

**SETTLEMENT AGREEMENT,
MUTUAL RELEASES AND COVENANTS NOT TO SUE**

This Settlement Agreement, Mutual Releases and Covenants Not To Sue (“Settlement Agreement”) is made and entered into as of the _____ day of October, 2014, by and among the following:

1. Allstate Life Insurance Company (“Allstate”);
2. Wells Fargo Bank, N.A., in its capacity as Indenture Trustee and solely on behalf of the Party Bondholders and Non-Party Bondholders, on whose behalf it brought claims (“Wells”);
3. Ronald Covin, Walter Krause, Bernard Patterson, Allen Patzke, and Larry Verhulst (collectively the “Party Bondholders”);
4. Mary Abbey, Christine and James Akers, Roberta R. Alcorn, Francis J. Allbritton, Therese Anthony, Gary L. and Sharon D. Armstrong, Lisa Audlin, Bonnie Kane Barenholtz, John M. Barron, Joseph and Linda Beane, Carl Becvar, Ester Bedford, Linda and William Beinke, Addie-Novaria and Walter Bethoon, Barbara and Keith Bitzinger, Beverly Bledsoe, Janet M. and Vernon J. Bloom, Marvin Brunig, Merle I. Buck, Carolyn J. Buckner, John Louis and Joyce E. Buytendorp, C-2 Construction, Maurice Campbell, Captive Investors Fund c/o Voyageur Asset Management, Helen K. and Lee G. Capuchio, S. Kathryn Carnahan, The Catholic Diocese of Wilmington, Delaware, Ronald Chehy, Mario Cirio, Sally Clark, Loretta J. and Thomas C. Coder, Marilyn Colley, Carole Conover, Helen M. Corlett, Karen Cotterell, Kenneth Cude, Larry Roger Cunningham, Eva J. Dayhuff, Pablo De Leon, Samuel Dempster, Emil and Theresa DePiero, Marilyn Diebold, Brian Donovan, Edna M. Doole, Stephen Dorr, Susan Dorr, Allen Lee Dotson, Arlene Dotts, Bill and DeEtte B. Douglas, Robert Dravecky, Alvin Curtis Earls, Rita Echenique, Lennis and Richard Elston, Eric R. Erlbaum, Essex Regional Retirement System, Barry Evans, Bruce Ewing, Sam L. Farmer, Elene Fortman, Kristi L. Galind-Dyson, Lester R. and Jody M. Gaskill, Karl Richard Gerlitz, Kenneth and Lucinda Gerlitz, Better Gleason, Joseph Frank Gleissner, Fred Grapel, Robert R. Griebenow, Marvin Groseth, Faith Hammock, Ann and Kester Haugh, Zelda Hawk, Anna Marie and Frank Hemmen, Adeana and Curtis Henrickson, David A. Hester, Ernestine J. Hins, Glenda C. and William T. Hins, Henry Hudson, Maryann Inman, Iron Workers Local Union #40, 361, 471 Pension Fund, Lois A. Irwin, Billy Sue Jackson, Jerry Jackson, John E. and Judy A. James, Roger Johnson, Suzanne Johnson (beneficiary of original Bond purchaser), Deanna J. and Elmo M. Jones, Thomas Jungwirth, Georgia and Willie H. Knopff, Basil J. Komas, Stephen Korey, William P. Kramer, Arlie G. and Barbara H. Kyzer, Bernard L. Lampo, Jr., Wendy A. Laude, Larry Lauderback, John F. L’Ecuyer, Fred Lenz, Pauline Lovato (The R&P Lovato Trust), Lavina J. Lovitt, David and Margaret Lubbers, Barbara Lurie, Delores A. and John A. MacFadden, Bruce A. Mackintosh, Jeanine Mackintosh, Frederick K. and Patricia B. Maraicher, Charles V. and Lillian E. Marshall, Billy Massey, Marlynrae

