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February 22, 2007

EXHIBITION PLACE

To: The Board of Governors of Exhibition Place

From: Dianne Young
Chief Executive Officer

Subject: CNEA Agreement - Canadian Exhibition Air Shows Inc.

Purpose:

This report is submitted for the consideration of the Board of Governors.

Financial Implications and Impact Statement:

The agreement recommended in this report has no financial impact on CNEA revenues.

Recommendation:

It is recommended that the attached report from the General Manager of the CNEA dated January 11, 2007 with respect to a three-year (2007 to 2009) agreement between the CNEA and the Canadian Exhibition Air Shows Inc., be approved.

Background:

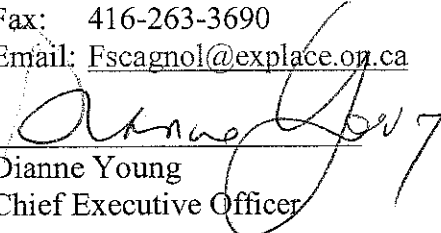
The attached report was considered and recommended for approval by the Board of Directors of the CNEA at its meeting of February 22, 2007.

Comments:

This report recommends approval of a three-year agreement between the CNEA and the Canadian Exhibition Air Shows Inc.

Contact:

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Dianne Young
Chief Executive Officer



January 11, 2007

To: The Executive Committees and the Board of Directors of the CNEA, and
The Board of Governors of Exhibition Place

From: David Bednar
General Manager

Subject: Air Show Agreement – 2007 to 2009

Recommendation:

This report is submitted for the approval of the Executive Committee, the Board of Directors and the Board of Governors. It is recommended that the CNEA enter into a 3 year agreement with the Canadian Exhibition Air Shows, Inc. (CEAS) for the 2007, 2008 and 2009 CNEs, with terms and conditions as outlined in this report and any such other terms and conditions satisfactory to the General Manager and the CNEA Solicitor.

Background:

Pursuant to CNEA by-laws, all expenses in excess of \$100,000 are to be approved by the Board of Directors.

Pursuant to the CNEA by-laws, all agreements over 1 year are to be approved by the Board of Governors of Exhibition Place.

Discussions:

In 2006 we signed a one year contract with the CEAS to produce the 2006 Air Show. Prior to this, most CEAS / CNE contracts were on three year terms. The new agreement would be essentially the same as previous contracts with a few small amendments:

- 1) The new agreement will reflect the actual number of passes we are currently granting to CEAS for use during the three days of the fair (7,267/day), as well as detailing the exact number of parking and admission passes for the CEAS staff.
- 2) A sponsorship fee payable to the CEAS in the amount of \$425,000 for 2007, \$440,000 for 2008 and \$455,000 for 2009.

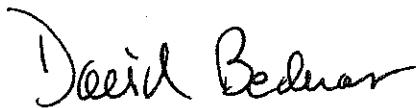
- 3) The CEAS will give the CNE 120 passes for each day of the Air Show, which will allow for the provision of tickets for our sponsors.

The CEAS and the CNE have worked hard to develop and maintain a close working relationship that continues throughout the year. The CEAS staff have been participating in staff meetings and keeping us apprised of updates regarding the Air Show lineup, sponsors etc. The Air Show continues to be one of the most popular programs of the CNE.

Conclusion:

This report recommends entering into a 3 year agreement with the Canadian International Air Show to provide a 3 day show for each of the 2007 - 2009 CNEs.

Respectfully submitted,



David Bednar
General Manager

