

**Brad Jerbic**

**From:** Virginia Valentine  
**Sent:** Wednesday, May 05, 1999 4:45 PM  
**To:** Brad Jerbic  
**Subject:** RE: American Golf and assignment - ATTORNEY CLIENT

Thanks. I think we have answered his question.

## -----Original Message-----

**From:** Brad Jerbic  
**Sent:** Wednesday, May 05, 1999 4:39 PM  
**To:** Virginia Valentine  
**Subject:** RE: American Golf and assignment - ATTORNEY CLIENT

Good question. I think it can come from either, but does not have to come from the council. I say that because we always say "city council" when it is a council decision. In this case, I believe that City is you, however, nothing prevents you from putting it before the council if you wish.

## -----Original Message-----

**From:** Virginia Valentine  
**Sent:** Wednesday, May 05, 1999 4:34 PM  
**To:** Brad Jerbic  
**Subject:** RE: American Golf and assignment - ATTORNEY CLIENT

Does the consent come from me or the council?

## -----Original Message-----

**From:** Brad Jerbic  
**Sent:** Wednesday, May 05, 1999 2:41 PM  
**To:** Virginia Valentine  
**Subject:** FW: American Golf and assignment - ATTORNEY CLIENT

More info. The Fifth Amendment provides:

Manager will not assign this Amendment or sublease all or any portion of the Golf Course without prior written consent of the City, which consent shall not be unreasonably withheld or delayed. The City shall grant its consent to any proposed assignment to an assignee possessing good moral character, adequate financial resources, and proven operating experience (retention of Manger's regional management for the Las Vegas Metropolitan are shall be deemed to satisfy this requirement). Manager shall notify the City of any proposed assignment at least 30 days prior to the proposed effective adte of such assignment. In additiuon, at the City's request, Manager shall disclose to the City all persons owning a 1% or more equity interest in the corporation constituting a Manager. In addition, the City's consent shall be required in connection with a change in control of Mangerm, provided, however, the City's consent to a change in shall be deemed granted if the Manager provides evidence, at least thirty days prior to the efective datre of the change of control, that after such change in control 1 manager will be owned ands controlled by individuals with a reputation for good moral character, 2 Manager will have a net worth of at least \$10,000,000 and 3 manager will possess the necessary operatiung experience to poerform its obligation under the Agreement (it being agreed that the retention of Manager's regional management for the Las Vegas Metro area shall be deemed to satisfy this requirement.)

## -----Original Message-----

**From:** Brad Jerbic  
**Sent:** Wednesday, May 05, 1999 1:59 PM  
**To:** Virginia Valentine  
**Subject:** American Golf and assignment - ATTORNEY CLIENT

I have a preliminary answer to your question regarding Walter's potential partial partnering with American Golf to operate Muni Golf. If Mr. Walter's wishes to become a co-operator/manager of the course, this would involve an assignment of rights which requires approval of the City Counsel. Such approval may not be unreasonably withheld. This is certain and is part of the Fifth Amendment approved by Council in November of 1997. If he is buying a percentage of the entire company outright, and American Golf continues to exist as a company there may be no approval necessary since we are not changing or adding operators/managers. Since there are Five amendments to this agreement, I have reviewing each one carefully to verify this.