

WITNESSETH:

WHEREAS, Lessor is the owner of certain property in DeKalb and Gwinnett Counties of Georgia, which property is commonly known as "Stone Mountain Park;" and

WHEREAS, as of January 3, 1998, Lessor leased approximately one-third (1/3) of the area of Stone Mountain Park to the Lessee after determining that such a lease was an appropriate means to achieve the objectives of the Lessor with respect to Stone Mountain Park; and

WHEREAS, in December of 1999 the Parties amended the Lease to revise the boundaries of the leased premises in order to make it easier for the Lessor to maintain the dam impounding the lake within Stone Mountain Park; and

WHEREAS, after three years of working together for the benefit of the visitors to Stone Mountain Park, Lessor and Lessee have jointly determined that it is in the best interest of both parties to amend certain provisions of the Lease to make clearer the responsibilities of each of the parties under the Lease; and

WHEREAS, it is the intention of the parties that this amendment reflect the actual operation of the Park as that operation has developed between Lessor and Lessee.

NOW, THEREFORE, for and in consideration of the premises recited above, the covenants and agreements hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor and Lessee do hereby covenant and agree as follows:

1. Paragraph 1.17 of the Agreement of Lease dated as of January 3, 1998, is amended

A. By adding the words "but only through December 31, 2001, at which time the wildlife preserve/petting farm shall cease to be a part of the Premises and" following the comma in Paragraph 1.17(b)(iii) and before the existing numeral (iv) in Paragraph 1.17(b), and

B. By deleting the wording "the fishing hut and (v)" from Paragraph 1.17(b),

so that, as amended, Paragraph 1.17 shall read as follows:

1.17 Premises: Those certain premises consisting of (a) those certain tracts or parcels of land located in DeKalb County, Georgia and Gwinnett County, Georgia, and being more particularly described on Exhibit "A" attached hereto and made a part hereof, together with the improvements thereon (the "Property"), being part of the park and recreation development commonly known as Stone Mountain Park, expressly excluding the Retained Property, and (b) the following activities and amenities outside the property described in clause (a) above and delineated on the survey described in Exhibit "A" hereto: (i) the railroad train, railroad track, train maintenance facility and ghost town, (ii) the sky lift, (iii) the wildlife preserve/petting farm, but only through December 31, 2001, at which time the wildlife preserve/petting farm shall cease to be a part of the Premises and (iv) the Whistlestop Restaurant. Lessor is also granting to Lessee for the Term of this Lease non-exclusive access easements (x) over, through and across the roads, sidewalks/bicycle paths and trails now or hereafter established and maintained by Lessor within the Natural District and the "Access Easement Area" (as defined in hat certain Amended and Restated Easement Agreement dated October 10, 1997, by and between J. M. Williams, Jr. and Virgil R. Williams, Mountain East Investors, Dayton Hudson Corporation, Stone Mountain Memorial Association, and Stone Mountain-Britt Memorial Airport, Inc., hereinafter called "Amended and Restated Easement Agreement"), together with the right to impose restrictions upon the use of the Access Easement Area as reserved to Lessor in the Amended and Restated Easement Agreement, and in all cases subject to the other terms and

provisions of this Lease, for ingress and egress to and from the Premises in connection with the maintenance, repair, renovation, improvement, operation and replacement of the Premises, (y) for use of the lakes at Stone Mountain Park for fishing, showboats, boating, and related recreational uses in accordance with this Lease and (z) for use of the Retained Property for the purposes for which the same was designed, in accordance with and subject to the terms and provisions of this Lease (the "Appurtenant Easements").

2. Paragraph 7.2 of the Agreement of Lease dated as of January 3, 1998, is amended by striking the words "operate the laser show or suitable alternative multi-media presentation at Stone Mountain approved by Lessor, at no charge to the public, from Memorial Day through Labor Day Weekend of each year within the Term" and substituting in lieu thereof the words "in addition to other shows or presentations Lessee may choose to give throughout the year, operate the laser show or suitable alternative multi-media presentation at Stone Mountain approved by Lessor, at no charge to the public, for no less than One Hundred Five (105) daily performances per year between March 1 and October 31 of each year within the Term" so that, as amended, Paragraph 7.2 shall read as follows:

7.2 Lessee shall operate the Premises for the Permitted Use during the entire Term with sound business practice, due diligence and efficiency so as to produce the maximum, consistent with Lessee's profit objectives, gross receipts which may be produced by such manner of operation. Lessee shall provide, install and at all times maintain in the Premises all suitable furniture, fixtures, equipment and other personal property necessary for the conduct of Lessee's business therein in a businesslike manner. Without limited the generality of the foregoing, except as prevented by a Major Event, Lessee shall during the Term of this Lease (a) operate the skylift in accordance with fees and hours of operation established by Lessor with the reasonable concurrence of Lessee and (b) in addition to other shows or presentations Lessee may choose to give throughout the year, operate the laser show or suitable alternative multi-media presentation at Stone Mountain approved by Lessor, at no charge to the public, for no less than One Hundred Five (105) daily performances per year between March 1 and October 31 of each year within the Term. Except as prevented by a Major Event, Lessee agrees to occupy the Premises for the Permitted Use, directly or indirectly, and not vacate or abandon the same at any time during the Term of this Lease or materially modify the operation of the activities and amenities leased hereunder within the "Natural District" without the prior written consent of Lessor. If Lessee vacates or abandons the Premise, or is dispossessed

by process of law, any personal property or trade fixtures belonging to Lessee and left on the Premises shall, at the option of the Lessor, be deemed to be abandoned by the Lessee and henceforth the title to (and the ownership of) said personal property or trade fixtures shall immediately vest in Lessor. In the event Lessee ceases operations of the Premises for the Permitted Use (either pursuant to this Paragraph or otherwise), unless due to a Major Event, casualty, condemnation or remodeling [which shall not last for more than ninety (90) days, unless a longer period is reasonably required for remodeling], Lessor may, at any time while Lessee is not operating, in addition to any other rights of Lessor, whether pursuant to this Lease, at law or in equity, notify Lessee of Lessor's election to terminate this Lease, in which event this Lease shall terminate on the date so selected by Lessor in Lessor's notification to elect to terminate this Lease, and on the date so set forth in Lessor's notification, this Lease shall terminate and come to an end as if the last day of the natural expiration of the Term and neither party shall have any further obligation to the other hereunder except for obligations accruing up until the date of expiration thereof; provided, however, Lessee may rescind Lessor's election by (a) notifying Lessor, within ten (10) days thereof, that Lessee will reopen the Premises for the Permitted Use, and (b) in fact, so do within sixty (60) days thereafter.

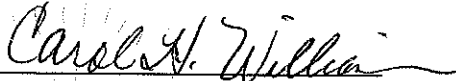
3. Except as amended herein and by the December 1999 First Amendment to the Agreement of Lease, the January 3, 1998, Agreement of Lease between the Stone Mountain Memorial Association and Silver Dollar City Stone Mountain Park, Inc., remains of full force and effect, unchanged by this Amendment.

4. Either party to this Amendment is authorized to prepare and file in the real property records in the Offices of the Clerk of the Superior Courts of DeKalb and Gwinnett Counties, Georgia, a Memorandum of Lease truly and accurately reflecting the terms of this Amendment and the First Amendment to the Agreement of Lease. Should either party decide to file such a memorandum, the other party agrees to cooperate in the preparation and execution of that Memorandum.

IN WITNESS WHEREOF, the Parties hereto have executed this Second Amendment
as of the day, month and year first above written.

Lessor: STONE MOUNTAIN MEMORIAL
ASSOCIATION


Witness:


CAROL H. WILLIAMS
Secretary


WAYNE GARNER
Chairman

Lessee: SILVER DOLLAR CITY STONE
MOUNTAIN PARK, INC.

Witness:


Name: Kenneth E. DeRosier
Asst. Secretary


MEL BILBO
President/Chief Executive Officer

STATE OF GEORGIA,
COUNTY OF DEKALB:

THIRD AMENDMENT TO
AGREEMENT OF LEASE

BETWEEN

STONE MOUNTAIN MEMORIAL ASSOCIATION

and

SILVER DOLLAR CITY
STONE MOUNTAIN PARK, INC.

DATED AS OF JANUARY 3, 1998

THIS THIRD AMENDMENT to that certain January 3, 1998, Agreement of Lease between the Stone Mountain Memorial Association and Silver Dollar City Stone Mountain Park, Inc., is made and entered into as of the 1st day of August, 2003, by and between the STONE MOUNTAIN MEMORIAL ASSOCIATION, a body corporate and politic created and existing under the laws of the State of Georgia, as lessor ("Lessor") and SILVER DOLLAR CITY STONE MOUNTAIN PARK, INC., a Georgia Corporation, as lessee ("Lessee").

WITNESSETH:

WHEREAS, Lessor is the owner of certain property in DeKalb and Gwinnett Counties of Georgia, which property is commonly known as "Stone Mountain Park;" and

WHEREAS, as of January 3, 1998, Lessor leased approximately one-third (1/3) of the area of Stone Mountain Park to the Lessee after determining that such a lease was an appropriate means to achieve the objectives of the Lessor with respect to Stone Mountain Park; and

WHEREAS, in December of 1999 the Parties amended the Lease a first time to revise the boundaries of the leased premises in order to make it easier for the Lessor to maintain the dam impounding the lake within Stone Mountain Park; and

WHEREAS, in April of 2001 the Parties amended the Lease a second time to revise the boundaries of the leased premises and to revise the requirements for the operation of the laser show in order to reflect the operation of the Park as that operation had developed between Lessor and Lessee; and

WHEREAS, after five years of working together for the benefit of the visitors to Stone Mountain Park, Lessor and Lessee have jointly determined that it is in the best interest of both parties to amend certain provisions of the Lease to make clearer the responsibilities of each of the parties under the Lease.

NOW, THEREFORE, for and in consideration of the premises recited above, the covenants and agreements hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor and Lessee do hereby covenant and agree as follows:

1. Paragraph 1.11 of the Agreement of Lease dated as of January 3, 1998, is amended

A. By renumbering the existing paragraph as subparagraph (a) and

B. By adding to Paragraph 1.11 a new subparagraph (b) to read as follows: “(b) Beginning the 1st day of August, 2003, regardless of prior adjustments previously made as set forth in Paragraph 4 hereof, the Annual Basic Rent Rate shall be Seven Million Eight Hundred Twenty Eight Thousand Eight Hundred Twenty and No/100 Dollars (\$7,828,820.00) per annum (\$652,402.00 per month) plus any adjustments as set forth in Paragraph 4 hereof, until the last day of the Lease Year ending in calendar year 2008.” and

C. By adding to Paragraph 1.11 a new subparagraph (c) to read as follows: “(c) Beginning on the first day of the Lease Year beginning in calendar year 2008 regardless of prior adjustments previously made as set forth in Paragraph 4 hereof, the Annual Basic Rent Rate shall be an amount determined by totaling the figure of Ten Million Eight Hundred Thirty Thousand and No/100 Dollars (\$10,830,000.00) and those amounts by which the adjustment factors set forth in Paragraph 4 hereof would have increased the amount of \$10,830,000.00 during the period beginning the 1st day of August, 2003, and ending the first day of the Lease Year beginning in the calendar year 2008. This total, subject to the adjustments as set forth in Paragraph 4 hereof, shall be the Annual Basic Rent Rate for

the remainder of the Term after the first day of the Lease Year beginning in the calendar year 2008.”

so that, as amended, Paragraph 1.11 shall read as follows:

1.11 (a) Annual Basic Rent Rate: Nine Million Five Hundred Thousand and No/100 Dollars (\$9,500,000.00) pre annum (\$791,666.67 per month) during the Term, subject to adjustment as set forth in Paragraph 4 hereof.

(b) Beginning the 1st day of August, 2003, regardless of adjustments previously made as set forth in Paragraph 4 hereof, the Annual Basic Rent Rate shall be Seven Million Eight Hundred Twenty Eight Thousand Eight Hundred Twenty and No/100 Dollars (\$7,828,820.00) per annum (\$652,402.00 per month) plus any adjustments as set forth in Paragraph 4 hereof, until the last day of the Lease Year ending in calendar year 2008.

(c) Beginning on the first day of the Lease Year beginning in calendar year 2008 regardless of prior adjustments previously made as set forth in Paragraph 4 hereof, the Annual Basic Rent Rate shall be an amount determined by totaling the figure of Ten Million Eight Hundred Thirty Thousand and No/100 Dollars (\$10,830,000.00) and those amounts by which the adjustment factors set forth in Paragraph 4 hereof would have increased the amount of \$10,830,000.00 during the period beginning the 1st day of August, 2003, and ending the first day of the Lease Year beginning in the calendar year 2008. This total, subject to the adjustments as set forth in Paragraph 4 hereof, shall be the Annual Basic Rent Rate for the remainder of the Term after the first day of the Lease Year beginning in the calendar year 2008.

2. Paragraph 1.17 of the Agreement of Lease dated as of January 3, 1998, as amended by the Second Amendment to the Agreement of Lease, said Second Amendment dated as of April 16, 2001, is amended by adding the words “provided that on the 1st day of August, 2003, the right to operate over the railroad spur line from the point where the railroad spur line intersects the westerly curb line of Robert E. Lee Boulevard to the end of the spur line at the point of intersection with the CSX Railroad in the City of Stone Mountain, Georgia, shall cease and the railroad spur from the from the point where the railroad spur line intersects the westerly curb line of Robert E. Lee Boulevard to the end of the spur line at the point of intersection with the CSX Railroad in the City of Stone Mountain, Georgia, shall cease to be a part of the Premises,” so that, as amended, Paragraph 1.17 shall read as follows:

1.17 Premises: Those certain premises consisting of (a) those certain tracts or parcels of land located in DeKalb County, Georgia, and Gwinnett County, Georgia, and being more particularly described on Exhibit "A" attached hereto and made a part hereof, together with the improvements thereon (the "Property"), being part of the park and recreation development commonly known as Stone Mountain Park, expressly excluding the Retained Property, and (b) the following activities and amenities outside the property described in clause (a) above and delineated on the survey described in Exhibit "A" hereto: (i) the railroad train, railroad track, train maintenance facility and ghost town, provided that on the 1st day of August, 2003, the right to operate over the railroad spur line from the point where the railroad spur line intersects the westerly curb line of Robert E. Lee Boulevard to the end of the spur line at the point of intersection with the CSX Railroad in the City of Stone Mountain, Georgia, shall cease and the railroad spur from the from the point where the railroad spur line intersects the westerly curb line of Robert E. Lee Boulevard to the end of the spur line at the point of intersection with the CSX Railroad in the City of Stone Mountain, Georgia, shall cease to be a part of the Premises, (ii) the sky lift, (iii) the wildlife preserve/petting farm, but only through December 31, 2001, at which time the wildlife preserve/petting farm shall cease to be a part of the Premises and (iv) the Whistlestop Restaurant. Lessor is also granting to Lessee for the Term of this Lease non-exclusive access easements (x) over, through and across the roads, sidewalks/bicycle paths and trails now or hereafter established and maintained by Lessor within the Natural District and the "Access Easement Area" (as defined in that certain Amended and Restated Easement Agreement dated October 10, 1997, by and between J. M. Williams, Jr., and Virgil R. Williams, Mountain East Investors, Dayton Hudson Corporation, Stone Mountain Memorial Association, Stone Mountain-Britt Memorial Airport, Inc., hereinafter called "Amended and Restated Easement Agreement"), together with the right to impose restrictions upon the use of the Access Easement Area as reserved to Lessor in the Amended and Restated Easement Agreement, and in all cases subject to the other terms and provisions of this Lease, for ingress and egress to and from the Premises in connection with the maintenance, repair, renovation, improvement, operation and replacement of the Premises, (y) for use of the lakes at Stone Mountain Park for fishing, showboats, boating, and related recreational uses in accordance with this Lease and (z) for use of the Retained Property for the purposes for which the same was designed, in accordance with and subject to the terms and provisions of this Lease (the "Appurtenant Easements").

3. Paragraph 4.1(c) of the Agreement of Lease dated as of January 3, 1998, is amended

A. By renumbering the existing paragraph as subparagraph (i) and deleting the last sentence thereof, which sentence presently reads as follows: "Basic Rent, Percentage Rent and Additional Rent are sometimes collectively referred to herein as 'Rent'"; and

B. By adding to Paragraph 4.1(c) a new subparagraph (ii) to read as follows: "(ii) As an element of Additional Rent, but not intended by the Lessor and Lessee to be the only element of Additional Rent, for the period beginning on the 1st day of August, 2003, and ending on the first day of the Lease Year beginning in the calendar year 2008, the Lessor shall receive the larger of the following; (a) If, on the last day of the Lease Year, Lessee's Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) exceeds eighteen percent (18%) of the value of Lessee's gross property and equipment utilized in connection with Stone Mountain Park, as 'property and equipment' is defined by Generally Accepted Accounting Practices, Lessor shall receive as an element of Additional Rent for the just completed Lease Year an amount equal to one-half of the amount by which Lessee's EBITDA exceeds eighteen percent (18%) of Lessee's gross property and equipment utilized in connection with Stone Mountain Park; or (b) If, on the last day of the Lease Year, Lessee's Earnings Before Taxes, Depreciation, and Amortization (EBTDA) exceeds nine percent (9%) of the value of Lessee's gross property and equipment utilized in connection with Stone Mountain Park, as 'property and equipment' is defined by Generally Accepted Accounting Practices, Lessor shall receive as an element of Additional Rent for the just completed Lease year an amount equal to one-half of the amount by which Lessee's EBTDA exceeds nine percent (9%) of gross property and equipment utilized in connection with Stone Mountain Park."

so that, as amended, Paragraph 4.1(c) of the Agreement of Lease dated as of January 3, 1998, shall read as follows:

(c) (i) additional rent ("Additional Rent") consisting of all other sums of money as shall become due from and be payable by Lessee hereunder (for default in the payment of which Lessor shall have the same remedies as for a default in the payment of Basic Rent).

(ii) As an element of Additional Rent, but not intended by the Lessor and Lessee to be the only element of Additional Rent, for the period beginning on the 1st day of August, 2003, and ending on the first day of the Lease Year beginning in the calendar year 2008, the Lessor shall receive the larger of the following;

(a) If, on the last day of the Lease Year, Lessee's Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) exceeds eighteen percent (18%) of the value of Lessee's gross property and equipment utilized in connection with Stone Mountain Park, as "property and equipment" is defined by Generally Accepted Accounting Practices, Lessor shall receive as an element of Additional Rent for the just completed Lease Year an amount equal to one-half of the amount by which Lessee's EBITDA exceeds eighteen percent (18%) of Lessee's gross property and equipment utilized in connection with Stone Mountain Park;

OR

(b) If, on the last day of the Lease Year, Lessee's Earnings Before Taxes, Depreciation, and Amortization (EBTDA) exceeds nine percent (9%) of the value of Lessee's gross property and equipment utilized in connection with Stone Mountain Park, as "property and equipment" is defined by Generally Accepted Accounting Practices, Lessor shall receive as an element of Additional Rent for the just completed Lease year an amount equal to one-half of the amount by which Lessee's EBTDA exceeds nine percent (9%) of gross property and equipment utilized in connection with Stone Mountain Park.

4. Paragraph 4.1 of the Agreement of Lease dated as of January 3, 1998, is amended by adding thereto a new unnumbered paragraph immediately following Paragraph 4.1(c)(ii)(b) which new paragraph shall read as follows: "Basic Rent, Percentage Rent and Additional Rent are sometimes collectively referred to herein as 'Rent.'",

so that, as amended, Paragraph 4.1 of the Agreement of Lease dated as of January 3, 1998, shall read as follows:

4.1 Lessee shall pay to Lessor during the Term, in lawful money (by good check evidencing immediately available funds) of the United States, without any prior demand therefore and without any offsets or deductions whatsoever except as may be otherwise expressly provided herein, the following sums (collectively "Rent"):

(a) fixed rent ("Basic Rent") at the Annual Basic Rent Rate for the Term commencing on the Commencement Date and ending on the Expiration Date, subject to adjustment as set forth in Paragraph 4.2;

(b) percentage rent ("Percentage Rent") at the rate specified in, and on the terms and conditions set forth in, the Percentage Rent Rider attached hereto as Exhibit "D"; and

(c) (i) additional rent ("Additional Rent") consisting of all other sums of money as shall become due from and be payable by Lessee hereunder (for default in the payment of which Lessor shall have the same remedies as for a default in the payment of Basic Rent).

(ii) As an element of Additional Rent, but not intended by the Lessor and Lessee to be the only element of Additional Rent, for the period beginning the 1st day of August, 2003, and ending on the first day of the Lease Year beginning in the calendar year 2008, the Lessor shall receive the larger of the following;

(a) If, on the last day of the Lease Year, Lessee's Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) exceeds eighteen percent (18%) of the value of Lessee's gross property and equipment utilized in connection with Stone Mountain Park, as "property and equipment" is defined by Generally Accepted Accounting Practices, Lessor shall receive as an element of Additional Rent for the just completed Lease Year an amount equal to one-half of the amount by which Lessee's EBITDA exceeds eighteen percent (18%) of Lessee's gross property and equipment utilized in connection with Stone Mountain Park;

OR

(b) If, on the last day of the Lease Year, Lessee's Earnings Before Taxes, Depreciation, and Amortization (EBTDA) exceeds nine percent (9%) of the

value of Lessee's gross property and equipment utilized in connection with Stone Mountain Park, as "property and equipment" is defined by Generally Accepted Accounting Practices, Lessor shall receive as an element of Additional Rent for the just completed Lease year an amount equal to one-half of the amount by which Lessee's EBTDA exceeds nine percent (9%) of gross property and equipment utilized in connection with Stone Mountain Park.

Basic Rent, Percentage Rent and Additional Rent are sometimes collectively referred to herein as "Rent."

5. Paragraph 1(b) of Exhibit "D," PERCENTAGE RENT RIDER, of the Agreement of Lease dated as of January 3, 1998, is amend by adding thereto at the end thereof the following language: "through and including the 31st day of July, 2003, shall mean Five Percent (5%) beginning as of the 1st day of August, 2003, and ending on the first day of the Lease Year beginning in calendar year 2008, and thereafter shall again mean Three Percent (3%)," so that, as amended, Paragraph 1(b) of Exhibit "D," PERCENTAGE RENT RIDER, shall read as follows:

(b) "Percentage Rent Rate" shall mean Three Percent (3%) through and including the 31st day of July, 2003, shall mean Five Percent (5%) beginning as of the 1st day of August, 2003, and ending on the first day of the Lease Year beginning in calendar year 2008, and thereafter shall again mean Three Percent (3%).

6. Lessee hereby agrees that on or before December 1, 2003, at a date mutually agreed upon by Lessor and Lessee, Lessee will relinquish to the exclusive control and jurisdiction of the Lessor that portion of the Premises identified on Exhibit A-1 as the Airport District and that portion of the Premises commonly referred to as the Tennis Center. Lessee agrees to cooperate with Lessor and to execute any documents, including an amendment to the Lease, reasonably requested by Lessor which are necessary or desired by Lessor to legally accomplish Lessee's relinquishment of these two areas.

7. Lessor and Lessee agree that no later than sixty (60) days prior to the last Sunday in April, 2008, Lessor and Lessee will employ, and share equally in the cost of, a

mutually agreed upon independent financial consultant to review the terms of the Lease and the financial result of operations to assist the Lessor and Lessee in determining whether it is appropriate to modify the financial terms of the Lease. If, from the findings of the financial consultant, modifications to the financial terms of the Lease appear to be appropriate, Lessor and Lessee agree to enter in good faith into negotiation of an amendment to the financial terms and provisions of the Lease. If Lessor and Lessee can not agree upon an independent financial consultant, Lessor and Lessee shall each select a financial consultant and the two financial consultants shall select a third financial consultant and the determinations of a majority of the three consultants shall be treated as the determinations of a single consultant had the Lessor and Lessee been able to agree upon the single consultant. In the event it becomes necessary to utilize the services of three consultants, Lessor shall bear the costs of the consultant selected by Lessor, Lessee shall bear the costs of the consultant selected by Lessee, and Lessor and Lessee shall jointly and equally bear the costs of the consultant selected by the other two consultants.

8. Except as specifically amended herein and by the December 1999 First Amendment to the Agreement of Lease and the April 2001 Second Amendment to the Agreement of Lease, the January 3, 1998, Agreement of Lease between the Stone Mountain Memorial Association and Silver Dollar City Stone Mountain Park, Inc., remains of full force and effect, unchanged by this Amendment.

9. Either party to this Amendment is authorized to prepare and file in the real property records in the Offices of the Clerk of the Superior Courts of DeKalb and Gwinnett Counties, Georgia, a Memorandum of Lease truly and accurately reflecting the terms of this Amendment and the First, Second and Third Amendments to the Agreement of Lease. Should either party decide to file such a memorandum, the other party agrees to cooperate in the preparation and execution of that Memorandum.

SIGNATURES ON THE NEXT PAGE (NUMBERED 10)

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IN WITNESS WHEREOF, the Lessor and Lessee have executed this Third Amendment as of the day, month and year first above written.

Lessor: STONE MOUNTAIN MEMORIAL ASSOCIATION

Witness:



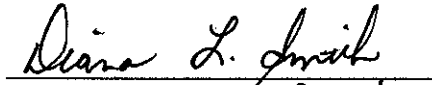
Name:
Acting Secretary



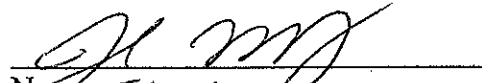
Name:
Chairman

Lessee: SILVER DOLLAR CITY STONE MOUNTAIN PARK, INC.

Witness:



Name: Diana L. Smith
Secretary



Name: JOEL MANBY
President/Chief Executive Officer

State of Georgia,
County of DeKalb.

FOURTH AMENDMENT TO
AGREEMENT OF LEASE

BETWEEN

STONE MOUNTAIN MEMORIAL ASSOCIATION

AND

SILVER DOLLAR CITY
STONE MOUNTAIN PARK, INC.

DATED

AS OF JANUARY 3, 1998

THIS FOURTH AMENDMENT to that certain January 3, 1998, Agreement of Lease between the Stone Mountain Memorial Association and Silver Dollar City Stone Mountain Park, Inc., is made and entered into as of this 15th day of October, 2003, by and between the STONE MOUNTAIN MEMORIAL ASSOCIATION, a body corporate and politic created and existing under the laws of the State of Georgia, as lessor ("Lessor") and SILVER DOLLAR CITY STONE MOUNTAIN PARK, INC., a Georgia Corporation, as lessee ("Lessee").

W I T N E S S E T H :

WHEREAS, Lessor is the owner of certain property in DeKalb and Gwinnett Counties of Georgia, which property is commonly known as "Stone Mountain Park;" and

WHEREAS, as of January 3, 1998, Lessor leased approximately one-third (1/3) of the area of Stone Mountain Park to the Lessee after determining that such a lease was an appropriate means to achieve the objectives of the Lessor with respect to Stone Mountain Park; and

WHEREAS, in December of 1999 the Parties amended the Lease to revise the boundaries of the leased premises in order to make it easier for the Lessor to maintain the dam impounding the lake within Stone Mountain Park; and

WHEREAS, in April of 2001, the Parties amended the Lease (Second Amendment) to make clearer the responsibilities of each of the parties under the Lease and to reflect the actual operation of the Park as it had developed between Lessor and Lessee; and

WHEREAS, effective August 1, 2003, the Parties amended the Lease (Third Amendment) to change the terms and conditions related to the rent and to delete certain areas from the Premises.