Matthews, Robert L. Matthiessen, Maxicor, LLP, Marsha and Rudolph Mayers, Lucy Mayorga, Patricia Mecey, Mark A. Merrill, Kathleen Milford, Minnesota Masonic Charities, Edna Mlady, Linda Montelblanco, Dagmar Montgomery, Peggy K. Moore, Patricia Mosbacher, Edith Marie Moser, New Jersey Statewide Building Laborers Pension Fund, Ruby L. Norris, Edwin Allen and Marjorie Elizabeth Olson, Operating Engineers Local #49 Health and Welfare, David Orndoff, Marilyn F. and Deborah Orndoff, Judith and Jerry Padrta, Jean Pansch, Larry Parr, Edward D. Patillo, Bernard Patton, Leonard and Linda Peters, Carl B. and Sally A. Peterson, Dale Petty, Kathy Phillips, Vicki Porter, Nettie and William Postlewait, Gayle S. and Neil R. Potter, Charlotte and Jack Prescott, Production Sheet Metal Workers Local 10 Retirement Plan, Lorraine Quayle, Amin Radparvar, Donald and Julia Rawn, Florence Reed, Charles L. and Margaret E. Robeda, Mary Cecilla Robertson, Laurence V. Rosa, Amanda L. Ross, Wilmetta R. Roth and Linda A. Sarmo (Wilmetta A. Roth Trust), Norman Rothenbaum, Darlene J. Rowe, Gloria Saiers, Daniel and Doris Sanchez, Mark Sanchez, Esther and Roland Sanchez, Betty Schonthal, Betty and Robert Schmidt, Martha H. Schroyer, Denise and Michael Schuster, James L. Self, Lenore M. Senser, Morton and Susan Shane, Kennon Shank, Lawrence L. Siems, Jack Silhavery, Lisa F. and William B. Sims, Emily Gladys Smith, Harold J. Smith, Paulina Smith, Kenneth Smith, Twila J. Smith, Byron and Dorothy A. Snyder, Louise Stamey, State Bank and Trust FBO Noridan Mutual Insurance Company, Jack and Paula Strickstein, Richard John Strohmayer, Charles K. and Karen A. Struthers, Dennis Swapp, Wendy Tanata, Joan Titland, Logan Tivitt, Deloris and Larry A. Tolliver, United Food and Commerical Workers Union Local 759 and St. Paul Food Employees Health Care Plan, Herman Van Lier, Bobbie and G. Vance Vaupel, Samuel Wasserson, Melvin D. and Sandra L. Weber, Rosella Weissman, Brenda Wellenreiter, Frances and Terrence White, Gerry L. and Lloyd E. Wiles, Gary Willgues, Edward Winthrop, Wisconsin Laborers Health Fund and Emerson Young (collectively the “Non-Party Bondholders”¹);

5. Fain Signature Group, LLC (“FSG”) and Prescott Valley Signature Entertainment, LLC (PVSE”);
 6. The Town of Prescott Valley (“Town”);
- and
7. Thomas L. Hocking and T. L. Hocking & Associates, LLC (collectively, “Hocking”).

FSG, PVSE, Town, and Hocking will be collectively referred to herein as the “Settling Defendants.”

¹ This list of Nonparty Bondholders is intended to be a complete list of all Nonparty Bondholders covered by this Settlement Agreement. In the event there are any errors or omissions, the Settlement Parties agree in good faith to amend this list of Nonparty Bondholders accordingly.

RECITALS

NOW THEREFORE, without any admission or concession whatsoever on the part of Plaintiffs or Plaintiffs' Counsel regarding any lack of merit of any claim in the Litigation or the State Court Litigation, and without any admission or concession of any liability or wrongdoing or lack of merit of the defenses asserted by the Settling Defendants, and

WHEREAS, the Court has dismissed or granted summary judgment on all of Plaintiffs' claims against the Town, all but one claim against PVEC and Hocking, and all but two claims against FSG and PVSE, and absent this Settlement Agreement, those rulings could be subject to appellate review; and

WHEREAS, Wells, based upon Court Orders in the Litigation, represents or is otherwise authorized to act on behalf of the Party Bondholders and the Non-Party Bondholders in the Litigation and the State Court Litigation in its capacity as Indenture Trustee, and

WHEREAS, the trial in the Litigation was scheduled to begin on September 16, 2014, and the parties determined that it was in the mutual interest of Plaintiffs and the Settling Defendants to avoid the risk and additional expense associated with trial preparation and possible appeals on the remaining claims against the Settling Defendants, and

IT IS HEREBY AGREED, by and among the Settlement Parties (as defined below) and as approved by said Settlement Parties' counsel in consideration of the benefits flowing to the Settlement Parties from the Settlement Agreement and subject to: (1) approval of the Settlement Agreement by the Court; and (2) other conditions set forth herein, that the claims asserted by Plaintiffs and all Released Claims (as defined below) as against the Released Parties (as defined below) will be finally and fully compromised, settled, released and dismissed with prejudice, in the manner and upon and subject to the terms and conditions set forth herein.

