Black Bear Sports Group, Inc.

7250 Woodmont Ave, Suite 210 | Bethesda, MD 20814

March 26, 2026

Novi Ice Arena

Attention:
Justin Fischer – Mayor
Laurie Marie Casey – Mayor Pro-Tem
Victor Cardenas – City Manager
Dave Staudt – Councilmember
Brian Smith – Councilmember
Matt Heintz – Councilmember
Priya Gurumurthy – Councilmember
Aaron Martinez – Councilmember

Dear Novi, Michigan, City Officials:

We are pleased to present, on behalf of an affiliate of Black Bear Sports Group, Inc. ("Black Bear" or the "Buyer"), a non-binding offer to purchase all of the assets of the arena commonly known as Novi Ice Arena, located at 42400 Nick Lidstrom Drive, Novi, MI (the "Arena"). Black Bear is the largest owner/operator of ice rink and youth hockey clubs in the United States with 47 rinks, 40+ youth clubs, and a youth hockey streaming network operating in eleven states. Black Bear has an extensive operating footprint in Michigan, as we manage the following rinks on behalf of an affiliate:

- Ann Arbor Ice Cube
- East Lansing Ice Cube
- Hazel Park Ice Arena
- Holland Ice Arena
- Hudsonville Ice Arena
- Kensington Valley Ice House
- Mount Clemens
- Arctic Coliseum
- Wings West

Black Bear has already purchased two rinks in Michigan from municipalities (Hazel Park and Mount Clemens), so we understand the unique needs the City of Novi will have in selling the Arena. As it pertains to the Arena, we understand the importance of the Arena within the community. All our rinks serve critical roles in each of their respective communities. The ice arena is a place where children learn to skate, where teens and adults spend their weekends, and where families and communities congregate. We also understand you do not need to sell the rinks. Given our breadth of experience (particularly in Michigan), we want to pick up the mantel in the community and ensure the Arena continue to be a stable place where customers can call home for years to come.

For every prior acquisition, we have featured the ability to offer the sellers certainty and the capability to close on a very quick timeline. You can find information about all our operations at www.blackbearsportsgroup.com. Due to this experience and expertise outlined above, we believe that we are the right type of buyer that can give the seller the least possible amount of transaction risk. We are very comfortable with the industry, and we are confident that we can close the transaction all cash (no third-party financing required) in 30 days. Finally, due to our size and scope, we can ensure the employees of the Arena will be well taken care of with great career opportunities. Our proposal is, therefore, as follows:

Consideration: Buyer will pay $6.0 million cash (the "Purchase Price") in order to acquire all of the assets of the Arena and real estate (the "Transaction").

Assets to be Purchased: This offer assumes that Buyer will purchase all of the operating assets related to the Arena, including but not limited to the real estate, any related inventory, all local hockey club affiliations, if any; land, rental skates, refrigeration and ice-making equipment, ice maintenance equipment, ice resurfacers, refrigerant, HVAC, dehumidifiers, office equipment, other PP&E, and other assets related to normal business operations for the ice rink as currently operated.

Liabilities to be Assumed: The Transaction assumes that Buyer will not purchase any deferred revenue, inter-company liabilities, capital leases, or any other debt or liability of the Arena. Seller will retain all normal course payables and current accrued expenses up to the closing date.

Prorations Adjustment: The Transaction assumes that the Purchase Price shall be adjusted at closing by the working capital adjustment (the "Adjustment"), the components of which shall be calculated in accordance with GAAP. The Adjustment will include, but not be limited to, a pro-ration for prepaid revenue, and operating expenses that overlap Buyer and Seller ownership periods such as property taxes and utilities. Seller will deliver an estimate of the Adjustment prior to closing, and Buyer and Seller shall work together to true-up the adjustment post-closing.

Financing: There will be no financing contingency. Black Bear has cash, capital commitments and access to a line of credit.

Expenses: Each party will bear their own expenses related to the Transaction.

Confidentiality: Each Party agrees that the information exchanged as part of the Transaction will be kept confidential and shall not, without the prior written consent of the other Party, be used or disclosed by it, its or its affiliates' members, managers, partners, directors, officers, employees, representatives (private or corporate), financing sources, or agents ("Representatives") other than in connection with the evaluation of the Transaction. Each Party agrees to transmit the information only to its Representatives who need to know the Information in connection with the evaluation of the Transaction. Each Representative shall be advised by such Party that such information is confidential.

Timing: We would look to sign this letter of intent as soon as possible. We would expect to complete final confirmatory due diligence while we finalize the definitive purchase agreement. We would expect to close the transaction within 30 days of signing the letter of intent.

Representations and Warranties: We would expect the definitive purchase agreements to have minimal representations and warranties. We propose a 12-month survival period for all representations and warranties other than the following fundamental representations, which would survive forever: organization, authority, no conflicts and title to assets. Taxes and environmental will survive for the statute of limitations. Furthermore, we would expect that pre-closing income taxes would be an excluded liability. Non-income taxes should be apportioned at closing; provided they are accrued on the balance sheet. We assume that the business will be operated in the normal course between now and closing.

Due Diligence: Buyer's remaining due diligence requirements can be completed promptly. Buyer's due diligence will consist of the following:

- Business: Mr. Myers looks forward to meeting with management onsite and performing due diligence. Contact persons:
    - Jack Myers (240) 223-1324
    - Aidan Mossip (240) 223-1313
    - Will Bruns (802) 310-0474
- Structural & Equipment Assessment and Environmental Phase I: Black Bear has developed deep relationships with several third-party consultants that can perform the required diligence in 1-2 days onsite.
- Legal: Buyer's legal counsel will review any outstanding legal documents and agreements relevant to the transaction:
    - Chris Caslin, Cole Schotz, P.C. (201) 525-6285

Exclusivity: Upon execution of this agreement and until thirty (30) days thereafter, the Arena, its owners and/or its advisors are prohibited from solicitation or communication in any form with other prospective buyers and/or investors of all or any portion of the Arena, including, but not limited to the debt and equity of the business, and will work exclusively with Black Bear to execute a definitive asset purchase agreement.

Expiration of Offer: This offer will expire at 5:00 pm ET on April 10, 2026 unless executed by Seller and Buyer.

Not Binding Commitment: Nothing herein is intended to, or shall, create any rights in favor of either party and nothing herein (other than the provisions entitled Exclusivity, Expenses and Not Binding Commitment, each of which is intended to, and shall, be legally binding) is intended to, or shall, be legally binding. A legally binding obligation regarding the purchase will arise only upon the execution of a mutually acceptable definitive purchase agreement.

We look forward to working with you on this transaction.

Agreed to and accepted by,

Black Bear Sports Group, Inc.	Seller:
______________________________	______________________________
Kevin Kuby	Name:
CEO	Title:

cc:
Kevin Kuby – BBSG
Jack Myers – BBSG
Will Bruns – BBSG
Chris Caslin – Cole Sholtz