Excerpt From Trust Indenture

LAW OFFICE
PAUL JOHANNING
OKLAHOMA CITY

(3.2) (Appointment) The Authority shall appoint four (4) members of the Golf Board as vacancies shall occur. Those board memberships shown in Section 3.1 above as numbers 1, 3, 5 and 7 are appointees of the Authority and their successors, immediate and remote shall be selected by the Authority. Those board memberships shown in Section 3.1 above as numbers 2, 4 and 6 are appointees of Clinton Industrial Foundation, a non-profit corporation, and their successors, immediate and remote shall be selected by Clinton Industrial Foundation. In the event of a vacancy caused by other than expiration of a term of a member, the appointment shall be for the remainder of the unexpired term by the Authority or Clinton Industrial Foundation as the case may be.

(3.3) (Removal) Any member of the Golf Board may be removed by the Authority for good cause certified by a Resolution of the Authority, which cause shall include, but not be limited to, repeated failure to attend the meetings of the Golf Board or failure to abide by the provisions of this Resolution as herein provided. Removal shall effect a vacancy in the office of the member removed.

SECTION 4. Duties.

The Golf Board shall make recommendations to the Authority with regard to all aspects of the operation of the Golf Course, including but not limited to the following:

1. Employment of a golf professional or other provision for the administration of the Golf Course and the duties thereof.

2. Establishment of a system for keeping records of daily receipts at the Golf Course.

3. The physical needs of the Golf course, personnel, fiscal, supplies and capital items.

4. An annual budget for controlling the expenditure of funds for the Golf Course.

GOLF PRO INDEPENDENT CONTRACTOR AGREEMENT

This Agreement ("Agreement") is entered into this __ day of February 2025 by and between the Clinton Recreational Authority ("Authority), a Title 60 public trust with the sole beneficiary being the City of Clinton, Oklahoma and Perry's Golf Shop, LLC ("Golf Pro") for the management and operation of the clubhouse at Riverside Golf Course ("Riverside") .

WITNESSETH:

WHEREAS: Authority is the owner of an eighteen-hole golf course facility known as Riverside which includes other forms of amenities, including a clubhouse, driving range, food and beverage operations and other improvements and business operations.

WHEREAS: Authority intends to enhance the day-to-day operations of Riverside by contracting for professional day to day management by a Golf Pro, to work in collaboration with a Golf Course Superintendent who is responsible for maintaining the course, for the complete operations of Riverside, including, without limitation, administration of all receipts, disbursement, operations and management of the golf course, clubhouse, related facilities and equipment, personnel management, marketing and sales and membership development.

WHEREAS: Authority desires that Golf Pro provide the day-to-day management and other operation services of the clubhouse which are necessary for the successful operations of Riverside in a professional manner with budgets and operations in recognition of Authority's financial means while providing a professional, recreational opportunity for the citizens of the City of Clinton.

WHEREAS: Perry's Golf Shop has agreed to provide such services on the terms and conditions set forth below and will be referred to during the term of this Agreement as the "Golf Pro".

I. BASIC TERMS

1. Duration of the Agreement: The initial term of this Agreement will be from the date of execution of this Agreement as provided above until January 31, 2026. Thirty (30) days prior to the expiration of the initial term, either party may seek an extension of the Agreement for an additional twelve (12) month term. The Agreement will only be extended by mutual agreement.

2. Management Fee: The monthly base management fee will be seven thousand dollars ($7,000.00) payable in two (2) equal installments after services have been performed.

3. Incentive Fee: In addition to the base management fee, Golf Pro will be entitled to five percent (5%) of the revenues generated from green fees and cart rentals

five percent (5%) of the revenues generated from green fees and cart rentals associated with Tournaments procured by Golf Pro. However, Golf Pro will not be entitled to any entry fee paid in connection with the tournaments listed on Attachment "A" to this Agreement.

This incentive fee does not include any fees collected from golfers not affiliated with the Tournaments in the event the Golf Course facility is open for play for other persons than those signed up for a Tournament. Except as provided above, Golf Pro will not be entitled to any percentage of golf cart rentals paid by non-Tournament golfers.