NOW, THEREFORE, for and in consideration of the premises recited above, the covenants and agreements hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor and Lessee do hereby covenant and agree as follows:

1. Paragraph 1.17 of the Agreement of Lease dated as of January 3, 1998, and amended in December of 1999 and April of 2001 and August of 2003 is amended

A. By deleting the reference to the Whistlestop Restaurant from paragraph 1.17(b),

B. By deleting the tennis facilities, the former airport property, and any and all parcels of property located in Gwinnett County, from those premises designated or identified as part of the leased premises on the maps attached hereto as Exhibit "A-1", and being more particularly described on Exhibit "A"

so that, as amended, Paragraph 1.17 shall read as follows:

1.17 Premises: Those certain premises consisting of (a) those certain tracts or parcels of land located in DeKalb County, Georgia, and being more particularly described on Amended Exhibit "A" attached hereto and made a part hereof, together with the improvements thereon (the "Property"), being part of the park and recreation development commonly known as Stone Mountain Park, expressly excluding the Retained Property, and (b) the following activities and amenities outside the property described in clause (a) above and delineated on the survey described in Amended Exhibit "A" hereto: (i) the railroad train, railroad track, train maintenance facility and ghost town, and (ii) the sky lift. Lessor is also granting to Lessee for the Term of this Lease non-exclusive access easements (x) over, through and across the roads, sidewalks/bicycle paths and trails now or hereafter established and maintained by lessor within the Natural District, subject to the other terms and provisions of this Lease, for ingress and egress to and from the Premises in connection with the maintenance, repair, renovation, improvement, operation and replacement of the Premises, (y) for use of the lakes at Stone Mountain Park for fishing, showboats, boating and related recreational uses in accordance with this Lease and (z) for use of the Retained Property for the purposes for which the same was designed, in accordance with and subject to the terms and provisions of this Lease (the "Appurtenant Easements"). The maps attached hereto as Exhibit "A-1" are for reference purposes only and are not intended to and do not constitute a representation by the Lessor as to the existence or permissibility of any of the improvements shown thereon.

A copy of Amended Exhibit "A" is attached hereto.

2. Paragraph 1.18 of the Agreement of Lease dated as of January 3, 1998, and amended in December of 1999 and April of 2001, is amended to add the word "Amended" prior to the reference to Exhibit "B", Retained Property, to reflect that those certain premises that are being removed from the defined leased premises in this amendment are being added to the properties to be retained by Lessor so that, as amended, Paragraph 1.18 shall read as follows:

1.18 Retained Property: The assets, property and rights described on Amended Exhibit "B" attached hereto.


A copy of Amended Exhibit "B" is attached hereto.

3. Except as amended herein and by the December 1999 First Amendment to the Agreement of Lease, and the April 2000 Second Amendment to the Agreement of Lease, and the August 2003 Third Amendment to the Agreement of Lease, the Agreement of Lease between the Stone Mountain Memorial Association and Silver Dollar City Stone Mountain Park, Inc., remains of full force and effect, unchanged by this Amendment.
4. Either party to this Amendment is authorized to prepare and file in the real property records in the Office of the Clerk of the Superior Court of DeKalb County, Georgia, a Memorandum of Lease truly and accurately reflecting the terms of this Amendment and the First and Second Amendments to the Agreement of Lease. Should either party decide to file such a memorandum, the other party agrees to cooperate in the preparation and execution of that Memorandum.

IN WITNESS WHEREOF, the Parties hereto have executed this Fourth Amendment as of the day, month and year first above written.

Lessor: STONE MOUNTAIN MEMORIAL ASSOCIATION

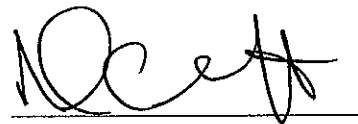
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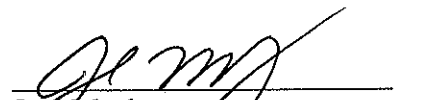

GAIL DURHAM
Secretary


WAYNE GARNER
Chairman

Witness:

Lessee: SILVER DOLLAR CITY STONE MOUNTAIN PARK, INC.


Name:
Title:
SUP


Joel Manby
President/Chief Executive Officer

AMENDED EXHIBIT "A"

ALL THAT TRACT OR PARCEL OF LAND lying and being in Land Lots 33, 78, 79, 84, 85, 86, 87, 127, 128, 129, 130, 132, 133, 134 and 135 of the 18th District of DeKalb County, Georgia, surveyed on the Boundary Survey for Stone Mountain Park Leased Area dated January 2, 1998, prepared by Moreland Altobelli Associates, Inc. under the seal and certification of Ben D. Trail, Georgia Registered Land Surveyor No. 1718 (the "Survey") less and except the fifty foot (50') right-of-way of Bermuda Road until it is abandoned by DeKalb County, Georgia.

AMENDED EXHIBIT "B"

DESCRIPTION OF RETAINED PROPERTY

The roads, sidewalks/bicycle paths, trails and non-fee picnic areas within the areas designated as the "Recreation District," the "Historic District," the "Airport District" and the "Events District" on the maps attached as Exhibit "A-1" to this Lease, together with the right, privilege and easement, at no charge to Lessor, of vehicular and pedestrian access thereto over, through and across the Premises. Lessor also reserves (i) the contents of the Discovering Stone Mountain Museum in memorial Hall, (ii) the Grist Mill area as delineated on the survey described in Amended Exhibit "A" hereto, and (iii) the building formerly known as the "Ice Chalet," as delineated on the survey described in Amended Exhibit "A" hereto, for Lessor's use for offices or other purposes in connection with Lessor's provision of the services described in Schedule 1 attached to this Lease. Lessor shall reasonably consider in good faith any future request by Lessee for re-location of any of the non-fee picnic areas to other locations within the Premises, in which event the former non-fee picnic areas shall become part of the Premises, and the new non-fee picnic areas shall become part of the Retained Property;

TOGETHER WITH all that tract or parcel of land lying and being in Land Lot 60 of the 6th District of Gwinnett County, Georgia bounded by the land described hereinabove and the rights-of-way of Bermuda road, U.S. Highway 78 East and West Park Place; and

TOGETHER WITH all that tract or parcel of land in Land Lots 84 and 131 of the 18th District of DeKalb County, Georgia, and Land Lot 59 of the 6th District of Gwinnett County, Georgia surveyed as Parcel 11 on the Survey for Stone Mountain Memorial Association & Isakson/Barnhart Development Co. LLC & Chicago Title Insurance Company dated March 7, 1996, last revised October 6, 1997, prepared by Survey Concepts, Inc. under the seal and certification of O. Eugene Kay, Georgia Registered Land Surveyor No. 1943.

244010

STATE OF GEORGIA
COUNTY OF DEKALB:

No. 1 OF 3 ORIGINALS

FIFTH AMENDMENT TO
AGREEMENT OF LEASE

BETWEEN

STONE MOUNTAIN MEMORIAL ASSOCIATION

and

SILVER DOLLAR CITY
STONE MOUNTAIN PARK, INC.

DATED AS OF JANUARY 3, 1998

THIS FIFTH AMENDMENT to that certain January 3, 1998, Agreement of Lease between the Stone Mountain Memorial Association and Silver Dollar City Stone Mountain Park, Inc., is made and entered into as of the 14th day of November, 2006, by and between the STONE MOUNTAIN MEMORIAL ASSOCIATION, a body corporate and politic created and existing under the laws of the State of Georgia, as lessor ("Lessor") and SILVER DOLLAR CITY STONE MOUNTAIN PARK, INC., a Georgia corporation, as lessee ("Lessee").

WITNESSETH:

WHEREAS, Lessor is the owner of certain property in DeKalb and Gwinnett Counties of Georgia, which property is commonly known as "Stone Mountain Park;" and

WHEREAS, as of January 3, 1998, Lessor leased approximately one-third (1/3) of the area of Stone Mountain Park to the Lessee after determining that such a lease was an appropriate means to achieve the objectives of the Lessor with respect to Stone Mountain Park; and

WHEREAS, in December of 1999 the Parties amended the Lease a first time to revise the boundaries of the leased premises in order to make it easier for the Lessor to maintain the dam impounding the lake within Stone Mountain Park; and

WHEREAS, in April of 2001 the Parties amended the Lease a second time to revise the boundaries of the leased premises and to revise the requirements for the operation of the laser show in order to reflect the operation of the Park as that operation had developed between Lessor and Lessee; and

WHEREAS, in August of 2003 the Parties amended the Lease a third time to revise the terms and conditions related to the rent and to delete certain areas of the Premises; and

WHEREAS, in October of 2003 the Parties amended the Lease a fourth time to delete certain additional areas of the Premises and to redefine Retained Properties; and

WHEREAS, after eight years of working together for the benefit of the visitors to Stone Mountain Park, Lessor and Lessee have jointly determined that it is in the best interest of both parties to amend certain provisions of the Lease to make clearer the responsibilities of each of the parties under the Lease; and

WHEREAS, it is the intention of the Parties that this amendment reflect the actual operation of the Park as that operation has developed between Lessor and Lessee.

NOW, THEREFORE, for and in consideration of the premises recited above, the covenants and agreements hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor and Lessee do hereby covenant and agree as follows:

1. Paragraph 1.11 of the Agreement of Lease dated as of January 3, 1998, as amended by Paragraph 1 of the Third Amendment, is further amended by deleting the words "until the last day of the Lease Year ending in calendar year 2008" at the end of Paragraph 1.11 (b) and deleting Paragraph 1.11 (c) in its entirety so that, as amended, Paragraph 1.11 shall read as follows:

1.11 (a) Annual Base Rent Rate: Nine Million Five Hundred Thousand and No/100 Dollars (\$9,500,000) per annum (\$791,666.67 per month) during the Term, subject to adjustment as set forth in Paragraph 4 hereof, until the 1st day of August, 2003.

(b) Beginning the 1st day of August, 2003, regardless of adjustments previously made as set forth in Paragraph 4 hereof, the Annual Base Rent Rate shall be Seven Million Eight Hundred Twenty Eight Thousand Eight Hundred

Twenty and No/100 Dollars (\$7,828,820) per annum (\$652,402 per month) plus any adjustments as set forth in Paragraph 4 hereof.

2. Paragraph 1.22 of the Agreement of Lease dated as of January 3, 1998, is amended by adding before the period at the end of Paragraph 1.22 the following: “, as amended on August 15, 2005”, so that, as amended, Paragraph 1.22 of the Agreement of Lease dated as of January 3, 1998, reads as follows:

1.22 Master Plan: Lessor’s 1992 Comprehensive Master Plan, as amended on August 15, 2005.

3. Paragraph 4.1(c)(ii) of the Agreement of Lease dated as of January 3, 1998, as amended by Paragraph 3B and Paragraph 4 of the Third Amendment, is further amended by striking all of the language preceding subparagraph 4.1(c)(ii)(a) which presently reads: “As an element of Additional Rent, but not intended by the Lessor and Lessee to be the only element of Additional Rent, for the period beginning on the 1st day of August, 2003, and ending on the first day of the Lease Year beginning in the calendar year 2008, the Lessor shall receive the larger of the following;” and substituting in lieu thereof the following language: “As an element of Additional Rent, but not intended by the Lessor and Lessee to be the only element of Additional Rent, for the period beginning on the 1st day of August, 2003, and ending on the Expiration Date, the Lessor shall receive the larger of the following:” so that, as further amended, Paragraph 4.1(c)(ii) shall read as follows:

(ii) As an element of Additional Rent, but not intended by the Lessor and Lessee to be the only element of Additional Rent, for the period beginning on the 1st day of August, 2003, and ending on the Expiration Date, the Lessor shall receive the larger of the following:

(a) If, on the last day of the Lease Year, Lessee’s Earnings Before Interest, Taxes, depreciation, and Amortization (EBITDA) exceeds eighteen percent (18%) of the value of Lessee’s gross property and equipment utilized in connection with Stone Mountain Park, as “property and equipment” is defined by Generally Accepted Accounting Practices, Lessor shall receive as an element of Additional Rent for the just completed Lease Year an amount equal to one-half of the amount by which Lessee’s EBITDA

exceeds eighteen percent (18%) of Lessee's gross property and equipment utilized in connection with Stone Mountain Park;

OR

(b) If, on the last day of the Lease Year, Lessee's Earnings Before Taxes, Depreciation, and Amortization (EBTDA) exceeds nine percent (9%) of the value of Lessee's gross property and equipment utilized in connection with Stone Mountain Park, as "property and equipment" is defined by Generally Accepted Accounting Practices, Lessor shall receive as an element of Additional Rent for the just completed Lease Year an amount equal to one-half of the amount by which Lessee's EBTDA exceeds nine percent (9%) of gross property and equipment utilized in connection with Stone Mountain Park.

Basic Rent, Percentage Rent and Additional Rent are sometimes collectively referred to herein as "Rent."

4. Paragraph 1(a) of Exhibit D, PERCENTAGE RENT RIDER, of the Agreement of Lease dated as of January 3, 1998, is amended by adding between the last word of the first sentence and the period after that word the following: "; provided, however, that beginning on January 2, 2006, the Lease Year shall be coincidental with a 52-53 week year ending at midnight local prevailing time on the Sunday nearest December 31 annually. ", so that, as amended, Paragraph 1(a) of Exhibit D, PERCENTAGE RENT RIDER, of the Agreement of Lease dated as of January 3, 1998, shall read as follows:

(a) A Lease Year shall be the 52-53 week period ending on the last Sunday in April; provided, however, that beginning on January 2, 2006, the Lease Year shall be coincidental with a 52-53 week year ending at midnight local prevailing time on the Sunday nearest December 31 annually. In the event this Lease shall terminate on any date other than the last day of a Lease Year, that period from the last day of the preceding Lease Year to the Expiration Date shall be a Partial Lease Year. For the calculation of Percentage Rent for any Partial Lease Year, the Annual Base Sales for that Partial Lease Year shall be proportionally determined by a percentage calculated by dividing the sales for a comparable period from the last full Lease Year by the sales for the last full Lease Year.

5. Paragraph 1 (b) of Exhibit "D," PERCENTAGE RENT RIDER, of the Agreement of Lease dated as of January 3, 1998, as amended by Paragraph 5 of the Third Amendment dated as of August 1, 2003, is further amended by adding "and" between "2003," and "shall" in the second line and by deleting ", and ending on the first day of the Lease Year beginning in calendar year 2008, and thereafter shall again mean Three Percent (3%)" and by placing a period at the end of the sentence so that, as amended, Paragraph 1 (b) of Exhibit "D," PERCENTAGE RENT RIDER, shall read as follows:

(b) "Percentage Rent Rate" shall mean Three Percent (3%) through and including the 31st day of July, 2003, and shall mean Five Percent (5%) beginning as of the 1st day of August, 2003.

6. Paragraph 35 (b) of the Agreement of Lease dated January 3, 1998 is amended by striking it in its entirety and substituting in lieu thereof the following language:

(b) Lessee shall pay to Lessor as Additional Rent, together with the notice of exercise of the Termination Option, an amount equal to one hundred and twenty-five percent (125%) of the sum of (i) the Basic Rent for the Lease Year prior to the Lease Year in which such notice is given and (ii) an amount equal to the average Percentage Rent, if any, paid by Lessee for the three (3) Lease Years prior to the Lease Year in which such notice is given.

7. The Agreement of Lease dated as of January 3, 1998, is further amended by the addition of a new Paragraph 36 which shall read as follows:

36. Additional Ballroom and Additional Parking at Evergreen Conference Center and Resort.

(a) Lessor shall fund the construction of an additional ballroom and additional parking at Evergreen Conference Center and Resort in an amount not to exceed six million dollars (\$6,000,000).

(b) Lessee shall pay to Lessor, as Additional Rent, in addition to all other rents, on an annual basis, an amount determined by multiplying the actual amount that Lessor expends in the construction (inclusive of fees, permits, construction and furniture, fixtures and equipment) of the additional ballroom and additional parking by Twelve-month LIBOR as published in the *Wall Street Journal* less fifty (50) basis points (less 0.5%) as of the date of this amendment and adjusted annually on the anniversary date of this amendment to conform to the Twelve-month LIBOR less fifty (50) basis points in effect on such anniversary date; however, at no time shall the rate be adjusted to less than four percent (4%) or to more than seven percent (7%).

(c) During the design and construction phase, Lessee shall pay Additional Rent to Lessor based on the actual disbursements by the Lessor

for the construction of the additional ballroom and parking, such rent to begin to accrue from the date of the actual disbursement by the Lessor.

(d) All Additional Rent provided for in this paragraph shall be due and payable on an annual basis by the fifteenth (15th) day following the annual anniversary date of this amendment.

(e) The requirement for Additional Rent as provided in this paragraph shall terminate on the Expiration Date.

8. Paragraph 7 of the Third Amendment dated as of August 1, 2003, is repealed and deleted in its entirety.

9. Paragraph 5.2 of the Lease is amended by renumbering the current Paragraph 5.2 as "5.2 (a)" and adding a new Paragraph 5.2 (b) which shall read as follows"

5.2 (b). Effective January 1, 2007, Lessee shall have the right to reduce Security Deposit to Ten Dollars (\$10.00). Lessee shall restore the Security Deposit to \$5,000,000 upon the occurrence of any of the following: (i) the Guarantor's minimum tangible net worth shall be less than \$60,000,000 as determined by generally accepted accounting principles; (ii) the Guarantor's debt to total assets ratio shall exceed 40%; or (iii) the Guarantor's debt service coverage ratio shall have been less than 1.65 for two out of the past three calendar years during the term. In the event of any occurrence as specified in Paragraph 5.2 (a), the Lessee shall restore the Security Deposit to \$8,500,000. If any such conditions shall occur and thereafter be eliminated, then Lessee may again reduce the Security Deposit to the extent permitted by this paragraph.

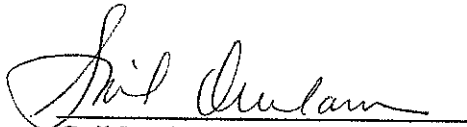
10. Except as specifically amended herein and by the December 1999 First Amendment to the Agreement of Lease, the April 2001 Second Amendment to the Agreement of Lease, the August 2003 Third Amendment to the Agreement of Lease, and the October 2003 Fourth Amendment to the Agreement of Lease, the January 3, 1998, Agreement of Lease between the Stone Mountain Memorial Association and Silver Dollar City Stone Mountain Park, Inc., remains of full force and effect, unchanged by this Amendment.

11. Either party to this Amendment is authorized to prepare and file in the real property records in the Offices of the Clerk of the Superior Courts of DeKalb and Gwinnett Counties, Georgia, a Memorandum of Lease truly and accurately reflecting the terms of this Amendment and the First, Second, Third and Fourth Amendments to the

Agreement of Lease. Should either party decide to file such a document, the other party agrees to cooperate in the preparation and execution of that Memorandum.

IN WITNESS WHEREOF, the Lessor and Lessee have executed this Fifth Amendment as of the day, month and year first above written.

Lessor: **STONE MOUNTAIN
MEMORIAL ASSOCIATION**

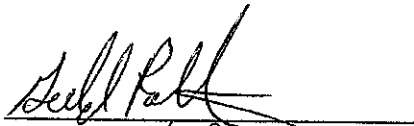


Gail Durham
Secretary

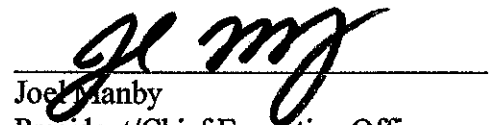


G. Curtis Branscome
Chief Executive Officer

Lessee: **SILVER DOLLAR CITY
STONE MOUNTAIN PARK, INC.**



Name: Gerald Rakestraw
Title: Vice President/General Manager



Joel Manby
President/Chief Executive Officer

STATE OF GEORGIA
COUNTY OF DEKALB:

No. 1 OF 3 ORIGINALS

SIXTH AMENDMENT TO
AGREEMENT OF LEASE

BETWEEN

STONE MOUNTAIN MEMORIAL ASSOCIATION

and

SILVER DOLLAR CITY
STONE MOUNTAIN PARK, INC.

DATED AS OF JANUARY 3, 1998

THIS SIXTH AMENDMENT to that certain January 3, 1998, Agreement of Lease between the Stone Mountain Memorial Association and Silver Dollar City Stone Mountain Park, Inc., is made and entered into as of the 17th day of November, 2008, by and between the STONE MOUNTAIN MEMORIAL ASSOCIATION, a body corporate and politic created and existing under the laws of the State of Georgia, as lessor ("Lessor") and SILVER DOLLAR CITY STONE MOUNTAIN PARK, INC., a Georgia corporation, as lessee ("Lessee").

WITNESSETH:

WHEREAS, Lessor is the owner of certain property in DeKalb and Gwinnett Counties of Georgia, which property is commonly known as "Stone Mountain Park;" and

WHEREAS, as of January 3, 1998, Lessor leased approximately one-third (1/3) of the area of Stone Mountain Park to the Lessee after determining that such a lease was an appropriate means to achieve the objectives of the Lessor with respect to Stone Mountain Park; and

WHEREAS, in December of 1999 the Parties amended the Lease a first time to revise the boundaries of the leased premises in order to make it easier for the Lessor to maintain the dam impounding the lake within Stone Mountain Park; and

WHEREAS, in April of 2001 the Parties amended the Lease a second time to revise the boundaries of the leased premises and to revise the requirements for the operation of the laser show in order to reflect the operation of the Park as that operation had developed between Lessor and Lessee; and

WHEREAS, in August of 2003 the Parties amended the Lease a third time to revise the terms and conditions related to the rent and to delete certain areas of the Premises; and

WHEREAS, in October of 2003 the Parties amended the Lease a fourth time to delete certain additional areas of the Premises and to redefine Retained Properties; and

WHEREAS, in November of 2006 the Parties amended the Lease for a fifth time to extend the temporary changes in the rent structure made in August of 2003 for the life of the Lease and to change conditions related to the Security Deposit; and

WHEREAS, the Parties wish to recognize current general economic difficulties while assuring Lessor of Lessee's continuity in managing the Premises.

NOW, THEREFORE, for and in consideration of the premises recited above, the covenants and agreements hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor and Lessee do hereby covenant and agree as follows:

1. Paragraph 4.2 of the Agreement of Lease dated as of January 3, 1998, is amended by adding the sentence "However, other provisions to the contrary notwithstanding, the adjustment of the Annual Basic Rent by the amount of the increase in the "CPI-U" shall be waived for the calendar years 2009 and 2010." to the end of the first paragraph of Paragraph 4.2 so that, as amended, Paragraph 4.2 (first paragraph) shall read as follows:

4.2 On the first day of the second full Lease Year (as defined in Paragraph 1 (a) of Exhibit "D") and then on the first day of each successive Lease Year thereafter (each of such dates being herein referred to as an "Adjustment Date"), the Annual Basic Rent Rate shall be increased to an amount equal to the Annual Basic Rent Rate applicable to the first full Lease Year (and any initial Partial Lease Year) of the Term as set forth in Paragraph 1.1 hereof, plus an amount equal to the product of the percentage increase in the "CPI-U" (as hereinafter defined) for the month preceding the applicable Adjustment Date as compared to the "CPI-U" for the month during which this Lease is fully executed

by Lessor and Lessee, multiplied by the Annual Basic Rent Rate applicable to the first full Lease Year of the Term as set forth in Paragraph 1.11 hereof. Notwithstanding the foregoing, in no event shall the Annual Basic Rent Rate for any Lease Year be increased by more than four percent (4%) of the Annual Basic Rent Rate for the prior Lease Year. However, other provisions to the contrary notwithstanding, the adjustment to the Annual Basic Rent Rate by the amount of the increase in the "CPI-U" shall be waived for the calendar years 2009 and 2010 and the maximum percentage increase in 2011 shall be two percent (2%). It is the intent of the parties that in any year that the application of the "CPI-U" is waived or limited, that same waiver or limitation shall be effective for all other provisions of the Lease requiring the application of the "CPI-U".

2. Paragraph 5.2 (b) of the Lease is amended by adding "except for calendar years 2008, 2009 and 2010 when the debt to total asset ratio may be as high as 50%" at the end of (ii) so that the amended Paragraph 5.2 (b) shall read as follows:

5.2 (b). Effective January 1, 2007, Lessee shall have the right to reduce Security Deposit to Ten (\$10.00). Lessee shall restore the Security Deposit to \$5,000,000 upon the occurrence of any of the following: (i) the Guarantor's minimum tangible net worth shall be less than \$60,000,000 as determined by generally accepted accounting principles; (ii) the Guarantor's debt to total assets ratio shall exceed 40% except for calendar years 2008, 2009 and 2010 when the debt to total asset ratio may be as high as 50%; or (iii) the Guarantor's debt service coverage ratio shall have been less than 1.65 for two out of the past three calendar years during the term. If any such conditions shall occur and thereafter be eliminated, then Lessee may again reduce the Security Deposit to the extent permitted by this paragraph.

3. Paragraph 35 b) of the Agreement of Lease dated as of January 3, 1998, as amended by the Fifth Amendment to the Lease dated as of November 14, 2006, is further amended by striking it in its entirety and substituting in lieu thereof the following language:

(b) Lessee shall pay to Lessor as Additional Rent, together with the notice of exercise of the Termination Option, an amount equal to one hundred and twenty-five percent (125%) of the sum of (i) the Base Rent for the Lease Year prior to the Lease Year in which such notice is given and (ii) an amount equal to the average Percentage Rent, if any, paid by the Lessee for the three (3) Lease Years prior to

the Lease Year in which such notice is given. Notwithstanding the foregoing, if the notice of exercise of the Termination Option is given during calendar year 2009 or 2010 the percentage multiplier shall be increased to one hundred and fifty percent (150%) and if such notice is given during calendar year 2011 the percentage multiplier shall be increased to one hundred and thirty-seven percent (137%).

4. Section 4 (a) (ii) of Exhibit D, "Percentage Rent Rider" of the Lease is hereby amended to provide that Lessee shall provide its audited financial statements within ninety (90) days after the end of each Lease Year or Partial Lease Year rather than within seventy-five (75) days.


5. Except as specifically amended herein and by the December 1999 First Amendment to the Agreement of Lease, the April 2001 Second Amendment to the Agreement of Lease, the August 2003 Third Amendment to the Agreement of Lease, and the October 2003 Fourth Amendment to the Agreement of Lease, and the November 2006 Fifth Amendment to the Agreement of Lease, the January 3, 1998, Agreement of Lease between the Stone Mountain Memorial Association and Silver Dollar City Stone Mountain Park, Inc., remains of full force and effect, unchanged by this Amendment.

6. Either party to this Amendment is authorized to prepare and file in the real property records in the Offices of the Clerk of the Superior Courts of DeKalb and Gwinnett Counties, Georgia, a Memorandum of Lease truly and accurately reflecting the terms of this Amendment and the First, Second, Third, Fourth and Fifth Amendments to the Agreement of Lease. Should either party decide to file such a document, the other party agrees to cooperate in the preparation and execution of that Memorandum.


(SIGNATURES BEGIN ON NEXT PAGE)

IN WITNESS WHEREOF, the Lessor and Lessee have executed this Sixth Amendment as of the day, month and year first above written.

