

**5.7**

February 15, 2013

Honorable Mayor Bob Bratina  
Hamilton City Councillors  
City of Hamilton  
71 Main Street West  
Hamilton, ON, CN L8P 4Y5

Dear Mayor Bratina and Councillors:

This letter is written to clarify the position of Global Spectrum and Live Nation regarding the possibility of developing a casino entertainment venue in Downtown Hamilton that may be competitive to Copps Coliseum and Hamilton Place.

We were simply asked if we would welcome such a venue that would host both "major acts" and "local musicians" five nights per week.

Our response was "no," since such a venue would clearly compete with Copps Coliseum and Hamilton Place and would clearly threaten our ability to achieve the subsidy reduction we guaranteed the City. It will also threaten chances of the City receiving any further savings as part of its seventy percent (70%) share of additional subsidy reductions.

Our concern, as clearly outlined in our Management Agreement, is that the City not support any venues of three thousand (3,000) seats or more that would be competitive to either Copps Coliseum and/or Hamilton Place. In reality, any casino entertainment venue with capacity of more than one thousand two hundred (1,200) seats will have an impact on the existing facilities. Casinos typically offer very high guarantees to artists that make it impossible for public buildings to compete with. Their goal is to drive traffic through the casino, not necessarily to sell tickets.

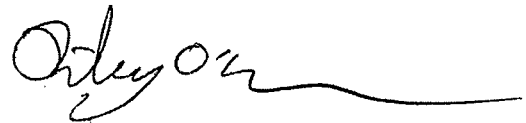
Neither Global Spectrum nor Live Nation have any opinion with respect to a Casino per se. Our remarks were only in the context of opposing a competitive entertainment venue that we understood may be a component of an overall casino development.

Thank you for this opportunity to set the record straight.

Sincerely,



Frank E. Russo, Jr.  
Senior Vice President  
Global Spectrum



Riley O'Connor  
Chairman  
Live Nation Canada