4. Concessions: Golf Pro will be solely responsible for procuring, stocking, marketing, and selling golf course apparel, equipment, food and beverages sold through the golf clubhouse. Golf Pro will be required to maintain, at all times, appropriate quality control and food and other safety standards mandated by state and federal laws and regulations.

   Golf Pro will be entitled to 100% of the proceeds from merchandise sales, golf club repairs, driving range fees and from food and beverages sold in/from the clubhouse, including from the beverage cart and golf lessons. The Authority will be entitled to 100% of the proceeds from memberships, greens fees, golf cart rentals and cart trail fees.

5. Permits/licenses: In the event that Golf Pro elects to sell alcoholic beverages, he will be responsible for securing and maintaining the necessary licenses from the ABLE Commission all applicable regulations of the Oklahoma Alcohol Beverage Laws Enforcement (ABLE) Commission

6. Sales Taxes: Golf Pro will be responsible for the collection and remitting of all sales tax due on any item sold by him under this Agreement. He acknowledges and agrees that as a sole proprietor, he is not entitled to use the Authority's or the City's sale tax exempt status in the performance of this Agreement.

7. Revenue: The financial viability of Riverside is based upon a "pay to play" revenue stream whereby all users pay: membership, greens fees, trail fees and other fees to support the facility. As a result, allowing payment for free by any person will be limited to written arrangements approved in advance in writing by the Authority.

8. Consultations: Golf Pro recognizes that the Authority's General Manager (City Manager) is the Authority's contract administrator for the Agreement. Meetings and less formal consultations, as needed, will occur with the General Manager to discuss any matter related to the Agreement, as well as matters not specifically listed in the Agreement. For at least some of such consultations, the Golf Course Superintendent will also participate.

Furthermore, Golf Pro will provide written monthly activity reports, attend & participate in Golf Advisory Board meetings to review course & clubhouse operations and other matters related to this Agreement.

II. POWERS AND DUTIES OF GOLF PRO

Golf Pro agrees to operate Riverside in good, workmanlike and professional manner by:

1. Devoting sufficient time to the provision of day-to-day management and oversight of the course & clubhouse operations of Riverside. Other than holidays when the course is closed, the clubhouse shall regularly be open at least 30 minutes before sunrise and shall remain open until at least 30 minutes after sunset. Exception would be during significant inclement weather events when the course is closed and/or safe travel to the course is not possible.

2. Employing, compensating and supervising competent & customer attentive staff and deploying such staff and other resources to ensure the proper operation & care of the Riverside facilities. All employees will be deemed employees of Golf Pro and not Authority or City of Clinton.

3. Preparing and maintaining accurately all books, accounts, and records of the operations of Riverside and all transactions related to Riverside utilizing the point-of-sale system selected and maintained by the Authority. This is to include, but not be limited to, the collection of greens fees, cart rental fees, annual memberships, cart trail memberships.

   Within two (2) banking days of collection, Golf Pro shall provide these funds to the City Clerk. All receipts shall be deposited intact by the Golf Pro and shall not be used for petty cash expenditures or other reimbursable expenses.

4. Golf Pro agrees to fully cooperate with representatives of Authority regarding full disclosure of his financial records related to this Agreement upon demand during normal business hours.

5. Overseeing the planning and implementation of all marketing programs including membership sales, tournament events, promoting the overall Riverside facility and placing appropriate media/advertising.

6. Ensuring adequate supplies and equipment in order to operate Riverside.

7. Maintaining the clubhouse and other Riverside facilities under his management in a condition consistent with appropriate quality levels of similar municipal golf courses.

8. Coordinating with representatives of the Authority to result in Riverside to always be in

compliance with all relevant federal, state and municipal laws and regulations.

9. Overseeing all other matters reasonably necessary for the efficient performance of the operations in connection with Riverside.

10. Carrying a minimum of one million dollars of liability insurance with the Authority listed as an additional insured party to cover any acts of negligence by Golf Pro resulting in damage to the Riverside's assets and operations or resulting in damage to any other persons or entities. Excepting, instances of the Authority's negligence or breach.

11. Representing Riverside favorably via reasonable and productive communications with all Riverside members & patrons, vendors and the general public.

a. POWERS AND DUTIES OF AUTHORITY

Authority will have the following duties and responsibilities during the term of this Agreement:

1. Subject to budgetary appropriations and its purchasing policies, be responsible for all expenditures for capital improvements, repairs and maintenance performed by third parties.