Lessor: **STONE MOUNTAIN
MEMORIAL ASSOCIATION**

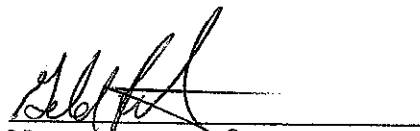


Gail Durham
Secretary

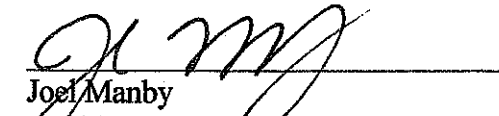


G. Curtis Branscome
Chief Executive Officer

Lessee: **SILVER DOLLAR CITY
STONE MOUNTAIN PARK, INC.**



Name: Gerald Pates
Title: VP/CM



Joel Manby
President/Chief Executive Officer

STATE OF GEORGIA
COUNTY OF DEKALB:

NO. 2 OF 3 ORIGINALS

SEVENTH AMENDMENT TO
AGREEMENT OF LEASE

BETWEEN

STONE MOUNTAIN MEMORIAL ASSOCIATION

and

SILVER DOLLAR CITY
STONE MOUNTAIN PARK, INC.

DATED AS OF JANUARY 3, 1998

THIS SEVENTH AMENDMENT to that certain January 3, 1998, Agreement of Lease between the Stone Mountain Memorial Association and Silver Dollar City Stone Mountain Park, Inc., is made and entered into as of the 20th day of October, 2009, by and between the STONE MOUNTAIN MEMORIAL ASSOCIATION, a body corporate and politic created and existing under the laws of the State of Georgia, as lessor ("Lessor") and SILVER DOLLAR CITY STONE MOUNTAIN PARK, INC., a Georgia corporation, as lessee ("Lessee").

W I T N E S S E T H:

WHEREAS, Lessor is the owner of certain property in DeKalb and Gwinnett Counties of Georgia, which property is commonly known as "Stone Mountain Park;" and

WHEREAS, as of January 3, 1998, Lessor leased approximately one-third (1/3) of the area of Stone Mountain Park to the Lessee after determining that such a lease was an appropriate means to achieve the objectives of the Lessor with respect to Stone Mountain Park; and

WHEREAS, Lessor acknowledges that the conference and resort component of the business operations managed by Marriott Hotel Services, Inc. on behalf of Lessee has suffered significantly in the recession of 2008 and 2009 and that the time line for a recovery is uncertain; and

WHEREAS, Lessor desires to provide some short term financial relief for the Lessor until the recession is over and until cash flow results are positive while also benefiting from additional rent in the future.

NOW, THEREFORE, for and in consideration of the premises recited above, the covenants and agreements hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor and Lessee do hereby covenant and agree as follows:

1. The following new paragraphs 9.3, 9.4 and 9.5 are added to the Lease:

9.3 The following definitions apply to the provisions of Paragraph 9.4 and 9.5 of the Lease:

“Additional Reserve Payments” – any funds paid into the Reserve Account by the Lessor in excess of the Resort FF&E Reserves for the purpose of insuring that appropriate room upgrades and other improvements are made on a timely basis.

“Annual Resort Revenues” – total revenues, as determined by Lessee’s independent auditor, in any calendar year for all operations related to the Evergreen Conference Center and Resort and the Stone Mountain Inn (collectively referred as “Resort”).

“Incentive Management Fee” – the amount that Lessee may pay a third party in incentive payments for management of the Resort.

“Resort FF&E Reserves” – five percent (5%) of Annual Resort Revenues in any calendar year.

“Resort Income” – net income for the Resort in any calendar year as determined by Lessee’s independent auditor.

“Resort Profit Sharing Pool” – Resort Income in a calendar year in excess of Resort Rent, Resort FF&E Reserves, Additional Reserve Payments, and Incentive Management Fee.

“Resort Rent” – fifty percent of the Basic Rent due to the Lessor in any calendar year.

9.4 If Resort Income is less than Resort Rent plus Resort FF&E Reserves and Additional Reserve Payments, Lessor will fund the Resort FF&E Reserves and the Additional Reserve Payments less any amount that Resort Income exceeds Resort Rent; provided, however, Lessor shall not be responsible for funding any amount greater than the total of the Resort FF&E Reserve and Additional Reserve Payments. This paragraph shall apply during 2010 and 2011 and shall not extend past December 31, 2011 without the written mutual consent of both parties.

9.5 In any calendar year in which earnings are available for the Resort Profit Sharing Pool, Lessor shall be paid Additional Rent, such Additional Rent to be calculated by applying an interest rate equal to the twelve-month LIBOR minus fifty (50) basis points, subject to such rate being no less than four percent (4%) and no more than seven percent (7%), to the cumulative amount of Resort FF&E Reserves and Additional Reserve Payments made by Lessor; provided however that such Additional Rent shall not exceed fifty percent (50%) of the Resort Profit Sharing Pool in any one calendar year. This payment shall be made within ninety (90) days of the end of the Lease Year.

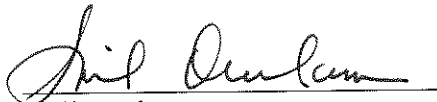
2. Except as specifically amended herein and by the December 1999 First Amendment to the Agreement of Lease, the April 2001 Second Amendment to the Agreement of Lease, the August 2003 Third Amendment to the Agreement of Lease, the October 2003 Fourth Amendment to the Agreement of Lease, the November 2006 Fifth Amendment to the Agreement of Lease and the November, 2008 Sixth Amendment to the Agreement of Lease, the January 3, 1998, Agreement of Lease between the Stone Mountain Memorial Association and Silver Dollar City Stone Mountain Park, Inc., remains of full force and effect, unchanged by this Amendment.

3. Either party to this Amendment is authorized to prepare and file in the real property records in the Offices of the Clerk of the Superior Courts of DeKalb and

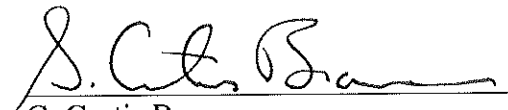
Gwinnett Counties, Georgia, a Memorandum of Lease truly and accurately reflecting the terms of this Amendment and the First, Second, Third, Fourth, Fifth and Sixth Amendments to the Agreement of Lease. Should either party decide to file such a document, the other party agrees to cooperate in the preparation and execution of that Memorandum.

IN WITNESS WHEREOF, the Lessor and Lessee have executed this Seventh Amendment as of the day, month and year first above written.

Lessor: **STONE MOUNTAIN
MEMORIAL ASSOCIATION**



Gail Durham
Secretary



G. Curtis Branscome
Chief Executive Officer

Lessee: **SILVER DOLLAR CITY
STONE MOUNTAIN PARK, INC.**

Name:
Title:



Joel Manby
President/Chief Executive Officer

STATE OF GEORGIA
COUNTY OF DEKALB:

No. 2 OF 3 ORIGINALS

EIGHTH AMENDMENT TO
AGREEMENT OF LEASE

BETWEEN

STONE MOUNTAIN MEMORIAL ASSOCIATION

and

SILVER DOLLAR CITY
STONE MOUNTAIN PARK, INC.

DATED AS OF JANUARY 3, 1998

THIS EIGHTH AMENDMENT to that certain January 3, 1998, Agreement of Lease between the Stone Mountain Memorial Association and Silver Dollar City Stone Mountain Park, Inc. ("Lease"), is made and entered into as of the 29th day of August, 2011, by and between the STONE MOUNTAIN MEMORIAL ASSOCIATION, a body corporate and politic created and existing under the laws of the State of Georgia, as lessor ("Lessor") and SILVER DOLLAR CITY STONE MOUNTAIN PARK, INC., a Georgia corporation, as lessee ("Lessee").

WITNESSETH:

WHEREAS, Lessor is the owner of certain property in DeKalb and Gwinnett Counties of Georgia, which property is commonly known as "Stone Mountain Park;" and

WHEREAS, as of January 3, 1998, Lessor leased approximately one-third (1/3) of the area of Stone Mountain Park to the Lessee after determining that such a lease was an appropriate means to achieve the objectives of the Lessor with respect to Stone Mountain Park; and

WHEREAS, Lessor acknowledges that the conference and resort component of the business operations managed by Marriott Hotel Services, Inc. on behalf of Lessee has suffered significantly in the recession of 2008-2010 and that the time line for a recovery is uncertain; and

WHEREAS, Lessor desires to provide financial relief for the Lessee until the recession is over and until cash flow results are positive while also benefiting from additional rent in the future after the financial recovery.

NOW, THEREFORE, for and in consideration of the premises recited above, the covenants and agreements hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor and Lessee do hereby covenant and agree as follows:

1. The Seventh Amendment to the Lease dated the 20th of October, 2009, shall expire on December 31, 2011 ("Expiration Date") and shall no longer be effective after the Expiration Date..

2. This Eight Amendment to the Lease shall be effective when approved by the Lessor, provided however, its application shall not begin until January 1, 2012, the day after the Expiration Date.

3. Unless otherwise defined in this Eight Amendment to the Lease, capitalized terms used herein have the same meaning as defined in the Lease and apply in their respective singular and plural forms.

4. The following new paragraphs 9.3, 9.4 and 9.5 are added to the Lease:

9.3 The following definitions apply to the provisions of Paragraph 9.4 and 9.5 of the Lease:

"Additional Reserve Payments" - any funds paid into the Reserve Account in excess of the Resort FF&E Reserves for the purpose of insuring that appropriate room upgrades and other improvements are made on a timely basis.

"Annual Resort Revenues" – total revenues, as determined by Lessee's independent auditor, in any calendar year for all operations related to the Evergreen Conference Center and Resort and the Stone Mountain Inn (collectively referred as "Resort").

“Incentive Management Fee” – the amount that Lessee may pay a third party in incentive payments for management of the Resort.

“Resort FF&E Reserves” – five percent (5%) of Annual Resort Revenues in any calendar year.

“Resort Income” – Net income from operations managed by Marriott, Inc. defined as EBITDAR (earnings before interest, taxes, depreciation, amortization and rent) in any calendar year as determined by Lessee’s independent auditor.

“Resort Profit Sharing Pool” – Resort Income in a calendar year in excess of Resort Rent, Resort FF&E Reserves, Additional Reserve Payments made by the Lessee, and Incentive Management Fee.

“Resort Rent” – fifty percent of the Basic Rent due to the Lessor in any calendar year.

9.4 If Resort Income is less than Resort Rent plus Resort FF&E Reserves, Lessor will fund the Resort FF&E Reserves less any amount that Resort Income exceeds Resort Rent; provided, however, Lessor shall not be responsible for funding any amount greater than the total of the Resort FF&E Reserve. Any funding of “Additional Reserve Payments” by the Lessor shall be at the sole discretion of the Lessor. This paragraph shall be effective until December 31, 2016 and shall not extend past that date without the written consent of both parties.

9.5 In any calendar year in which earnings are available for the Resort Profit Sharing Pool, Lessee shall pay Additional Rent, such Additional Rent to be calculated by applying an interest rate equal to the twelve-month LIBOR minus fifty (50) basis points, subject to such rate being no less than four percent (4%) and no more than seven percent (7%), to the cumulative amount of Resort FF&E Reserves and Additional Reserve Payments made by Lessor; provided however that such Additional Rent shall not exceed

fifty percent (50%) of the Resort Profit Sharing Pool in any one calendar year. This payment shall be made within ninety (90) days of the end of the Lease Year.

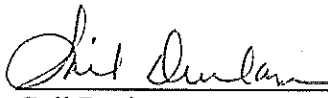
Resort FF&E Reserves and Additional Reserve Payments made by Lessor in 2010 and 2011, pursuant to the Seventh Amendment, shall be included in the calculation of Additional Rent, if any. Exhibit A, included as a part of this Eighth Amendment, is a statement of Resort FF&E Reserves and Additional Reserve Payments made by Lessor through Marriott Hotel Services, Inc.'s Accounting Period 5 of 2011. Subsequent to Expiration Date, the parties agree to supplement Exhibit A to reflect all any and all Resort FF&E Reserves and Additional Reserve Payments made by Lessor through Marriott Hotel Services, Inc.'s Accounting Period 13 of 2011 and to reconcile these payments on an annual basis in each subsequent year.

5. Except as specifically amended herein and by the December 1999 First Amendment to the Agreement of Lease, the April 2001 Second Amendment to the Agreement of Lease, the August 2003 Third Amendment to the Agreement of Lease, the October 2003 Fourth Amendment to the Agreement of Lease, the November 2006 Fifth Amendment to the Agreement of Lease, the November 2008 Sixth Amendment to the Agreement of Lease, and the October 2009 Seventh Amendment to the Agreement of Lease between the Stone Mountain Memorial Association and Silver Dollar City Stone Mountain Park, Inc., dated as of January 3, 1998, remains of full force and effect, unchanged by the Amendment.

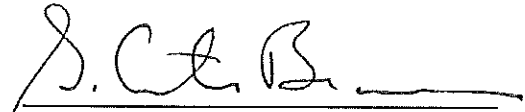
6. Either party to this Amendment is authorized to prepare and file in the real property records in the Offices of the Clerk of the Superior Courts of DeKalb and Gwinnett Counties, Georgia, a Memorandum of Lease truly and accurately reflecting the terms of this Amendment and the First, Second, Third, Fourth, Fifth, Sixth, and the Seventh Amendments to the Agreement of Lease. Should either party decide to file such a document, the other party agrees to cooperate in the preparation and execution of that memorandum.

IN WITNESS WHEREOF, the Lessor and Lessee have executed this Eighth Amendment as of the day, month and year first above written.

Lessor: **STONE MOUNTAIN
MEMORIAL ASSOCIATION**

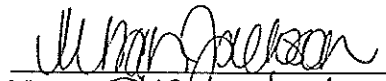


Gail Durham
Secretary

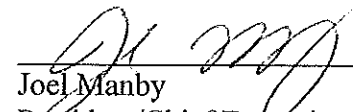


G. Curtis Branscome
Chief Executive Officer

Lessee: **SILVER DOLLAR CITY
STONE MOUNTAIN PARK, INC.**



Name: Susan Jackson
Title: Executive Administrator



Joel Manby
President/Chief Executive Officer
HERSCHELD FAMILY ENTERTAINMENT
CORPORATION, PARENT OF LESSEE

STATE OF GEORGIA
COUNTY OF DEKALB

NO. ___ OF ___ ORIGINALS

NINTH AMENDMENT TO
AGREEMENT OF LEASE

BETWEEN

STONE MOUNTAIN MEMORIAL ASSOCIATION

AND

SILVER DOLLAR CITY
STONE MOUNTAIN PARK, INC.

DATED AS OF JANUARY 3, 1998

THIS NINTH AMENDMENT (“NINTH AMENDMENT”) to that certain January 3, 1998, Agreement of Lease between the Stone Mountain Memorial Association and Silver Dollar City Stone Mountain Park, Inc. (“Lease”), is made and entered into as of the ___ day of December, 2015, by and between STONE MOUNTAIN MEMORIAL ASSOCIATION, a body corporate and politic created and existing under the laws of the State of Georgia, as lessor (“Lessor”) and SILVER DOLLAR CITY STONE MOUNTAIN PARK, INC., a Georgia corporation, as lessee (“Lessee”).

WITNESSETH:

WHEREAS, Lessor is the owner of certain property in DeKalb and Gwinnett Counties of Georgia, which property is commonly known as “Stone Mountain Park;” and

WHEREAS, as of January 3, 1998, Lessor leased approximately one-third (1/3) of the area of Stone Mountain Park to the Lessee after determining that such lease was an appropriate means to achieve the objectives of the Lessor with respect to Stone Mountain Park; and

WHEREAS, in connection with the Lease, Lessor and Lessee also entered into that certain Lease Closing Memorandum dated as of December 15, 1997 (“Memorandum”) to address, among other things, the relative rights of the Lessor and Lessee with respect to the Ancillary Assets (as defined in the Memorandum); and

WHEREAS, after seventeen years of working together for the benefit of the visitors to Stone Mountain Park, Lessor and Lessee have jointly determined that it is in the best interest of both parties to amend certain provisions of the Lease and the Memorandum to, among other things, make clearer certain responsibilities of each of the parties under the Lease and the Memorandum, and to set forth certain future enhancements to Stone Mountain Park.

NOW, THEREFORE, for and in consideration of the premises recited above, the covenants and agreements hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor and Lessee do hereby covenant and agree as follows:

1. Paragraph 1.11 of the Lease, as last amended by the Fifth Amendment, is further amended by adding a new subparagraph (c) thereto so that, as amended, Paragraph 1.11 shall read as follows:

1.11 (a) Annual Basic Rent Rate: Nine Million Five Hundred Thousand and No/100 Dollars (\$9,500,000) per annum (\$791,666.67 per month) during the Term, subject to adjustment as set forth in Paragraph 4 hereof, until the 1st day of August, 2003.

(b) Beginning the 1st day of August, 2003, regardless of adjustments previously made as set forth in Paragraph 4 hereof, the Annual Basic Rent Rate shall be Seven Million Eight Hundred Twenty Eight Thousand Eight Hundred Twenty and No/100 Dollars (\$7,828,820) per annum (\$652,402 per month) plus any adjustments as set forth in Paragraph 4 hereof.

(c) Notwithstanding anything to the contrary stated herein, the year 2015 Annual Basic Rent Rate is Nine Million Seven Hundred Twenty Thousand and No/100 Dollars (\$9,720,000) per annum (\$810,000 per month), subject to adjustment as set forth in Paragraph 4 hereof, and the Annual Basic Rent Rate for the calendar years 2016 through and including 2020, shall remain at the same 2015 Annual Basic Rent Rate amount as noted immediately above, subject to adjustment as set forth in Paragraph 4 hereof.

2. Paragraph 4.2 of the Lease is amended by inserting the sentence “Provided further, other provisions to the contrary notwithstanding, for the calendar years 2016 through and including 2020, the adjustment to the Annual Basic Rent Rate by the amount of the increase in the “CPI-U” and the Lessee’s obligation to pay Percentage Rent, pursuant to Paragraph 4.1(b) of the Lease, shall be waived but shall continue thereafter in accordance with the terms of the Lease.” prior to the last sentence of the first paragraph of Paragraph 4.2, and by inserting the following sentence “Additionally, calculation of the Annual Basic Rent Rate for Lease Years beginning in 2021 and for each remaining Lease Year thereafter shall be the Annual Basic Rent Rate applicable to the immediately preceding Lease Year, being Nine Million Seven Hundred Twenty Thousand and No/100 Dollars (\$9,720,000), increased by an amount equal to the product of the percentage increase in the “CPI-U” for the month preceding the applicable Adjustment Date as compared to the “CPI-U” for the month prior to the Adjustment Date for the immediately preceding Lease Year Adjustment Date.” to the end of the first paragraph of Paragraph 4.2 so that, as amended, Paragraph 4.2 (first paragraph) shall read as follows:

4.2 On the first day of the second full Lease Year (as defined in Paragraph 1(a) of Exhibit “D”) and then on the first day of each successive Lease Year thereafter (each of such dates being herein referred to as an “Adjustment Date”), the Annual Basic Rent Rate shall be increased to an amount equal to the Annual Basic Rent Rate applicable to the first full Lease Year (and any initial Partial Lease Year) of the Term set forth in Paragraph 1.11 hereof, plus an amount equal to the product of the percentage increase in the “CPI-U” (as hereinafter defined) for the month preceding the applicable Adjustment Date as compared to the “CPI-U” for the month during which this Lease is fully executed by Lessor and Lessee, multiplied by the Annual Basic Rent Rate applicable to the first full Lease Year of the Term as set forth in Paragraph 1.11 hereof. Notwithstanding the foregoing, in no event shall the Annual Basic Rent Rate for any Lease Year be increased by more than four percent (4%) of the Annual Basic Rent Rate for the prior Lease Year. However, other provisions to the contrary notwithstanding, the adjustment to the Annual Basic Rent Rate by the amount of the increase in the “CPI-U” shall be waived for the calendar years 2009 and 2010 and the maximum percentage increase in 2011 shall be two percent (2%). Provided further, other provisions to the contrary notwithstanding, for the calendar years 2016 through and including 2020, the adjustment to the Annual Basic Rent Rate by the amount of the increase in the “CPI-U” and the Lessee’s obligation to pay Percentage Rent, pursuant to Paragraph 4.1(b) of the Lease, shall be waived but shall continue thereafter in accordance with the terms of the Lease. It is the intent of the parties that in any year that the application of the “CPI-U” is waived or limited, that same waiver or limitation shall be effective for all other provisions of the Lease requiring the application of the “CPI-U”. Additionally, calculation of the Annual Basic Rent Rate for Lease Years beginning in 2021 and for each remaining Lease Year thereafter shall be the Annual Basic Rent Rate applicable to the immediately preceding Lease Year, being Nine

Million Seven Hundred Twenty Thousand and No/100 Dollars (\$9,720,000), increased by an amount equal to the product of the percentage increase in the "CPI-U" for the month preceding the applicable Adjustment Date as compared to the "CPI-U" for the month prior to the Adjustment Date for the immediately preceding Lease Year Adjustment Date.

3. In accordance with the provisions of Paragraph 7.1 of the Lease and pursuant to Lessee's request, Lessor hereby approves the following: (a) effective upon the date of execution of this Ninth Amendment, Lessee's increase of the sky ride fee from the current round trip fee of Ten and No/100 Dollars (\$10) to a fee of Twelve and No/100 Dollars (\$12), and from the current one-way trip fee of Six and No/100 Dollars (\$6) to a fee of Eight and No/100 Dollars (\$8), and (b) effective as of January 1, 2018, Lessee's increase of the motorized vehicle parking fee for entry into Stone Mountain Park from the current fee of Fifteen and No/100 Dollars (\$15) to a fee of Eighteen and No/100 Dollars (\$18).

4. Paragraph 9.2 of the Lease is amended by inserting the sentence "Notwithstanding the forgoing, Lessee's Reserve Deposit requirement for the years 2016 through 2020 shall be reduced by Five Hundred Thousand Dollars (\$500,000.00) per year." prior to the third sentence of the paragraph so that, as amended, Paragraph 9.2 shall read as follows:

9.2 Lessee will, at its sole cost and expense, establish and maintain a segregated, interest bearing capital expenditure reserve account (the "Reserve Account"). Commencing with the first payment of Rent due under this Lease and simultaneously with the making of such payment and on the date of each Rent payment due thereafter, Lessee shall pay into the Reserve Account an amount equal to five percent (5%) of Lessee's Gross Revenue (as defined in Exhibit "D" hereto) for the preceding month (each a "Reserve Deposit" and collectively the "Reserve Deposits"), which will be held in the Reserve Account to be used as a reserve for repairs, renovation and replacement of improvements, including fixtures, furnishings and equipment, at the Premises; provided that except for the capital expenditures described in Exhibit "J", and the additional capital improvements to be made by Lessee within the first twenty-seven months of the Term in accordance with Paragraph 8.1, any amount Lessee has expended (subject to Lessor's approval as and to the extent required under Paragraph 8 and subject to the limitations on non-capital repairs and renovations set forth hereinbelow) for repairs, renovation and replacement of improvements, including fixtures, furnishings and equipment, at the Premises, other than amounts previously credited against a Reserve Deposit or expended from the Reserve Account, may be credited against the Reserve Deposits required to be made from Lessee's Gross Revenue for that calendar year. Notwithstanding the forgoing, Lessee's Reserve Deposit requirement for the years 2016 through 2020 shall be reduced by Five Hundred Thousand Dollars (\$500,000.00) per year. All interest earned on the Reserve Deposits will be added to and become a part of the Reserve Deposits. Lessee may make withdrawals from the Reserve Account, with Lessor's prior written approval, in order to make such expenditures with respect to the Premises from time to time in accordance with the terms of this Paragraph 9.2 and such procedures as Lessor and Lessee may reasonably establish; provided, however, that, unless Lessor agrees otherwise in writing in connection with a five or ten year plan for hotel or motel renovation or otherwise, during each calendar year of the Term Lessee shall expend a minimum of four percent

(4%) of Lessee's annual Gross Revenue during the preceding calendar year for capital repairs, renovations and replacement of improvements, including furniture, fixtures and equipment, and up to one percent (1%) of such Gross Revenue may be used for non-capital repairs and renovations of improvements, including furniture, fixtures and equipment, provided that the cost of each single item of such non-capital repairs and renovations shall not be less than \$50,000.00 in each instance, and provided further that, unless Lessor agrees otherwise in writing in connection with a five or ten year plan for hotel or motel renovation or otherwise, a total of five percent (5%) of Lessee's annual Gross Revenue during the preceding calendar year shall be so expended, except as hereinbelow provided. Within sixty (60) days from the commencement of each calendar year during the Term of this Lease, Lessee shall submit to Lessor for its review and approval (which approval shall not be unreasonably withheld, delayed or conditioned) a budget for expenditures of the Reserve Deposits equal to five percent (5%) of Lessee's annual Gross Revenue for the preceding calendar year. Any portions of any such annual budget which, with Lessor's consent, which shall not be unreasonably withheld, delayed or conditioned, are not expended in the current calendar year shall be retained in the Reserve Account until expended in accordance with a subsequent budget approved by Lessor. Lessor shall not unreasonably withhold, delay or condition its approval of Lessee's five or ten year plans for hotel or motel renovations, as the same may be revised by Lessee from year to year and reasonably approved by Lessor. Lessor shall permit accumulation of reserves relative to such hotels or motels pursuant to any such five or ten year plans so approved by Lessor. Lessor or its designee shall be a required signatory for any and all withdrawals from the Reserve Account in excess of Two Thousand Five Hundred Dollars (\$2,500.00); (increased annually by the percentage increase in the CPI-U in the same way as the Annual Basic Rent Rate); provided that Lessee shall deliver to Lessor an accounting of all withdrawals from the Reserve Account, which Lessor or its designee did not co-sign, on a monthly basis and not later than the 20th day of the each following month. Any balance remaining in the Reserve Account at the expiration or other termination of this Lease shall be paid to Lessor on account of Lessor's assumption of responsibility for deferred capital expenditure requirements; provided that Lessor shall thereafter apply any such amount to the cost of future capital repairs, renovations and replacements at Stone Mountain Park.

5. Pursuant to the provisions of Paragraph 7.6 and Schedule 1 of the Lease, Lessor shall use best efforts to obtain appropriations in the 2016, 2017 and 2018 fiscal year budgets from the State of Georgia, subject to restraints imposed by Georgia law with respect to binding successors in office, to repair and pave, to the extent said repairs and paving are deemed needed by Lessor in its reasonable discretion, the campground roads and campground sites within Stone Mountain Park, provided that the cost of such work shall in no event exceed Three Million and No/100 Dollars (\$3,000,000). It shall not be Lessor's default under the Lease if Lessor, having used its best efforts, is unable to obtain said funding.

6. Paragraph 9.4 of the Lease is amended by deleting the first sentence of Paragraph 9.4 in its entirety and replacing it with "Lessor will fund Resort FF&E Reserves but shall not be responsible for funding any amount greater than the total of the Resort FF&E Reserves, except as in accordance with Section 9.6 of the Lease." and by deleting the last sentence of Paragraph 9.4 in its entirety and replacing it with "This paragraph shall be effective until December 31, 2020,

and applicable to calendar years 2015 through 2020, and shall not extend past December 31, 2020 without the written consent of both parties.” so that, as amended, Paragraph 9.4 shall read as follows:

9.4 Lessor will fund the Resort FF&E Reserves but shall not be responsible for funding any amount greater than the total of the Resort FF&E Reserves, except as in accordance with Section 9.6 of the Lease. Any funding of “Additional Reserve Payments” by the Lessor shall be at the sole discretion of the Lessor. This paragraph shall be effective until December 31, 2020, and applicable to calendar years 2015 through 2020, and shall not extend past December 31, 2020 without the written consent of both parties.