A. Definitions.

The terms below shall have the following meanings where the terms are capitalized in this Settlement Agreement, whether or not they precede the definition:

"Bonds" means the Convention Center Facilities Excise Tax Revenue Bonds, Series 2005 (Taxable), issued by The Industrial Development Authority of the County of Yavapai pursuant to the Indenture of Trust, dated November 1, 2005.

“Complaints” means the Complaint filed by Allstate on September 18, 2009, the Second Amended Complaint filed by Allstate on February 8, 2012 at Docket No. 464, the Complaint filed by Party Bondholders on September 30, 2009 as Docket No. 1 in Case No. 3:09-cv-08174-GMS, the Third Amended Class Action Complaint filed by the Party Bondholders on February 8, 2012 at Docket No. 465, and the Amended Counterclaim of Third-Party and Counterclaim Defendant Wells Fargo Bank, N.A., solely in its capacity as Indenture Trustee filed on February 8, 2012 at Docket No. 466.

“Court” means the United States District Court for the District of Arizona.

“Effective Date” means the first day following the date on which the Settlement Agreement will become effective as set forth in Section “D” below.

“Events Center” shall mean the Prescott Valley Convention and Events Center, aka “Tim’s Toyota Center,” which is the 5100 fixed-seat multipurpose arena in Prescott Valley, Arizona, and related improvements, constructed through the use of Bond proceeds. The Events Center may also be referred to herein as the “PVCEC.”

“Judgment” means either the final Order and Judgment in the form attached as Exhibit “1,” or such other substantially similar form agreed to by the Settlement Parties, to be entered finally approving the Settlement Agreement and dismissing the Litigation against the Released Parties.

“Litigation” means *In Re: Allstate Life Insurance Company Litigation*, Arizona District Court Case No. 3:09-cv-08162-GMS and *Covin, et al. v. Robert W. Baird & Co., Inc. et al.*, Arizona District Court Case No. 3:09-cv-08174-GMS, consolidated in Arizona District Court Case No. 3:09-cv-08162-GMS.

“Person” or “Persons” means any individual, corporation, partnership, limited liability company, association, affiliate, joint stock company, estate, trust, trustee, unincorporated association, entity, government and any political subdivision thereof, or any other type of business or legal entity, any legal representative, and their spouses, heirs, predecessors, successors, representatives, agents, members, managers, or assignees.

“Plaintiffs” means Allstate, the Party Bondholders, the Non-Party Bondholders (on whose behalf Wells brought claims as Indenture Trustee) and Wells, in its capacity as Indenture Trustee.

“Plaintiffs’ Counsel” means Maslon, Edelman, Borman & Brand, Ross & Orenstein, LLC, LaVelle & LaVelle, PLC, and Davis & Ceriani, PC.

“Released Claims” means any and all claims, Unknown Claims, debts, demands, rights, liabilities and causes of action, of every nature and description, whether based on federal, state, local or foreign statutory law or common law (including claims based on contract, tort or otherwise), rule or regulation, whether fixed or contingent, foreseen or unforeseen, matured or unmatured, accrued or unaccrued, liquidated or unliquidated, whether direct, representative, class or individual in nature, and arising from or relating to events occurring prior to the date this Settlement Agreement is executed by the party releasing such claims including, but not limited to, any and all claims that Plaintiffs have asserted against the Settling Defendants and Prescott Valley Events Center, LLC (“PVEC”) in the Litigation or the State Court Litigation, or that a plaintiff could have asserted against the Settling Defendants or PVEC in the Litigation or the State Court Litigation, or in any forum, that arise out of, are based upon or are related to the allegations, transactions, facts, matters or occurrences, representations or omissions involved, set forth, or referred to in the Complaints or that arise out of, are based upon or are related in any way to the Bonds, the Events Center project financed by the Bonds, or other conduct by the Settling Defendants, PVEC, or any of them, with respect to the Bonds or the Events Center project. Notwithstanding any language herein to the contrary, Released Claims shall not include any existing contractual obligations of or among the Settlement Parties (as defined below) or PVEC relating to the Events Center or the Bonds (including, without limitation, the Pre-Annexation Development Agreement, Indenture of Trust, Deposit Only Account Agreement, Loan Agreement, Events Center Lease, Event Center Management Agreement and the like), which obligations shall remain enforceable and in full force and effect (to the extent they are currently valid, enforceable, and in full force and effect) modified only as set forth in Section J hereof.