2. Acquiring & maintaining insurance coverage on the Riverside facilities via the payment of appropriate premiums.

3. Paying for the costs and expenses for utilities, including water, electricity, internet, satellite television, as well as the selection, acquisition and maintenance of a point-of-sale system.

4. Paying fees due to Manager under this Agreement

b. TERMINATION

The initial term of this Agreement is set forth above. However, the Agreement may be terminated sooner:

1. At any time by mutual agreement.

2. Upon written notice by one party to the other of a default in the duties by the other party when the default is not cured within fifteen (15) days after receipt of notice of default.

3. In the event of gross negligence by Golf Pro in the performance of his obligations under this Agreement.

4. Upon the death of Golf Pro or his physical or mental inability to perform his obligations under this Agreement.

5. Upon twenty-four (24) hours notice from the Authority. In the event of a twenty-four (24) hour termination notice from the Authority. Golf Pro shall inventory all Authority assets which Golf Pro utilizes and provide a written inventory to the General (City) Manager.

c. INDEPENDENT CONTRACTOR

The parties mutually acknowledge and agree that Golf Pro is deemed an Independent Contractor and is not an employee of the Authority or the City of Clinton. As such, except as may be expressly provided herein, Golf Pro has no right or authority to assume or create any obligation or responsibility on behalf of the Authority or the City of Clinton or to bind or attempt to bind the Authority or the City of Clinton in any manner without express permission given in writing.

d. INDEMNITY

Golf Pro agrees to indemnify and hold harmless the Authority for any liability, loss, damage, costs and expenses (including attorney fees) caused by his gross negligence, misconduct or material breach of this Agreement causing harm to any portion of the Riverside facility, any patron of Riverside, any other person or any property of an employee, patron or other person.

e. MISCELLANEOUS

1. Each party warrants and represents that it has the full legal authority to enter into this Agreement and to perform hereunder. Each party agrees to cooperate with the other and its officers, agents, servants, attorneys, or employees in connection with the performance of this Agreement.

2. This Agreement may not be assigned by Golf Pro to any third party without the express, prior written permission of the Authority.

3. If determined by any court of competent jurisdiction that any part of this Agreement is void, voidable, illegal, or unenforceable, that part or portion will be severable from and will not affect the remainder of the Agreement.

4. This Agreement will be subject to the laws of the State of Oklahoma. Any disputes arising out of this Agreement must be brought in the District Court of Custer County or the United States District Court for the Western District of Oklahoma.

5. The terms of this Agreement may only be changed, modified, waived or released by mutual written consent.

6. Any notice, document or other item to be given, delivered, furnished or received by be addressed as follows:

Perry's Golf Shop
22583 East 0900 Road
Custer City, OK 73639
580-309-0264
Email: perryleahadams@yahoo.com

Clinton Recreational Authority c/o General Manager
P.O. Box 1177
415 Gary Blvd.
Clinton, Oklahoma 72601-1177
(580) 323-0261
Email: city.manager@clintonok.gov

7. This Agreement may be executed in multiple counterparts, each of which when so executed, will be deemed an original and such counterparts together will constitute one and the same Agreement.

8. It is understood and acknowledged by the Parties to this agreement that this is a management agreement, not a lease, and Golf Pro has no additional rights to the use of the Riverside facilities other than described herein, other than as a member or paying user of the facility.

Dated this ___day of February 2025

CLINTON RECREATIONAL AUTHORITY

_____
David D. Berrong, Chairman

PERRY'S GOLF SHOP

_____
Perry L. Adams

Attachment "A"

- Masters' Pro Am
- Continue the Tradition
- Class 2A Boy's High School Qualifier
- Class 2A Girls' High School Regional
- Southwest Golf Tour
- Arapaho-Butler School Foundation
- 6-6-6 Tournament
- Fire on the Fairway
- Two Man Scramble/Low Ball
- Riverside Rumble
- Two Man Scramble
- Lions' Club Tournament
- One Person Mulligan
- Labor Day — Labor Day Weekend 2025
- Canute Booster Club
- Three Man Scramble/Low Ball
- Clinton Public Schools Foundation
- Leedey Alumni Tournament