7. Paragraph 9.5 of the Lease is amended by deleting the language of Paragraph 9.5 in its entirety and replacing such language with the phrase “Intentionally Omitted.” For clarification purposes, the terms set forth in Paragraph 9.5 of the Lease shall not be applicable to earnings from calendar year 2015 or future years.

8. The following new paragraph 9.6 is added to the Lease:

9.6 For the five (5) year period commencing with calendar year 2016 and ending with calendar year 2020, Lessor shall use best efforts, subject only to its prior board approval, to contribute funds, not to exceed Five Hundred Thousand and No/100 Dollars (\$500,000) annually, towards the maintenance and renovation of those certain improvements, including fixtures, furnishings and equipment at the Premises, which list of improvements shall be determined by mutual agreement between Lessor and Lessee and set forth in writing prior to each calendar year in which such expenditure will be made.

9. Paragraph 35 of the Lease is amended:

A. By replacing the phrase “after the 36th month of the Term” with the phrase “after January 3, 2021” in the first sentence of Paragraph 35.

B. By deleting the language of Paragraph 35(a) in its entirety and replacing such language with “In order to exercise the Termination Option, Lessee shall provide Lessor with irrevocable written notice of Lessee’s exercise of the Termination Option, which notice may be given by Lessee on any date on or after January 3, 2019, but in no event later than twenty-four (24) months prior to the Early Termination Date.”

C. By deleting the language of Paragraph 35(b) in its entirety and replacing such language with the phrase “Intentionally Omitted” so that, as amended, Paragraph 35 shall read as follows:

35. Early Termination Option. Provided that no Event of Default by Lessee has occurred and remains uncured, Lessee shall have the right to terminate

this Lease on the first day of any calendar month (the “Early Termination Date”) after January 3, 2021 (the “Termination Option”). The Termination Option may only be exercised in strict accordance with the terms and conditions hereinafter set forth:

(a) In order to exercise the Termination Option, Lessee shall provide Lessor with irrevocable written notice of Lessee’s exercise of the Termination Option, which notice may be given by Lessee on any date on or after January 3, 2019, but in no event later than twenty-four (24) months prior to the Early Termination Date.

(b) Intentionally Omitted.

(c) All of the terms and provisions of this Lease shall continue in full force and effect, including without limitation, Lessee’s obligation to pay all Rent as it becomes due and payable hereunder, until the Early Termination Date.

(d) Any improvements commenced by Lessee prior to the Early Termination Date shall be completed in accordance with Paragraph 8 prior to the Early Termination Date.

10. The following new paragraph 37 is added to the Lease:

37. Renovation of the Evergreen Conference Center and Resort and the Stone Mountain Inn. Notwithstanding the performance standards required of Lessee pursuant to Paragraph 7.7(a) and 7.7(b) of the Lease, Lessor shall use best efforts to seek appropriate funding, through government bonds or direct appropriations from the State of Georgia, subject to restraints imposed by Georgia law with respect to binding successors in office, for the renovation of the Evergreen Conference Center and Resort and the Stone Mountain Inn, in accordance with the specifications, cost caps, timeline, and other terms attached to the Ninth Amendment as Exhibit A. It shall not be Lessor’s default under the Lease if Lessor, having used its best efforts, is unable to obtain said funding.

11. The following new paragraph 38 is added to the Lease:

38. Stone Mountain Park Enhancements. In order to provide a broader and more complete historical perspective and thereby enhance the experience of the guests of Stone Mountain Park, Lessor will make available funds for a package of improvements to Stone Mountain Park as follows:

1. The parties will explore the construction of an Exhibit dedicated to the African American soldiers who served in the Civil War, in accordance with the specifications and cost caps in connection therewith, timeline, and other terms

attached to the Ninth Amendment as Exhibit B. If the parties mutually agree to create the Exhibit, the cost of such Exhibit shall not exceed Three Hundred Thousand and No/100 Dollars (\$300,000.00). When constructed, said Exhibit shall not be a part of the Premises; and

2. An application for mobile devices that provides historical perspectives based on the user's location within Stone Mountain Park, in accordance with the specifications and cost caps in connection therewith, timeline, and other terms attached to the Ninth Amendment as Exhibit C, including, without limitation, a cost cap of Sixty Thousand and No/100 (\$60,000.00).

12. The Memorandum is hereby amended by replacing Paragraph 2(d) thereof in the entirety so that, as amended, Paragraph 2(d) of the Memorandum shall read as follows:

(d) Upon termination of the Lease for any reason, all of the assets and properties conveyed to SDC on the Effective Date and otherwise in connection with the Lease, including all Ancillary Assets and any and all replacements and repairs thereof (together with any and all improvements, fixtures, furnishings and equipment as may be funded from the Reserve Account (as defined in the Lease) and the Resort FF&E Reserves (as defined in the Lease)), shall revert to SMMA automatically and without further action and SDC shall take such actions necessary so that SMMA receives good and marketable title to such assets and properties, provided that any software licenses being used at the Stone Mountain Park by SDC's assignee pursuant to a master license agreement with SDC shall be subject to SMMA entering into a license from the software licensee. From the time after such termination, on SMMA's request, SDC will execute and deliver to SMMA such documents and take such other action as SMMA may reasonably request in order to consummate more effectively the reversion of assets and to vest in SMMA good and marketable title to such assets, and SDC hereby appoints SMMA as its attorney-in-fact, effective upon such termination, to execute any such further documents or instruments in order to transfer to SMMA title to such assets (such as motor vehicle titles), which power of attorney is irrevocable and coupled with an interest.

13. Except as specifically amended herein and by the December 1999 First Amendment to the Agreement of Lease, the April 2001 Second Amendment to the Agreement of Lease, the August 2003 Third Amendment to the Agreement of Lease, the October 2003 Fourth Amendment to the Agreement of Lease, the November 2006 Fifth Amendment to the Agreement of Lease, the November 2008 Sixth Amendment to the Agreement of Lease, the October 2009 Seventh Amendment to the Agreement of Lease, and the August 2011 Eighth Amendment to the Agreement of Lease, the January 3, 1998 Agreement of Lease between the Stone Mountain Memorial Association and Silver Dollar City Stone Mountain Park, Inc., remains of full force and effect, unchanged by this Ninth Amendment.

14. Either party to this Ninth Amendment is authorized to prepare and file in the real property records in the Offices of the Clerk of the Superior Courts of DeKalb and Gwinnett

Counties, Georgia, a Memorandum of Lease truly and accurately reflecting the terms of this Ninth Amendment and the First, Second, Third, Fourth, Fifth, Sixth, Seventh, and the Eighth Amendments to the Agreement of Lease. Should either party decide to file such a document, the other party agrees to cooperate in the preparation and execution of that memorandum.

15. Either party hereto represents and warrants that no broker or other similar agent has acted on its behalf in connection with this Ninth Amendment.

(SIGNATURES BEGIN ON NEXT PAGE)

IN WITNESS WHEREOF, the Lessor and Lessee have executed this Ninth Amendment as of the day, month, and year first above written.

Lessor: **STONE MOUNTAIN
MEMORIAL ASSOCIATION**

Edna Zimmerman
Secretary

Bill Stephens
Chief Executive Officer

Lessee: **SILVER DOLLAR CITY
STONE MOUNTAIN PARK, INC.**

Name:
Title:

Andrew Wexler
President/Chief Executive Officer

Exhibit A

Evergreen Conference Center and Resort and the Stone Mountain Inn Renovation Specifications

The Evergreen Conference Center and Resort and the Stone Mountain Inn are scheduled for an upcoming renovation and scheduled asset replacement. This work is necessitated by contractual obligations of Silver Dollar City Stone Mountain Park, Inc. to Marriott pursuant to the Evergreen Conference Center and Resort and the Stone Mountain Inn management agreements.

The project would have a 8 to 12 month timeline and will begin sometime in the calendar year 2018. The Stone Mountain Memorial Association will use best efforts to seek funding of up to Nine Million Five Hundred Thousand and No/100 Dollars (\$9,500,000).

It is anticipated that the rooms of the hotels would be renovated, which would include updated flooring, lighting, bathroom fixtures, soft goods, furnishings, etc. Also included would be flooring and lighting common areas such as hallways.

Exhibit B

Exhibit Construction Specifications

Exhibit specifications will be developed jointly by the Stone Mountain Memorial Association and Silver Dollar City Stone Mountain Park, Inc.

The Exhibit will have a cost cap of Three Hundred Thousand and No/100 Dollars (\$300,000).

The targeted timeline for completion of the Exhibit will be December 31, 2016.

Exhibit C

Mobile Application Specifications

The anticipated Historical App will be an App guests to the Park can upload to their mobile devices and listen to a short audio recording as they visit various historical attractions around the Park.

These include such areas as the covered bridge, quarry exhibit, carillon, historical homes and Memorial Hall.

Specifications will be jointly developed by the Stone Mountain Memorial Association and Silver Dollar City Stone Mountain Park, Inc.

The targeted timeline of completion of the project will be December 31, 2016.

APPENDIX B

**INFORMATION FROM
STONE MOUNTAIN ACTION COALITION**

APPENDIX B
Information Prepared by the Stone Mountain Coalition

Stone Mountain Action Coalition

Parties interested in the opportunity that is the subject of this Request for Proposals are encouraged to become familiar with a community-based organization formed with the name Stone Mountain Action Coalition (<https://stonemountainaction.org>).

As described on their website, “the Stone Mountain Action Coalition (SMAC) is a movement dedicated to a more inclusive Stone Mountain Park centered on the principles of healing, transformation and progress. SMAC membership is comprised of a diverse coalition of concerned citizens, political leaders, community organizations, faith-based groups and businesses who are dedicated to supporting constructive solutions and ideas that reflect a new, shared vision for the Park.”

The SMAC further states that “While Stone Mountain Park has moved beyond its historical relationship with the Ku Klux Klan, it remains the world’s largest Confederate memorial. The Park’s prominent carving glorifies three Confederate leaders and was largely funded by the state of Georgia to promote an inaccurate re-writing of history that perpetuates racism and white supremacy.”

Information provided by the SMAC at a Special Called Meeting of the Stone Mountain Memorial Association and the SMAC in September 2020 is provided on the following pages.

Again, interested parties are encouraged to visit the SMAC website at <https://stonemountainaction.org>

APPENDIX C

**STONE MOUNTAIN MEMORIAL ASSOCIATION
BOARD of DIRECTORS**

RESOLUTIONS 1 - 4

**A 21st CENTURY VISION FOR
STONE MOUNTAIN PARK**

RESOLUTION # 1

LET IT BE RESOLVED by the Association that the CEO and Staff of the Association are authorized and directed to effectuate the construction and installation of a museum exhibit to be located in Memorial Hall. Said exhibit shall tell the whole complicated story of the Carving and Confederate Monuments located in Stone Mountain Park.

Further, to accurately interpret the carving and monuments, the Chair and Vice-Chair of the Association are directed to appoint a seven member Advisory Committee whose membership shall include Association board members, community leaders, historians and designated others who will ensure that the interpretation contained in the exhibit is historically accurate and open to the public. The Advisory Committee shall exist from July 1, 2021 to July 1, 2022 and shall follow all Georgia Laws regarding open meetings and records.

So Adopted, this 24th day of May 2021.

STONE MOUNTAIN MEMORIAL ASSOCIATION

ATTEST:

Edna Zimmerman

Name: Edna Zimmerman

Title: Director of Finance

Rev. Amosley

Abraham Mosley

Chair

RESOLUTION # 2

LET IT BE RESOLVED by the Association that the Flag Terrace and flags originally placed on the Stone Mountain Park Walk Up trail by the United Daughters of the Confederacy be preserved and protected by locating said Terrace and flags at the base of Stone Mountain at Valor Park where they will be preserved in a place of prominence.

So Adopted, this 24th day of May 2021.

STONE MOUNTAIN MEMORIAL ASSOCIATION

ATTEST:

Edna Zimmerman

Name: Edna Zimmerman

Title: Director of Finance

Rev. Amosley

Abraham Mosley

Chair

RESOLUTION # 3

LET IT BE RESOLVED by the Association that the CEO and staff of the Association are authorized and directed to change the logo of the Association to a design approved by the Board of Directors by July 1st, 2021.

So Adopted, this 24th day of May 2021.

STONE MOUNTAIN MEMORIAL ASSOCIATION

ATTEST:

Edna Zimmerman

Name: Edna Zimmerman

Title: Director of Finance

Rev. Amosley

Abraham Mosley

Chair

RESOLUTION # 4

LET IT BE RESOLVED by the Association that the CEO and staff of the Association are authorized and directed to take action to achieve Federal designation as a National Historic Site for the Washington W. King Bridge located in Stone Mountain Park by September 1, 2021.

So Adopted, this 24th day of May 2021.

STONE MOUNTAIN MEMORIAL ASSOCIATION

ATTEST:

Edna Zimmerman

Rev. Amosley

Abraham Mosley

Chair

Name: Edna Zimmerman

Title: Director of Finance

APPENDIX D

STONE MOUNTAIN MEMORIAL ASSOCIATION

MASTER PLAN AMENDMENT REPORT

For

STONE MOUNTAIN PARK

AUGUST 15, 2005

MASTER PLAN AMENDMENT REPORT

August 15, 2005

GEORGIA'S STONE MOUNTAIN PARK

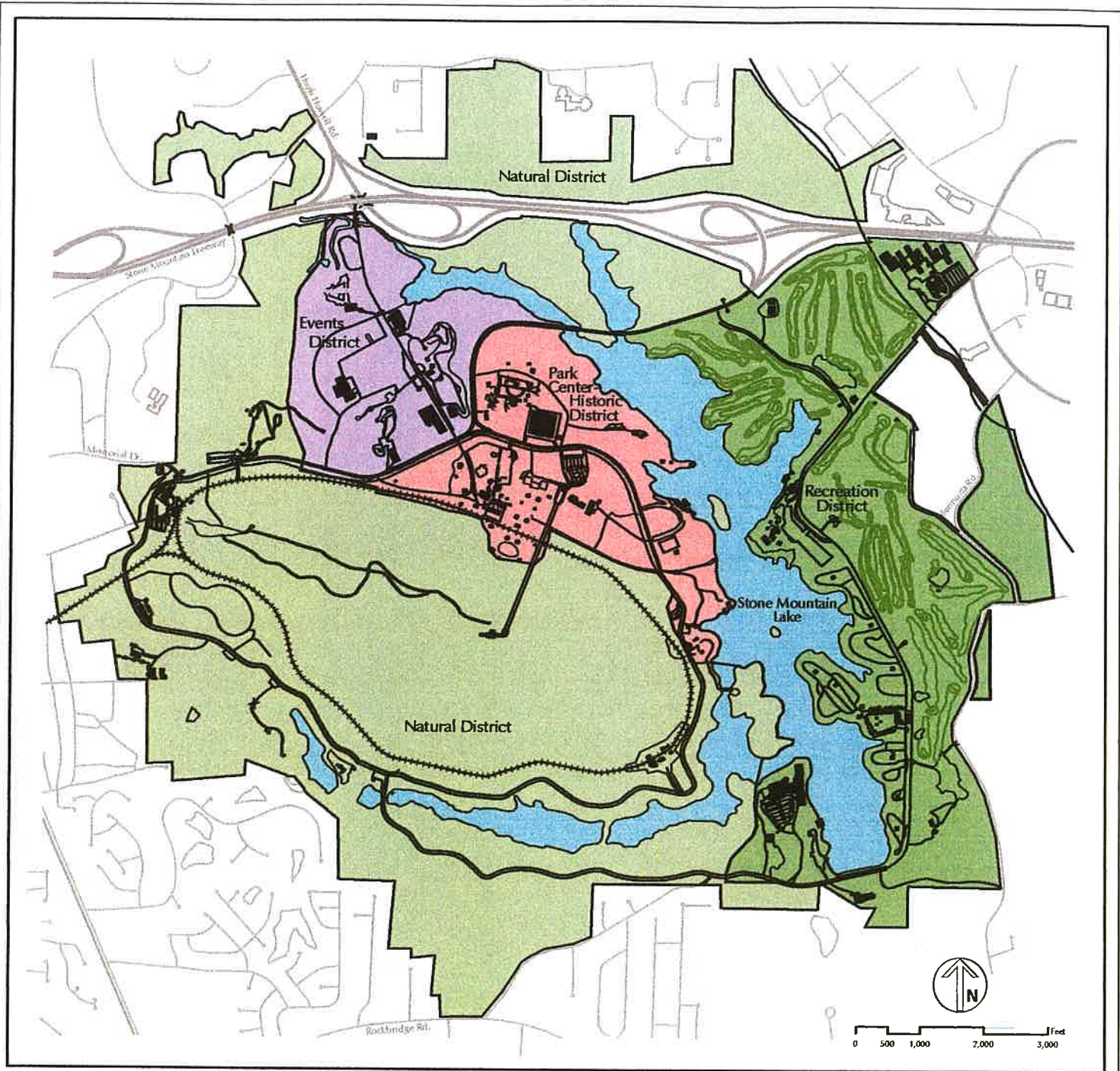


MASTER PLAN AMENDMENT REPORT

August 15, 2005

GEORGIA'S STONE MOUNTAIN PARK

 **Robert and Company**
Engineers Architects Planners
96 Poplar Street, N.W.
Atlanta, Georgia 30303



GEORGIA'S STONE MOUNTAIN PARK

PARK DISTRICTS

GEORGIA'S STONE MOUNTAIN PARK MASTER PLAN AMENDMENT REPORT

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INTRODUCTION

Georgia's Stone Mountain Park is located 16 miles east of downtown Atlanta. The Park is comprised of approximately 3,200 acres of woodlands and features as its centerpiece, Stone Mountain, one of the world's largest exposed granite monoliths. Within the Park's boundaries there are also several lakes that cover a total of approximately 362 acres – Stone Mountain Lake is the largest at 323 acres. Often considered to be the State's greatest natural tourist attraction, several million people visit Stone Mountain Park every year, making it one of the highest attendance attractions in the United States.

The Stone Mountain Memorial Association (SMMA), a State authority that is self-supporting and receives no tax dollars, is responsible for Georgia's Stone Mountain Park. SMMA has nine board members appointed by the Governor for four-year terms (except for the Commissioner of the Department of Natural Resources who serves as long as he/she holds the position of Commissioner). SMMA holds title to all the Park's land and determines overall policies and practices. An appointed Chief Executive Officer supervises day-to-day operations. SMMA was formed in 1958 to purchase the Mountain and surrounding land for a park to serve as a memorial to Southern history and a place of recreation for Georgia's citizens and visitors. In its role as a memorial, a large sculpture commemorating the Confederacy has been carved on the north face of the mountain overlooking a broad memorial lawn and adjacent museum. Visitors can also tour a collection of antebellum period structures that have been relocated to the site and assembled into an interpretive/educational display depicting a typical plantation of that era. In its recreational role, the Park includes a wide range of activities such as water and sports activities, lodging, museums and educational exhibits, and a series of festivals and special events venues. Several rides and attractions including a full size excursion train, riverboat, and a cable car to the top of the Mountain are also provided (See the Existing Land Use Map on the following page).

In 1998, SMMA entered into a long term public/private partnership with Herschend Family Entertainment Corporation (HFEC), a private business enterprise with an established track record in operating entertainment and recreation venues, to manage all commercial operations in the Park – lodging, attractions, retail food, merchandise, and special events. Per the terms of that agreement, SMMA now supervises the lease with HFEC and retains the right to review and approve any proposed new development to insure compatibility and consistency with the Park's goals. SMMA also provides public safety, public works, historical and environmental education services within the Park and maintains the Natural District.

Stone Mountain Park is financially self-sufficient. All Park operations, maintenance and capital improvements are funded through lease and miscellaneous revenues. No state tax revenue is used to fund the Park.

SMMA's mission is to sustain, enhance, and protect Stone Mountain Park, its facilities and environs, by striving for excellence through an enriching experience that addresses the area's historical, natural, cultural, and recreational resources for all our guests.



Legend

- | | | |
|---------------------|----------------------------------|--|
| Open Spaces/Buffers | Lodging | High Density Residential |
| Lake | Admin./Maintenance/Service Areas | Commercial |
| Active Recreation | Parking | Office/Distribution/Technology |
| Passive Recreation | Low Density Residential | Office/Institutional |
| | | Transportation/Communication/Utilities |

August 15, 2005

**GEORGIA'S STONE MOUNTAIN PARK
EXISTING LAND USE**

Robert and Company
Engineers, Architects, Planners
88 Poplar Street, N.W., Atlanta, GA 30303

SMMA envisions Stone Mountain Park as a unique destination for visitors worldwide, which provides a rich atmosphere of natural beauty, educational experiences of the natural environment and Southern heritage, recreational activities, and entertainment, while protecting the environment and maintaining a safe serene, and inviting experience for all who visit.

SMMA has adopted the following goals:

- Enhance the natural areas of the Park as both a recreational and educational experience for guests and increasing the amount of green space, so that the Park as a natural resource reaches its maximum potential.
- Maintain all SMMA areas of the Park in a neat, clean and aesthetically pleasing condition so that guests can relax and enjoy the natural beauty of the Park.
- Provide first-rate public safety services and maintain a real and perceived sense of safety for guests in an environment that allows them to feel both safe and welcome.
- Monitor and enforce Lease requirements in order to protect the financial and public interests of the Association, while reviewing the operation of the Park for customer service, affordability, recreational, and entertainment value.
- Maintain an effective and efficient employee workforce through appropriate employee training, development and compensation.

Early development of the Park was guided by a Master Plan that was prepared in 1958. During the past forty six years, that plan has been updated occasionally as warranted, with the most recent major update adopted in 1992 in preparation for the then pending 1996 Summer Olympic Games. Although still fundamentally sound, the 1992 Master Plan was based on an organizational structure in which the SMMA was primarily responsible for all Park operations and assets. With the change in operational structure that has resulted from the shift to a public/private partnership in 1998, it was determined that the Master Plan should be amended to reflect the differences in Park operations and programs that have occurred since 1992. This document summarizes the relatively subtle adjustments to the Master Plan that have occurred since 1998 and provides an overview of the amended plan for continued stewardship of Stone Mountain Park's assets.

1. HISTORY OF PLANNING AND DEVELOPMENT

Stone Mountain Park has a long and complex history that spans the past ninety years. Following is a brief overview of the major milestones of the development process during that period.

STONE MOUNTAIN PARK PLANNING AND DEVELOPMENT TIMELINE

- | | |
|------|---|
| 1914 | Use of Stone Mountain as a permanent Memorial to the Confederacy is conceived. |
| 1916 | Gutzon Borglum is hired by the Stone Mountain Confederate Monumental Association (a private, non-profit association which had a twelve year lease on the north face of the Mountain) to carve a Confederate memorial. |
| 1917 | Work on the carving is suspended due to World War I. |
| 1923 | Work on the carving resumes. |
| 1925 | Borglum is dismissed and Augustus Lukeman is hired as sculptor. Lukeman removes Borglum's work and begins his own design. |
| 1928 | Lease expires and work on carving stops. |
| 1941 | State of Georgia creates a State Park Authority to establish a park and complete carving efforts initiated in the 1920s. |
| 1942 | DeKalb County Commissioner Scott Candler negotiates 10-year option for Mountain and surrounding 2,000 acres of land for the development of a state park under State Park Authority but Authority is deactivated during World War II. |
| 1949 | Governor Herman Talmadge reactivates State Park Authority.

Robert and Company (RAC), Architects and Engineers prepare first Master Plan. The plan featured scenic drives and overlooks, small lakes, a Memorial Hall complex with meadow, picnic and camping, recreation fields, a swimming pool, boathouses, a bus terminal, a road to the Mountain top and also a potential tram near the walk-up trail. |
| 1950 | <i>Stone Mountain Memorial Park</i> , an economic feasibility study is prepared by the Joseph K. Heyman Company for the State Park Authority. |
| 1958 | Georgia House passes Bill 946 establishing the Stone Mountain Memorial Association (SMMA). |

A RAC team led by Andre Steiner prepares a new Master Plan for SMMA. Significant elements include creation of a large lake partially encircling the Mountain; mass plantings of flowering trees and shrubs, scenic drives and trails, marina, open-air theater, a museum, a "Tara" historical exhibit, a Botanical Garden featuring native plants, the administration building, a restaurant with views of the Memorial, a bus waiting shelter, bus terminal on Mountain top as well as an observation and fire control tower and a memorial plaza; support facilities such as a maintenance headquarters and shop, storage buildings, service and repair shops, a gasoline station, first aid station and police station, parking areas and picnic shelters distributed through out the Park. The area north of the Mountain is to be limited to "the development of facilities that will contribute to the park's natural, historic, and scientific interests." Playgrounds and organized games are to be placed away from the Memorial.

1958-63 The Master Plan evolves in order to accommodate changes in the Park's program and acquisition of additional land, etc. The resulting revised plan is very similar to the basic layout of major park elements (i.e. road system, lakes, major structures, etc.) that are in place today. The core Stone Mountain Park layout, infrastructure, and architecture is developed and built in this six-year period under General Manager Scott Candler (1958-1963).

Association developments: Confederate Hall, Memorial Hall Complex (museum, information center, restaurant, and souvenir shop), Mountain Top Facilities and Halfway House, West Gate, Stone Mountain Inn, Plantation Complex, Service Station, Marina, Antique Auto Museum, Horse Show Ring, dam(s) and lake impoundments, prison camp for Park labor, road system, and parking.

Concessionaire Developments/Concessions: Railroad, Stone Mountain Scenic Railroad Company; Aerial Tram, Stone Mountain Airways, Inc.; Stone Acres Plantation Interiors, Mrs. Christie McWhorter; and Car Collection at Antique Auto Facilities by C.T. Protsman of DeKalb County.

1961 Harold Cox, English horticulturalist, joins Stone Mountain Park staff to develop greenhouses and assist in Park landscaping.

1964 Carving under Walter Hancock begins in July utilizing the original design by Augustus Lukeman.

Development Plan is compiled for SMMA: *Economic Potentials of Stone Mountain Memorial Park* authored by Raymond O. Herman and William B. Keeling, The Bureau of Business Research, College of Business Administration, University of Georgia, January. This plan recommends that SMMA focus on a park dedicated to Southern culture and history.