“Released Parties” means PVEC and the Settling Defendants, and their current, former, or future affiliates, partners, of counsel, associates, joint venturers, officers, directors, principals, shareholders, members (including, directly or indirectly, the members of any member that is a limited liability company), member entities, managers, predecessors, successors, employees, attorneys, accountants, advisors, insurers, reinsurers, agents (acting in their capacity as agents), servants, administrators, executors, representatives, trustees, vendors, and assigns, and any other individual or entity which is related to or affiliated with the Settling Defendants or PVEC or their current, former, and future legal representatives, successors in interest or assigns, individually,

jointly and severally. PVEC and all other Released Parties are express and intended third-party beneficiaries of this Settlement Agreement.

“Settlement Payment” means the gross amount of \$1,000,000.00 that FSG, PVSE, and the Town are obligated to pay in accordance with Section “H,” below. These parties are severally liable for the Settlement Payment required by Section “H” of this Settlement Agreement as follows: PVSE and FSG: \$750,000; and the Town: \$250,000.

“Settlement Parties” means Plaintiffs, the Party Bondholders, the Non-Party Bondholders, and the Settling Defendants.

“State Court Litigation” means *Wells Fargo Bank, N.A. v. Robert W. Baird & Co., Inc. et al.*, Maricopa County Superior Court Case No. CV2009-030148.

“Trial” means the trial in the Litigation that was scheduled to begin on September 16, 2014 in the United States District Court for the District of Arizona.

“Unknown Claims” means any and all Released Claims that Plaintiffs do not know or suspect to exist in his, her or its favor at the time of the release of the Released Parties. With respect to any and all Released Claims, the Settlement Parties stipulate and agree that upon the Effective Date, Plaintiffs will expressly, and each will be deemed to have, and by operation of the Judgment will have expressly, waived any and all provisions, rights and benefits conferred by any law of any state or territory of the United States, or principle of common law or foreign law, which is similar, comparable or equivalent to Cal. Civ. Code § 1542, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

The Settlement Parties acknowledge that the inclusion of “Unknown Claims” in the definition of Released Claims was separately bargained for and is a material element of the Settlement Agreement.

The definitions of additional terms herein that are contained in Bond or Events Center project documents shall, if specifically identified herein, be in accordance with the definitions contained in the identified Bond or Events Center project documents.

B. Release.

The obligations incurred pursuant to this Settlement Agreement will be in full and final disposition of the Litigation and the State Court Litigation as against the Released Parties and will fully, finally and forever compromise, settle, release, resolve, relinquish, waive, discharge and dismiss, with prejudice, any and all claims in the Litigation and the State Court Litigation asserted against the Settling Defendants and PVEC and any and all Released Claims against the Released Parties.

Pursuant to the Judgment, without further action by anyone, upon the Effective Date of this Settlement Agreement, Plaintiffs will have, and each will be deemed to have, and by operation of law and of the Judgment will have, on behalf of themselves, their current and former spouses, heirs, joint tenants, tenants in common, beneficiaries, executors and administrators, past and present successors, predecessors, parents, subsidiaries, affiliates, officers, directors, shareholders, employees, members, managers, trustees, agents, representatives, attorneys, insurers and assigns, and any person they represent or that acts by, through, under, or in concert with them, or any of them, fully, finally, and forever compromised, settled, released, resolved, relinquished, waived, discharged and dismissed the Released Parties of and from the Released Claims, with prejudice, without costs or attorneys' fees to any party, except for claims to enforce the Settlement Agreement.

Upon the Effective Date, Plaintiffs, on behalf of themselves, their current and former spouses, heirs, joint tenants, tenants in common, beneficiaries, executors, administrators, past and present successors, predecessors, parents, subsidiaries, affiliates, officers, directors, shareholders, employees, members, managers, trustees, agents, representatives, attorneys, insurers and assigns, and any person they represent or that acts by, through, under, or in concert with them, or any of them, are forever barred and enjoined from commencing, instituting, or continuing to prosecute any action or proceeding in any court of law or equity, arbitration tribunal, administrative forum, or other forum of any kind, asserting against any of the Released Parties, and each of them, any of the Released Claims, and expressly covenant not to assert any such Released Claim as against any of the Released Parties, except for claims to enforce the Settlement Agreement.

Upon the Effective Date of this Settlement Agreement, the Settling Defendants, on behalf of themselves and their partners, predecessors, successors in interest, and attorneys of record, will have, and each will be deemed by this Settlement Agreement to have released and forever

discharged Plaintiffs and their affiliates, partners, predecessors, successors in interest, and Plaintiffs' Counsel from any and all claims, known or unknown, arising out of or relating to their filing, prosecution or settlement of the Litigation or the State Court Litigation and arising from or relating to events occurring prior to the date of this Settlement Agreement, except for claims to enforce the Settlement Agreement.

