



CITY OF MANCHESTER

Theodore L. Gatsas

Mayor

FOR IMMEDIATE RELEASE

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Manchester and SMG announce deal worth \$24 million Management contract extended until 2031

MANCHESTER, NH - - This evening the Special Committee on the Civic Center and the Board of Mayor and Aldermen approved an extension of the contract between SMG and the City of Manchester for management services of the Verizon Wireless Arena.

Civic Center Committee Chairman and At-Large Aldermen Dan O'Neil began, "There's no question that this is a win-win for the city. The extension of this contract has a value of approximately \$24 million over the course of a 21 year period and based on the profit margins of the arena we have real potential to exceed that number. This extension gives the city an incentive to ensure the future success of the Verizon Wireless Arena."

Tim Bechert, General Manager for the Verizon Wireless Arena stated, "From SMG's perspective we view our relationship with the City of Manchester as a partnership, and we are pleased to build on the foundation we've set." The Verizon Wireless Arena was opened under SMG management in November 2001 and has hosted over 1000 events, sold out more than 200 events and welcomes more than 5.1 million people.

"Clearly SMG, with the support of the City of Manchester, has found a winning formula at the Verizon Wireless Arena. When Mayor Gatsas approached us regarding our contract we recognized that each of us brought value to the table. The terms of this extension are a direct result of SMG's success at the arena and the cities participation in our success," added Bechert.

"As Mayor I believe it's incumbent upon me to protect city taxpayers. Under the terms agreed to by SMG and the city of Manchester the taxpayer bears no risk. All operating losses, if ever there are any, will be guaranteed by SMG. Further SMG will continue to make annual contributions to the Capital Reserve Fund for any future improvements to the Verizon Wireless Arena," concluded Manchester Mayor Ted Gatsas.

The vote to approve the contract extension was unanimous by the Board of Aldermen (14-0) and goes into effect April 1, 2010 and expires April 1, 2031. Specific financial details are attached.

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