1964-68 Improvements under GM General Harold Maddux (1963-1968) include: completion of the marina, streetlights added to Park arteries, grist mill complex and mill race put into operation, campground purchased from concessionaire by SMMA and improved, covered bridge moved to Park,

- four parking lots, equestrian facilities and a lighted football field are added.
- 1965 Stone Mountain Inn officially opens April 14 - operated by Berlio of Georgia Inc.
- A plan for the expansion and development of Park as an educational place that commemorates Southern culture in all its diversity and that projects an image of public service is presented by Dr. William Keeling, Director of the Bureau of Business and Economic Research at the University of Georgia (UGA). Keeling's presentation to the SMMA is based on a 1964 UGA study (see above - 1964).
- 1966 Revised Master Plan completed by RAC that shows established Park plan but also identifies historic elements, buffer zones, and areas of no development and/or requiring study. Visual Analysis Study is prepared by RAC Associates for Master Plan of Development.
- 1967 Group visit from the American Society of Landscape Architects occurs and their negative reaction to overall Park development sparks a formal resolution: "The current combination of different architectural styles, inappropriate structures, discordant colors and bizarre development is damaging to the long-range appearance and harmonious enjoyment of this great treasure."
- Landscape design by Griswold, Winter and Swayne, a Pittsburgh firm, for the base of the carving and area east to Memorial Hall is approved. This design includes: a meadow, bridge, sculptures, and a reflecting pool at base of the Mountain.
- 1968 Thomas Elliott, an engineering consultant to the Park on staff with RAC, becomes General Manager (1968-1975).
- A Survey of Visitors to Stone Mountain Park is compiled by the Bureau of Business and Economic Research, University of Georgia. Family visitorship predominates, visitors most enjoy the Mountain and scenic beauty of the Park, scenic railroad and skylift are the most popular attractions, and prices receive the most criticism.
- Improvements: Completion of beach, 18-hole Championship Golf Course designed by Golf Course Architect Robert Trent Jones is completed and Golf Pro Bobby Troy Moody is hired.
- First year all concessionaires agree to engage in coupon sales allowing visitors to enjoy each attraction with a coupon that is good for a year. (Adult \$5.50, child \$3.20)
- State Board of Regents approves a permit to construct 700-foot broadcasting tower on Mountain with a 25-year lease.

- 1969 Work on the Memorial Area at Mountain base is halted by public debate on design. The North Georgia Chapter of the American Institute of Architects and the state professional community suggests that the proposed design detracts from the carving and the natural beauty of the Mountain.
- 1970 Memorial is dedicated. Vice President Spiro Agnew officiates.
- 1973 Past and future Park development is assessed by a RAC team led by Andre Steiner and Jim Cothran and initial concepts for the establishment of specific districts are explored. No major changes in the Long Range Plan result from this assessment.
- 1975 Planners at RAC complete land use inventory and site analysis study under special contract in the mid-1970s. Design consultation on planning with RAC ends in 1975.
- George Willis becomes GM (1975-1983).
- 1977 Association acquires concessions to the skylift, plantation, inn, restaurants and gift shops.
- Improvements include: water slide at beach, a sports complex with miniature golf, tennis courts, a roller skating trail and a planning for an ice skating chalet.
- 1981 Association acquires Scenic Railroad concession.
- 1983 Public controversy over Park management leads to a call for a park and recreation professional to run Park. Other issues include the need for better construction management, and handicap accessibility.
- 1983 Larry Allen becomes GM in October. Allen (1983-1994) sees the Park as tourist mecca and seeks development that would make the Park profitable year round. Profitability of current attractions is evaluated and emphasis is placed on replacement buildings and repair of existing facilities.
- Capital projects under construction when Allen comes on board: Ice Chalet, the Animal Forest designed by Wild Kingdom's Jim Fowler (replaced earlier game ranch) and the Mountain Top Theater. The non-profitable Ice Chalet and the Animal Forest were closed in 1990s.
- Major improvement is purchase of laser projection system and the establishment of Laser Show, a positive economic turning point for Park, bolstering visitorship.
- 1986 Train Station is constructed - historic design attributed to Jerry Deagan.
- 1989 Completion of Evergreen Conference Center and an additional 18 holes at golf course.

- 1990 Summer Olympics Planning – Stone Mountain Park is considered a major Olympic venue for seven events in 1996 Atlanta bid for games. A Master Plan is needed for Park to successfully commit to participation.
- 1991 RAC team led by Robert Benson and comprised of specialty subconsultants Sasaki Associates (Olympic venues), Hammer-Siler-George (economics), and B&E Jackson Associates (infrastructure) is retained by SMMA to update the Master Plan in order to prepare Stone Mountain Park for the major impacts anticipated from hosting several events during the 1996 Summer Olympics.
- 1992 RAC team develops Master Plan that establishes the expectations and terminology for future development of the Park, identifying four districts: the Natural District, the Recreation District, the Events District, and the Park Center District. The Master Plan vision is as follows:
- Respond to visitor needs, including local, regional and out of town visitors with respect to the quality of the Park experience;
 - Be financially self-sustaining;
 - Promote preservation and enhancement of the Park's natural resources and unique features; and
 - Memorialize Southern history.
- 1994 New Golf Clubhouse is constructed.
- 1996 Three Olympic events - archery, cycling and tennis - are held at Park. The Tennis Center is the principal legacy facility. Exhibits at Memorial Hall are refurbished and updated by PRD, LTD, of Virginia. New aerial tramway replaces original tram to top of Mountain. Top of Mountain complex is completely renovated. A new North Gate is added to improve traffic flow during major events.
- 1998 Herschend Family Entertainment Corporation (HFEC) is selected to manage commercial aspects of Stone Mountain Park in privatization of Park handled under current CEO Curtis Branscome (1994 to present).
- After privatization, SMMA concentrates on the development of the Park's historic and natural resources through cohesive interpretative and education programs. Educational staff is hired and a cooperative partnership is developed with Fernbank Science Center for programs.
- 2001 Development of Outdoor Quarry Exhibit designed by Jerry Deagan. Evergreen Conference Center lodging expanded. HFEC develops "The Great Barn" children's attraction.
- 2002 HFEC develops "Crossroads," a recreation of a 1870s Georgia town as an attraction. The prison work camp on west side of Park is demolished.

- 2003 Improvements include: restoration of the Olympic archery range to a songbird habitat, trail extensions, bike lanes on Robert E. Lee Boulevard in conjunction with mandatory one-way automobile traffic.
- 2004 Expanded educational mission for Confederate Hall prompts a major renovation and renaming to the Confederate Hall Historical and Environmental Education Center. The building now houses new exhibits on local geology, ecology and history as well as classroom space.

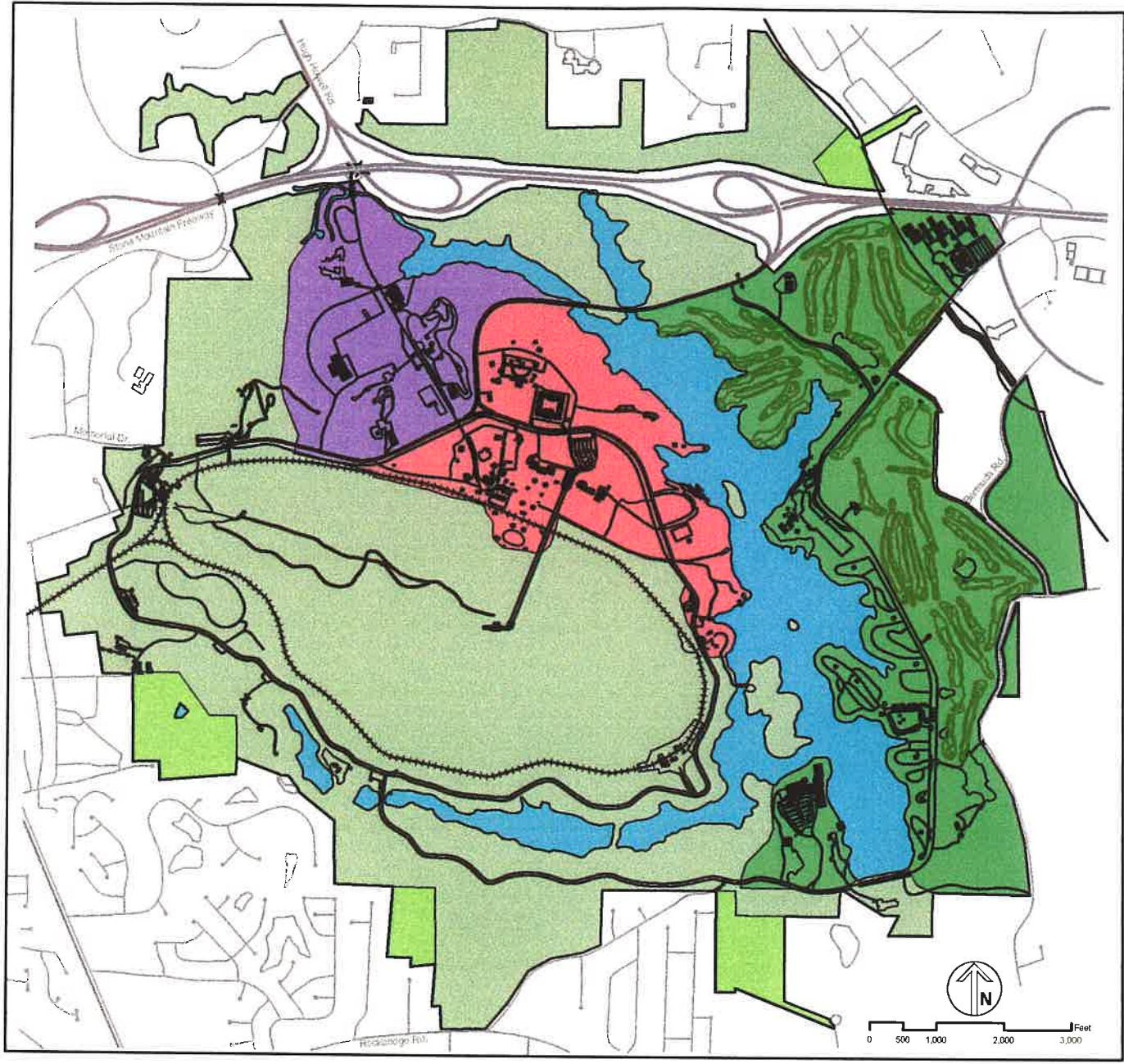
2. KEY ELEMENTS OF THE 1992 MASTER PLAN

The 1992 Master Plan was derived from the Park's historic legacies of nature, recreation and history. Central to the organizational structure of the plan was the designation of four primary land use districts within the Park - Park Center, Natural, Recreation/Resort and Events Districts. District locations are illustrated graphically in the diagram on the following page. Within these districts, the character and intensity of land uses and vehicular access is zoned to be consistent with the underlying themes and land use policies for each district. Each district consists of a careful balance of uses, which combine to create the district's unique quality and character. The land use district plan provides Park visitors with easy orientation to uses and activities within the Park. The land use plan also functions as a general zoning plan to guide future development within Stone Mountain Park.

Since Master Plan adoption in 1992, this basic districting concept has proven to be an effective, simple and fundamentally sound organizational tool in the decision making process related to land use issues that inevitably arise during the passage of time. Therefore, the use zones associated with these districts, as described in the 1992 Plan and updated in Section 4, will remain as guidelines for future land use policy decisions related to Stone Mountain Park.

On July 22, 1999, the Stone Mountain Airport property (acquired in 1997) was added to the Recreation District. On September 20, 1999, the 1992 Master Plan was amended to remove 2.6 acres from the Natural District (property that was no longer owned by SMMA because it was swapped for 4.0 acres in the Monteagle Subdivision in the settlement of a lawsuit), to add the 4.0 acres thus obtained to the Natural District and to move 13.92 acres which includes the Stone Mountain Lake dam and property south of the dam to the Park limits from the Recreation District to the Natural District. Other land parcels that have been acquired in recent years, as they have become available at a reasonable cost, have been placed in a reserved category for future use determination (Newly Acquired Property).

Approximately 10 acres located within the Natural District directly adjacent to the western boundary of the Park (the old prison site) has been set aside for a consolidated location for all of the Park's public works functions in a new SMMA Maintenance Facility. This site will need to be adequately buffered from adjacent non-Park property and will allow for most traffic to access the maintenance facility directly from the outside without entering the Park.



Legend

- Park Center District
- Events District
- Recreation District
- Natural District
- Newly Acquired Property
- Lakes

August 15, 2005

**GEORGIA'S STONE MOUNTAIN PARK
PARK DISTRICTS**

Robert and Company
 Engineers, Architects, Planners
 99 Poplar Street, N.W. Atlanta, GA 30303

3. PRIVATIZATION AND THE LONG RANGE DEVELOPMENT PLAN

In 1998, SMMA entered into a long term public/private partnership with Herschend Family Entertainment Corporation (HFEC), a private business enterprise with an established track record in operating entertainment and recreation venues, to manage all commercial operations in the Park – lodging, attractions, retail food, merchandise, and special events. Per the terms of that agreement, SMMA now supervises the lease with HFEC and retains the right to review and approve any proposed new development to insure compatibility and consistency with the Park's goals. SMMA also provides public safety, public works, historical and environmental education services within the Park and maintains the Natural District.

On September 18, 2000, SMMA approved the "Stone Mountain Park Long Range Plan" submitted by its Lessee, HFEC. SMMA determined at that time that the HFEC plan was consistent with the 1992 Master Plan; however, some exceptions, guidance and comments were noted. That approved plan is made a part of the 2005 Master Plan with the following conditions applying:

- Nothing in the plan indicates that free and easy access by the general public to the Memorial Lawn for viewing the carving will be restricted. However, it must be stated as a guiding principle that this free and easy access will in no way be restricted.
- Nothing in the plan indicates that pedestrian access through the Park Center District will be restricted. However, it must be stated as a guiding principle that pedestrian access through the Park Center District must be maintained both on the Cherokee Trail and on sidewalks so that a continuous walking trail is maintained around the mountain.
- The "Animal Exhibits" area in the Park Center Plan must be designed with appropriate buffers so as to minimize the visual impact on visitors entering the Park on Jefferson Davis Drive. The design of the "River Front Landing" must show this same concern for its visual impact from the road and the lake. A forested buffer area of a width to be determined by SMMA after further study must be maintained.
- Any development must accommodate any special plant populations in the area. The only identified area of concern within the proposed plan is the area on both sides of Carillon Drive just east of John B. Gordon Drive, an area designated as a preservation area.
- In the Recreation/Resort District, the placement of "Golf Villas" adjacent to The Commons is appropriate but the location of the water park in the primitive camping area on the lake across from Evergreen Conference Center and Resort raises concerns. If the water park is located in this area, great attention must be paid to adequately buffering it so that it will not negatively impact Evergreen and the quiet enjoyment of the lake.

- It is accepted that the amount of retail in a location will be driven by the market. However, the type of retail must be governed by the theme of the area that the retail operation is in.
- Whether they are described as “indoor roller coasters” or “indoor adventure rides,” the acceptability of this type of attraction is contingent upon the demonstrated capability to house such an attraction in an acceptable location with an acceptable building profile and façade so as not to create an “amusement park” atmosphere.
- All new or redeveloped parking areas must be landscaped with trees and shrubs to reduce the impact of large, open paved areas.
- Every effort should be made to preserve existing trees and other vegetation. Where preservation is not possible, the Lessee shall follow its corporate policy of planting two trees for each tree removed.
- Whenever it becomes necessary to relocate any existing public picnic area, such relocation shall not result in a concentration of public picnic areas in one location.
- While the narrative content of the plan is specifically excluded from the approval process, there are some items that must be commented upon. “Rooftop seating for the Laser Show...on top of the existing Memorial Hall building” is not acceptable and is not in keeping with the character of this building. “A small theater to be incorporated into the existing space at the top of the Mountain” is not acceptable even if it is used for nature programming because it is not in keeping with SMMA’s goal of maintaining a low level of organized activity at the top of the Mountain.

SMMA’s principal accomplishments since privatization in 1998 can be summarized as follows:

- Launched an environmental education program by hiring two additional environmental educators and renovating Confederate Hall as an education and exhibit center.
- Improved visitor safety by replacing the safety fence around the top of the Mountain, adding safety rails above the Halfway House and installing 20 emergency call boxes in remote locations.
- Improved the Park’s internal road system by repaving Stonewall Jackson Drive from the Main Gate to Evergreen; raising granite curbs to restore their storm water and traffic channeling capacities; as well as reconstructing and providing improved access to the Gristmill/Covered Bridge/Quarry Exhibit areas.
- Renegotiated the lease with HFEC, preserving the financial integrity of SMMA and adding the Georgia Tennis Foundation to operate the tennis facility.

- Renovated and stabilized the former Olympic archery/cycling site as a songbird habitat.
- Demolished outdated structures in the Natural District, including the prison, fishing hut, pedestrian bridge at the old Wildlife Trails and the Whistlestop Restaurant.
- Improved the walkup trail by constructing a new restroom and entrance plaza at the trailhead near Confederate Hall.
- Re-roofed the Covered Bridge and repaired deteriorated structural members.
- Improved the Children's Playground by constructing a dedicated and separated grilling (cooking) area, construction of a new restroom, and relocating Robert E. Lee Boulevard so that the parking lot is directly adjacent to playground.
- Added approximately 100 acres to the Park through acquisition of adjacent parcels:
- Built the History of Quarrying Exhibit – "Raising a Ledge: Stone Mountain Quarrymen – The Granite Industry".
- Completed the nomination of the former quarrying areas and the Mountain itself to the National Register of Historic Places and obtained State approval of the nomination. (Federal approval is still pending - this is normally a formality after State approval.)
- Worked with the PATH Foundation to bring the Atlanta/Stone Mountain bike path into the Park utilizing the out of service railroad track connection on the west side of the Park near the greenhouse.
- Worked with the Georgia Trust for Historic Preservation to relocate the Cobb House back to Athens.
- Improved organizational infrastructure through the purchase of a new fire truck, relocated the public safety boat dock and shelter to a more serviceable area and created a central record storage area.

The major investments by HFEC in the first five years of their lease included a \$35 million addition in Park Center called "Crossroads", a themed entertainment, shopping and food service/dining attraction modeled after an old Southern town; and an 85-room expansion of the Evergreen Conference Center and Resort at a cost of \$6 million.

Activities to date of both SMMA and HFEC have been consistent with the 1992 Master Plan. Also, the current mission and goals remain consistent with the 1992 Master Plan.

4. MASTER PLAN REFINEMENTS

The 2005 Amended Master Plan continues with the theme of *Three Legacies: Nature, Recreation, and History*. It recognizes that Stone Mountain Park continues to serve as a central park for a large urban area and the rest of the State, as well as a destination or stop over resort for out of state visitors. SMMA has a legislative mandate to maintain the Park as a memorial to the Confederacy and a place of public recreation.

As mentioned previously in Section 2, the central organizational element of the Stone Mountain Park Master Plan since 1992 has been the designation of four primary land use districts within the Park. Within these districts, the character and intensity of land uses and vehicular access is zoned to be consistent with the underlying themes and land use policies for each district. Each district consists of a careful balance of uses, which combine to create the district's unique quality and character. All proposed amendments to the 1992 Master Plan are in accordance with the established themes and land use policies for the district in which they are to be located and recognize the changes in operational structure that were introduced in 1998 when the lease with HFEC was initiated. Proposed programmatic elements are briefly described in the following paragraphs and their locations illustrated in the Long Range Plan on the following page.

A. Park Center District:

The Park Center District, as the name suggests, is located at the general geographic center of the Park at the north base of Stone Mountain. It is, and will remain, the principal activity center for the Park and accommodates most of the Park's higher intensity active use attractions, restaurants, retail shops and museums, all of which are permitted uses in the district. Park Center also functions as the primary arrival area and transportation hub for Park visitors. The main train station and the main parking lot(s) are, and will continue to be, located in Park Center.

HFEC is primarily responsible for physical facilities in the Park Center District. Their Long Range Plan, which was approved in September 2000, defines several new, upgraded or expanded attractions within the district. In summary, they are:

- Further expansion of the entertainment, shopping and food service opportunities in the recently constructed Crossroads Village complex west of Memorial Hall.
- Development of a "Gateway to the South" complex east of Memorial Hall to serve as a visitor introduction to the wonders of Stone Mountain Park and to the region known as "The South". This complex will incorporate state of the art technology as well as hands-on learning experiences.
- The existing Marina and Riverboat operations and associated facilities will be upgraded and expanded to focus on the story of life and travel on Southern Rivers. A variety of entertainment, dining and shopping venues will be included.
- Upgrading and expansion of the Stone Mountain Inn themed in a Southern Estate style.

- The story of Southern wilderness will be told in the Spirit of Southern Wilderness attraction with a variety of environmental and ecological interactive experiences. Plants, birds and animals that are, or were, native to the South will be featured. This attraction is proposed north of the Antebellum Plantation between John B. Gordon Drive and Stone Mountain Lake.
- A "Southern Village" attraction comprised of an expanded and reprogrammed Antebellum Plantation will tell the story of rural life as it was in the historic South.
- Expansion of the main central parking area is proposed west of Memorial Hall and Crossroads to accommodate anticipated increased parking demands. This will necessitate relocation of the Triangle Picnic Area northward into the Events District on Old Hugh Howell Road near the North Gate.

During the past twelve years, several program elements that were proposed in the 1992 Master Plan have been eliminated after undergoing detailed feasibility and cost analysis. These include the realignment of the Stone Mountain Railroad through the heart of the Park Center District near the Antebellum Plantation area as well as the removal of the Skylift from the Mountain's north face.

B. Natural District:

The Natural District includes Stone Mountain, the lakes and the majority of the Park's relatively undisturbed woodlands. The intent of this district is to define a zone, which includes most of the Park's natural resource assets, that can be managed and preserved for the enjoyment of future generations. No commercial development and no development designed to promote active organized recreational activity are permitted. Passive recreational activities such as hiking, walking, cycling, fishing, birding, scout group camping, etc. are encouraged. Support facilities such as restrooms, educational exhibits, trails and simple shelters and basic comfort/maintenance amenities are permitted but must be designed to have minimal impact on the natural environment.

Planned improvements in this district are limited to a new SMMA Maintenance Compound to be constructed on the former prison site located on the western boundary of the Park. Any other planned improvements will be related to maintenance and enhancement of existing assets, as well as passive recreation facilities such as trails, educational facilities and utilities/infrastructure, etc.

Significant 1992 Master Plan Natural District program elements that have been deleted or altered due to feasibility and/or cost related issues include the proposed incline railway to the Mountain top, the Olympic rowing course on Stone Mountain Lake, and relocation of the Children's Playground to Park Center. Also, the 1992 Plan provision to close Robert E. Lee Boulevard on the south side of the Mountain from Confederate Hall to the Grist Mill area to all vehicular traffic except for emergency and service uses has been modified due to the success of the current alternative configuration (one-way vehicular circulation

confined to a single lane with the remaining lane dedicated to bicycle/pedestrian usage).

C. Recreation District:

The Recreation District is located on the east side of Stone Mountain Lake. Uses within this district include 36-holes of golf, the campground, Evergreen Conference Center and Resort and the Tennis Stadium and Courts. The Stone Mountain Airport property in this district was acquired to provide parking for events in the tennis stadium. The Association has no plans to develop the airport property for active recreational use. However, a private party may develop the area in the future as a sports/recreational complex.

HFEC's long range improvement plans in this district include the proposed addition of rustic rental cabins in the vicinity of the Campground/Golf Course area. Also included in the area near the Stone Mountain Lake dam is a Southern wilderness themed water park featuring lazy rivers, slides and unique back woods water play elements.

D. Events District:

The Events District is located west of Park Center on both sides of Old Hugh Howell Road west of its intersection with Robert E. Lee Boulevard. Primary uses in this district include major festival events, picnicking, corporate outings, active recreation areas, warehousing/storage, and maintenance/service facilities including SMMA's public safety operations. Future development within this district should conform to the active nature of the existing uses.

HFEC has proposed constructing a new Special Events Building in the vicinity of the north end of the Events Meadow. This structure will support existing events and expand the Park's ability to host a wider variety of events.

5. TRANSPORTATION AND CIRCULATION

As in 1992, the principal transportation and circulation challenge at Stone Mountain Park remains the parking and traffic congestion demands associated with major events and festivals such as the Saturday night laser show, Yellow Daisy Festival and the 4th of July. In order to address these persistent and pervasive issues in a comprehensive manner, SMMA and HFEC jointly commissioned a professional Traffic and Pedestrian Circulation, Parking and Way-Finding Study. The purpose of the study was to define the underlying problems that cause or contribute to these long-standing issues and to develop recommendations for programmatic and physical solutions.

The results of this study are reported in the "Traffic Circulation & Parking Study Final Report" by Day Wilburn Associates, Inc., dated December 2004. That report is incorporated into this "Master Plan Amendment Report" by reference and significant elements are summarized in narrative and graphic form in this section.

It is a basic principle of the analysis that the main Park entrance will remain the east entrance from the Stone Mountain Freeway (Main Gate) and that the North Gate should be modified to help it better function as a Park exit. The emphasis on this circulation pattern is to keep major traffic movements oriented to the Freeway and away from adjacent neighborhoods.

The basic goals of the study were to make the Park more user friendly, preserve the Park's atmosphere, take into account multiple uses (events, picnics, venues, etc.), identify non-capital intensive improvements and make sure the plan is grounded in reality.

There are specific improvements recommended in the study that are designed to correct particular bottlenecks. Three of these are recommended as priorities in the revised Master Plan. These are as follows:

1. Correct the pedestrian/vehicular conflict at the Robert E. Lee/Old Hugh Howell Road intersection. Pedestrian tunnels have been recommended but the alternative of a pedestrian bridge over the intersection will also be evaluated.
2. Increase capacity of Old Hugh Howell Road as an exit by making both lanes into exit lanes.
3. Improve the exiting capacity of the Main Gate by rearranging ticket booths and improving lane markings.

Operational changes at the West Gate are not considered a high priority and are reserved for future consideration. The recommendation for the reconfiguration of the Jefferson Davis/Robert E. Lee intersection from a "Y" to a "T" intersection is also reserved for future consideration based on the impact of the implementation of other improvements.

Of the "Park-Wide Improvements" discussed in the study, the following are recommended as priorities in the amended Master Plan:

1. Construct a parking lot in the Triangle Picnic area. Boundaries of the parking lot would include a sixty-foot setback (buffer) from Robert E. Lee Boulevard and using the existing creek bed as the eastern boundary.
2. Construct a new parking lot north of John B. Gordon Drive at its intersection with Jefferson Davis Drive.
3. Construct a new connecting road from the intersection of Old 78 Highway with Robert E. Lee Boulevard northward to intersect with the existing Service Drive.
4. Wider sidewalks, as recommended in the study, should be constructed as resources allow.

As recommended in the study, a connecting roadway between Jefferson Davis Drive and Old Hugh Howell Road, south of the southern "finger" of Stone Mountain Lake and lying along the northern boundary of the Events Area and the Public Safety Building, should be reserved for future consideration based on traffic demand.

6. MANAGEMENT OF NATURAL AND HISTORICAL RESOURCES

A. Summary Management Statement

The 2005 Master Plan for Stone Mountain Park continues to respect the inherent value of the site's existing natural resources and assumes a responsible managing role of land stewardship by the Park's administrators. Management of the site's natural resources reflects a commitment to long term restoration of those areas that have been disturbed, as well as conservation and preservation of the remaining natural areas as intact as possible. Development must be planned and contained within the capacity of the land itself, in order to insure that the site's natural resources will remain as a legacy for the enjoyment of future generations.