C. Terms of the Judgment.

Within two (2) business days following execution of this Settlement Agreement, Wells's Counsel and Settling Defendants' Counsel shall file a stipulation in the State Court Litigation dismissing the action against the Settling Defendants and PVEC with prejudice pursuant to Ariz. R. Civ. P. 41(a).

Within two (2) business days following execution of this Settlement Agreement and ratification of the Settlement Agreement by the Town Council of the Town, Plaintiffs' Counsel and the Settling Defendants' Counsel shall file a joint motion requesting that the Court approve the Settlement Agreement and enter a Judgment in the form attached as Exhibit 1. Plaintiffs' Counsel and the Settling Defendants' Counsel also will request, in the joint motion described above, that the Court enter an order substantially in the form of Exhibit 2, directing Plaintiffs' Counsel to provide notice of the Settlement Agreement to the Persons it represents in the Litigation or the State Court Litigation, including the Party Bondholders and the Non-Party Bondholders. The notice shall, among other things, provide notice of the Settlement Agreement, including the releases and Bar Orders, which will bind the Party Bondholders and the Non-Party Bondholders. In addition, the notice shall set a procedure for objections, if any.

Within two (2) business days following the Court's approval of this Settlement Agreement, Plaintiffs and Global Entertainment Corporation ("Global") shall file a stipulation with the Court and the court in the State Court Litigation for the entry of orders dismissing with prejudice the claims against Global in the Litigation and the State Court Litigation, with each party to bear their own costs and fees.

D. Effective Date.

The Effective Date of this Settlement Agreement will be deemed to occur on the occurrence or waiver, as applicable, of all of the following events:

1. The Court has entered the Judgment;

2. The Town Council of the Town has ratified the form and substance of this Settlement Agreement in accordance with Arizona law and Town Code §3-02-050;

3. The Settling Defendants have not exercised their option to terminate their participation in this Settlement Agreement under Section E below, and the Settling Defendants have either given notice to Plaintiffs' Counsel that they have waived that option or the time to exercise the option has passed;

4. The Maricopa County Superior Court has entered an order dismissing the State Court Litigation against the Settling Defendants and PVEC with prejudice pursuant to Ariz. R. Civ. P. 41(a); and;

5. FSG, PVSE, and the Town have made the Settlement Payment described in Section "H" below.

E. Termination

The Settling Defendants will have the right to terminate this Settlement Agreement by providing written notice of their election to do so ("Termination Notice") to Plaintiffs' Counsel within three (3) business days of the date on which: (1) the Court declines to enter an order approving the Settlement Agreement or any material part as having been entered in good faith; or (2) the Judgment is vacated, modified or reversed in any material respect by the United States Court of Appeals for the Ninth Circuit or the United States Supreme Court. In the event this Settlement Agreement is terminated, the provisions of the following two paragraphs will survive termination.

In the event the Effective Date of this Settlement Agreement fails to occur for any reason, or if this Settlement Agreement is terminated by any Settling Defendant, all Parties to this Settlement Agreement will be deemed to have reverted *nunc pro tunc* to their respective status in the Litigation and the State Court Litigation as of the date and time immediately prior to the execution of this Settlement Agreement and, except as otherwise expressly provided, the Parties will proceed in all respects as if this Settlement Agreement and any related orders had not been entered and without any prejudice in any way from the negotiation, fact or terms of this Settlement Agreement. This Settlement Agreement may not be used in the Litigation or in any other proceeding for any purpose, and any Judgment or order entered by any court in accordance with the terms of this Settlement Agreement will be treated as vacated, *nunc pro tunc*.

Wells shall not disburse the Settlement Payment to any bondholder until such time as the Settling Defendants' termination rights (as set forth in the first paragraph of this Section E) have lapsed. In the event this Settlement Agreement is terminated after the Settlement Payment has been distributed, then within ten (10) business days after written notice is sent to Plaintiffs' Counsel by Settling Defendants' Counsel, Wells will refund an amount equal to the Settlement Payment to the Settling Defendants or their designee.

F. Distribution Among Bondholders.

Regardless of the amount of the distribution received from the Settlement Payment, if any, Plaintiffs will remain bound by all of the terms of this Settlement Agreement, including the terms of the Judgment, if applicable, to be entered in the Litigation and the applicable releases provided for herein, and will be permanently barred and enjoined from bringing or continuing any action, claim, or other proceeding of any kind against the Released Parties asserting any Released Claims in the event that the Effective Date occurs.

G. Use in Subsequent Litigation.

Whether or not this Settlement Agreement is approved by the Court, and whether or not it is consummated, the Settlement Agreement (including Exhibits), its terms, the fact of its existence, all negotiations, communications, drafts and proceedings in connection with this Settlement Agreement, and any act performed or document signed in connection with the Settlement Agreement:

(a) May not be construed, offered or received against the Settling Defendants or any other Released Party, as evidence of, or construed as, or be deemed to be evidence of, any presumption, concession or admission with respect to the truth of any fact alleged by Plaintiffs or the validity, or lack thereof, of any claim that was or could have been asserted in the Litigation or in any litigation, or the deficiency of any defense that was or could have been asserted in the Litigation or in any litigation, or of any liability, fault or wrongdoing of the Settling Defendants or other Released Parties; and

(b) May not be construed, offered or received against Plaintiffs as evidence of, or construed as, or deemed to be evidence of any presumption, concession or admission that any of their claims are or were without merit or that damages recoverable under the Complaints would not have exceeded the amount of the Settlement Payment.

Following the Effective Date hereof, this Settlement Agreement may be pled as a full and complete defense by any of the Released Parties to any action, suit or other proceeding by Plaintiffs or anyone acting on their behalf or purporting to assert rights on their behalf or any Person subject to the Bar Orders that may be initiated, prosecuted or attempted with respect to any of the Released Claims. The Released Parties may offer the Settlement Agreement or Order and Final Judgment in any other action that may be brought against them by any person who may be subject to the Bar Order in order to support a defense or counterclaim based on principles of res judicata, collateral estoppel, release, good faith settlement, judgment bar, statutory bar or any similar defense or counterclaim.

Moreover, notwithstanding any language to the contrary, this Settlement Agreement shall be admissible in any action to enforce this Settlement Agreement or the covenants set forth in Section J hereof.

H. Settlement Payment.

FSG and/or PVSE shall pay \$750,000.00, and the Town shall pay \$250,000.00 via wire or check issuance transfer to Wells (according to wire transfer instructions or tax ID information of receiving party to be provided separately), within ten (10) business days after: (1) The Court has entered the Judgment; (2) The Maricopa County Superior Court has dismissed the State Court Litigation; and (3) the Town Council has ratified this Agreement. Wells shall not distribute any portion of the Settlement Payment until the Effective Date, and then only for the purposes and subject to the terms and conditions of this Settlement Agreement. The Settlement Payment shall not be subject to any lien, attachment, trusteeship or any other judicial process, and other than bondholders, no third parties or their respective creditors shall have any right to, or any claim respecting, the Settlement Payment. Settling Defendants shall have no responsibility for, and no liability to any person or entity for, the allocation of the Settlement Payment to or among Plaintiffs.

I. No Transfer.

Allstate and Wells represent, warrant and covenant that they have the right and authority to execute the releases contemplated by this Settlement Agreement, and that they have not previously assigned or transferred, or purported to have assigned or transferred, to any corporation, entity or person, any cause of action, judgment, lien, indebtedness, damage, obligations, loss, claim,

liability, or right released by the Settlement Agreement or any amount of money related to the Settlement Agreement except as provided by the Trust Indenture.

J. Additional Covenants.

1. Notwithstanding the remedies available to the Town under the Pre-Annexation Development Agreement (including, but not limited to, §§11.3 & 11.4) and the Lease Agreement (including, but not limited to, Article VIII) in the case of an event of default thereunder by PVEC or any other operator of the Events Center (including, but not limited to, failure to continue operating the Events Center for any period), the Town shall not cease to budget for and make the payments described in § 4.3.7 through the 10/1/2031 term of the Pre-Annexation Development Agreement (except that the Town may cease to make the Annual Service payments per §4.3.7.5 of the Pre-Annexation Development Agreement for any period during which PVEC or any subsequent operator fails to operate the Events Center).