B. Summary Management Recommendations

1. Maintain the integrity of the land as a whole:
 - Pursue a land use planning policy that is consistent with the preservation of the sites existing natural resources, lakes, woodlands, protected habitats and Stone Mountain.
 - Avoid development that allows further fragmentation of the site's natural resources.
 - Avoid planting of non-native ornamentals within the Natural District.
 - Be stringent about plans for eradication of invasive plant species and prevention of spread of these exotics.
 - Manage introduced animal populations to prevent impact on native species.
2. Manage forest tracts to preserve their diversity and longevity:
 - Utilize a professional forestry consultant as needed to assist in forest assets management.
3. Continue to inform the visiting public with interpretive information about the Park's natural resources and history:
 - Continue to increase public awareness and appreciation of the Park surroundings as a living environment.
 - Continue to enhance and renew the Park's educational endeavors-strengthen programs, interpretive signage, tours and classes.
 - Encourage public involvement in, and support of, the Park's conservation through a volunteer/docent program.
4. Guide any rehabilitative management of areas eroded or damaged by heavy recreational use.
5. Continue to protect those populations and habitats that are especially fragile, i.e. vernal pools, flatrocks and associated species habitat areas:
 - Monitor the condition of protective measures; provide enforcement, and on-going monitoring of areas.
 - Make the public aware of the importance of these areas and species through the Park's interpretive program.
 - Be aware of ornamental plantings, which can impact these fragile areas (Species like Honeysuckle, Privet and Mahonia should be excluded from future plantings).

- Abide by the February 23, 1998 resolution regarding protection measures of the Fairy Shrimp habitat and support of activities promoting the recovery of the species.

C. Vegetation Management Recommendations

Outlined below are management recommendations for the areas illustrated on the Natural Resources Map on the following page.

1. PRESERVATION MANAGEMENT/PROTECTED SITES:

Following is a summary of recommendations for the management and treatment of endangered populations or species of concern or habitats requiring special protection, particularly on the rock outcrop or flatrock areas:

Survey of Critical Species/Populations:

Survey and map the Park to insure protection of areas identified by the 1996 inventory as habitats including populations of threatened or endangered species. Regularly map and inventory the Park (every 5 years), for the presence of invasive species to guide management and control of these exotics and prevent impact on populations of special plants.

Management for Preservation:

Provide ongoing long-term observation of communities supporting Amphianthus pusillus and Isotetes melanospora, granite outcrop communities/species, flatrock habitat/species and relic mature Piedmont forest types. Populations should be monitored for change and disturbance.

Protective Measures:

Preservation sites including endangered species should continue to be protected as outlined in the federal Endangered Species Act. Fences should be maintained and appropriate signage should be added to inform the public. Any new interpretive trails should be designed to channel and control visitor movements around protected sites to help lessen impacts on more sensitive areas.

Enforcement:

Preservation sites should be monitored and patrolled by Park security on a regular basis. Penalties may be necessary to enforce regulations, prohibiting littering, fire building, graffiti, removal of rare plants or other destructive activities.

Interpretation/Education:

Continue to work rare and endangered species and the importance of biodiversity into education programs. Additional interpretation could be added on the following topics: Indian and prehistoric settlements, wildflowers, butterflies and mammals.

2. RESTORATION MANAGEMENT:

a. *Recreational Areas:*

Some of the most heavily used recreational areas within the natural district are the nature trails. The nature trails must continue to be maintained and managed for the safety and accessibility of Park visitors. Management should include keeping the trails clean and free of large trees. Simple structures (bridges, boardwalks, stairs) are necessary in some areas to stabilize and repair damaged and inaccessible areas of the nature trails. Recommendations are included on a Park trail maintenance plan and these should be undertaken in addition to routine monitoring of trail conditions. New trails may be developed to improve access to the Park by the general public only when existing trails are effectively maintained and staff can commit to building and maintaining new trails. The "no bikes" rule on nature trails should continue to be enforced by Park public safety staff.

Rehabilitative management of areas eroded or damaged by heavy recreational use shall be guided by SMMA. Areas, which may need restoration, include campgrounds, picnic areas and Memorial Lawn. SMMA will assist HFEC with any plans to correct areas of severe erosion, soil compaction and loss of vegetation. Erosion control and revegetation methods will be suggested by SMMA and may include periods of rest for some overused areas to allow them to regenerate. Prior to any changes or redesign of permanent ornamental plantings, review will take place and recommendations made to include appropriate native species.

3. CONSERVATION MANAGEMENT:

a. *Managed Forests:*

Through careful management practices, the existing Piedmont forests should be preserved as one of the site's prime natural resources. As such, the managed forests are to be maintained primarily as conservation areas with only low levels of passive recreational uses permissible. The following summarizes management recommendations pertaining to the forested areas, as indicated on the management plan:

- Maintain forested areas intact, avoiding further fragmentation – where possible relocate or eliminate incompatible recreational uses, reforest/reconsolidate land use.
- Include a forestry consultant in decisions made by education, management and maintenance staff regarding woodland management.
- Protect soils/vegetation from damage or destruction (i.e. soil compaction/erosion, tree losses) through a moderated site use policy.
- Enforce regulations prohibiting vehicles or equipment without special authorization.

- Allow forested areas to mature to a climax Oak – Hickory hardwood association.
- Encourage a diversified age/species composition and well stratified vegetation from the canopy to ground layer.
- Remove or control exotic/invasive species especially where damaging the growth of native populations. Invasive species of concern in the Park that present a current threat include: Kudzu, English Ivy, Chinese and Japanese Privet, and Eurasian Water-Milfoil. Other, smaller populations of invasive species with potential to impact native plants in the Park include: Japanese Honeysuckle, Korean Lespedeza, Chinese Tallowtree, Tree of Heaven, Princess Tree, Wisteria, Mahonia, Bradford Pear, Nandina, Mimosa, White Mulberry, Periwinkle, Autumn Olive.
- Selectively thin edge areas to improve visual aesthetics and enhance wildlife populations. This may include removal of dense scrub along road edges, improving views down to lake edges, and other selected vistas or the creations of small glade openings.
- Removal of deadwood should be limited to trees with harmful diseases, insect infestations, or trees that are otherwise potentially hazardous to public safety.

b. Buffer Lands:

The buffer lands include mainly forested areas around the perimeter of the property, but also undeveloped parcels outside the main site. They would not receive any regular maintenance treatment with the exception of emergency maintenance in situations that might be potentially dangerous to public safety. Around the outer edge of the property, they serve an important function as a buffer zone both to screen and enclose the site. (These outer property margins should be a minimum of 150 to 200 feet wide). Maintaining dense barriers of scrub thicket vegetation and fencing may control access to these areas. Since these lands are contiguous with much of the managed areas, they serve as a significant reserve of land, helping to preserve the overall character of the site.

c. Songbird Habitat:

Maintenance is necessary to ensure the preservation of the early successional meadow and wildlife food plantings of the Songbird Habitat. The nature trail will also need attention to remain accessible to Park guests. Mowing of the spring and winter fields should be scheduled bi-yearly after species go to seed. An extension of the songbird habitat trail should be completed and will explore the edge and woodland habitat surrounding the meadows. Maintenance of a small water feature to be added to the area will also be necessary. An additional bird viewing platform and seating area for education programs are services that could also be provided within the Songbird Habitat.

D. Vegetation Inventory: Summary Field Survey

1. STONE MOUNTAIN OUTCROP:

The vegetation of the Stone Mountain outcrop itself can be broadly categorized into three groups:

The Vernal Pool Species, colonizing the shallow pits in the granite surface.

The Herbaceous and Woody Plant Community, including lichens and mosses that vegetate the largest portion of the Mountain's surface.

The Ornamental Landscape, introduced to enhance the buildings and structures.

a. *Vernal Pools*

The vernal pools, locally referred to as solution pits or pools, are an extremely restricted habitat and likewise the species that inhabit them are highly specialized. The pools found at the top of Stone Mountain are known to contain two aquatic species, Amphianthus pusillus and Isoetes melanospora that are listed on both state and federal lists under endangered status. Both species are small and not easily apparent to the untrained eye. Amphianthus is 4-8 mm long, only found during the growing season when the pools are filled with water. In the summer, when the pools dry up, the plants enter a dormant state, disappearing into the mud or sediments. These plants should continue to be protected as mandated by federal law. A sign with interpretive information could be provided to explain the significances of the vernal pools habitats and inform visitors about their vulnerability to human impacts and how they can help protect them.

b. *Herbaceous and Woody Plant Community*

The much larger portion of vegetation growing on the outcrops is likewise xeric in character, adapted to the severe climatic conditions, i.e. drought, extreme hot and cold temperatures, and desiccating winds. Succulent, scaly or diminished leaves and dwarfed growth habits are examples of characteristics that typify this vegetation. A wide range of species has become established in the depressions, pockets and cracks, wherever the soil and sediments have accumulated. "Islands" of vegetation develop on the rock surface with canopy trees reaching only 25 feet at maturity. A typical association of vegetation forming such an "island" might consist of the following species:

- Loblolly Pine (*Pinus taeda*)
- Eastern Red Cedar (*Junipers virginiana*)
- Winged Elm (*Ulmus alata*)
- Sweet Gum (*Liquidambar styraciflua*)
- Wild Cherry (*Prunus* spp.)
- Scrub and Georgia Oaks (*Quercus prinus*, *Q. georgiana*)
- Persimmon (*Diospyros virginiana*)
- Sumac (*Rhus copallina*)
- St. Johns Wort (*Hypericum frondosum*)
- Sparkleberry (*Vaccinium abroreum*)

Confederate Daisy (*Helianthus porteri*)
Blazing Star (*Liatris graminifolia*)
Mountain Mint (*Pycnanthemum montanum*)
Broomsedge (*Andropogon virginicus*)
Yucca (*Yucca filamentosa*)
Prickly Pear Cactus (*Opuntia compressa*)
Red Moss (*Diamorpha smallii*)
Moss species- Star Moss, Hairy Cap Moss
Lichen species

Lichens and mosses, as well as, the "islands" of vegetation described above are also subject to damage by pedestrian trampling and vehicular traffic. This is especially evident along the tracks on the western slopes. Fortunately, extensive areas of this vegetation are already protected, because they are located behind the fence on the steeper slopes. The majority of the damage is occurring immediately alongside the walk-up trails and vehicle access route. Educational materials and signs can make guests aware of these sensitive areas and help protect them. Parallel to the main walk-up trail on the northwest side an extensive area has been indicated by the GADNR as including several species of concern. This and other areas noted should continue to be monitored carefully. As few hikers tend to stray significantly from the main trail into this scrub-type vegetation, the need to take additional protective measures is not critical.

c. *Ornamental Landscape*

The ornamental landscape plantings, which were used around the buildings at the top, are now overgrown and neglected. Many have declined in health and are not visually appealing. Ornamental plantings at the top of Stone Mountain should be phased out completely.

2. *BASE OF STONE MOUNTAIN:*

The vegetation at the base of the Mountain is categorized into three groups, excluding wetlands sites:

Second Growth Forests of mixed hardwoods and conifers.
Flatrock Communities, on exposed granite surfaces at or near the base of the Mountain.
Ornamental Landscape Plantings, concentrated around the main Park attractions.

a. *Second Growth Forests*

The Woodlands that cover the majority of the Piedmont plain surrounding Stone Mountain are composed primarily of mixed hardwoods with Loblolly Pine. Several species of Oaks (White, Black, Red, Post, and Southern Red) and Hickories (Pignut and White) are the dominant hardwoods. Sweet Gum, Sourwood and Tulip trees are among the more common associates. Dogwood, Persimmon, Bigleaf Magnolias and sapling hardwoods form the understory. On

the drier upland slopes Oak, Hickory, and Pine prevails. Along streambeds and wetter floodplains a much wider diversity of deciduous species is found, including Red Maple, Sweet Gum, Black Gum, Tulip Trees, and Water Oaks. Mature Loblolly Pine may sometimes dominate in small stands, but more typically occurs as a codominant or associate with other hardwoods. The Loblolly Pine is characterized in the natural community as an early successional species. The pine tends to seed readily along open edges, in abandoned fields or on poor soils of cleared sites, such as the borrow pit south of Venable Lake. As the Pines mature, the hardwoods growing in the understory eventually shade out and replace the pine canopy. Oak and Hickory are considered the regional climax type forest, though only relics of this original forest exist today.

Reports indicate that major clear cutting of forest around Stone Mountain occurred through the 1940's. As a result, most of the mature hardwoods are not likely to be much more than 60 to 70 years old. As mentioned earlier, small isolated pockets of mature stands (over 100 to 150 years old) may still be found. At Stone Mountain, the GADNR has noted two mature stands characteristic of the Piedmont, a dry Oak - Pine-Hickory stand around the base of Stone Mountain throughout much of the Natural District and an example of a wetter mesic forest type. This second type is located along a sandy streambed adjacent to the Mountain's north-facing slope. The Mountain itself may afford some protection from exposure to wind and extreme temperatures. The runoff from the rock surface supplies a considerable amount of water to this area. The mature stand is dominated by Sweet Gum that is particularly tall. Tulip Trees, Red Maples, and including Dogwood, Silverbell, Persimmon, Magnolias as well as shrubs and Oaks are some of the other associate species present. The understory is varied herbaceous species.

While stressed conditions were observed among stands where recreational uses are heaviest, much of the second growth forests appear healthy. There were few signs of major tree losses resulting from insect or diseases or other causes. Although Kudzu vines and other exotic species have invaded small sections of woods, they are not beyond control. Individuals from the Georgia Forestry Commission who regularly patrol the area feel the healthy condition of the forested areas may be attributed to the diversity of species present.

b. *Flatrock Communities*

At the base of the Mountain are several areas of exposed granite rock ledge, referred to as "flatrock". The perimeters, pockets and cracks of these rocks often support xeric type vegetation very similar to that found at the top and sides of the Mountain. At certain times of the year these areas are particularly colorful and attractive. Several showy wildflowers, such as, the yellow Confederate Daisy and purple Blazing Stars are commonly found growing here. Like the areas at the top of the outcrop, pedestrians and vehicles that may cross over these areas, inadvertently trampling the vegetation, threaten the flatrock habitat. There are several flatrock areas located off the northwest sides of the Mountain. Two such areas designated by the GADNR are located below the Skylift Pavilion and across from the Stone Mountain Inn adjacent to Carillon Road. Protective measures such as fencing or a less obtrusive type of barrier may be necessary to prevent or limit access to these flatrocks.

c. *Ornamental Landscape*

Ornamental plantings have been used to enhance the appearance of key locations in the main Park area at: the East/West Gate, Foundations and grounds around major attractions, Memorial Hall Plaza, Memorial Lawn, Confederate Hall, Plantation, Pavilions and Parking lots and Major intersections. SMMA will guide any management or replacement of these ornamental plantings to ensure appropriate plant choices and landscape design.

E. Natural District

1. *THEME AND CONCEPT:*

The Natural District encompasses approximately 65% of the Park's total area and includes the Mountain in its entirety as well as the vast majority of the areas bordering the southern, western and northern Park boundaries. As the name implies, the underlying theme behind this district is the natural resource systems within Stone Mountain Park. Many of these resources are unique to granite outcrop ecosystems, and several are included in state and federal rare and endangered species lists. Also, large, relatively undisturbed natural areas are becoming increasingly rare in the rapidly urbanizing metropolitan Atlanta region. This protected district will insure that the significant natural resources within the district will be preserved and, where needed, enhanced for the long term enjoyment of current and future generations of Park users.

The conceptual focus of the plan for this district is the protection, enhancement, and interpretation of the Park's natural resource systems while still allowing controlled access to these areas for low impact uses. Central to that concept is the permanent removal and/or relocation of as many existing vehicle intensive uses and man-made structures as possible. Old structures no longer in use, such as the old metal buildings behind the halfway house on the Mountain should be removed.

2. *PROGRAM AND PHASING:*

The western gateway to the Natural District is Confederate Hall. It has been converted into an interpretive center/gateway which houses science exhibits, a theater for interpretive films and an information center. An interpretive area is to remain in the building at the top of the Mountain in order to provide information on the environments and inhabitants of Stone Mountain. The building serves as a shelter during inclement weather, provides limited comfort facilities as well as houses the Skylift terminal, machinery room, and a small Park Police radio antenna. Visitor access will be restricted to those areas of the upper plateau that do not contain rare or endangered species habitat. Outdoor interpretive displays will also be provided at strategic overlook points.

Existing Park maintenance shops, warehouses, and the greenhouse located south of the Mountain will be removed. Those functions (excluding greenhouse) will be

relocated into new facilities to be constructed by the services warehouses on Jeb Stuart Rd. Railroad shops and sidings will remain in their current location.

The Wildlife Trails area is to be renovated into a limited use outdoor classroom and research area managed by the Confederate Hall Education Center staff.

Gateways to the Natural District will also occur near the Grist Mill at the east end of the Mountain and in the vicinity of the Evergreen Conference Center.

3. *CIRCULATION AND PARKING:*

Park visitor access into the heart of the Natural District will be provided by several methods including walking, biking, skating or driving on Robert E Lee or Stonewall Jackson Rd into the Natural District and riding the train.

Parking is provided at Confederate Hall. Parking is also provided at the east side of the Mountain at the existing Grist Mill Pavilion parking lot. A small parking area will remain at the Stonewall Jackson Drive gateway in order to facilitate limited hiker, bicyclist, and fisherperson access from the south side of the Park.

One lane of the existing Robert E. Lee Boulevard roadbed on the south side of the Mountain will remain for exclusive use by bicycle and occasional Park Police, emergency, and service vehicles. The existing paved walkway around the Mountain base and along Stonewall Jackson Drive will be maintained. Existing walking trails through woodland areas will be upgraded, improved markings and interpretive signage provided, and extended to the Confederate Hall gateway. The existing pedestrian pathway to the top of the Mountain will be maintained in its current location.

7. LONG RANGE CAPITAL IMPROVEMENTS

SMMA is not responsible for providing capital improvements such as new attractions, retail facilities or lodging. Because of the privatization of the Park's commercial operations, the lessee (HFEC) now has this responsibility. However, SMMA is responsible for the basic infrastructure that supports the lessee's operations and for maintaining and improving the Natural District.

At the end of 2004, SMMA had cash assets of approximately \$20,000,000. This has accumulated over the years through an excess of revenue over expenditures. Due to the financial problems of the lessee, SMMA agreed to a rent reduction effective August 1, 2003, to last for five years. During this five-year period, SMMA is not projected to have an excess of revenue over expenditures but does anticipate being able to fully fund depreciation. This will leave SMMA in a strong cash flow position and will allow it to fund a capital improvements program of about \$27,000,000.

Significant capital projects have been completed in the past three years. Stonewall Jackson Drive, from the main gate to the Evergreen service drive, has been reconstructed. "Reconstruction" involved rebuilding the base of the road to accommodate truck traffic to Evergreen, a situation that was not anticipated when the road was first built. One hundred acres of vacant, adjacent property has been added to the Park. Confederate Hall has been renovated to house administrative offices on the second floor and an Education Center on the first floor. A large new restroom was built to accommodate persons walking up and/or around the Mountain and the plaza was rebuilt to provide an attractive "entrance room" to the Mountain.

Following is an annotated list of capital projects planned for the period 2005-2012. The assignment of a project to a particular year does not mean that it will actually be accomplished in that year. This is simply a target for planning purposes only. Each project will need to be further evaluated in sufficient detail in order to determine its design, utility and feasibility.

2005

Lake Sewer Line Removal \$1,250,000

When Stone Mountain Lake was built in the 1960's, it covered a part of Highway 78 that passed through the middle of the Park at that time. There was an existing sewer line under the road that was left in place. It operates as a "force main," which means that sewage is pumped through it under pressure. This line needs to be relocated to reduce the potential environmental hazard.

Fencing/fencing repairs on Park Boundary \$250,000

The new property bought in the last three years needs to be incorporated into the Park's boundary fencing. In addition, the perimeter fencing is in need of repairs in many places due to damage by falling trees and holes caused by vandalism.

Property Acquisition (2005-2007) \$2,450,000

Property that is adjacent to the Park, undeveloped and available for purchase at a reasonable price will be evaluated for acquisition to increase the green space and natural beauty of the Park. A purchase option for approximately 32 acres of land that qualifies under the established criteria is pending, and three more parcels totaling about 82 acres have been identified as potential purchases over the next three years.

2006

Storm Water System (2006-2007) \$1,200,000

Stone Mountain Park has 52 locations where storm water pipes cross public access roads. The pipes were installed in the early 1960's, a mix of concrete and corrugated metal. Over a two year cycle, we intend to repair or replace the entire system.

Upgrade/replace Emergency Communication System (2006-2007) \$1,500,000

The Park's current radio communication system was installed in 1986. It is outdated both by technology and physical wear.

Pedestrian Separation – Old Hugh Howell Rd./Robert E. Lee Blvd. (2006-2007) \$1,500,000

During heavy visitation periods and events at the Park, there are significant pedestrian/vehicular conflicts at the intersection of Robert E. Lee Boulevard and Old Hugh Howell Road. Pedestrian tunnels under, or bridges over the roadway are being evaluated in order to determine the best solution.

2007

Playground Improvements \$150,000

The Children's Playground is a very popular facility and the aging equipment will need to be replaced.

2008 - 2012

North Gate Connector \$1,500,000

A connector road to facilitate exiting traffic movement after major events is needed between Robert E. Lee Boulevard near the intersection of Old 78 Highway northward to intersect with the existing Service Drive.

Repave Roads \$2,000,000

All of the Park's roads except for the recently rebuilt Stonewall Jackson Drive need repaving.

Water/Sewer System Replacement \$10,000,000

The Park's water and sewer mains were installed over a long period of time on an "as needed" basis with no real planning for future expansion needs. There was very little attention paid to the standards for the pipes and fittings. The entire system has now been mapped and documented. The replacement system will be designed to accommodate future needs and will be installed to meet current standards. The proposed budget is to completely replace the water and sewer mains over a five-year period.

Lake Siltation Project \$3,000,000

Stone Mountain Lake was constructed in the early 1960's and since that time has been filling up with silt washed in from the fourteen square mile watershed that drains into the lake, primarily from the Mountain Industrial Boulevard and Smoke Rise areas. The proposed budget is for a three-year project to remove silt from the upper reaches of the lake starting in 2008.

New Public Works/Services Complex \$2,200,000

The Park's public works/services facilities are scattered in three locations within the Natural District. One central facility will be built at the old prison site. Its primary access will be from outside the Park in order to reduce vehicular traffic inside the Park. The old facilities will be removed from the Natural District.

Proposed SMMA Capital Programs

Rev. 7-11-05

2005	<ul style="list-style-type: none"> • Lake Sewer Line Removal • Address Fencing / Fencing Repair on Park Boundary • Property Acquisition 	\$1,250,000 \$250,000 <u>\$650,000</u> \$2,150,000
2006	<ul style="list-style-type: none"> • Storm Water System Phase I • Upgrade Radio System • Pedestrian Separation - Hugh Howell/R.E. Lee • Property Acquisition 	\$600,000 \$1,000,000 \$750,000 <u>\$900,000</u> \$3,250,000
2007	<ul style="list-style-type: none"> • Playground Improvements • Upgrade Radio System • Storm Water System Phase II • Pedestrian Separation - Hugh Howell/R.E. Lee • Property Acquisition 	\$150,000 \$500,000 \$600,000 \$750,000 <u>\$900,000</u> \$2,900,000
2008	<ul style="list-style-type: none"> • North Gate Connector • Repave Roads • Begin Replacement of Water/Sewer System (2008-2012) • Begin Program Addressing Lake Siltation 	\$1,500,000 \$2,000,000 \$2,000,000 <u>\$1,000,000</u> \$6,500,000
2009	<ul style="list-style-type: none"> • Water/Sewer System Replacement • Lake Siltation Project 	\$2,000,000 <u>\$1,000,000</u> \$3,000,000
2010	<ul style="list-style-type: none"> • Services Complex • Water/Sewer System Replacement • Lake Siltation Project 	\$2,200,000 \$2,000,000 <u>\$1,000,000</u> \$5,200,000
2011	<ul style="list-style-type: none"> • Water/Sewer System Replacement 	<u>\$2,000,000</u> \$2,000,000
2012	<ul style="list-style-type: none"> • Water/Sewer System Replacement 	<u>\$2,000,000</u> \$2,000,000
<i>2005 - 2012 TOTAL</i>		<u>\$27,000,000</u>

APPENDIX E

AUDITED FINANCIAL REPORTS

**SILVER DOLLAR CITY
STONE MOUNTAIN PARK, INC.**

2018 - 2020

**Silver Dollar City
Stone Mountain Park, LLC**

Independent Auditor's Report and Financial Statements

December 29, 2019 and December 30, 2018

Independent Auditor's Report

Board of Directors
Silver Dollar City Stone Mountain Park, LLC
Stone Mountain Park, Georgia

We have audited the accompanying financial statements of Silver Dollar City Stone Mountain Park, LLC (the "Company") (a wholly owned subsidiary of Herschend Entertainment Company, LLC) which comprise the balance sheets as of December 29, 2019 and December 30, 2018, and the related statements of operations and changes in member's deficit and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Board of Directors
Silver Dollar City Stone Mountain Park, LLC
Page 2

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Silver Dollar City Stone Mountain Park, LLC as of December 29, 2019 and December 30, 2018, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

BKD, LLP

Springfield, Missouri
March 27, 2020

Silver Dollar City Stone Mountain Park, LLC

Balance Sheets

December 29, 2019 and December 30, 2018

Assets

	2019	2018
Current Assets		
Cash and cash equivalents	\$ 4,362,007	\$ 5,111,821
Accounts receivable	386,057	616,032
Inventories	1,720,662	1,811,906
Prepaid expenses and other	1,586,696	993,750
Total current assets	8,055,422	8,533,509
Investments and Long-Term Receivables		
Advance under management agreement	763,329	763,329
Property and Equipment, At Cost		
Buildings and land improvements	41,477,373	41,436,576
Attraction equipment	25,081,550	24,549,890
Furniture, fixtures and equipment	27,206,269	27,164,248
Construction in progress	213,488	370,913
	93,978,680	93,521,627
Less accumulated depreciation	79,665,849	76,860,984
	14,312,831	16,660,643
Other Assets - At Amortized Cost		
Lease acquisition costs, net of amortization	137,564	154,594
	137,564	154,594
Total assets	\$ 23,269,146	\$ 26,112,075

Liabilities and Member's Deficit

Current Liabilities		
Note payable - related party	\$ 148,650,000	\$ 144,850,000
Accounts payable	2,389,791	4,770,363
Due to related party	427,472	202,219
Accrued payroll and payroll taxes	2,044,728	1,454,713
Deferred revenue	4,231,420	4,274,608
Other accrued expenses	1,977,274	769,108
Total current liabilities	159,720,685	156,321,011
Member's Deficit	(136,451,539)	(130,208,936)
Total liabilities and member's deficit	\$ 23,269,146	\$ 26,112,075

Silver Dollar City Stone Mountain Park, LLC
Statements of Operations and Changes in Member's Deficit
Years Ended December 29, 2019 and December 30, 2018

	2019	2018
Revenues		
Merchandise and food sales	\$ 10,602,220	\$ 11,140,683
Admissions	18,800,058	17,993,463
Parking	10,312,814	9,657,353
Resort	2,542,012	4,231,780
Commissions and rental fees	4,467,394	4,523,598
Other operating	2,282,130	1,857,198
	49,006,628	49,404,075
Operating Expenses		
Labor and related payroll costs	16,328,123	15,739,195
Cost of products sold	3,326,610	3,376,758
Depreciation and amortization	4,075,058	4,389,009
Advertising	2,381,542	2,362,369
General, administrative and other	21,492,372	21,617,838
Loss on impairment and disposal of assets	222,640	101,004
	47,826,345	47,586,173
Income From Operations	1,180,283	1,817,902
Other Expense		
Net interest expense	(7,422,886)	(7,358,778)
Net Loss	(6,242,603)	(5,540,876)
Member's Deficit, Beginning of Year	(130,208,936)	(124,668,060)
Member's Deficit, End of Year	\$(136,451,539)	\$(130,208,936)

Silver Dollar City Stone Mountain Park, LLC
Statements of Cash Flows
Years Ended December 29, 2019 and December 30, 2018

	<u>2019</u>	<u>2018</u>
Operating Activities		
Net loss	\$ (6,242,603)	\$ (5,540,876)
Items not requiring cash		
Depreciation and amortization	4,075,058	4,389,009
Loss on impairment and disposal of assets	222,640	101,004
Changes in		
Accounts receivable	234,975	188,756
Inventories	91,244	229,130
Prepaid expenses and other assets	(592,946)	185,661
Accounts payable and accrued expenses	(524,219)	548,173
Deferred revenue	(43,188)	724,142
Due to related parties	225,253	77,945
	<u>(2,553,786)</u>	<u>902,944</u>
Net cash provided by (used in) operating activities		
Investing Activities		
Construction and purchase of property and equipment	(1,996,028)	(1,837,143)
Proceeds from disposal of property and equipment	-	44,074
	<u>(1,996,028)</u>	<u>(1,793,069)</u>
Net cash used in investing activities		
Financing Activities		
Proceeds from borrowing from related party	7,800,000	8,350,000
Principal payments on note payable to related party	(4,000,000)	(7,500,000)
	<u>3,800,000</u>	<u>850,000</u>
Net cash provided by financing activities		
Decrease in Cash and Cash Equivalents	(749,814)	(40,125)
Cash and Cash Equivalents, Beginning of Year	<u>5,111,821</u>	<u>5,151,946</u>
Cash and Cash Equivalents, End of Year	<u>\$ 4,362,007</u>	<u>\$ 5,111,821</u>
Supplemental Cash Flows Information		
Interest paid (net of amount capitalized)	\$ 7,429,397	\$ 7,373,282
Accounts payable incurred for construction in progress	\$ 40,522	\$ 98,694

Silver Dollar City Stone Mountain Park, LLC

Notes to Financial Statements

December 29, 2019 and December 30, 2018

Note 1: Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

The Company is a wholly owned subsidiary of Herschend Entertainment Company, LLC (HEC) that leases and operates a portion of Stone Mountain Park (the "Park") located in DeKalb County, Georgia. Park operations consist primarily of a hotel, a conference center, golf facilities (see *Note 3*), recreation facilities, attractions, retail food and merchandise sales and collection of parking fees. The Company derives its revenues principally from admission charges and food and merchandise sales to individual customers.

Fiscal Year

The Company has a 53/52 week fiscal year. Fiscal years 2019 and 2018 were both 52-week years.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash Equivalents

The Company considers all liquid investments with original maturities of three months or less to be cash equivalents. At December 29, 2019 and December 30, 2018, cash equivalents consist of money market accounts which are not insured by the FDIC. As of December 29, 2019, the Company had \$255,000 invested in these money market accounts.

At December 29, 2019, the Company's cash accounts exceeded federally insured limits by approximately \$1,150,000.

Inventory Valuation

Merchandise inventory is valued at the lower of cost (retail inventory method) or net realizable value. All other inventories are valued at the lower of cost (average cost method) or net realizable value.

Silver Dollar City Stone Mountain Park, LLC

Notes to Financial Statements

December 29, 2019 and December 30, 2018

Property and Equipment

Property and equipment acquisitions are stated at cost less accumulated depreciation and amortization. Depreciation and amortization is charged to expense on the straight-line basis over the estimated useful life of each asset. Assets under capital lease obligations and leasehold improvements are amortized over the shorter of the lease term or their respective estimated useful lives.

The Company capitalizes interest costs on constructed assets based on the interest rates paid for long-term borrowing.

Amortization

Lease acquisition costs are amortized on a straight-line basis over the initial 30-year lease term. Amortization expense totaled \$17,030 for the years ended December 29, 2019 and December 30, 2018, respectively.

Long-Lived Asset Impairment

The Company evaluates the recoverability of the carrying value of long-lived assets whenever events or circumstances indicate the carrying amount may not be recoverable. If a long-lived asset is tested for recoverability and the undiscounted estimated future cash flows expected to result from the use and eventual disposition of the asset is less than the carrying amount of the asset, the asset cost is adjusted to fair value and an impairment loss is recognized as the amount by which the carrying amount of a long-lived asset exceeds its fair value. No asset impairment was recorded for the years ended December 29, 2019 and December 30, 2018, respectively.

Revenue Recognition, Accounts Receivable and Deferred Revenue

Revenue is recognized when control of the promised goods or services is transferred to the Company's customers, in an amount that reflects the consideration that it expects to be entitled to in exchange for those goods or services. The amount and timing of revenue recognition varies based on the nature of the goods and services provided and the terms and conditions of the customer contract. Many products, including season-long products, are sold to customers in advance, resulting in a contract liability (deferred revenue).

The Company records deferred revenue at the time of sale of annual parking permits and annual attraction passes and on the receipt of other similar deposits.

Silver Dollar City Stone Mountain Park, LLC

Notes to Financial Statements

December 29, 2019 and December 30, 2018

Accounts receivable are stated at the amount of consideration from customers of which the Company has an unconditional right to receive plus any accrued and unpaid interest. The Company provides an allowance for doubtful accounts to the extent warranted based upon a review of outstanding receivables, historical collection information and existing economic conditions. Accounts receivable are ordinarily due 30 days after the issuance of the invoice. Accounts that are unpaid after the due date bear interest at 1.5 percent per month. Accounts past due more than 120 days are considered delinquent. Delinquent receivables are written off at the end of the operating season based on individual credit evaluation and specific circumstances of the customer. During the years ended December 29, 2019 and December 30, 2018, impairment losses on doubtful accounts receivable, where collectibility is not reasonably assured, was \$0.

Self-Insurance

The Company has elected to self-insure certain costs related to employee health and accident benefit programs, employee work related injuries and guest injuries. Costs resulting from uninsured losses are charged to expense when incurred. Herschend Family Entertainment Corporation (HFEC) has purchased insurance that limits the Company's exposure on workers' compensation claims to \$750,000 per occurrence. The Company's exposure for general liability claims is \$500,000 per occurrence. The Company has purchased insurance that limits its exposure on health claims to \$200,000 per calendar year for each covered employee and their covered dependents.

Advertising

The Company expenses external advertising production costs the first time the advertising takes place. Internal advertising costs are expensed as incurred.

Income Taxes

The Company's Member has elected for the Company's taxable income or loss to be included in the Member's federal and state income tax returns under provisions of the Internal Revenue Code and a similar section of the state income tax law. Therefore, no provision for income taxes has been included in the accompanying financial statements.

Silver Dollar City Stone Mountain Park, LLC

Notes to Financial Statements

December 29, 2019 and December 30, 2018

Note 2: Revenue from Contracts with Customers

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*, that replaces existing revenue recognition guidance. The new standard requires companies to recognize revenue in a way that depicts the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. In addition, Topic 606 requires disclosures of the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers.

The Company adopted this standard on December 31, 2018, using a modified retrospective approach with the cumulative effect of initially applying the new standard recognized in member's equity at the beginning of the year of adoption. Comparative prior period information has not been adjusted and continues to be reported in accordance with previous revenue recognition guidance in ASC Topic 605 — Revenue Recognition. The Company has applied the new standard to all contracts not complete at the date of adoption.

The Company's adoption of Topic 606 did not have a material effect on the Company's financial statements.

Revenue is generated from (1) sales of admissions and parking at the Park, (2) food, merchandise and games inside the Park, (3) the Company's share of resort revenue from its operating agreement with Marriott Hotel Services, Inc. (Marriott) and (4) commissions and rental fee income from third parties.

Revenue is recognized upon admission into the Park and when goods or services are delivered to the Company's guests. Revenues are presented net of sales tax collected from guests and remitted or payable to government or taxing authorities.

Season passes, other multi-use admissions and season-long products are recognized using an estimated redemption rate over a 52-week period, based on historical experience and other factors. Amounts received for multi-use or advance admissions in excess of redemptions are included in "deferred revenue." The Company reviews the estimated redemption rate on an ongoing basis throughout the year.

Food, merchandise, games, resort revenue and other items are recognized at the time the goods or services are provided to guest.

The Company arranges with outside parties to provide goods and services to guests resulting in net revenue recognized as commissions in the statements of operations at the time the good or service is provided.

Sponsorship revenues are classified as other operating are recognized over the Park operating season which represents the period in which the performance obligations are satisfied.

Amounts received for multi-use or advance admission in excess of redemptions are included in "deferred revenue." The Company expects substantially all revenue deferred as of the balance sheet date to be recognized within twelve months.

Silver Dollar City Stone Mountain Park, LLC

Notes to Financial Statements

December 29, 2019 and December 30, 2018

The following table presents the Company's revenues disaggregated by the timing of when recognized. Most revenues are recognized at a point in time based on actual guest spending at the Park. Revenues from multi-use products, including season-long products for admission and other products are recognized over a period of time. Revenues recognized during the years ended December 29, 2019 and December 30, 2018, were as follows:

	<u>2019</u>	<u>2018</u>
Timing of revenue recognition		
At a point in time	\$ 42,259,984	\$ 43,249,485
Over a period of time	<u>6,746,644</u>	<u>6,154,590</u>
Total	<u>\$ 49,006,628</u>	<u>\$ 49,404,075</u>

The nature, amount and timing of revenues are variable based upon the seasonal nature of the Company's business.

Accounting Policies and Practical Expedients Elected

The Company is applying an accounting policy election, which allows an entity to exclude from revenue any amounts collected from customers on behalf of third parties, such as sales taxes and other similar taxes collected concurrent with revenue-producing activities. Revenue is presented net of sales taxes and similar revenue based taxes.

The Company has elected the following practical expedients for contracts of one year or less: (1) the Company has elected not to adjust the consideration for the effects of significant financing components; (2) the Company has elected the practical expedient to recognize the incremental costs of obtaining a contract as an expense when incurred.

Note 3: Operating Lease and Management Agreements

The Company is party to an operating lease agreement with Stone Mountain Memorial Association (SMMA), a body originally created by the state of Georgia, to operate the revenue-producing operations of Stone Mountain Park. The lease term expires on January 3, 2028, with four five-year renewal options. The lease contains an early termination option at any time after January 3, 2021, with 24 months written notice.

During 2015 the lease was amended to specify that base rent in the amount of \$9,720,000 would be payable annually and not adjusted for CPI in the calendar years 2016 through 2020 and percentage rent will not be charged over the same period. Beginning in 2021, CPI increases and percentage rent will again apply. Annual base lease payments under the agreement for both 2019 and 2018 were approximately \$9,720,000. The Company pays additional rent for the use of a ballroom facility in an amount determined by multiplying the construction cost by a variable rate based upon LIBOR less 0.5 percent ranging from 4 percent – 7 percent which totaled approximately \$238,000 for each of the years ended December 29, 2019 and December 30, 2018.

Silver Dollar City Stone Mountain Park, LLC

Notes to Financial Statements

December 29, 2019 and December 30, 2018

Total lease expense under this lease, including base rent and additional rent, was approximately \$9,958,000 for each of the years ended December 29, 2019 and December 30, 2018.

The lease restricts use of the premises to certain recreational purposes and contains other operating requirements. The lease has also required that 5 percent of gross revenues be deposited into a separate bank account (the "Reserve Account") to be used for repair, renovations and replacements of fixtures, furnishings, equipment and improvements at Stone Mountain Park. During 2009, 2011 and again in 2015, the lease was amended such that SMMA may fund a portion of the Reserve Account deposits for 2010 through 2020. The 2015 amendment also reduced the Company's required annual contributions to the Reserve Account by \$500,000 for calendar years 2016 through 2020. Expenditures from the Reserve Account require SMMA approval. As of December 29, 2019 and December 30, 2018, respectively, all deposits in the reserve account have been approved for expenditure.

The Company also has a management agreement with Marriott, which encompasses the operations of a conference center, a hotel and two golf courses located at Stone Mountain Park. The term of the management agreement runs current with the SMMA lease agreement, and also contains Reserve Account requirements in accordance with the SMMA lease. In accordance with the 2015 amendment, the Reserve Account for Marriott operations will be fully funded by the lessor through 2020. Fees due to Marriott under the management agreement are a percentage of gross revenues, plus a percentage of profits after they exceed designated levels. The management agreement contains operations funding and performance requirements along with termination options if these requirements are not met in specified time periods. In addition, the Company or SMMA is responsible for funding certain capital projects. Included in accounts payable at December 29, 2019 and December 30, 2018, are approximately \$2,163,000 and \$2,798,000, respectively, which are due to Marriott or SMMA for reimbursement of repairs, renovations and replacement of furnishings, fixtures, equipment and other improvements in accordance with provisions of the management agreement. Included in accounts receivable at December 29, 2019 and December 30, 2018, is approximately \$156,000 and \$330,000, respectively, due from Marriott based on sales at the end of fiscal year 2019 and 2018. Resort income as shown in the financial statements includes the Company's operating profit from Marriott-managed properties after management fees are deducted. Per the terms of the Marriott Management Agreement, the Company advanced Marriott \$763,329 for initial working capital at inception of the agreement.

Other noncancellable operating leases expire in various years through 2024. These leases generally require the Company to pay all executory costs (property taxes, maintenance and insurance). Rental payments include minimum rentals.

Future minimum lease payments at December 29, 2019, were:

2020	\$ 10,000,000
2021	10,000,000
2022	9,975,000
2023	9,975,000
2024	9,975,000
Thereafter	29,875,000

Silver Dollar City Stone Mountain Park, LLC

Notes to Financial Statements

December 29, 2019 and December 30, 2018

Note 4: Inventories

Inventories consist of the following:

	<u>2019</u>	<u>2018</u>
Merchandise	\$ 740,019	\$ 833,970
Food	237,640	216,786
Supplies	677,446	704,195
Raw materials	<u>65,557</u>	<u>56,955</u>
	<u>\$ 1,720,662</u>	<u>\$ 1,811,906</u>

Note 5: Related Party Transactions

As of December 29, 2019 and December 30, 2018, the Company owed \$148,650,000 and \$144,850,000, respectively, in unsecured advances to HEC which are due upon demand. The Company incurred interest of \$7,432,603 and \$7,371,159 on these advances from HEC for the years ended December 29, 2019 and December 30, 2018, respectively, of which \$61,089 and \$57,884 remains payable at December 29, 2019 and December 30, 2018, respectively. Interest is incurred at HEC's weighted average rate for funded debt, which was approximately 5 percent at December 29, 2019 and December 30, 2018. The Company has been dependent upon financing from HEC and previously HFEC to fund continuing operations. To date HEC has provided these funds, and the Company remains optimistic that a rebound in Marriott's corporate group activity when the resort renovations are completed, continued marketing efforts and attraction offering enhancements will significantly improve cash flows and diminish the need for additional funding. HEC has expressed the ability and intent to continue to provide funds in future years.

The Company paid certain fees to HEC and related entities for administrative support and receives reimbursement for certain fees for a net total of \$1,269,134 and \$956,029 for the years ended December 29, 2019 and December 30, 2018, respectively.

The Company's employees participate in a profit-sharing and a contributory employee savings 401(k) plan administered by HEC. Contributions to the profit-sharing plan for eligible employees are made at the discretion of the Board of Directors of HFEC. Profit-sharing and 401(k) expenses amounted to \$384,644 and \$375,940 for the years ended December 29, 2019 and December 30, 2018, respectively.

The Company has unconditionally guaranteed bank loans and lines of credit totaling \$110,542,808 and \$118,774,938 for HEC as of December 29, 2019 and December 30, 2018, respectively. These guarantees are effective for as long as the related debt is outstanding. The Company has also guaranteed certain bank letters of credit for HEC. As of December 29, 2019 and December 30, 2018, letters of credit totaling \$382,000 in both years were outstanding for which the Company was contingently liable.

Silver Dollar City Stone Mountain Park, LLC

Notes to Financial Statements

December 29, 2019 and December 30, 2018

Note 6: Net Interest Expense

Net interest expense consists of the following:

	<u>2019</u>	<u>2018</u>
Gross interest expense	\$ 7,432,603	\$ 7,371,159
Less: interest capitalized	5,327	9,728
	<u>7,427,276</u>	<u>7,361,431</u>
Interest income	4,390	2,653
	<u>4,390</u>	<u>2,653</u>
Net interest expense	<u>\$ 7,422,886</u>	<u>\$ 7,358,778</u>

Note 7: Significant Estimates and Concentrations

Accounting principles generally accepted in the United States of America require disclosure of certain significant estimates and current vulnerabilities due to certain concentrations. Those matters include the following:

Accrual for Injury Claims

Management records an estimated liability for guest and employee injuries including costs of litigation based upon the facts of each case, prior experience with similar claims and consultation with the Company's legal counsel. The amount of actual losses incurred could differ materially from the estimates reflected in these financial statements.

Employee Health Care Claims

The Company self-insures employee health care costs and charges premiums to participating employees. The Company accrues an estimated liability for employee health care claims incurred in excess of the premiums available to pay those costs. This accrual is recorded by management based upon an evaluation of reported cases and historical claims expenses. The amount of actual losses incurred could differ materially from the estimates reflected in these financial statements. Based on the current status of HEC's insurance trust, no additional accrual was required for the years ended December 29, 2019 and December 30, 2018.

Silver Dollar City Stone Mountain Park, LLC

Notes to Financial Statements

December 29, 2019 and December 30, 2018

Deferred Revenue

Revenue from the sale of annual passes is deferred when sold and is recognized on a straight-line basis over 52 weeks based upon historical experience. Certain other admission revenue is recognized over the estimated period of use.

General Litigation

The Company is subject to claims and lawsuits that arise primarily in the ordinary course of business. It is the opinion of management that the disposition or ultimate resolution of such claims and lawsuits will not have a material adverse effect on the financial position of the Company.

Note 8: Commitments

Construction Contracts

The Company had outstanding commitments of approximately \$1,050,000 related to construction contracts at December 29, 2019. The construction projects are expected to be completed during 2020.

Note 9: Future Change in Accounting Principle

Accounting for Leases

The Financial Accounting Standards Board amended its standard related to the accounting for leases. Under the new standard, lessees will now be required to recognize substantially all leases on the balance sheet as both a right-of-use asset and a liability. The standard has two types of leases for income statement recognition purposes: operating leases and finance leases. Operating leases will result in the recognition of a single lease expense on a straight-line basis over the lease term similar to the treatment for operating leases under existing standards. Finance leases will result in an accelerated expense similar to the accounting for capital leases under existing standards. The determination of lease classification as operating or finance will be done in a manner similar to existing standards. The new standard also contains amended guidance regarding the identification of embedded leases in service contracts and the identification of lease and nonlease components in an arrangement. The new standard is effective for annual periods beginning after December 15, 2020. The Company is evaluating the impact the standard will have on the consolidated financial statements; however, the standard is expected to have a material impact on the consolidated financial statements due to the recognition of additional assets and liabilities for operating leases.

Silver Dollar City Stone Mountain Park, LLC

Notes to Financial Statements

December 29, 2019 and December 30, 2018

Note 10: Subsequent Events

As a result of the spread of COVID-19 coronavirus, economic uncertainties have arisen which may negatively affect the financial position, results of operations and cash flows of the Company. The Company has temporarily suspended operations at the park. The duration of these uncertainties and the ultimate financial effects cannot be reasonably estimated at this time.

Subsequent events have been evaluated through March 27, 2020, which is the date the financial statements were available to be issued.

Stone Mountain Memorial Association
Stone Mountain, Georgia

We have been asked by Charlie Singleton, Chief Financial Officer of Herschend Family Entertainment Corporation (the "Company"), to provide you with certain information regarding the consolidated financial statements of the Company as of December 29, 2019, and for the year then ended. These consolidated financial statements were prepared in accordance with GAAP and include the financial statements of the Company's wholly owned subsidiary Silver Dollar City Stone Mountain Park, LLC.

We have audited the consolidated financial statements of the Company as of December 29, 2019, and for the year then ended, in accordance with auditing standards generally accepted in the United States of America, and expressed an unqualified opinion in our independent auditor's report thereon dated March 27, 2020.

The consolidated balance sheet of the Company as of December 29, 2019, discloses total tangible net worth as defined under the Company's previous senior credit agreement in excess of \$60 million. The consolidated balance sheet as of December 29, 2019, discloses total long-term debt excluding subordinated debt to shareholders is less than 45 percent of consolidated total assets. Earnings before Interest, Income Taxes, Depreciation and Amortization divided by Minimum Debt Service (scheduled debt principal and interest payments) is greater than 1.65 for the fiscal year ended December 29, 2019.

Our audit was performed for the purpose of forming an opinion on the consolidated financial statements as a whole and thus our audit was not directed primarily towards the purposes for which the above information will be used. Accordingly, had we performed additional procedures, other matters may have come to our attention that require disclosure.

The information in the consolidated financial statements referred to above is the responsibility of management. We have performed no additional auditing procedures on those consolidated financial statements since the date of our report.

This report is intended solely for the information and use of the Stone Mountain Memorial Association and management of Herschend Family Entertainment Corporation and is not intended to be and should not be used by anyone other than those specified parties.

BKD, LLP

March 27, 2020

**Silver Dollar City
Stone Mountain Park, LLC**

Independent Auditor's Report and Financial Statements

January 3, 2021 and December 29, 2019

Independent Auditor's Report

Board of Directors
Silver Dollar City Stone Mountain Park, LLC
Stone Mountain Park, Georgia

We have audited the accompanying financial statements of Silver Dollar City Stone Mountain Park, LLC (the "Company") (a wholly owned subsidiary of Herschend Entertainment Company, LLC) which comprise the balance sheets as of January 3, 2021 and December 29, 2019, and the related statements of operations and changes in member's deficit, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Board of Directors
Silver Dollar City Stone Mountain Park, LLC
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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Silver Dollar City Stone Mountain Park, LLC as of January 3, 2021 and December 29, 2019, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

BKD, LLP

Springfield, Missouri
March 29, 2021

Silver Dollar City Stone Mountain Park, LLC

Balance Sheets

January 3, 2021 and December 29, 2019

Assets

	2020	2019
Current Assets		
Cash and cash equivalents	\$ 4,388,418	\$ 4,362,007
Accounts receivable	183,399	386,057
Inventories	1,493,738	1,720,662
Prepaid expenses and other	929,857	1,586,696
Total current assets	6,995,412	8,055,422
Investments and Long-Term Receivables		
Advance under management agreement	-	763,329
Property and Equipment, At Cost		
Buildings and land improvements	41,217,350	41,477,373
Attraction equipment	24,217,306	25,081,550
Furniture, fixtures, and equipment	25,155,026	27,206,269
Construction in progress	-	213,488
	90,589,682	93,978,680
Less accumulated depreciation	90,589,682	79,665,849
	-	14,312,831
Other Assets - At Amortized Cost		
Lease acquisition costs, net of amortization	-	137,564
	-	137,564
Total assets	\$ 6,995,412	\$ 23,269,146

Liabilities and Member's Deficit

Current Liabilities		
Note payable - related party	\$ 155,600,000	\$ 148,650,000
Accounts payable	3,275,498	2,389,791
Due to related party	6,333,582	427,472
Accrued payroll and payroll taxes	1,400,897	2,044,728
Deferred revenue	3,389,908	4,231,420
Other accrued expenses	1,432,912	1,977,274
Total current liabilities	171,432,797	159,720,685
Long-Term Deferred Rent Payable	4,860,000	-
Member's Deficit	(169,297,385)	(136,451,539)
Total liabilities and member's deficit	\$ 6,995,412	\$ 23,269,146

Silver Dollar City Stone Mountain Park, LLC
Statements of Operations and Changes in Member's Deficit
Years Ended January 3, 2021 and December 29, 2019

	2020	2019
Revenues		
Merchandise and food sales	\$ 3,929,092	\$ 10,602,220
Admissions	8,300,037	18,800,058
Parking	8,070,425	10,312,814
Resort income (loss)	(2,658,839)	2,542,012
Commissions and rental fees	2,933,319	4,467,394
Other operating	1,098,930	2,282,130
	<u>21,672,964</u>	<u>49,006,628</u>
Operating Expenses		
Labor and related payroll costs	9,104,676	16,328,123
Cost of products sold	1,429,016	3,326,610
Depreciation and amortization	2,118,680	4,075,058
Advertising	1,001,279	2,381,542
General, administrative, and other	20,778,129	21,492,372
Loss on impairment and disposal of assets	13,786,785	222,640
	<u>48,218,565</u>	<u>47,826,345</u>
Income (Loss) From Operations	(26,545,601)	1,180,283
Other Expense		
Net interest expense	(6,300,245)	(7,422,886)
	<u>(6,300,245)</u>	<u>(7,422,886)</u>
Net Loss	(32,845,846)	(6,242,603)
Member's Deficit, Beginning of Year	<u>(136,451,539)</u>	<u>(130,208,936)</u>
Member's Deficit, End of Year	<u>\$ (169,297,385)</u>	<u>\$ (136,451,539)</u>

Silver Dollar City Stone Mountain Park, LLC
Statements of Cash Flows
Years Ended January 3, 2021 and December 29, 2019

	2020	2019
Operating Activities		
Net loss	\$ (32,845,846)	\$ (6,242,603)
Items not requiring cash		
Depreciation and amortization	2,118,680	4,075,058
Loss on impairment and disposal of assets	13,786,785	222,640
Loss on impairment and advance under management agreement	763,329	-
Changes in		
Accounts receivable	202,658	234,975
Inventories	226,924	91,244
Prepaid expenses and other assets	656,839	(592,946)
Accounts payable, accrued expenses, and deferred rent payable	4,598,036	(524,219)
Deferred revenue	(841,512)	(43,188)
Due to related parties	5,906,110	225,253
	<u>(5,427,997)</u>	<u>(2,553,786)</u>
Investing Activities		
Construction and purchase of property and equipment	(1,495,692)	(1,996,028)
Proceeds from disposal of property and equipment	100	-
	<u>(1,495,592)</u>	<u>(1,996,028)</u>
Financing Activities		
Proceeds from borrowing from related party	7,250,000	7,800,000
Principal payments on note payable to related party	(300,000)	(4,000,000)
	<u>6,950,000</u>	<u>3,800,000</u>
Increase (Decrease) in Cash and Cash Equivalents	26,411	(749,814)
Cash and Cash Equivalents, Beginning of Year	<u>4,362,007</u>	<u>5,111,821</u>
Cash and Cash Equivalents, End of Year	<u>\$ 4,388,418</u>	<u>\$ 4,362,007</u>
Supplemental Cash Flows Information		
Interest paid (net of amount capitalized)	\$ 385,082	\$ 7,429,397
Accounts payable incurred for construction in progress	\$ -	\$ 40,522

Silver Dollar City Stone Mountain Park, LLC

Notes to Financial Statements

January 3, 2021 and December 29, 2019

Note 1: Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

The Company is a wholly owned subsidiary of Herschend Entertainment Company, LLC (HEC) to lease and operate a portion of Stone Mountain Park (the “Park”) located in DeKalb County, Georgia through a lease agreement with the Stone Mountain Memorial Association (SMMA). Park operations consist primarily of a hotel, a conference center, golf facilities (see *Note 3*), recreation facilities, attractions, retail food and merchandise sales, and collection of parking fees. The Company derives its revenues principally from admission charges and food and merchandise sales to individual customers.