2. The Town's Annual Service Payment obligation called for under Section 4.3.7.5 of the Development Agreement shall be modified as follows:

a. The Indenture of Trust shall be amended, Article I, definition of "TPT Revenues", to delete section (a)(iv) [Town payment of \$100,000 plus annual increases] from the definition of TPT Revenues. The Amendment will be achieved by Resolution of the Issuer under Indenture section 12.1(b), for purposes not inconsistent with the terms of the Indenture of Trust and which, in consideration of the entire Settlement Agreement, does not impair but rather enhances the security of the Indenture of Trust and the rights and remedies of the bondholders.

b. The Deposit Only Account Agreement shall be either (1) terminated by the Trustee, or (2) amended to omit references to the Town Annual Service Payments, by (i) deleting the first WHEREAS clause at the top of page 2, (ii) deleting references to the Town Annual Service Payments in the second and fifth WHEREAS clause on page 2, and (iii) deleting all references to the Town Annual Service Payments in paragraph 1 ("The Deposit Only Account") and paragraph 4(a) & (b) ("Security Interest; Grant Coupled with Interest").

c. Beginning with the payment due on October 1, 2014, the Town Annual Service Payment set forth in section 4.3.7.5 of the Pre-Annexation Development Agreement shall be paid by the Town to the Developer (or its successor) solely for the

benefit of the PVCEC for defraying PVCEC Operating Expenses under section 1.2.9 of the Pre-Annexation Development Agreement.

d. Should any party fail to comply with the requirements of paragraph J.2.c above, the Indenture Trustee and the Town shall have the authority pursuant to this Settlement Agreement to specifically enforce the obligation in said paragraph. The Trustee, may further, in its sole discretion assign to PVEC the right to specifically enforce the Town's obligation under paragraph J.2.c above. The prevailing party in any such action under this paragraph J.2.d shall be entitled to recover reasonable attorneys' fees incurred in such action.

e. The Town may cease to make the Town Annual Service Payment set forth in section 4.3.7.5 of the Pre-Annexation Development Agreement (as modified in paragraph J.2.c above), for any period during which PVEC LLC or any subsequent operator fails to operate the PVCEC. If the PVCEC is not in operation on October 1 of any year, the Payment date shall be no later than 21 days after the date the PVCEC is back in operation and the Payment amount shall be pro-rated by the hours the Town and PVEC LLC (or any subsequent operator) mutually agree remain available that year. If the Payment is made on October 1 but the PVCEC later ceases operation (and the public thereby receives less than 400 hours use that year), the Payment on October 1 for the following year will be reduced pro-rata.

3. Plaintiffs agree that they do not object to (and will not assert a breach of any provision of any document or instrument as a result of): (a) the use of up to 13 acres of the Expanded Entertainment Center Area, as defined in the Amended and Restated Development Agreement that comprises Appendix A to the Preliminary Official Statement, for exclusively residential purposes; and (b) any collection by the Town from said users of a 2% fee or surcharge measured by gross rents to be applied to Events Center operating and/or capital expenses.

4. FSG and PVSE shall use their best commercially reasonable efforts to acquire the membership interest of Global Entertainment Corporation ("Global") in PVEC, and to obtain an assignment or cancellation of Global's interest in the Management Agreement by and between Global and PVEC, on their own behalf or for the benefit of an entity designated by PVSE and/or FSG, on terms and conditions deemed reasonable and appropriate to PVSE and FSG using their business judgment and discretion.

5. Subject to Section J(4) of this Settlement Agreement, all interests in PVEC will be held by entities owned/controlled by the Fain family or by individuals or entities with substantial financial resources.

6. To the extent of their rights and legal obligations, if any, to PVEC (and under the Pre-Annexation Development Agreement and other existing agreements), PVSE and FSG will cause the management and operation of the Events Center to be in accordance with the Pre-Annexation Development Agreement and the Events Center Lease Agreement.

7. PVSE and FSG will use their best commercially reasonable efforts to cause, or to find an owner/operator who will cause, a minor league hockey team to resume operations at the Events Center on or before October 2015.

The undertakings by PVSE and FSG in Sections J(4)-J(7), above, are for the benefit of the Town only.

K. Representations, Warranties and Covenants.

Each Settlement Party to this Settlement Agreement represents, warrants and covenants to the other Settlement Parties as follows:

1. This Settlement Agreement is the result of negotiations between parties experienced in business and financial affairs who have equal and adequate access to information concerning this transaction. The terms and conditions of this Settlement Agreement are fair and enforceable. Each Settlement Party has obtained legal advice from counsel of his/her/its own choosing concerning the meaning and effect of this Settlement Agreement and has had sufficient time to consider its meaning and effect.

2. Each Settlement Party has taken all necessary action to authorize the execution, delivery, and performance of this Settlement Agreement and Allstate represents and warrants that it has the authority to execute, deliver and perform this Settlement Agreement and all the transactions contemplated hereby, including, without limitation, the releases provided for in Section B above. Based upon Court Orders in the Litigation, Wells represents and warrants that it has authority to enter into this Settlement Agreement on behalf of the Party Bondholders and the Non-Party Bondholders, and to bind them to this Settlement.

3. The enforceability of this Settlement Agreement is not affected by the provisions of any other agreement to which any Settlement Party is a party and will not conflict with any provision of any law or regulation to which any Settlement Party is subject.

4. There are no actions, suits or proceedings pending against any Settlement Party in any court or by or before any governmental agency or instrumentality and no existing judgments, orders or other restraints, which would materially affect the ability of such Settlement Party to carry out the transactions contemplated by this Settlement Agreement.

5. Each Settlement Party acknowledges receipt of adequate and sufficient consideration for the agreements contained herein and, to the extent the undersigned is releasing any claims, causes of action or liabilities herein, represents that it is the sole and complete owner thereof.

L. Binding Effect.

Except as otherwise stated herein, the terms of this Settlement Agreement (including the mutual releases and covenants not to sue set forth in Section B, above) and its exhibits shall extend to, be binding upon and shall inure to the benefit of the Settlement Parties and their respective officers, directors, members, managers, agents, employees, servants, predecessors, successors, assigns, affiliates, insurers, heirs, beneficiaries, personal representatives, and all other persons either claiming through, or sought to be charged on the basis of any relationship with, any of them (and the respective present and former spouses of any such persons).

M. Entire Agreement.

This Settlement Agreement is a fully integrated document, containing the entire understanding among the Settlement Parties, and supersedes and integrates any prior understandings or written or oral agreements among the Settlement Parties respecting the subject matter hereof.

N. Construction.

This Settlement Agreement is in substantially the same form as previously drafted by attorneys for Plaintiffs and other Defendants (including Kutak Rock LLP and Stinson Morrison Hecker LLP) as a matter of convenience only and shall not be construed for or against any Settlement Party on account thereof, or on account of their role and/or the role of their counsel in the preparation of this Settlement Agreement, but shall be construed according to its plain meaning.

O. Cooperation of the Settlement Parties.

All Settlement Parties agree to cooperate fully and to execute any and all supplementary documents, stipulations, motions and pleadings and to take all additional actions that may be

necessary or appropriate to give full force and effect to the terms and intent of this Settlement Agreement.

P. Modifications and Amendments.

This Settlement Agreement and its exhibits shall not be altered, modified or amended except by written agreement signed by all of the parties or by counsel for all of the Settlement Parties.

Q. Exhibits.

All Exhibits attached to this Settlement Agreement are fully incorporated herein and are made a part of the covenants of this Settlement Agreement.

R. Counterparts.

This Settlement Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original as against any party whose signature appears thereon and all of which shall together constitute one and the same instrument. This Settlement Agreement, including its provisions regarding the Effective Date, shall become binding when one or more counterparts hereof, individually, or taken together, shall bear the signatures of all the Settlement Parties reflected hereon as the signatories.

S. Facsimile and Email Signatures.

Signatures to this Settlement Agreement transmitted by facsimile and email shall be valid and effective to bind the party so signing. Each party to this Settlement Agreement agrees to be bound by its, his or her own facsimile or email signature and to accept the facsimile or email signature of the other parties to this Settlement Agreement.

T. Headings.

All headings herein are provided for convenience of reference only and do not affect the meaning or interpretation of this Settlement Agreement.

U. Costs, Attorneys' Fees and Expenses.

The parties to this Settlement Agreement understand and agree that each party is responsible for bearing its own costs and attorneys' fees incurred in connection with the negotiation and preparation of this Settlement Agreement and its exhibits, and all matters or events up to the present time.

V. Conflict of Interest Statute.

This Agreement is subject to the provisions of A.R.S. § 38-511.

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

Allstate Life Insurance Company

By: _____

Its: _____

Dated: _____

Wells Fargo Bank, N.A.

By: _____

Its: _____

Dated: _____

Fain Signature Group, LLC

By: _____

Its: _____

Dated: _____

Prescott Valley Signature Entertainment, LLC

By: _____

Its: _____

Dated: _____

T.L. Hocking & Associates, LLC.

By: _____

Its: _____

Dated: _____

Thomas L. Hocking

By: _____

Dated: _____

The Town of Prescott Valley

By: _____

Harvey C. Skoog

Its: Mayor

Dated: _____

ATTEST:

Diane Russell, Town Clerk

APPROVED AS TO FORM:

Ivan Legler, Town Attorney