The term of the Company’s lease with SMMA, was scheduled to expire on January 3, 2028. The lease contained an early termination option which was exercised by the Company in July 2020, accelerating the expiration date to August 2022.

Fiscal Year

The Company has a 52/53-week fiscal year ending on the Sunday closest to December 31. Fiscal year 2020 was a 53-week year and 2019 was a 52-week year.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash Equivalents

The Company considers all liquid investments with original maturities of three months or less to be cash equivalents. At January 3, 2021 and December 29, 2019, cash equivalents consist of money market accounts which are not insured by the FDIC. As of January 3, 2021, the Company had \$312,000 invested in these money market accounts.

At January 3, 2021, the Company’s cash accounts exceeded federally insured limits by approximately \$2,800,000.

Inventory Valuation

Merchandise inventory is valued at the lower of cost (retail inventory method) or net realizable value. All other inventories are valued at the lower of cost (average cost method) or net realizable value.

Silver Dollar City Stone Mountain Park, LLC

Notes to Financial Statements

January 3, 2021 and December 29, 2019

Long-Lived Asset Impairment

The Company evaluates the recoverability of the carrying value of long-lived assets whenever events or circumstances indicate the carrying amount may not be recoverable. If a long-lived asset is tested for recoverability and the undiscounted estimated future cash flows expected to result from the use and eventual disposition of the asset is less than the carrying amount of the asset, the asset cost is adjusted to fair value and an impairment loss is recognized as the amount by which the carrying amount of a long-lived asset exceeds its fair value. As a result of the Company's decision in July 2020 to exit the lease with SMMA effective August 2022, the Company recognized \$13,617,972 of impairment of long-lived assets for the year ended January 3, 2021 included in loss on impairment and disposal of assets in the statement of operations. No asset impairment was recognized for the year ended December 29, 2019.

Property and Equipment

Property and equipment acquisitions are stated at cost less accumulated depreciation, amortization, and accumulated impairment losses. Depreciation and amortization is charged to expense on the straight-line basis over the estimated useful life of each asset. Assets under capital lease obligations and leasehold improvements are amortized over the shorter of the lease term or their respective estimated useful lives. The Company capitalizes interest costs on constructed assets based on the interest rates paid for long-term borrowing.

Lease Acquisition Costs

Lease acquisition costs of the lease with SMMA are amortized on a straight-line basis over the initial 30-year lease term. Amortization expense totaled \$10,480 and the Company recorded \$127,074 of impairment loss for the year ended January 3, 2021. The Company recognized \$17,030 of amortization expense for the year ended December 29, 2019.

Revenue Recognition, Accounts Receivable, and Deferred Revenue

Revenue is recognized when control of the promised goods or services is transferred to the Company's customers, in an amount that reflects the consideration that it expects to be entitled to in exchange for those goods or services. The amount and timing of revenue recognition varies based on the nature of the goods and services provided and the terms and conditions of the customer contract. Many products, including season-long products, are sold to customers in advance, resulting in a contract liability (deferred revenue).

The Company records deferred revenue at the time of sale of annual parking permits and annual attraction passes and on the receipt of other similar deposits.

Silver Dollar City Stone Mountain Park, LLC

Notes to Financial Statements

January 3, 2021 and December 29, 2019

Accounts receivable are stated at the amount of consideration from customers of which the Company has an unconditional right to receive plus any accrued and unpaid interest. The Company provides an allowance for doubtful accounts to the extent warranted based upon a review of outstanding receivables, historical collection information, and existing economic conditions. Accounts receivable are ordinarily due 30 days after the issuance of the invoice. Accounts that are unpaid after the due date bear interest at 1.5 percent per month. Accounts past due more than 120 days are considered delinquent. Delinquent receivables are written off at the end of the operating season based on individual credit evaluation and specific circumstances of the customer. During the years ended January 3, 2021 and December 29, 2019, impairment losses on doubtful accounts receivable, where collectability is not reasonably assured and the Company's allowance for doubtful accounts was \$0.

Self-Insurance

The Company has elected to self-insure certain costs related to employee health and accident benefit programs, employee work related injuries, and guest injuries. Costs resulting from uninsured losses are charged to expense when incurred. Herschend Family Entertainment Corporation (HFEC) has purchased insurance that limits the Company's exposure on workers' compensation claims to \$750,000 per occurrence. The Company's exposure for general liability claims is \$500,000 per occurrence. The Company has purchased insurance that limits its exposure on health claims to \$200,000 per calendar year for each covered employee and their covered dependents.

Advertising

The Company expenses external advertising production costs the first time the advertising takes place. Internal advertising costs are expensed as incurred.

Income Taxes

The Company's Member has elected for the Company's taxable income or loss to be included in the Member's federal and state income tax returns under provisions of the Internal Revenue Code and a similar section of the state income tax law. Therefore, no provision for income taxes has been included in the accompanying financial statements.

Subsequent Events

Subsequent events have been evaluated through March 29, 2021, which is the date the financial statements were available to be issued.

Silver Dollar City Stone Mountain Park, LLC

Notes to Financial Statements

January 3, 2021 and December 29, 2019

Note 2: Revenue from Contracts with Customers

Revenue is generated from (1) sales of admissions and parking at the Park, (2) food, merchandise, and games inside the Park, (3) the Company's share of net resort operating income or loss from its operating agreement with Marriott Hotel Services, Inc. (Marriott), and (4) commissions and rental fee income from third parties.

Revenue is recognized upon admission into the Park and when goods or services are delivered to the Company's guests. Revenues are presented net of sales tax collected from guests and remitted or payable to government or taxing authorities.

Season passes, other multiuse admissions, and season-long products are recognized using an estimated redemption rate over a 52-week period, based on historical experience and other factors. Amounts received for multiuse or advance admissions in excess of redemptions are included in deferred revenue. The Company reviews the estimated redemption rate on an ongoing basis throughout the year.

Food, merchandise, games, resort revenue, and other items are recognized at the time the goods or services are provided to guest.

The Company arranges with outside parties to provide goods and services to guests resulting in net revenue recognized as commissions in the statements of operations at the time the good or service is provided.

Sponsorship revenues are classified as other operating are recognized over the Park operating season which represents the period in which the performance obligations are satisfied.

Amounts received for multiuse or advance admission in excess of redemptions are included in deferred revenue. The Company expects substantially all revenue deferred as of the balance sheet date to be recognized within twelve months.

The following table presents the Company's revenues disaggregated by the timing of when recognized. Most revenues are recognized at a point in time based on actual guest spending at the Park. Revenues from multiuse products, including season-long products for admission and other products are recognized over a period of time. Revenues recognized during the years ended January 3, 2021 and December 29, 2019, were as follows:

	<u>2020</u>	<u>2019</u>
Timing of revenue recognition		
At a point in time	\$ 15,763,895	\$ 42,259,984
Over a period of time	<u>5,909,069</u>	<u>6,746,644</u>
Total	<u>\$ 21,672,964</u>	<u>\$ 49,006,628</u>

The nature, amount, and timing of revenues are variable based upon the seasonal nature of the Company's business.

Silver Dollar City Stone Mountain Park, LLC

Notes to Financial Statements

January 3, 2021 and December 29, 2019

Accounting Policies and Practical Expedients Elected

The Company is applying an accounting policy election, which allows an entity to exclude from revenue any amounts collected from customers on behalf of third parties, such as sales taxes and other similar taxes collected concurrent with revenue-producing activities. Revenue is presented net of sales taxes and similar revenue based taxes.

The Company has elected the following practical expedients for contracts of one year or less: (1) the Company has elected not to adjust the consideration for the effects of significant financing components; (2) the Company has elected the practical expedient to recognize the incremental costs of obtaining a contract as an expense when incurred.

The following table provides information about the Company's receivables and deferred revenue from contracts with customers:

	2020	2019
Accounts receivable, beginning of year	\$ 386,057	\$ 616,032
Accounts receivable, end of year	183,399	386,057
Deferred revenue, beginning of year	4,231,420	4,274,608
Deferred revenue, end of year	3,389,908	4,321,420

Note 3: Operating Leases and Management Agreements

Management Agreement and Lease with SMMA

The Company is party to an operating lease agreement with SMMA, a body originally created by the state of Georgia, to operate the revenue-producing operations of Stone Mountain Park. The Company exercised the early termination option in July 2020.

Annual base lease payments under the agreement for both 2020 and 2019 were \$9,720,000. The Company pays additional rent for the use of a ballroom facility in an amount determined by multiplying the construction cost by a variable rate based upon LIBOR less 0.5 percent ranging from 4 percent – 7 percent which totaled approximately \$238,000 for each of the years ended January 3, 2021 and December 29, 2019. Total lease expense under this lease, including base rent and additional rent, was approximately \$9,958,000 for each of the years ended January 3, 2021 and December 29, 2019, of which \$4,860,000 was deferred in 2020 and will be payable August 1, 2022 at the termination of the lease.

During 2020, the lease was amended to specify that base rent will be reduced effective January 1, 2021, through the lease termination date of August 1, 2022. Annual base rent will be \$7,890,000 for 2021. Base rent for January through August 1, 2022, will be \$3,840,000.

Silver Dollar City Stone Mountain Park, LLC

Notes to Financial Statements

January 3, 2021 and December 29, 2019

The lease restricts use of the premises to certain recreational purposes and contains other operating requirements. The lease has also required that 5 percent of gross revenues be deposited into a separate bank account (the "Reserve Account") to be used for repair, renovations, and replacements of fixtures, furnishings, equipment, and improvements at Stone Mountain Park. During 2009, 2011, and again in 2015, the lease was amended such that SMMA may fund a portion of the Reserve Account deposits for 2010 through 2020. The 2015 amendment also reduced the Company's required annual contributions to the Reserve Account by \$500,000 for calendar years 2016 through 2020. Expenditures from the Reserve Account require SMMA approval. As of January 3, 2021 and December 29, 2019, respectively, all deposits in the reserve account have been approved for expenditure. During 2020, the lease was amended to specify the reserve requirement through the termination date of August 1, 2022. The reserve requirement for the capital year of June 1, 2020, through May 31, 2021, will be 2.5 percent of 2020 annual gross revenue. The reserve requirement for capital year June 1, 2021, through May 31, 2022, will be 2.5 percent of 2021 annual gross revenue. There is no reserve requirement for the months of June and July 2022.

The Company also has a management agreement with Marriott Hotel Services (Marriott), which encompasses the operations of a conference center, a hotel, and two golf courses located at Stone Mountain Park. The term of the management agreement runs current with the SMMA lease agreement and will terminate on August 1, 2022, and also contains Reserve Account requirements in accordance with the SMMA lease. In accordance with the 2015 amendment, the Reserve Account for Marriott operations were fully funded by the lessor through 2020. Fees due to Marriott under the management agreement are a percentage of gross revenues, plus a percentage of profits after they exceed designated levels. The management agreement contains operations funding and performance requirements along with termination options if these requirements are not met in specified time periods. The Company or SMMA is also responsible for funding certain capital projects.

A fee of \$638,800 is due to Marriott for early termination of the management agreement which was recognized in other accrued expenses in the Company's balance sheet on January 3, 2021. Included in accounts payable at January 3, 2021 and December 29, 2019, are approximately \$1,990,000 and \$2,163,000, respectively, which are due to Marriott or SMMA for reimbursement of repairs, renovations, and replacement of furnishings, fixtures, equipment and other improvements and net operating loss in accordance with provisions of the management agreement. Included in accounts receivable at January 3, 2021 and December 29, 2019, is approximately \$0 and \$156,000, respectively, due from Marriott based on sales at the end of fiscal year 2020 and 2019. Resort income (loss) as shown in the statements of operations includes the Company's share of operating profit (loss) from Marriott-managed properties after management fees are deducted. Per the terms of the Marriott Management Agreement, the Company advanced Marriott \$763,329 for initial working capital at inception of the agreement, of which \$0 is expected to be recovered with the termination of the lease agreement. Impairment of the advance under management agreement is included in other operating expenses on the Company's statement of operations.

Silver Dollar City Stone Mountain Park, LLC

Notes to Financial Statements

January 3, 2021 and December 29, 2019

As a result of the Company's decision to exit the SMMA lease and Marriott agreement, the Company incurred impairment losses during the year ended January 3, 2021, of approximately \$14,508,000 and other lease exit costs incurred totaled approximately \$1,230,000, which included approximately \$340,000 in deferred employee compensation reported in accrued payroll and payroll taxes on the balance sheet. This deferred compensation consists of stay bonuses and related estimated taxes and benefits that are being accrued over the remaining service period and are subject to forfeiture upon early termination. As of January 3, 2021, the maximum estimated cost the Company expects to incur under such arrangements totaled approximately \$3.1 million.

Other Operating Leases

Other noncancelable operating leases expire in various years through 2024. These leases generally require the Company to pay all executory costs (property taxes, maintenance, and insurance). Rental payments include minimum rentals.

Future minimum lease payments including the SMMA lease and other operating leases at January 3, 2021, were:

2021	\$ 8,170,000
2022	4,010,000
2023	30,000
2024	10,000

Note 4: Inventories

Inventories consist of the following:

	2020	2019
Merchandise	\$ 695,078	\$ 740,019
Food	102,097	237,640
Supplies	625,466	677,446
Raw materials	71,097	65,557
	<u>\$ 1,493,738</u>	<u>\$ 1,720,662</u>

Silver Dollar City Stone Mountain Park, LLC

Notes to Financial Statements

January 3, 2021 and December 29, 2019

Note 5: Related Party Transactions

As of January 3, 2021 and December 29, 2019, the Company owed \$155,600,000 and \$148,650,000, respectively, in unsecured advances to HEC which are due upon demand. The Company incurred interest of \$6,308,059 and \$7,432,603 on these advances from HEC for the years ended January 3, 2021 and December 29, 2019, respectively, of which \$5,984,066 and \$61,089 remains payable at January 3, 2021 and December 29, 2019, respectively. Interest is incurred at HEC's weighted average rate for funded debt, which was approximately 5 percent at January 3, 2021 and December 29, 2019. The Company has been dependent upon financing from HEC and previously HFEC to fund continuing operations. To date HEC has provided these funds and has expressed the ability and intent to continue to provide funds in future years.

The Company paid certain fees to HEC and related entities for administrative support and receives reimbursement for certain fees for a net total of \$788,918 and \$1,269,134 for the years ended January 3, 2021 and December 29, 2019, respectively.

The Company's employees participate in a profit-sharing and a contributory employee savings 401(k) plan administered by HEC. Contributions to the profit-sharing plan for eligible employees are made at the discretion of the Board of Directors of HFEC. Profit-sharing and 401(k) expenses amounted to \$0 and \$384,644 for the years ended January 3, 2021 and December 29, 2019, respectively.

As a subsidiary of HEC, the Company's assets serve as collateral for HEC term debt. The amount of HEC's outstanding debt exceeds the total assets of the Company as of January 3, 2021. These guarantees are effective for as long as the related debt is outstanding. The Company has also guaranteed certain bank letters of credit for HEC. As of January 3, 2021 and December 29, 2019, letters of credit totaling \$382,000 were outstanding for which the Company was contingently liable.

Note 6: Net Interest Expense

Net interest expense consists of the following:

	<u>2020</u>	<u>2019</u>
Gross interest expense	\$ 6,308,059	\$ 7,432,603
Less: interest capitalized	6,835	5,327
	<u>6,301,224</u>	<u>7,427,276</u>
Interest income	979	4,390
Net interest expense	<u>\$ 6,300,245</u>	<u>\$ 7,422,886</u>

Silver Dollar City Stone Mountain Park, LLC

Notes to Financial Statements

January 3, 2021 and December 29, 2019

Note 7: Significant Estimates and Concentrations

Accounting principles generally accepted in the United States of America require disclosure of certain significant estimates and current vulnerabilities due to certain concentrations. Those matters include the following:

Accrual for Injury Claims

Management records an estimated liability for guest and employee injuries including costs of litigation based upon the facts of each case, prior experience with similar claims, and consultation with the Company's legal counsel. The amount of actual losses incurred could differ materially from the estimates reflected in these financial statements.

Employee Health Care Claims

The Company self-insures employee health care costs and charges premiums to participating employees. The Company accrues an estimated liability for employee health care claims incurred in excess of the premiums available to pay those costs. This accrual is recorded by management based upon an evaluation of reported cases and historical claims expenses. The amount of actual losses incurred could differ materially from the estimates reflected in these financial statements. Based on the current status of HEC's insurance trust, no additional accrual was required for the years ended January 3, 2021 and December 29, 2019.

Deferred Revenue

Revenue from the sale of annual passes is deferred when sold and is recognized on a straight-line basis over 52 weeks based upon historical experience. Certain other admission revenue is recognized over the estimated period of use.

General Litigation

The Company is subject to claims and lawsuits that arise primarily in the ordinary course of business. It is the opinion of management that the disposition or ultimate resolution of such claims and lawsuits will not have a material adverse effect on the financial position of the Company.

Note 8: Current Economic Conditions

As a result of the spread of the SARS-CoV-2 virus and the incidence of COVID-19, economic uncertainties have arisen which may negatively affect the financial position, results of operations, and cash flows of the Company. The Company temporarily suspended operations at the park for part of 2020 and furloughed certain employees which negatively impacted the operating results and cash flows of the Company. The Company is operating at reduced capacity as of March 29, 2021; however, the duration of these uncertainties and the ultimate financial effects cannot be reasonably estimated at this time.

Silver Dollar City Stone Mountain Park, LLC

Notes to Financial Statements

January 3, 2021 and December 29, 2019

Note 9: Future Change in Accounting Principle

Accounting for Leases

The Financial Accounting Standards Board amended its standard related to the accounting for leases. Under the new standard, lessees will now be required to recognize substantially all leases on the balance sheet as both a right-of-use asset and a liability. The standard has two types of leases for income statement recognition purposes: operating leases and finance leases. Operating leases will result in the recognition of a single lease expense on a straight-line basis over the lease term similar to the treatment for operating leases under existing standards. Finance leases will result in an accelerated expense similar to the accounting for capital leases under existing standards. The determination of lease classification as operating or finance will be done in a manner similar to existing standards. The new standard also contains amended guidance regarding the identification of embedded leases in service contracts and the identification of lease and nonlease components in an arrangement. The new standard is effective for annual periods beginning after December 15, 2021. The Company is evaluating the impact the standard will have on the consolidated financial statements; however, the standard could have a material impact on the consolidated financial statements due to the recognition of additional assets and liabilities for operating leases.

APPENDIX F

PROTEST PROCEDURES

Appendix F

Protest Procedures

F-1. Protest Process

An interested Respondent may file a written protest to the SMMA, challenging compliance with applicable procurement procedures provided in this Request for Proposal (RFP), subject to the interested Respondent compliance with the provisions of this section and subsection. An “interested Respondent” is defined as an actual or prospective offeror with a direct economic interest in the procurement. In challenges relating to the evaluation of proposals and the award of contracts, this generally means a Respondent that would potentially be in line for award if the protest were sustained. Protests must demonstrate a reasonable possibility of competitive prejudice; in effect, but for the procuring entity’s actions, the protesting party would have had a substantial chance of receiving an award. The presence of multiple nonmaterial issues in a solicitation or award does not constitute a material issue unless the interested party can establish that those nonmaterial issues together would prejudice the outcome of the procurement. Protests will be resolved in accordance with the following subsections.

The following general principles shall apply in the review of protests:

- The standard for reviewing the evaluation of proposals is one of deference to any reasonable judgement of the evaluation team. A protesting party’s simple disagreement with the evaluation team provides no basis for reserving the evaluation team’s allocation of points.
- Governmental officials and state entities are presumed to act in good faith, and a protestor’s contention that procurement officials, including but not limited to procurement personnel and evaluation team members, are motivated by bias or bad faith must be supported by convincing proof.
- The composition of an evaluation team is a matter in which the procuring entity maintains great discretion. The qualifications or the composition of an evaluation team may not be questioned unless the protester provides convincing proof of bad faith, conflict of interest, or actual bias.
- The manner and depth of the procuring entity’s price analysis is a matter within the sound exercise of the procuring entity’s discretion. Interested Respondents may not challenge the realism of a potential; awardee’s price, such as arguing that whether a Respondent’s price is so low that it reflects a lack of understanding of the procuring entity’s requirements or creates a risk of unsuccessful performance.
- The procuring entity maintains discretion in establishing its requirements, but only to the extent that such requirements are not overly restrictive.
- Patent ambiguities must be challenged prior to close of the solicitation. A Respondent who chooses to compete under a patently ambiguous solicitation. A Respondent who chooses to compete under a patently ambiguous solicitation does so at its own peril and cannot later complain when the procuring entity proceeds in a manner inconsistent with one of the possible interpretations.
- Affirmative determinations of responsibility by the procuring entity are subject to protest only in the following circumstances:
 - Challenges alleging that definitive responsibility criteria contained in the solicitation were not met.
 - Challenges identifying significant evidence that the procuring entity failed to consider available relevant information that, by its nature, would be expected to have strong

berating on whether the apparent successful Respondent should be found responsible. The information in question must concern serious matters that call into question the Respondent's capability or qualification to contract with the state, such as allegations of fraud or other potential criminal activity.

- In making a negative responsibility determination (a determination that a Respondent is non-responsible), a procuring entity is vested with a wide degree of discretion and, and of necessity, must rely upon business judgement in exercising that discretion. Although the determination must be factually supported and made in good faith, the ultimate decision appropriately is left to the procuring entity, since the procuring entity must bear the effects of any difficulties experienced in obtaining the required performance. For these reasons, a negative determination of responsibility will generally not be questioned unless the protester can demonstrate bad faith on the part of the procuring entity or a lack of reasonable basis for the determination.
- A proposal that is received after the exact time specified in the solicitation is considered to be late and generally will not be considered by the procuring entity. Respondents are responsible in all respects for timely submission of proposals. A Respondent's protest relating to ability to submit a timely offer utilizing the state's electronic bidding system will not be sustained unless the State's technical review of the electronic bidding system specifically identifies a system functionality error that prevented submission of Respondent's response within two hours prior to close of a submission. Increased processing time is not considered to be a system functionality error.

F-2. TYPES OF CHALLENGES

There are numerous different challenges an interested Respondent may make; however, the types of challenges are generally organized as follows:

- **Challenge to the Solicitation:** Any interested Respondent capable of responding to a competitive solicitation may file a protest with respect to the competitive solicitation process, including but not limited to a challenge to specifications or any events of facts arising during the solicitation process.
- **Challenge to the State's Intended or Actual Contract Award:** Any interested Respondent submitting a timely written response to a competitive solicitation may file a protest with respect the procuring entity's intended or actual contract award, including, but not limited to, events or facts arising during the evaluation and/or negotiation process.

F-3. FORM OF PROTEST

At minimum, the protest must be submitted in writing to j.pettaway@stonemountainparkpark.org and must include the following:

- The name and address of the protestor;
- Appropriate identification of the solicitation;
- A statement of reasons for the protest;
- Supporting exhibits, evidence or documents to substantiate any claims unless not available within the filing time (in which case the Respondent must proceed to file the protest within the filing period identified below, but state the expected availability of the material); and,
- The desired remedy.

To ensure the protect process is conducted efficiently and in a manner fair to all parties, a protesting Respondent is required to identity all grounds for protest during the protest filing period. The State

Treasurer, at his/her discretion, may deem issues not raised in the protest filing period as voluntarily relinquished by the protesting Respondent. After the protest filing period expires, any grounds for protest voluntarily relinquished by the protesting Respondent may not be introduced by the protesting Respondent at any time during the protest process or any subsequent litigation.

F-4. Filing Deadlines

Protests must be received within ten (10) calendar days after the protesting party knows or should have known of the occurrence of the action which is protested or the protest filing deadline located in Table A, whichever date is earlier. Untimely protests will not be considered absent evidence of malfeasance or administrative error by the procuring entity that substantially impaired and interested Respondent’s ability to file a timely protest. In the event that timely access to records has not been provided as required to file a protest within the filing period, indicating the failure of the procuring entity to provide timely access to records and reserving the right to file an amended protest upon production of such records. If an interested Respondent fails to file a protest by the applicable deadline, the SMMA CEO may, at his/her discretion, deem such failure as the Respondent’s voluntary relinquishment of any grounds the Respondent may have for protesting through the protest process or through subsequent litigation.

Table A Protest Filing Deadlines	
Type of Protest	Protest Filing Deadline
Challenge to Competitive Solicitation Process	Two business days prior to the closing date and time of the solicitation as published on the Georgia Procurement Registry.
Challenge to an Intended or Actual Contract Award as posted in the Notice of Intent to Award	The protest must be filed within ten calendar days of the date the Notice of Intent to Award is posted.

F-5. Stay of Procurement During Protest Review

When a protest challenging the competitive solicitation process has been timely filed at least two business days prior to the closing date and time, the solicitation will not close until a final decision resolving the protest has been issued, unless the SMMA CEO makes a written determination that the closing of the solicitation without delay is necessary to protect the interests of the state.

When a protest challenging an intended contract award has been timely filed, the procuring entity will not proceed to actual contract award unless the SMMA CEO makes a written determination that the issuance of a contract or performance of the contract without delay is necessary to protect the interests of the state.

If it is determined that it is necessary to proceed with contract performance without delay, the Respondent with this contingent contract may proceed with performance and receive payment for work performed in strict accordance with the terms of the contract; however, such Respondent will not be entitled to

reimbursement for any capital outlay costs, or other up-front expenditures incurred in performing the contract. The provisions of this paragraph are not applicable to a protest pertaining to events or facts arising during the solicitation process.

F-6. Protest Resolution

The parties involved in the protest have, upon written request filed within ten calendar days from the filing of the protest, a right to a hearing before the SMMA CEO. If a hearing is requested, the SMMA CEO, or designee, shall issue a Procedural Order, scheduling and providing details for a hearing. The parties may submit documentary evidence and witness testimony in the form of affidavits prior to the hearing. The SMMA CEO may solicit additional information from the parties at any time prior to the issuing of the final decision. The requesting party may request at any time that the hearing be conducted before a court reporter. Such request must be in writing and include an agreement by the requesting party that it shall pay for the court reporting services for such hearing. The requesting party shall be responsible for securing the services of the court reporter and shall notify the SMMA CEO so that accommodations can be made for a court reporter at the hearing. To be made part of the record, the original transcript of any such proceedings shall be submitted to the SMMA CEO as soon as the transcript is available, without cost. The SMMA CEO will make a decision on the protest as expeditiously as possible after receiving all relevant requested information. The decision of the SMMA CEO will be the final action regarding the protest.

Table B Protest Remedies	
If Protest concerns...	Then, available relief includes, but is not limited to the following:
Challenge to Competitive Solicitation Process	<ul style="list-style-type: none"> • Modification of the solicitation document. • Extension of the solicitation closing date and time (as appropriate). • Cancellation of the solicitation.
Challenge to an Intended or Actual Contract Award as posted in the Notice of Intent to Award	<ul style="list-style-type: none"> • Revision or cancellation of the NOIA/NOA. • Re-evaluation and re-award. • Cancellation. • Re-solicitation.

F-7. COSTS

In no event will a Respondent be entitled to recover an costs incurred in connection with the solicitation or protest process, including, but not limited to, the costs of preparing a response to the solicitation, the costs of participating in the protest/request for formal review process or any attorneys’ fees.